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STATUTORY INSTRUMENTS

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**2014 No. 3120**

**ENERGY**

**The Heat Network (Metering and Billing) Regulations 2014**

*Made - - - - 20th November 2014*

*Laid before Parliament 26th November 2014*

*Coming into force in accordance with regulation 1*

These Regulations are made by the Secretary of State, being a Minister designated for the purposes of section 2(2) of the European Communities Act 1972 <sup>M1</sup> in relation to energy and energy sources <sup>M2</sup> in exercise of the powers conferred by section 2(2) of that Act.

**Marginal Citations**

- M1** 1972 c.68; section 2(2) was amended by the [Legislative and Regulatory Reform Act 2006 \(c.51\)](#), [section 27\(1\)\(a\)](#) and the [European Union \(Amendment\) Act 2008](#), section 3(3), Schedule, Part 1.
- M2** [European Communities \(Designation\) Order 2010 \(S.I. 2010/761\)](#).

**PART 1**

Introductory

**Citation and commencement**

1.—(1) These Regulations may be cited as the Heat Network (Metering and Billing) Regulations 2014.

(2) Except as provided in paragraphs (3) and (4), these Regulations come into force on 18th December 2014.

(3) Regulation 9 comes into force on 31st December 2014.

(4) Regulations 4(4) and 6 come into force on 31st December 2016.

**Interpretation**

2. In these Regulations—

[<sup>F1</sup>“almshouse accommodation” means—

(a) accommodation in an almshouse provided by an almshouse charity; or

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(b) any low cost rental accommodation provided by a charity which is maintained as an almshouse (whether it is called an almshouse or not);]

“authorised person” means—

- (a) the Secretary of State,
- (b) the Scottish Ministers, or
- (c) a person authorised under regulation 10(2);

“bill” means a demand for payment from a heat supplier to a final customer for the supply of heating, cooling or hot water by that heat supplier;

“billing” means the issuing of a bill;

“billing information” means the information specified in paragraph 4 of Schedule 2 provided by the heat supplier to a final customer in respect of the supply of heating, cooling or hot water from a district heat network or communal heating operated by that heat supplier;

“communal heating” means the distribution of thermal energy in the form of steam, hot water, or chilled liquids from a central source in a building which is occupied by more than one final customer, for the use of space or process heating, cooling or hot water;

“district heat network” means the distribution of thermal energy in the form of steam, hot water or chilled liquids from a central source of production through a network to multiple buildings or sites for the use of space or process heating, cooling or hot water;

[<sup>F1</sup>“existing building” means—

- (a) a building which is connected to a district heat network or communal heating—
  - (i) before 27th November 2020; or
  - (ii) on or after 27th November 2020, where the building is not newly constructed and was not originally constructed for connection to a district heat network or communal heating;
- (b) a building mentioned in regulation 2A(2)(b) which ceases to meet the criteria in paragraph (i) or (ii) of that regulation; or
- (c) a building mentioned in regulation 2A(3)(a) which ceases to meet the criteria in paragraph (i) or (ii) of that regulation;]

“final customer” means a person who purchases heating, cooling or hot water for their own end consumption from a heat supplier;

“heat cost allocator” means an instrument for the measurement of energy consumption of a room heating radiator where that energy has been supplied from the district heat network or communal heating operated by a heat supplier;

“heat supplier” means a person who supplies and charges for the supply of heating, cooling or hot water to a final customer, through—

- (a) communal heating; or
- (b) a district heat network;

[<sup>F1</sup>“low cost rental accommodation” means accommodation which is made available for rent below the market rate in accordance with rules designed to ensure that it is made available to people whose needs are not adequately served by the commercial housing market;]

“meter” means an instrument designed to measure, memorise and display the consumption of heating, cooling or hot water by a final customer where that heating, cooling or hot water has been supplied from a district heat network or communal heating operated by a heat supplier; and

“Scottish network” means a district heat network or communal heating where the majority of final customers of the network or communal heating are located in Scotland.

[<sup>F1</sup>“social housing provider” means—

- (a) in England, a registered provider of social housing as defined in section 80(2) of the Housing and Regeneration Act 2008;
- (b) in Northern Ireland, a registered housing association within the meaning of Part 2 of the Housing (Northern Ireland) Order 1992 or the Northern Ireland Housing Executive;
- (c) in Scotland, a social landlord as defined in section 165 of the Housing (Scotland) Act 2010;
- (d) in Wales a registered social landlord within the meaning of Part 1 of the Housing Act 1996 or a local authority;]

[<sup>F1</sup>“student accommodation” means rental accommodation provided under an agreement which grants a right of occupation in a building or dwelling for persons who are in full-time education at a university, college, school or other educational establishment;]

[<sup>F1</sup>“supported housing” means any of the following low cost rental accommodation provided by a social housing provider—

- (a) sheltered housing or extra care housing providing additional support for residents;
- (b) emergency accommodation for the homeless;
- (c) a domestic violence refuge or a domestic abuse refuge;
- (d) housing which is provided in conjunction with support and is made available exclusively for—
  - (i) people with drug or alcohol problems;
  - (ii) people with mental health problems;
  - (iii) people with learning disabilities;
  - (iv) people with physical disabilities;
  - (v) offenders and people at risk of offending;
  - (vi) young people leaving care;
  - (vii) teenage parents; or
  - (viii) refugees.]

#### Textual Amendments

**F1** Words in reg. 2 inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), 3

#### [<sup>F2</sup>Classes of building

**2A.**—(1) The following buildings are in the viable class—

- (a) a building not in the open class or the exempt class which is connected to communal heating on or after 1st September 2022, where the building is newly constructed or was originally constructed for connection to communal heating;
- (b) a building which is connected to a district heat network on or after 27th November 2020, where the building is newly constructed or was originally constructed for connection to a district heat network;

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- (c) an existing building where the building is supplied by a district heat network and on or after 27th November 2020 the building undergoes major renovations relating to the technical services of that building;
  - (d) a building to which regulation 7(2) applied before that regulation was revoked on 27th November 2020.
- (2) The following buildings are in the open class—
- (a) a building not in the exempt class which is connected to communal heating on or after 27th November 2020 and before 1st September 2022, where the building is newly constructed or was originally constructed for connection to communal heating;
  - (b) a building not in the exempt class which is connected to communal heating on or after 1st September 2022, where the building is newly constructed or was originally constructed for connection to communal heating and where—
    - (i) there is more than one entry point for the pipes of the communal heating into any private dwelling or non-domestic premises in the building; or
    - (ii) the building or any part of the building is supported housing, almshouse accommodation or purpose-built student accommodation;
  - (c) an existing building not in the viable class or the exempt class.
- (3) Subject to paragraph (4), the following buildings are in the exempt class—
- (a) a building not consisting mainly of private dwellings which is connected to communal heating on or after 27th November 2020, where the building is newly constructed or was originally constructed for connection to communal heating and where—
    - (i) heat is distributed in the building by means of a system other than hot water; or
    - (ii) cooling is supplied and the cooling distribution system uses a transfer fluid other than water;
  - (b) an existing building not in the viable class and not consisting mainly of private dwellings, where—
    - (i) heat is distributed in the building by means of a system other than hot water; or
    - (ii) cooling is supplied and the cooling distribution system uses a transfer fluid other than water;
  - (c) an existing building not in the viable class in which more than 10% of the total number of private dwellings and non-domestic premises are subject to a leasehold interest, where the lease—
    - (i) began before 27th November 2020; and
    - (ii) contains a provision which would prevent billing based on actual consumption unless the lease is varied, renewed, or comes to an end;
  - (d) an existing building not in the viable class, where the building or any part of the building is—
    - (i) supported housing;
    - (ii) almshouse accommodation; or
    - (iii) purpose-built student accommodation.
- (4) A building mentioned in paragraph (3)(c) or (d) is not in the exempt class if, for each private dwelling and non-domestic premises in the building—
- (a) a meter to which regulation 4(3) or (4) applies has been installed; or
  - (b) heat cost allocators, thermostatic radiator valves and a hot water meter to which regulation 6(2) applies have been installed.

(5) For the purpose of paragraph (1)(c)—

“building envelope” means the integrated elements of a building which separate its interior from the outdoor environment;

“major renovations” means the renovation of a building where the total cost of the renovation of the building envelope or the technical services is higher than 25% of the value of the building, excluding the value of the land upon which the building is situated;

“technical services” means technical equipment for the heating, cooling, ventilation, hot water or lighting (or any combination thereof) of a building; and

“value of the building” means the reinstatement costs of the building for insurance purposes at the time immediately before the renovation of the building is commenced.]

#### Textual Amendments

**F2** Reg. 2A inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), 4

## PART 2

### Duties in respect of metering and billing

#### Duty to notify

3.—(1) Heat suppliers must, in relation to each district heat network or communal heating operated by them, submit a notification to the Secretary of State, or in relation to a Scottish network the Scottish Ministers, as to the following—

- (a) the location of that district heat network or communal heating;
- (b) the estimated total for that district heat network or communal heating, per calendar year, of—
  - (i) installed heating capacity,
  - (ii) heat generated, and
  - (iii) heat supplied;
- (c) the number and type of buildings supplied by that district heat network or communal heating;
- [<sup>F3</sup>(ca) the number of buildings supplied by that district heat network or communal heating in each class;]
- (d) the number and type of meters or heat cost allocators installed in any buildings supplied by that district heat network or communal heating;
- (e) the number of final customers supplied by that district heat network or communal heating;
- (f) the name and business address of the heat supplier;
- (g) where any analysis [<sup>F4</sup>has been carried out in accordance with Schedule 1 for the purpose of regulation 4 or 6], the results of that analysis together with details of any meters or heat cost allocators which have been installed as a result;
- (h) the expected frequency and content of billing information provided by the heat supplier to the final customers; and

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- (i) any other information reasonably required by an authorised person for the purpose of determining whether the heat supplier has complied with the duties in these regulations.
- (2) Heat suppliers must comply with the duty in paragraph (1)—
- (a) on or before the [<sup>F5</sup>31st December 2015]; or
- (b) in relation to a district heat network or communal heating that commences operation after [<sup>F5</sup>31st December 2015], on or before the first date of operation.
- (3) [<sup>F6</sup>Subject to paragraph (4), a] heat supplier must submit an updated notification within four years of the date of the first notification submitted and within every four year period thereafter from the date of the previous notification.
- [<sup>F7</sup>(4) If an updated notification is due to be submitted by a heat supplier in the period beginning on 27th November 2020 and ending on 1st September 2022, the heat supplier may submit the updated notification at any time before the end of that period.
- (5) A change of heat supplier in relation to a district heat network or communal heating does not alter the period within which the heat supplier must comply with paragraph (3).
- (6) A notification or updated notification must be submitted in a form approved by the Secretary of State or, in relation to a Scottish network, the Scottish Ministers.
- (7) The Secretary of State or, in relation to a Scottish network, the Scottish Ministers may—
- (a) reject a notification or updated notification that does not comply with paragraph (6); and
- (b) require the heat supplier to resubmit the notification or updated notification in a form that complies with that paragraph.
- (8) In this regulation, “class” in relation to a building supplied by a district heat network or communal heating means viable class, open class or exempt class within the meaning of regulation 2A.]

#### Textual Amendments

- F3** Reg. 3(1)(ca) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **5(2)(a)**
- F4** Words in reg. 3(1)(g) substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **5(2)(b)**
- F5** Words in reg. 3(2) substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **3**
- F6** Words in reg. 3(3) substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **5(3)**
- F7** Reg. 3(4)-(8) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **5(4)**

#### Duty to install meters

4.—(1) Where heating, cooling or hot water is supplied from a district heat network to a building occupied by more than one final customer, the heat supplier must ensure that meters are installed to measure that heating, cooling or hot water to that building.

(2) A meter installed in accordance with paragraph (1) must be situated at a heat exchanger in that building or at the point of entry of the district heat network pipes into the building.

[<sup>F8</sup>(2A) Heat suppliers must comply with paragraph (3) or (4) in respect of all buildings in the viable class supplied by a district heat network or communal heating operated by them.

(2B) A heat supplier must comply with paragraph (3) or (4) before 1st September 2022 in respect of a building which first falls within the open class before that date, where the heat supplier determines that it is cost effective and technically feasible to install meters in the building.

(2C) A determination for the purpose of paragraph (2B) is to be made—

- (a) before 27th November 2021, where the building first falls within the open class before that date; or
- (b) otherwise, before 1st September 2022.

(2D) Where a heat supplier determines that it is cost effective and technically feasible to install meters in a building which first falls within the open class on or after 1st September 2022, the heat supplier must comply with paragraph (3) or (4) when the building first falls within the open class.]

(3) Where only one final customer occupies a building supplied by a district heat network, the heat supplier must ensure that meters are installed to measure the consumption of heating, cooling or hot water by that final customer.

(4) Where there is more than one final customer in a building supplied by a district heat network, or by communal heating, the heat supplier must ensure that [<sup>F9</sup>sufficient] meters are installed to measure the consumption of heating, cooling or hot water by each final customer.

<sup>F10</sup>(5) .....

[<sup>F11</sup>(6) A determination as to whether it is cost effective and technically feasible to install meters in a building must be made on the basis of an analysis carried out in accordance with Schedule 1.

(7) Within four years of making a determination, a heat supplier who determines that it is not cost effective or technically feasible to install meters in the building—

- (a) must make a further determination; and
- (b) if the heat supplier then determines that it is cost effective and technically feasible to install meters in the building, must comply with paragraph (3) or (4) within that four year period.

(7A) Paragraph (7) does not apply where meters to which paragraph (3) or (4) applies or heat cost allocators, thermostatic radiator valves and hot water meters to which regulation 6(2) applies have been installed in the building.]

(8) Where a meter to which paragraph (3) or (4) applies is installed, the heat supplier must ensure that temperature control devices are installed to enable the control of the consumption of heating or cooling by a final customer from that district heat network or communal heating.

<sup>F12</sup>(9) .....

#### Textual Amendments

- F8** Reg. 4(2A)-(2D) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **6(2)**
- F9** Word in reg. 4(4) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **6(3)**
- F10** Reg. 4(5) omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **6(4)**
- F11** Reg. 4(6)-(7A) substituted for reg. 4(6)(7) (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **6(5)**
- F12** Reg. 4(9) omitted (20.4.2015) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **4**

#### Commencement Information

- I1** S. 4(1)-(3), (5)-(9) in force at 18.12.2014, s. 4(4) in force at 31.12.2016, see reg. 1

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Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)

**[F13] Requirements relating to meters**

5. Where [F14] a meter is installed, the] heat supplier must ensure that the meter accurately measures, memorises and displays the consumption of heating, cooling or hot water by a final customer.]

**Textual Amendments**  
**F13** Reg. 5 substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, 5  
**F14** Words in reg. 5 substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), 7

**Duty to install heat cost allocators, thermostatic radiator valves and hot water meters**

6.—(1) Where—

- (a) there is more than one final customer in a building supplied by a district heat network or communal heating,
- (b) the heat supplier supplies both heating and hot water to that building, and
- (c) the heat supplier has determined that it is not cost effective or technically feasible to install meters in accordance with regulation 4(4),

the heat supplier must comply with paragraph (2).

(2) A heat supplier must ensure that the following are installed—

- (a) heat cost allocators and thermostatic radiator valves at each room heating radiator in order to determine and enable the control of the consumption of heating by each final customer, and
- (b) a hot water meter.

[F15(2A) A heat supplier must comply with paragraph (2) before 1st September 2022 in respect of a building which first falls within the open class before that date where—

- (a) the heat supplier determines that it is cost effective to install heat cost allocators, thermostatic radiator valves and hot water meters in the building; and
- (b) it is technically possible to do so.

(2B) A determination for the purpose of paragraph (2A)(a) is to be made—

- (a) before 27th November 2021, where the building first falls within the open class before that date; or
- (b) otherwise, before 1st September 2022.

(2C) Where a heat supplier determines that it is cost effective to install heat cost allocators, thermostatic radiator valves and hot water meters in a building which first falls within the open class on or after 1st September 2022 and it is technically possible to do so, the heat supplier must comply with paragraph (2) when the building first falls within the open class.]

[F16(3) . . . . .

[F17(4) A determination as to whether it is cost effective to install heat cost allocators, thermostatic radiator valves and hot water meters in a building must be made on the basis of an analysis carried out in accordance with Schedule 1.

(5) A heat supplier who determines that it is not cost effective to install heat cost allocators, thermostatic radiator valves and hot water meters in a building—



- (a) may employ alternative methods for determining charges for the supply of heating and hot water including using meters installed in accordance with regulation 4(1); and
- (b) within four years of making a determination as to cost effectiveness—
  - (i) must make a further determination as to cost effectiveness; and
  - (ii) if the heat supplier then determines that it is cost effective to install heat cost allocators, thermostatic radiator valves and hot water meters in the building, must comply with paragraph (2) within that four year period.

(5A) Paragraph (5) does not apply where meters to which regulation 4(3) or (4) applies or heat cost allocators, thermostatic radiator valves and hot water meters to which paragraph (2) applies have been installed in the building.]

(6) [<sup>F18</sup>Where <sup>F19</sup>... a heat cost allocator is installed,] the heat supplier must ensure that it accurately measures, memorises and displays the consumption of heat by a room heating radiator.

<sup>F20</sup>(7) .....

(8) A “hot water meter” is a meter to measure consumption of hot water by a final customer.

**Textual Amendments**

- F15** Reg. 6(2A)-(2C) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **8(2)**
- F16** Reg. 6(3) omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **8(3)**
- F17** Reg. 6(4)-(5A) substituted for reg. 6(4)(5) (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **8(4)**
- F18** Words in reg. 6(6) substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **6(1)**
- F19** Words in reg. 6(6) omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **8(5)**
- F20** Reg. 6(7) omitted (20.4.2015) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **6(2)**

**Replacement of existing meters<sup>F21</sup>...**

7.—(1) Where an existing meter which is part of a district heat network or communal heating is replaced the heat supplier must ensure that the replacement meter [<sup>F22</sup>accurately measures, memorises and displays the consumption of heating, cooling or hot water by a final customer].

<sup>F23</sup>(2) .....

(3) A heat supplier need not comply with paragraph (1) if it would be technically impossible to do so or the estimated cost would be unreasonable.

<sup>F24</sup>(4) .....

**Textual Amendments**

- F21** Words in [reg. 7](#) heading omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **9(2)**
- F22** Words in [reg. 7\(1\)](#) substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **9(3)**
- F23** [Reg. 7\(2\)](#) omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **9(4)**

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**F24** Reg. 7(4) omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **9(4)**

### On-going obligations in relation to meters and heat cost allocators

8. [<sup>F25</sup>Where <sup>F26</sup>... meters or heat cost allocators are installed,] the heat supplier must so far as possible ensure those meters and heat cost allocators are —

- (a) continuously operating [<sup>F27</sup>correctly], and
- (b) properly maintained and periodically checked for errors.

#### Textual Amendments

- F25** Words in reg. 8 substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **8**
- F26** Words in reg. 8 omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **10(a)**
- F27** Word in reg. 8 inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **10(b)**

### Billing

9.—(1) Subject to paragraphs (2) and (4), [<sup>F28</sup>where <sup>F29</sup>... meters or heat cost allocators] are installed, the heat supplier must ensure that bills and billing information for the consumption of heating, cooling or hot water by a final customer are—

- (a) accurate;
- (b) based on actual consumption; and
- (c) compliant with the requirements in Schedule 2.

(2) A heat supplier need not comply with paragraph (1) unless it is technically possible and economically justified to do so.

(3) A determination of what is technically possible and economically justified under paragraph (2) must be made by the heat supplier in accordance with Schedule 2.

(4) Where bills or billing information are based on meter readings to be provided by a final customer but that customer has not provided a meter reading, a bill may be based on an estimate of consumption.

(5) The heat supplier must not make a specific charge to a final customer for the provision of a bill or billing information other than in respect of the supply of additional copies of that bill or that billing information.

(6) Where bills and billing information relate to the consumption of heating, cooling or hot water by final customers in a building occupied by more than one final customer—

- (a) the heat supplier's costs of providing such bills and billing information may be passed on to those final customers provided that no profit is made from such charges, or
- (b) where the heat supplier has assigned the task of providing bills or billing information to a third party the reasonable costs of providing them may be passed on to those final customers.

(7) Heat suppliers must—

- (a) supply a final customer's billing information to an energy services provider at the request of that final customer;

- (b) provide electronic billing and billing information at the request of a final customer;
- (c) provide a clear explanation of the information contained in a bill, including how the bill was calculated and specifying fixed and variable charges; and
- (d) ensure that information and estimates of energy costs are provided to a final customer promptly where requested, and in a format which enables customers to compare the charges of different energy suppliers.

(8) In paragraph (7)(a), “energy services provider” means a person who supplies energy efficiency services.

#### Textual Amendments

- F28** Words in reg. 9(1) substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **9**
- F29** Words in reg. 9(1) omitted (27.11.2020) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **11**

## PART 3

### Enforcement

#### Enforcement authority

**10.**—(1) These Regulations shall be enforced by the Secretary of State or in relation to a Scottish network by the Scottish Ministers.

(2) The Secretary of State, or the Scottish Ministers in relation to a Scottish network, may authorise in writing any person who appears suitable to act on the Secretary of State's or the Scottish Ministers' behalf to carry out any functions and to exercise any power conferred by these Regulations other than those in regulation 15.

(3) Schedule 3 (powers of entry and warrants) and Schedule 4 (civil sanctions) have effect.

#### Offences

**11.**—(1) It is an offence for any heat supplier to fail to comply with—

- (a) regulation 3 (duty to notify);
- (b) regulation 4 (duty to install meters);
- [<sup>F30</sup>(ba) regulation 5 (requirements relating to meters);]
- (c) regulation 6 (heat cost allocators and hot water meters);
- (d) regulation 7 (replacement of meters, new buildings and major renovations);
- (e) regulation 8 (on-going obligations); or
- (f) regulation 9 (billing).

(2) No person may be prosecuted for an offence under paragraph (1) in respect of any failure to comply which occurred before 30th April 2015.

[<sup>F31</sup>(2A) No person may be prosecuted for—

- (a) an offence under paragraph (1)(b) in respect of any failure to comply with regulation 4(8) which occurred before 1st September 2022;

*Status: Point in time view as at 27/11/2020.*

*Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)*

- (b) an offence under paragraph (1)(ba) in respect of any meter installed before 27th November 2020 where the offence occurred before 1st September 2022;
  - (c) an offence under paragraph (1)(c) in respect of any failure to comply with regulation 6(6) which occurred before 1st September 2022 where a heat cost allocator was installed other than in compliance with a duty under these Regulations;
  - (d) an offence under paragraph (1)(d) in respect of any failure to comply with regulation 7(1) which occurred before 1st September 2022 where a replacement meter was installed other than in compliance with a duty under these Regulations;
  - (e) an offence under paragraph (1)(e) in respect of any failure to comply with regulation 8 which occurred before 1st September 2022 where a meter or heat cost allocator was installed other than in compliance with a duty under these Regulations;
  - (f) an offence under paragraph (1)(f) in respect of any failure to comply with regulation 9(1) which occurred before 1st September 2022 where a meter or heat cost allocator was installed other than in compliance with a duty under these Regulations.]
- (3) It is an offence to obstruct an authorised person acting in the pursuance of their powers or duties under these Regulations.
- (4) In this regulation, “powers or duties” include powers or duties exercisable by virtue of a warrant under paragraph 3(1) of Schedule 3.

#### **Textual Amendments**

- F30** [Reg. 11\(1\)\(ba\)](#) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **12(2)**
- F31** [Reg. 11\(2A\)](#) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **12(3)**

#### **Bodies corporate in Scotland**

**12.—**(1) Where in relation to a Scottish network—

- (a) an offence under these Regulations has been committed by a body corporate or a Scottish partnership or other unincorporated association; and
- (b) it is proved that the offence was committed with the consent or connivance of, or was attributable to any neglect on the part of—
  - (i) a relevant individual; or
  - (ii) an individual purporting to act in the capacity of a relevant individual,

the individual as well as the body corporate, Scottish partnership or unincorporated association commits an offence and is liable to be proceeded against and punished accordingly.

(2) In paragraph (1), “relevant individual” means—

- (a) in relation to a body corporate—
  - (i) a director, manager, secretary or other similar officer of the body;
  - (ii) where the affairs of the body are managed by its members, a member;
- (b) in relation to a Scottish partnership, a partner;
- (c) in relation to an unincorporated association other than a Scottish partnership, a person who is concerned in the management or control of the association.

## Penalties

**13.**—(1) Any person found guilty of an offence under regulation 11(1)(a), (e) or (f) or (3) shall be liable on summary conviction to a fine <sup>F32</sup>... or in Scotland [<sup>F33</sup>or Northern Ireland] a fine not exceeding level 5 on the standard scale.

(2) Any person found guilty of an offence under regulation 11(1)(b) to (d) shall be liable—

[<sup>F34</sup>(aa) on summary conviction in England and Wales to a fine;]

(a) on summary conviction [<sup>F35</sup>in Scotland or Northern Ireland] to a fine not exceeding the statutory maximum; or

(b) on conviction on indictment to a fine.

### Textual Amendments

**F32** Words in reg. 13(1) omitted (20.4.2015) by virtue of [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **10(a)**

**F33** Words in reg. 13(1) inserted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **10(b)**

**F34** Reg. 13(2)(aa) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **13(a)**

**F35** Words in reg. 13(2)(a) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **13(b)**

## Time limit for prosecution of offences

**14.**—(1) An offence under [<sup>F36</sup>regulation 11(1)(a), (e) or (f) or (3) may be tried] if—

(a) in England and Wales, the information is laid;

(b) in Northern Ireland, the complaint is made; or

(c) in Scotland, the proceedings are begun,

before the end of the period of 12 months beginning on the day after the date on which evidence which the authorised person, or in Scotland the Procurator Fiscal, thinks is sufficient to justify the proceedings comes to that authorised person's or Procurator Fiscal's knowledge.

(2) For the purposes of paragraph (1)—

(a) a certificate signed by or on behalf of the prosecutor and stating the date on which such evidence came to the authorised person's or Procurator Fiscal's knowledge is to be conclusive evidence of that fact; and

(b) a certificate stating that matter and purporting to be so signed is to be treated as so signed unless the contrary is proved.

### Textual Amendments

**F36** Words in [reg. 14\(1\)](#) substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **11**

*Status: Point in time view as at 27/11/2020.*

*Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)*

## PART 4

### Review

#### Review

15.—(1) The Secretary of State must from time to time—

- (a) carry out a review of these Regulations;
- (b) set out the conclusions of the review in a report; and
- (c) publish the report.

(2) In carrying out the review the Secretary of State must, so far as is reasonable, have regard to how [F37 Articles 9(1) and (3), 10 and 11 of Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency are] implemented in other Member States.

(3) The report must in particular—

- (a) set out the objectives intended to be achieved by the regulatory system established by these Regulations;
- (b) assess the extent to which those objectives are achieved; and
- (c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with a system that imposes less regulation.

(4) The first report under this regulation must be published before the end of the period of five years beginning with the day on which these Regulations come into force.

(5) Reports under this regulation are afterwards to be published at intervals not exceeding five years.

#### Textual Amendments

**F37** Words in [reg. 15\(2\)](#) substituted (20.4.2015) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2015 \(S.I. 2015/855\)](#), regs. 1, **12**

Department of Energy and Climate Change

*Amber Rudd*  
Parliamentary Under Secretary of State

## SCHEDULE 1

[<sup>F39</sup>Regulations 3, 4 and 6]

### [<sup>F38</sup>Analysis] of cost effectiveness and technical feasibility

#### Textual Amendments

**F38** Word in Sch. 1 heading substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **14(2)**

**F39** Words in Sch. 1 substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **14(3)**

1.—(1) Where sub-paragraph (2) applies it will be considered cost effective for the purposes of regulations 4(6) and 6(4) for the heat supplier to install meters in a building in accordance with regulations 4(3) to (4) and 6(2).

(2) This sub-paragraph applies where the net present value of projected energy savings to all the final customers in the building supplied with heating[<sup>F40</sup>, ]cooling or hot water by the heat supplier, over the 10 year period subsequent to installation, is greater than the net present value of the estimated reasonable costs of installing the meters in that building.

#### Textual Amendments

**F40** Comma in Sch. 1 para. 1(2) inserted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **14(4)**

2. The matters to be taken into account in estimating the costs of installation are the capital, installation, operation and maintenance costs of the meters, taking into account—

- (a) the building type, age and number of individual private dwellings or non-domestic premises in the building;
- (b) the number of storeys in the building;
- (c) the geographical location of the building;
- (d) in the case of a building not containing private dwellings, the type of use of the building;
- (e) whether the costs could be reduced if another building supplied from the same district heat network is also to have meters installed in accordance with these regulations;
- (f) any costs of access to private dwelling or non-domestic premises including legal costs;
- (g) any costs of access to or isolation of pipework;
- (h) any costs of repair to decoration or building fabric as a consequence of the installation;
- (i) any costs of installation of temperature control devices;
- (j) the cost of equipment and software to collect data from the meters to be used for billing;
- (k) the cost of issuing bills and billing information; and
- (l) the cost of re-calibrating the meters periodically to ensure accuracy of performance.

3. The projected energy savings over the 10 year period subsequent to installation for the purpose of paragraph 1 is—

- (a) 20% of the [<sup>F41</sup>heat or cooling demand] in the case of a building consisting mainly of private dwellings, except for the one year period subsequent to installation when the projected value to be applied is 10% of the [<sup>F41</sup>heat or cooling demand]; and

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Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)

- (b) 10% of the [<sup>F41</sup>heat or cooling demand] in the case of any other building except for the one year period subsequent to installation where the projected value to be applied is 5% of the [<sup>F41</sup>heat or cooling demand].

.....

**Textual Amendments**

**F41** Words in Sch. 1 para. 3 substituted (27.11.2020) by The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(5)**

4. It will be considered technically feasible to install meters in a building consisting mainly of private dwellings unless—

- (a) there is more than one entry point for the pipes of the district heat network or communal heating into each private dwelling within that building or the entry point for the pipes is unknown; or

<sup>F42</sup>(b) .....

.....

**Textual Amendments**

**F42** Sch. 1 para. 4(b) omitted (27.11.2020) by virtue of The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(6)**

5. It will be considered technically feasible to install meters in a building not consisting mainly of private dwellings unless—

<sup>F43</sup>(a) .....

- (b) there is more than one entry point for the pipes of the district heat network heating or communal heating into each private dwelling or non-domestic premises in a building or the entry point of the pipes is unknown; or

<sup>F44</sup>(c) .....

.....

**Textual Amendments**

**F43** Sch. 1 para. 5(a) omitted (27.11.2020) by virtue of The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(7)**

**F44** Sch. 1 para. 5(c) omitted (27.11.2020) by virtue of The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(7)**

6.—(1) Where sub-paragraph (2) applies it will be considered cost effective for the purpose of regulation 6(4) to install heat cost allocators and thermostatic radiator valves in accordance with regulation 6(2).

(2) This [<sup>F45</sup>sub-paragraph] applies where the net present value of the projected energy savings to the final customers in the building over the 10 year period subsequent to installation is greater than the net present value of the estimated reasonable costs of installing [<sup>F46</sup>hot water meters in the building and] a heat cost allocator and thermostatic radiator valve for every radiator in that building.

.....

**Textual Amendments**

**F45** Word in Sch. 1 para. 6(2) substituted (27.11.2020) by The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(8)(a)**



**F46** Words in Sch. 1 para. 6(2) inserted (27.11.2020) by The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(8)(b)**

7. The matters to be taken into account in estimating the costs of installation of heat cost allocators and thermostatic radiator valves are the capital, installation, operation and maintenance costs of the heat cost allocators and thermostatic radiator valves taking into account—

- (a) any cost of access to private dwelling or non-domestic premises including legal costs;
- (b) the cost of equipment and software to collect data from the heat cost allocators to be used for billing;
- (c) the cost of re-calibrating the heat cost allocators periodically to ensure accuracy of performance; <sup>F47</sup>...
- (d) the cost of issuing bills and billing information;
- <sup>F48</sup>(e) the matters mentioned in paragraph 2(a) to (d); and
- (f) whether the costs could be reduced if another building supplied from the same district heat network is also to have heat cost allocators and thermostatic radiator valves installed in accordance with regulation 6(2).]

#### Textual Amendments

**F47** Word in Sch. 1 para. 7(c) omitted (27.11.2020) by virtue of The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(9)(a)**

**F48** Sch. 1 para. 7(e)(f) inserted (27.11.2020) by The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(9)(b)**

8. The projected energy savings over the 10 year period subsequent to installation for the purpose of paragraph 6 is—

- (a) 20% of the [<sup>F49</sup>heat or cooling demand] in the case of a building consisting mainly of private dwellings, except for the one year period subsequent to installation when the projected value to be applied is 10% of the [<sup>F49</sup>heat or cooling demand]; and
- (b) 10% of the [<sup>F49</sup>heat or cooling demand] in the case of any other building except for the one year period subsequent to installation when the projected value to be applied is 5% of the [<sup>F49</sup>heat or cooling demand].

#### Textual Amendments

**F49** Words in Sch. 1 para. 8 substituted (27.11.2020) by The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(10)**

9. For the purpose of this Schedule, the one year period and 10 year period subsequent to installation begin the day after completion of the installation of—

- (a) all the meters [<sup>F50</sup>and temperature control devices] in a building, or
- (b) all the heat cost allocators, thermostatic radiator valves and hot water meters in a building.

#### Textual Amendments

**F50** Words in Sch. 1 para. 9(a) inserted (27.11.2020) by The Heat Network (Metering and Billing) (Amendment) Regulations 2020 (S.I. 2020/1221), regs. 1(2), **14(11)**

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*Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)*

[<sup>F51</sup>10. In this Schedule, “heat or cooling demand” for a building means the actual heat or cooling consumption for the building or an estimated heat or cooling demand for the building calculated using industry standard methodologies and assumptions for calculating heat demand, taking into account—

- (a) the construction, fabric, ventilation and age of the building;
- (b) the number of individual private dwellings or non-domestic premises in the building;
- (c) the number of storeys in the building;
- (d) the geographical location of the building;
- (e) the type of use of the building;
- (f) heat and cooling plant and system efficiency.]

#### Textual Amendments

**F51** Sch. 1 para. 10 substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **14(12)**

**11.** A real discount rate of [<sup>F52</sup>3.5%] is to be applied to calculate net present value under this Schedule.

#### Textual Amendments

**F52** Word in [Sch. 1 para. 11](#) substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), **14(13)**

## SCHEDULE 2

Regulations 2, 9(1) and (3)

### Minimum requirements for billing and billing information

**1.** At least once a year a bill must be issued to the final customer on the basis of actual rather than estimated consumption provided that—

- (a) the final customer has provided a meter reading, or
- (b) the heat supplier has taken a meter reading.

**2.** Where the final customer has opted to receive electronic billing or where the final customer so requests, billing information must be issued by the heat supplier at least quarterly.

**3.** Where billing information is not issued by the heat supplier at least quarterly in accordance with paragraph (2), billing information must be issued by the heat supplier at least twice a year and with every bill issued.

**4.** Billing information means the following information—

- (a) current energy prices charged to the final customer by the heat supplier;
- (b) information about the final customer's energy consumption from the heat supplier;
- (c) where available, comparisons of the final customer's current energy consumption from the heat supplier with consumption for the same period in the previous year, if possible displayed in a graph; and

- (d) contact information, including website addresses, for organisations from which information may be obtained on available energy efficiency improvement measures and technical specifications for products which use energy.

5. The information specified in sub-paragraph 4(d) must also be supplied to the final customer by the heat supplier when—

- (a) a contract for the supply of heating, cooling or hot water is sent to the final customer by the heat supplier, or
- (b) any changes to such a contract are sent to the final customer by the heat supplier.

<sup>F53</sup>6. It will be considered technically possible and economically justified to issue bills and billing information to final customers in accordance with regulation 9(1) where the estimated reasonable costs of issuing bills and billing information to final customers does not exceed £92 per final customer per calendar year unless the final customer occupies—

- (a) supported housing, almshouse accommodation or purpose-built student accommodation; or
- (b) any private dwelling or non-domestic premises that is subject to a leasehold interest where the lease—
  - (i) began before 27th November 2020; and
  - (ii) contains a provision which would prevent billing based on actual consumption unless the lease is varied, renewed, or comes to an end.]

**Textual Amendments**

**F53** Sch. 2 para. 6 substituted (27.11.2020) by [The Heat Network \(Metering and Billing\) \(Amendment\) Regulations 2020 \(S.I. 2020/1221\)](#), regs. 1(2), 15

7. The matters to be taken into account in estimating the cost of issuing bills and billing information are the costs of—

- (a) collecting, storing and processing meter readings;
- (b) preparation and issuing of the bill and billing information;
- (c) processing of payments; and
- (d) issuing of demands for payment if a bill is not paid.

SCHEDULE 3

Regulation 10(3)

Powers of entry and warrants

**Power to enter premises**

1.—(1) An authorised person may, with the consent of the occupier, enter premises, except any premises used wholly or mainly as a private dwelling, at any reasonable hour for the purpose of enforcing these Regulations.

(2) An authorised person must, if requested to do so, produce a duly authenticated authorisation document.

(3) An authorised person may—

- (a) be accompanied by such other persons as the authorised person considers necessary, and

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*Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)*

- (b) bring on to the premises such equipment as the authorised person considers necessary.

### **Power to inspect, seize and detain products etc.**

2.—(1) An authorised person may—

- (a) in order to ascertain if there has been a breach of these Regulations, inspect any meter, heat cost allocator, record, document or information;
- (b) in order to ascertain if there has been a breach of these Regulations require any person carrying on as or employed by a heat supplier to produce any meter, heat cost allocator, record, document or information and take copies of—
  - (i) any document or record; or
  - (ii) any entry in any document or record;
- (c) in order to ascertain by testing or otherwise if there has been a breach of these Regulations and reasonably suspecting such breach, seize and detain any meter, heat cost allocator, record, document or information;
- (d) seize and detain any meter, heat cost allocator, record, document or information which may be required as evidence in any proceedings under these Regulations.

(2) An authorised person may require information stored electronically to be made available in printed form.

(3) An authorised person entering any premises whether under a power of entry under paragraph 1 or under a warrant under paragraph 3 must, if the occupier is present, give to the occupier or, if the occupier is absent, leave in a prominent place a notice—

- (a) summarising the authorised person's powers of seizure and detention of meters, heat cost allocators, records, documents and information;
- (b) disclosing at which office of the authorised person and within which hours a copy of these Regulations is available to be consulted.

(4) An authorised person entering any premises which are unoccupied or from which the occupier is temporarily absent must leave them as effectively secured against unauthorised entry as they were before entry.

(5) An authorised person exercising any power of seizure and detention must—

- (a) give to the person against whom the power has been exercised a written notice stating what has been seized and detained;
- (b) detain those things only for as long as is necessary for the authorised person to ascertain whether a breach of these Regulations has occurred and if required present the evidence at court.

### **Warrants**

3.—(1) A justice of the peace may by signed warrant permit an authorised person or any other person to enter any premises in the exercise of the powers and duties under these Regulations, if necessary by reasonable force, if the justice in England and Wales on sworn information in writing, in Northern Ireland on a complaint on oath, or in Scotland by evidence on oath is satisfied—

- (a) that there are reasonable grounds to enter those premises for the purposes of enforcing these Regulations; and
- (b) that any of the conditions in paragraph 4 is met.

(2) Reference to a justice of the peace—

- (a) in Scotland includes a sheriff;

(b) in Northern Ireland is a reference to a lay magistrate.

#### **Conditions for warrants**

4. The conditions are—
  - (a) entry to the premises has been, or is likely to be, refused and notice of the intention to apply for a warrant has been given to the occupier;
  - (b) asking for admission to the premises, or giving such a notice, would defeat the object of the entry;
  - (c) entry is required urgently;
  - (d) the premises are unoccupied or the occupier is temporarily absent.

#### **Duration of warrant**

5. A warrant under paragraph 3 is valid for one month.

### SCHEDULE 4

Regulation 10(3)

#### Civil sanctions

## **PART 1**

### Power to impose civil sanctions

#### **Authorised person**

1. An authorised person may impose a requirement upon a person to comply with a compliance notice, an enforcement undertaking or to pay a non-compliance penalty (a “civil sanction”) as set out in this Schedule.

## **PART 2**

### Compliance notices

#### **Imposition of a compliance notice**

2.—(1) This paragraph applies where an authorised person is satisfied beyond reasonable doubt that a person has committed an offence under regulation 11(1).

(2) The authorised person may by notice (“a compliance notice”) impose on that person a requirement to take such steps as the authorised person may specify, within such period as it may specify, to secure that the offence does not continue or recur.

(3) A compliance notice may not be imposed on more than one occasion in relation to the same act or omission.

*Status: Point in time view as at 27/11/2020.*

*Changes to legislation: There are currently no known outstanding effects for the The Heat Network (Metering and Billing) Regulations 2014. (See end of Document for details)*

### **Notice of intent**

3.—(1) Where an authorised person proposes to impose a compliance notice on a person under paragraph (2), it must serve on that person a notice of what is proposed (a “notice of intent”).

(2) The notice of intent must include—

- (a) the grounds for the proposed compliance notice;
- (b) the requirements of the notice;
- (c) information as to—
  - (i) the right to make representations and objections within 28 days beginning with the day on which the notice of intent was received;
  - (ii) the circumstances in which the authorised person may not impose the notice.

### **Making representations and objections**

4. A person on whom a notice of intent is served may within 28 days beginning with the day on which the notice was received make written representations and objections to the authorised person in relation to the proposed imposition of a compliance notice.

### **Compliance notice**

5.—(1) After the end of the period for making representations and objections, the authorised person must decide whether to impose the requirements set out in the notice of intent, with or without modifications.

(2) Where the authorised person decides to impose a requirement, the compliance notice must comply with paragraph 6.

### **Contents of compliance notice**

6. A compliance notice must include information as to—

- (a) the grounds for imposing the notice;
- (b) what compliance is required and the period within which it must be completed;
- (c) rights of appeal; and
- (d) the consequences of failing to comply with the notice.

### **Appeals against a compliance notice**

7.—(1) The person on whom the compliance notice is imposed may appeal against it.

(2) The grounds for appeal are—

- (a) that the decision was based on an error of fact;
- (b) that the decision was wrong in law;
- (c) that the nature of the requirement is unreasonable;
- (d) that the decision was unreasonable for any other reason;
- (e) that the decision was wrong for any other reason.

### **Criminal proceedings**

**8.—(1)** If a compliance notice is imposed on any person, that person may not at any time be convicted of the offence under regulation 11(1) in respect of the act or omission giving rise to the compliance notice except in a case to which sub-paragraph (2) applies.

- (2) This sub-paragraph applies to a case where in relation to an offence under regulation 11(1)—
- (a) a non-compliance penalty has been imposed on a person under paragraph 14(1), and
  - (b) the person fails to pay the penalty within the period specified in the notice under that paragraph.

(3) Criminal proceedings for offences triable summarily to which sub-paragraph (2) applies may be instituted at any time up to six months from the date when the authorised person notifies the person that they have failed to pay the non-compliance penalty.

## **PART 3**

### **Enforcement undertakings**

#### **Enforcement undertakings**

**9.** An authorised person may accept a written undertaking (an “enforcement undertaking”) given by a person to the authorised person to take such action as may be specified in the undertaking, within such period as may be specified, where the authorised person has reasonable grounds to suspect that the person has committed an offence under regulation 11(1).

#### **Contents of an enforcement undertaking**

- 10.—(1)** An enforcement undertaking must specify—
- (a) action to be taken by the person to secure that the offence does not continue or recur;
  - (b) action to secure that the position is, so far as possible, restored to what it would have been if the offence had not been committed; or
  - (c) action (including the payment of a sum of money) to be taken by the person to benefit any person affected by the offence.
- (2) It must specify the period within which the action must be completed.
- (3) It must include—
- (a) a statement that the undertaking is made in accordance with this Schedule;
  - (b) the terms of the undertaking;
  - (c) information as to how and when a person is considered to have discharged the undertaking.
- (4) The enforcement undertaking may be varied, or the period within which the action must be completed may be extended, if both parties agree in writing.

#### **Criminal proceedings and compliance notices**

**11.—(1)** If an authorised person has accepted an enforcement undertaking from a person then, unless sub-paragraph (2) applies, that person may not at any time be convicted of the offence under regulation 11(1) in respect of the act or omission to which the enforcement undertaking relates.

- (2) This sub-paragraph applies where—
- (a) a person fails to comply with the enforcement undertaking;

*Status: Point in time view as at 27/11/2020.*

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- (b) a non-compliance penalty has been imposed on that person under paragraph 14(1) in respect of that failure to comply;
  - (c) that person fails to pay that penalty within the period specified in the notice under that paragraph and paragraph 14(5) does not apply; and
  - (d) any appeal under paragraph 16 is not determined in favour of the person who failed to comply.
- (3) If an authorised person has accepted an enforcement undertaking from a person then, unless sub-paragraph (4) applies, the authorised person may not impose on that person a compliance notice in respect of the act or omission to which the enforcement undertaking relates.
- (4) This sub-paragraph applies where a person fails to comply with the enforcement undertaking.
- (5) If a person has complied partly but not fully with an undertaking, that partial compliance must be taken into account in the imposition of any criminal or other sanction on the person.
- (6) Criminal proceedings for offences triable summarily to which sub-paragraph (2) applies may be instituted at any time up to six months from the date when the authorised person notifies the person that they have failed to pay the non-compliance penalty or in the case of an appeal under paragraph 16 that appeal is determined.

#### **Discharge of an enforcement undertaking**

**12.**—(1) If an authorised person is satisfied that an enforcement undertaking has been complied with, it must issue a certificate to that effect.

(2) The authorised person may require the person who has given the undertaking to provide sufficient information to determine that the undertaking has been complied with.

(3) The person who gave the undertaking may at any time apply for such a certificate.

(4) The authorised person must decide whether to issue such a certificate, and give written notice of the decision to the applicant, within 14 days of such an application.

(5) The person to whom the notice is given may appeal against a decision not to issue a certificate on the grounds that the decision—

- (a) was based on an error of fact;
- (b) was wrong in law;
- (c) was unfair or unreasonable;
- (d) was wrong for any other reason.

#### **Inaccurate, incomplete or misleading information**

**13.**—(1) A person who has given inaccurate, misleading or incomplete information in relation to an enforcement undertaking is regarded as not having complied with it.

(2) The authorised person may by notice in writing revoke a certificate issued under paragraph 12 if it was issued on the basis of inaccurate, incomplete or misleading information.



## **PART 4**

### Non-compliance penalties

#### **Non-compliance penalties**

**14.**—(1) If a person fails to comply with a compliance notice or enforcement undertaking, the authorised person may serve a notice on that person imposing a monetary penalty (“a non-compliance penalty”).

(2) The amount of the non-compliance penalty must be determined by the authorised person and must be a percentage of the costs of fulfilling the remaining requirements of the notice or enforcement undertaking.

(3) The percentage must be determined by the authorised person having regard to all the circumstances of the case and may, if appropriate, be 100%.

(4) The notice must include information as to—

- (a) the grounds for imposing the non-compliance penalty;
- (b) the amount to be paid;
- (c) how payment must be made;
- (d) the period in which payment must be made, which must not be less than 28 days;
- (e) rights of appeal;
- (f) the consequences of failure to make payment in the specified period;
- (g) any circumstances in which the authorised person may reduce the amount of the penalty.

(5) If the requirements of the compliance notice or enforcement undertaking are fulfilled before the time set for payment of the non-compliance penalty, the penalty is not payable.

(6) The person on whom the notice imposing the non-compliance penalty is served may appeal against it.

(7) The grounds of appeal are—

- (a) that the decision to serve the notice was based on an error of fact;
- (b) that the decision was wrong in law;
- (c) that the decision was unfair or unreasonable for any reason;
- (d) that the amount of the penalty was unreasonable;
- (e) that the decision was wrong for any other reason.

## **PART 5**

### Withdrawing or amending a notice

**15.** The authorised person may at any time in writing—

- (a) withdraw a notice imposing a non-compliance penalty notice or reduce the amount specified in the notice;
- (b) withdraw a compliance notice or amend the requirements imposed by the notice in order to reduce the amount of work necessary to comply with the notice.

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## **PART 6**

### Appeals

#### **Appeals**

- 16.**—(1) Any appeal under this Schedule must be made to the First-tier Tribunal.
- (2) An appeal must be brought within 28 days of the date on which the notice or decision is received.
- (3) In any appeal where the commission of an offence is an issue requiring determination, the authorised person must prove that offence according to the same burden and standard of proof as in a criminal prosecution.
- (4) All notices are suspended pending determination or withdrawal of the appeal.
- (5) The Tribunal may, in relation to the imposition of a requirement or service of a notice—
- (a) withdraw the requirement or notice;
  - (b) confirm the requirement or notice;
  - (c) vary the requirement or notice;
  - (d) take such steps as the authorised person could take in relation to the act or omission giving rise to the requirement or notice;
  - (e) remit the decision whether to confirm the requirement or notice, or any matter relating to that decision, to the authorised person.

## **PART 7**

### Guidance and publicity

#### **Guidance as to use of civil sanctions**

- 17.**—(1) The authorised person must publish guidance about its use of civil sanctions.
- (2) The authorised person must revise and update the guidance where appropriate.
- (3) In the case of guidance about compliance notices and non-compliance penalties, the guidance must contain information as to—
- (a) the circumstances in which the civil sanction is likely to be imposed; and
  - (b) the circumstances in which it is not likely to be imposed.
- (4) In the case of guidance about non-compliance penalties, the guidance must contain information about—
- (a) the matters likely to be taken into account by the authorised person in determining the amount of the penalty (including voluntary reporting by a person of their own non-compliance); and
  - (b) rights to make representations and objections and rights of appeal.
- (5) In the case of guidance about enforcement undertakings, the guidance must contain information as to—
- (a) the circumstances in which the authorised person is likely to accept an enforcement undertaking; and
  - (b) the circumstances in which the authorised person is not likely to accept an enforcement undertaking.

### Consultation on guidance

18. The authorised person must consult such persons as it considers appropriate before publishing any guidance or revised guidance.

### Publication of enforcement action

19.—(1) The authorised person must from time to time publish—

- (a) the cases in which civil sanctions have been imposed; and
- (b) cases in which an enforcement undertaking has been entered into.

(2) In sub-paragraph (1)(a) the reference to cases in which civil sanctions have been imposed does not include cases where the sanction has been imposed but overturned on appeal.

(3) This paragraph does not apply in cases where the authorised person considers that publication would be inappropriate.

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations implement Articles 9(1) and (3), 10 and 11 of Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency (OJNo. L315, 14.11.2012, p.1), amending Directives [2009/125/EC](#) and [2010/30/EU](#) and repealing Directives [2004/8/EC](#) and [2006/32/EC](#).

Regulation 3 imposes a duty on heat suppliers, in relation to the operation of communal heating or a district heat network, to notify the Secretary of State or in relation to a Scottish network the Scottish Ministers about the operation of such heating or networks.

Regulation 4 imposes a duty on heat suppliers to ensure meters are installed in specified circumstances. Schedule 1 sets out how cost effectiveness and technical feasibility are to be determined.

Regulation 5 sets out requirements in relation to meters installed in accordance with these Regulations.

Regulation 6 imposes a duty on heat suppliers to ensure individual heat cost allocators, thermostatic radiator valves and a hot water meter are installed in specified circumstances.

Regulation 7 imposes a duty on heat suppliers to install meters when an existing meter is replaced, a new connection is made in a new building or a building undergoes a major renovation.

Regulation 8 imposes on-going requirements in relation to meters and heat cost allocators installed in accordance with these Regulations.

Regulation 9 stipulates that where meters or heat cost allocators to which these Regulations apply are installed, bills and billing information for heat, cooling or hot water provided to final customers must comply with the requirements set out in the regulation and Schedule 2.

Regulation 10 provides that the Regulations will be enforced by the Secretary of State or in relation to a Scottish network the Scottish Ministers or such person as may be authorised in writing to act on their behalf. Schedule 3 provides for powers of entry, search and seizure and the procedure for obtaining a warrant. Schedule 4 provides for civil sanctions which the authorised person may impose in relation to an offence committed under regulation 11.

Regulation 11 provides for offences for failing to comply with specified duties under the Regulations. Regulation 12 makes provision for offences committed by bodies corporate and

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relevant individuals in Scotland. Regulation 13 sets out penalties following criminal conviction for an offence under regulation 11. Regulation 14 specifies time limits for prosecution of criminal offences.

Regulation 15 requires the Secretary of State to review the operation and effect of these Regulations and publish a report within five years of them coming into force.

A full impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector is available at the Department of Energy and Climate Change, 3 Whitehall Place, London SW1A 2AW and is published with the Explanatory Memorandum alongside the instrument on [www.gov.uk/government/consultations/implementing-the-energy-efficiency-directive-metering-and-billing-of-heating-and-cooling](http://www.gov.uk/government/consultations/implementing-the-energy-efficiency-directive-metering-and-billing-of-heating-and-cooling).

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