

# New protections for thousands of consumers on heat networks

- Measures designed to protect consumers and grow the market for heat networks – the next step in government plans to reach net zero emissions by 2050
- 7 heat networks awarded £40 million, giving thousands more homes in Leeds, Bristol, Liverpool and London access to low-carbon heating

Thousands of customers on heat networks will benefit from new protections under plans launched today.

The proposed measures will ensure that customers are paying a fair price for their heating and getting a good service by bringing the regulation of heat networks into line with other utilities. This will encourage the current networks to expand and new ones to be established, meaning thousands more homes and businesses could have access to cleaner heating in the next decade.

Secretary of State for Business and Energy Andrea Leadsom said:

Heat networks will be a crucial part of our commitment to eliminate the UK's contribution to climate change by 2050. I'm delighted we're funding more heat networks all over the country and ensuring better consumer protections for those who use them.

Heat networks – sometimes called district heating – provide heat for homes and businesses in place of a traditional gas boiler. Low carbon heat networks such as those that source energy from a heat pump or waste to energy plant distribute energy to thousands of customers, making them far more efficient than most existing forms of heating.

Ms Leadsom also announced £40 million of investment in 7 heat networks in Leeds, Bristol, Liverpool and London today. The funding – part of the government's Heat Networks Investment Project – will mean that 30,000 more homes could have access to clean heating. This could lead to 154,300 tonnes of CO<sub>2</sub> being saved over the next 15 years – the equivalent of planting 400,000 trees.

At present less than 5% of energy used for heating homes and buildings comes from low-carbon sources. Increasing the number of homes and businesses on heat networks is an important part of the government's plans to improve take-up of low-carbon heat as the UK seeks to end its contribution towards climate change entirely by 2050.

Heat networks are one of the most cost-effective ways of reducing carbon emissions from heating, and their efficiency and carbon-saving potential increases as they grow and connect to each other. The Committee on Climate

Change estimates that around 18% of UK heat will need to come from heat networks by 2050 if the UK is to meet its net zero target.

The measures proposed in the consultation being launched today include:

- establishing Ofgem as the heat network regulator, giving customers access to similar protections as other energy customers
- requiring heat networks to report on price and quality of service standards, meaning consumers will get a fair price and good service
- giving all heat network consumers greater transparency and information about their heat, ensuring they have options for redress if things go wrong
- giving developers and investors the tools to establish new heat networks and expand existing ones
- making sure all heat networks become low carbon by 2050

### **About the Heat Networks Investment Project**

- BEIS is investing £320 million into heat networks in England and Wales up to March 2022 through the Heat Networks Investment Project (HNIP), designed to accelerate the growth of the market
- following investment in 7 pilot projects in 2017, the main scheme opened for applications in February 2019. Triple Point Heat Network Investment Management is running HNIP under contract
- in October 2018 several key private sector organisations (Vattenfall, Metropolitan and SSE) also announced significant investment in the UK heat network sector
- the scheme has now awarded funding following 2 funding rounds The Investment Committee is comprised of 3 Triple Point members, one senior official from BEIS and an independent panel member
- find out more about the [Heat Networks Investment Project](#)