

Heat Trust welcomes new milestone on road to heat network regulation

2 years ago



Heat Trust, the consumer champion for people living on communal and district heat networks has [welcomed the announcement by government](#) of its policy progress on the road to statutory heat network regulation. When implemented, regulation provide long-awaited consumer protection for over half a million households currently served by heat networks.

Heat Trust has long advocated statutory regulation of the sector, which could serve several million homes within a few decades under government plans for low carbon city-wide district heating networks.

Consumer protection regulations for heat networks were recommended by the Competition and Markets Authority (CMA) in 2018 and included in the Energy Act 2023 passed by Parliament last year. Today's announcement sets out a policy path to regulation and a clearer picture of the consumer protection rules that will apply in future, which will be similar to those currently enjoyed by gas and electricity consumers.

The proposals cover areas including pricing, quality of service standards, rules aimed at boosting transparency for consumers as well as measures 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. Further consultation is planned later this year on various aspects of the new regulatory regime.

It is anticipated that the new regulations will start in 2025 (though when in 2025 is still to be confirmed), with a year's initial period for landlords to register their systems with Ofgem and meet the new standards.

Heat Trust currently operates a voluntary regulation scheme in the sector, which provides consumer protections for close to 80,000 households. Heat Trust is encouraging more operators to sign up to the scheme as the best way to prepare for statutory regulation.

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 milestone. 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 few 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.

"There is still much work to be done to deliver regulations and if they are to take effect in 2025, then government needs to provide further clarity on all intended rules – and the planned timescales and milestones for implementing them – as soon as possible."