
STATUTORY INSTRUMENTS

2018 No. 1183

The Electricity and Gas (Energy
Company Obligation) Order 2018

PART 5

Applications for demonstration actions, innovation
measures, monitored measures and surplus actions

Demonstration actions

20.—(1) A participant may apply to the Administrator in writing for the installation of a measure at two or more domestic premises to be approved as a demonstration action.

(2) An application under paragraph (1) must include—

(a) the following information—

- (i) an explanation of how the measure is expected to achieve cost savings;
- (ii) the estimated amount of cost savings expected;
- (iii) the arrangements for monitoring whether the measure achieves cost savings;
- (iv) the arrangements for assessing the effectiveness of the measure at achieving cost savings;
- (v) the arrangements for ensuring the safety of the measure, for repairing or removing any measure that is faulty and for preventing or remedying any adverse impacts caused by the measure on the domestic premises at which it is installed;
- (vi) the number of domestic premises at which the participant intends to promote the installation of the measure, and an explanation of how that number was determined;
- (vii) the estimated cost in pounds sterling to be incurred by the participant in respect of the matters described in paragraphs (iii) to (vi); and
- (viii) such other information relating to the measure as the Administrator may require; and

(b) consent to the publication of information, other than personal data, provided by the participant to the Administrator in relation to the promotion, monitoring and assessment of the measure.

(3) An application under paragraph (1) must be made before the installation of the measure to which the application relates.

(4) The Administrator must not approve the application unless it is satisfied that—

- (a) the measure to which the application relates is reasonably expected to result in a reduction in the cost of heating domestic premises;
- (b) the estimates provided under paragraph (2)(a)(ii) and (vii) are reasonable, and having regard to those estimates, the measure is reasonably expected to provide value for money;
- (c) the arrangements described under paragraph (2)(a)(iii) to (v) are reasonable;

- (d) the number of domestic premises at which the participant intends to promote the installation of the measure is no more than is necessary in order to demonstrate the effectiveness of the measure at achieving cost savings;
 - (e) the measure is not—
 - (i) the installation of equipment for the generation of heat wholly or partly from oil;
 - (ii) the installation of equipment for the generation of heat wholly from a non-renewable source; or
 - (iii) a repair;
 - (f) the measure is at technology readiness level 8 (system complete and qualified) or technology readiness level 9 (actual system proven in operational environment); and
 - (g) the measure is materially different from the measures promoted by licence-holders to meet their obligations under previous energy efficiency schemes and from any measures notified under article 24 before the date on which the application was made.
- (5) A demonstration action is the installation of a measure at two or more domestic premises which is the subject of an application under paragraph (1) which has been approved by the Administrator.
- (6) For the purposes of this article—
- (a) a measure is not materially different from another measure merely because it is installed at different domestic premises; and
 - (b) when considering whether a measure is materially different from another measure, the Administrator may have regard to such matters as it thinks fit, including to any one or more of the following—
 - (i) the production method;
 - (ii) the installation method;
 - (iii) the materials used;
 - (iv) the technology used;
 - (v) the expected costs of promoting the measure;
 - (vi) the expected cost savings or other benefits of the measure.
- (7) In this article—
- “personal data” has the same meaning as in section 3 of the Data Protection Act 2018⁽¹⁾;
- “technology readiness level” followed by a number has the same meaning as “TRL” followed by that number in General Annex G to the Horizon 2020 Work Programme 2018-2020 adopted by Commission Decision C(2017)7124 of 27th October 2017⁽²⁾.

(1) 2018 c.12.

(2) OJ No. C 368, 28.10.2017, p.6. The Horizon 2020 Work Programme 2018-2020 and its General Annexes can be found at: http://ec.europa.eu/research/participants/portal/desktop/en/funding/reference_docs.html#h2020-work-programmes-2018-20 A copy can be inspected by contacting the Energy Company Obligation Team at the Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London SW1H 0ET.