

Office for Product Safety & Standards

Heat Networks (Metering and Billing) Regulations 2014

May 2018 update

Office for Product Safety & Standards



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Policy Ambitions

- Carbon saving and energy efficiency
- Support the consumer
- Energy security
- Support deployment of heat networks
- Improved infrastructure
- Accurately reflect cost and benefits

Definitions

- Heat supplier
- Final customer
- Communal heating
- District heating
- Meters

Heat Supplier

- Anyone supplying heat to the final customer
- Anyone collecting payment
- Somebody buying fuel
- A person with the authority to fit meters

These could be:

- The owner
- Operator / managing agent
- Service agent

Final Customer

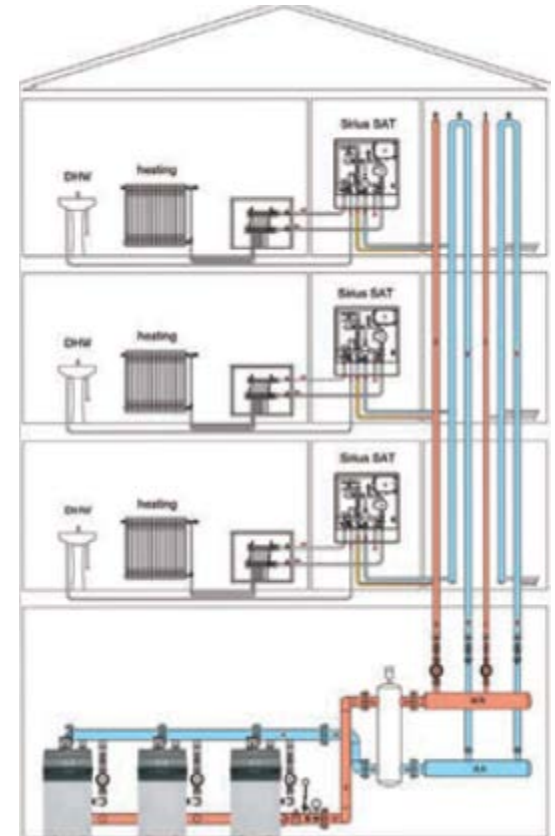
- A person who purchases heating or hot water for their own end consumption from a heat supplier

Communal Heating

- 1 building
 - 2 or more final customers

e.g.

- Block of flats with single boiler
- Shop with flat above

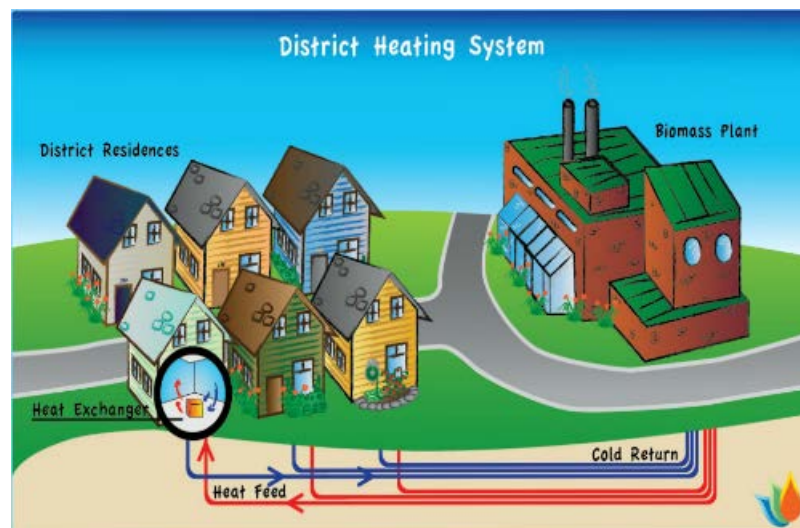


District Heating

- Multiple buildings
 - 1 or more customers

e.g.

- City-wide municipal heating
- Hospital or university campus
- 2 houses sharing a common boiler



Meters

- Final Customer Meters
- Building (or Block/Bulk) Level meters
- Must accurately measure, memorise and display consumption by a final customer
- Office for Product Safety & Standards recommends using MID approved meters

Duties under the Regulations for heat suppliers



Duty to notify

- Heat suppliers must notify the Office for Product Safety and Standards about heat networks they operate
- If you have not submitted a notification for a network, we recommend that you do so as soon as possible
- UPRNs for Scotland
- Incomplete or incorrect notifications will be chased up
- Notification template available at gov.uk/heat-networks



Duty to notify

- The Office for Product Safety & Standards has received more than 18,000 network notifications so far, representing more than 2,000 suppliers
- It is estimated that this figure represents between one third and two thirds of the UK heat networks in scope of the Regulations (based on a 2017 review)

Duty to install Building Level meters

- Building Level meters **must** be installed to buildings with more than one final customer on **district heating** networks
- The meters can be installed at the point of entry of the pipes or at the heat exchanger in that building

Duty to install Final Customer meters

For **district and communal heating networks**, final customer meters **must** be installed for each final customer **unless** it is not cost-effective or technically feasible to do so, which can be determined using the **cost-effectiveness test**

Duty to install Final Customer meters (continued)

However, final customer meters **must** be installed on **district heating networks** where:

- a new district heating connection is made to **a newly constructed building**;
- a building supplied by district heating undergoes **major renovation**

Major renovation is defined as costing greater than 25% of the value of the building excluding land.

Cost-effectiveness test

- The test is likely to be based on a 10-year return
- Behavioural change savings are estimated to be 20%+

Duty to provide bills and billing information

Where meters are fitted in accordance with the Regulations, bills and billing information must be accurate, based on actual consumption and compliant with Schedule 2 of the Regulations

Enforcement Policy

- Enforcement is based on intelligence and risk
- Minimum burdens on compliant businesses
- Outcome-based approach
- Proportionate enforcement actions
- Fair markets
- Work with businesses to improve compliance

Enforcement Actions

- Informal warning
- Enforcement undertaking
- Non-compliance penalty
- Formal caution
- Court action
- Publicity

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