

## Consumer champion welcomes consultation on rights for heat network customers

2 years ago



Close to a million heat network customers could soon benefit from new consumer protections overseen by Ofgem. Heat Trust, the consumer body for people living on communal and district heat networks has long advocated statutory regulation of the sector, and so welcomes this important milestone.

With consultation on new regulations announced today by the Departments for Energy Security & Net Zero, the plans would extend greater consumer rights, currently enjoyed by those on traditional gas and electricity contracts, to homes supplied by heat networks.

The proposals cover areas including: pricing, quality of service standards, rules aimed at boosting transparency for consumers, scope, sequencing of rules, and how the process for heat network authorisation will operate. They also propose Ofgem's monitoring, compliance, and enforcement approach, and seek evidence from the sector in areas which require further policy development, such as the development of guaranteed standards of performance.

It is anticipated that the new regulations will be in place in 2025, with Ofgem empowered to impose fines for poor service and to require operators to compensate customers in the event of supply outages.

The measures would also seek to protect vulnerable customers, such as the elderly or those with health conditions, with providers required to keep a register of those most at risk.

Heat Trust has consistently called for government intervention in bolstering consumers' rights and protections, championing the statutory regulation of the heat network sector.. They have worked closely

with the Government and Ofgem to help shape the regulatory framework proposed and will continue to do so throughout the consultation process.

Commenting, Stephen Knight, Director of Heat Trust, said: “As the national consumer champion for heat networks, Heat Trust has long campaigned for the regulation of the sector and we therefore welcome this important consultation. Heat networks have a key role to play in the decarbonisation of heating in the UK, but customer experiences must improve if consumers are to gain confidence in district and communal heating systems.

“Whilst many heat network customers get a reliable and value-for-money heating system, sadly, too many do not. Too often customers experience high prices, unreliable systems, and poor customer service. The experience of customers facing huge, uncapped, price rises during the energy crisis of the past couple of years has been especially difficult. Given that heat network customers cannot switch supplier, it is vital that regulations deliver tangible improvements in terms of price protection, reliability and service quality.

“It is therefore critically important that this consultation helps deliver regulations that achieve these improvements and I urge all those with an interest in the sector, including customers, to respond.”

Heat Trust is committed to working with industry and government to ensure a smooth transition to a more regulated and trusted sector, and to making sure consumers remain central to that journey.

The Heat Networks Consumer Protection Consultation can be found at <https://www.gov.uk/government/consultations/heat-networks-regulation-consumer-protection> and will be live until October 27 2023.