

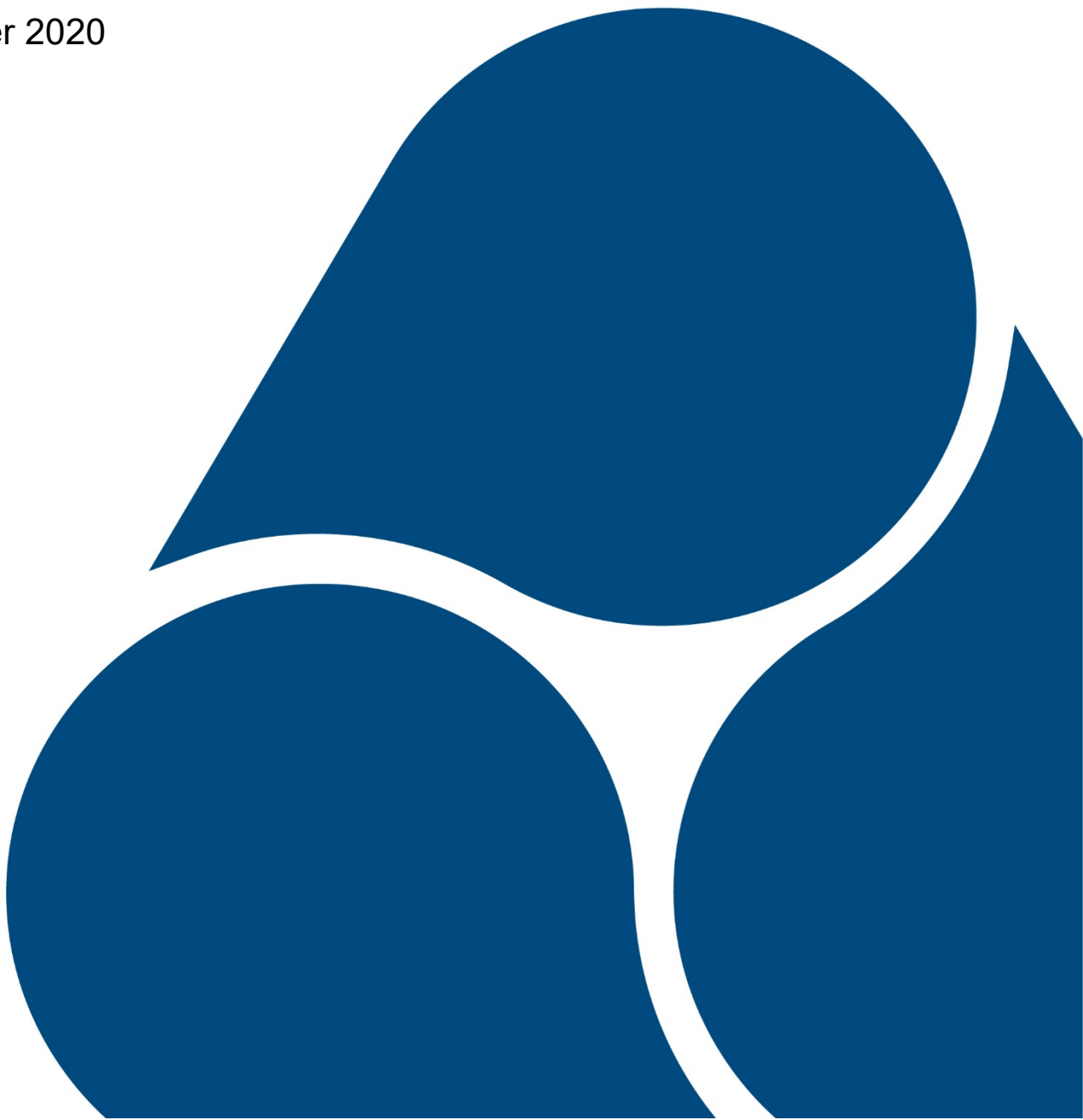


Office for Product
Safety & Standards

GUIDANCE

HEAT NETWORK (METERING AND BILLING) REGULATIONS 2014 (AS AMENDED IN 2015 AND 2020)

November 2020



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Summary

Purpose	The purpose of this Guidance is to help heat suppliers and other relevant parties understand the requirements under the Heat Network (Metering and Billing) Regulations 2014, as amended in 2015 and 2020.
Intended use	The Guidance is intended to aid understanding of the Regulations. It provides examples and further explanations of the Regulations and aims to help suppliers comply with the specific requirements. It is not a prescriptive or exhaustive list of examples, and if in doubt, you should contact the Office for Product Safety and Standards (OPSS).
Regional coverage	The United Kingdom
Status	Non-statutory Guidance, includes amendments up to and including November 2020.

In this guidance:

- **'must'** indicates a legal obligation;
- **'should'** indicates good practice; and
- **'may'** indicates discretionary actions in the light of the context and circumstances.

For clarity, legal requirements and good practice are set out in separate paragraphs.

1 Background

- 1.1 The purpose of the Heat Network (Metering and Billing) Regulations 2014 is to drive energy efficiency and reduce carbon emissions from heating. The energy efficiency is achieved through the installation of metering devices and billing based on consumption, which will decrease the use of energy and reduce consumer bills, and result in associated carbon emission savings. Metering also supports fair and transparent billing on customers on heat networks.
- 1.2 The purpose of this Guidance is to help heat suppliers comply with the Regulations, by explaining the regulatory requirements and providing examples of compliance to various provisions.
- 1.3 This Guidance replaces the previous Scope Guidance (initially published on 30 January 2015 and subsequently updated in 2019) and Frequently Asked Questions (initially published on 4 February 2015 and updated in 2019). The aim of this document is to produce comprehensive guidance that merges the previous guidance documents with changes brought in by November 2020 amendments.
- 1.4 Some of this Guidance will sound familiar as some obligations have been in force since 2014 and have been previously covered in Scope Guidance and FAQ documents. Some of it will be new, in particular sections that cover the regulatory change that came into force in November 2020.
- 1.5 This Guidance was produced by Office for Product Safety and Standards (OPSS) in collaboration with the Department for Business, Energy and Industrial Strategy (BEIS) Heat Network policy team.

Legislation

- 1.6 The Heat Network (Metering and Billing) Regulations 2014 implemented the heat network specific requirements of Articles 9-11 and 13 of the Energy Efficiency Directive (2012/27/EU). The Regulations came into force in December 2014 and were subsequently amended in 2015 and 2020.
- 1.7 The amended Regulations are from this point onwards referred to as ‘the Regulations’.

Future changes

- 1.8 The Heat Network (Metering and Billing) (Amendment) Regulations 2020 came into force on 27 November 2020. No further changes are anticipated in the near future.
- 1.9 There are no changes to the requirements of the Regulations as a result of the UK leaving the EU.
- 1.10 The Regulations are a building block of the wider work to introduce a legislative Heat Network Market Framework by 2022. This will drive further consumer protection, a sustainable market and decarbonisation of the sector.

Scope of the legislation

- 1.11 The Regulations cover district and communal heat networks (as defined in Regulation 2) in England, Scotland, Wales and Northern Ireland. This includes residential, commercial, industrial, public sector and other networks.
- 1.12 For the purposes of this Guidance, reference to heat and heating also means cooling and the supply of hot water.

Scope of the Guidance

- 1.13 This Guidance is not intended to provide complete legal advice on the interpretation of the Regulations. It is non-statutory guidance produced to help heat suppliers navigate through the requirements of the Regulations, by providing further explanations and examples of how compliance can be achieved.

2 Summary of requirements

- 2.1 This chapter (Table 1) provides a breakdown of legislative requirements. These requirements are covered in more detail in Chapter 4.
- 2.2 The requirements cover both the existing obligations, and obligations introduced by amendments that come into force from 27 November 2020.
- 2.3 The Regulations place various responsibilities on anyone supplying and charging for heating, cooling or hot water (the “heat supplier”).

Regulation	Requirement	Details of the requirement
Regulation 3	Duty to notify	<ul style="list-style-type: none"> - duty to submit a notification for each heat network before or on the date it starts operating - duty to submit an updated notification (renotify) for an existing network every four years following the initial notification
Regulation 4	Duty to install meters	<ul style="list-style-type: none"> - duty to install building level meters in district networks - duty to install final customer meters in buildings in the viable class - duty to install final customer meters in buildings in the open class, where it is cost-effective and technically feasible to do so - duty to install temperature control devices where meters are installed
Regulation 5	Requirements relating to meters	<ul style="list-style-type: none"> - requirements for all installed meters to be accurate and correctly display readings
Regulation 6	Duty to install heat cost allocators, thermostatic radiator valves and hot water meters	<ul style="list-style-type: none"> - duty to install heat cost allocators, thermostatic radiator valves and hot water meters for final customers in buildings in the open class, where it's cost-effective and technically feasible to do so - requirements for all installed heat cost allocators to be accurate and correctly display readings
Regulation 7	Replacement of existing meters	<ul style="list-style-type: none"> - duty for replacement meters to be accurate and correctly display readings
Regulation 8	Ongoing obligations in relation to meters and heat cost allocators	<ul style="list-style-type: none"> - obligation that meters and heat cost allocators must be continuously operating correctly, maintained and checked for errors
Regulation 9	Billing	<ul style="list-style-type: none"> - duty to ensure customers' bills are accurate, based on actual consumptions and comply with minimum requirements, where meters or heat cost allocators are installed

Table 1 – summary of regulatory requirements

3 Core concepts in the Regulations

- 3.1 The Regulations cover most district heat networks and communal heating systems in England, Scotland, Wales and Northern Ireland. This includes residential, commercial, industrial, public sector and other networks.
- 3.2 For the purposes of this Guidance, reference to heat and heating also means cooling and the supply of hot water.

What is a heat network?

- 3.3 Heat networks are shared heating systems which provide a more energy efficient alternative to individual boilers. On a heat network, water is heated or chilled at a central source of production (such as a large boiler or energy centre incorporating a number of technologies) and distributed to customers through pipework for heating, cooling or hot water use.
- 3.4 The main components that constitute a heat network as defined in the Regulations are:
- The network provides a shared source of heat for multiple users;
 - The heat transfer medium must be water, steam or chilled liquids;
 - The heat must be used for heating/ cooling, hot water use or processes, and;
 - The heat must be sold to final customers by heat suppliers.
- 3.5 For the network to be in the scope of the Regulations, the heat must be transferred by water, steam or chilled liquids. However, the central heat source itself can employ any type of technology including (but not limited to):
- Boiler (running on gas, electricity, oil, biomass, waste heat or another fuel)
 - Combined Heat and Power (CHP) plant simultaneously generating electricity
 - Shared air source / ground source / water source heat pumps.
- 3.6 Individual systems where users generate their own heat rather than receiving heat from a central system via pipes are not heat networks. Examples of individual systems include:
- Individual boilers;
 - Electric radiators;
 - Overnight storage heaters;
 - Individual heat pumps.

What is a district heat network?

- 3.7 District heat network means the distribution of thermal energy in the form of steam, hot water or chilled liquids from a central heat source through pipework to multiple buildings or sites for the use of space or process heating, cooling or hot water.

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- 3.8 The minimum criteria for an installation to be considered a district heat network are two buildings being supplied with heat and at least one final customer. A heat supplier cannot be their own final customer. Therefore, where a heat supplier is supplying heat for its own use in building A but is also supplying heat to a second party in building B, this is sufficient to meet the criteria of a district heat network.
- 3.9 The heat source can be located inside one of the buildings that makes up the district heat network or in an external energy centre.

What is a communal network?

- 3.10 Communal heating involves the distribution of thermal energy in the form of steam, hot water or chilled liquids from a central heat source through pipework to a single building with multiple final customers, for the use of space or process heating, cooling or hot water. It is not necessary for the heat source to be within the building it serves, only that a single building makes use of the heat.
- 3.11 All communal heating serves only one building. The minimum criteria for an installation to be considered communal heating is two final customers within that building. The most common example of communal heating is a block of flats (considered to be one building in its entirety) with a central boiler or plant room serving all of the flats.

Examples of heat networks

- 3.12 District heat networks or communal heating to which the Regulations apply include, but are not limited to:
- Single residential building with multiple final customers;
 - Sub-let spaces such as fitness centres in hotels, private enclosed offices or third-party dry cleaners in supermarkets;
 - Industrial sites where a contract exists for the supply of heat through a network;
 - Shopping centres;
 - Residential buildings or estates with sub-let spaces for shops, restaurants, or any other goods selling or service providing business unit;
 - Sheltered and social housing (where these are provided as separate homes with a networked heat supply, and not as part of e.g. a communal nursing home);
 - Assisted living (where residents are responsible for paying other bills).
- 3.13 The examples of district heat networks or communal heating to which the Regulations normally do not apply include (but are not limited to):
- Hotel rooms (due to transitory nature of the arrangement);
 - Nursing homes where washing and/or food preparation facilities are provided communally (as it does not fulfil its normal role as a residence);
 - Hospitals with multiple buildings where heat supplier and final customer are the same legal entity, or single hospital buildings where there is one final customer (no parts of the building are sublet by that one final customer);
 - Prisons (no financial arrangement between the heat supplier and user);

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- Industrial site where heat is generated and distributed within the site as part of the industrial process (as there are no final customers being supplied with heat).
- 3.14 The main criteria considered when determining whether a heat network with a central heating source is in the scope of the Regulations is whether a purchase of heat takes place between the supplier and final customers. For example, a prison will have a network supplying heat, but prisoners are not considered to be final customers under the Regulations as they do not purchase this heat. However, prison operators can be a final customer if their site is connected to a wider district scheme and the prison operator purchases heat supplied through that wider scheme.
- 3.15 Where different departments or organisational units within a company are registered as separate legal entities, they constitute separate final customers for the purpose of these Regulations. As such, even though it may appear that one company occupies a building, the heat network will fall into the scope of the Regulations in the scenario above.
- 3.16 Apart from the examples listed above, there may be a number of different arrangements between the final customer and the heat supplier which would determine whether the network would fall within the scope of the Regulations. If uncertain whether the network falls within the scope of the Regulations, please contact OPSS to discuss.

Who are heat suppliers?

- 3.17 Heat supplier means any legal entity (person or organisation) that supplies and charges for the supply of heating to a final customer, through a communal (single building) or district (multi-building) heat network.
- 3.18 This includes the supply of heat as part of a package, paid for indirectly through rent, ground rent, a service contract or other means. Such a payment does not need to explicitly mention the supply of heat but there will be a reasonable expectation by the final customer that heat supply is part of the payment.

Who are final customers?

- 3.19 The final customer is a person who purchases heating for their own end consumption from a heat supplier. The final customer can also be an organisation that purchases heat on behalf of a collective.
- 3.20 Where a heat supplier supplies and charges heat to a housing association that then passes the heat and charges on to its tenants, these are two heat networks because there are two heat supplier final customer arrangements in place. The first is between the heat supplier and the housing association, while the second is between the housing association and the tenants. For illustration purposes, a detailed diagram explaining this relationship is presented in Appendix A.
- 3.21 The requirement for someone to be considered a final customer is that a payment is made for the heat used. The Regulations do not explicitly require a contractual arrangement between the heat supplier and the final customer. The term final customer does not refer to every person located in a building but to the number of heat bill payers. In a block of 20 flats, there will be one billpayer per flat and therefore 20 customers regardless of the number of occupants.

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- 3.22 For the purposes of domestic heat supply, a user is considered a final customer where they occupy a partitioned private space which is intended to be used as a domestic dwelling and has the following¹:
- Bedroom
 - Bathroom
 - Kitchen
- 3.23 For the purposes of non-domestic heat supply, a user is considered a final customer where they have access to a partitioned private space for the purposes of carrying out their activity. In this case, some services such as sanitary or reception areas may be shared.
- 3.24 Sites with no partitioned space, such as open plan areas serving multiple tenants, are not considered part of a network for the purposes of the Regulations. Sites where only communal areas (stairwells, corridors etc) are heated are also discounted.

Cooling

- 3.25 The systems where chilled water or liquids pass through multiple heat exchangers to supply more than one customer are in the scope of the Regulations.
- 3.26 Air-conditioned systems relying on local compressors, purely ducted air or variable refrigerant volume/flow (VRV/VRF) are not in the scope of the Regulations.

Building classes

- 3.27 The 2020 Amendments have seen the introduction of an important new concept, that of a building class. The Regulations describe the criteria for buildings in each building class while the building class determines the metering requirement for the building.
- 3.28 There are three building classes: viable, open and exempt. All buildings on heat networks in scope of the Regulations **must** be correctly classified into an appropriate building class.
- 3.29 It is important to determine the building class in order to determine whether to carry out an analysis of the technical feasibility and cost-effectiveness of installing final customer meters or heat cost allocators.
- 3.30 Building class and cost-effectiveness assessment are explained in detail elsewhere in this Guidance (most importantly in Chapter 6, which relates to Regulation 4 requirements on meter installs), alongside with processes to be followed and timelines for meeting the obligations.

¹ Users who do not have all of these facilities for their exclusive use, such as those in houses of multiple occupancy (HMOs) or most university halls of residence – where facilities such as cooking are shared – are not considered to be customers under the Regulations.

4 Regulatory requirements

- 4.1 The subsequent chapters look at each of the regulatory requirements in detail and provides instructions and advice on how to comply with them.

5 Regulation 3 (Duty to Notify)

- 5.1 Regulation 3 places a requirement on heat suppliers to submit a notification for each network they operate to OPSS.
- 5.2 The notification must include the following information:
- The location of the heat network that the heat suppliers operate;
 - The total per calendar year of each of the following:
 - The total heating capacity installed on the network
 - The total heat generated by the technology on the network
 - The total heat supplied to final customers on the network;
 - The number and class of each building supplied by the network;
 - The number of buildings in each building class supplied by the network;
 - The number of meters or heat cost allocators installed in any buildings supplied by the network;
 - The number of final customers supplied by the network;
 - The name and address of the heat supplier;
 - The results of any analysis carried out in accordance with Schedule 1 of the Regulations to determine the technical feasibility and cost-effectiveness of installing meters or heat cost allocator, and details of those metering devices if the installation is required (the cost-effectiveness assessment tool is available at [OPSS Heat Network compliance website](#));
 - The expected frequency and content of billing information provided by the heat supplier to final customers supplied by the network;
 - Any other information that is reasonably required by OPSS for the purpose of determining if the heat supplier has complied with the duties in the Regulations.
- 5.2 Heat suppliers **must** provide the above information on the day or before the heat network becomes operational.
- 5.3 Following this initial notification, the heat supplier **must** submit an updated notification within four years of the date of the previous notification. This is an ongoing requirement. For example, if the initial notification was submitted in 2016, the re-notifications are due in 2020, then 2024 and so forth.
- 5.4 Transitional arrangements have been put in place from when the amendments come into force on 27 November 2020 until 1 September 2022. For any heat network that is due to be re-notified during this transitional period, a heat supplier may renotify the network at any time before the end of that period. This additional time is granted to allow heat suppliers to fully comply with all regulatory requirements and include the relevant information with the updated notification.
- 5.5 The transitional arrangements will not apply to heat networks that were due to be re-notified before 27 November 2020. Any such network will need to be notified as soon as possible to be compliant with Regulation 3.

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- 5.6 Any overdue submissions will need to comply with requirements in force at the time of submitting a renotification. For example, if the initial notification was submitted on 1 June 2016, and heat supplier failed to submit a renotification by 1 June 2020, and having realised the omission, is submitting the renotification on 1 December 2020, the renotification will need to be done on the new template (in use from 27 November 2020) and comply with requirements in force as of 27 November 2020.
- 5.7 The change of a heat supplier does not alter the period in which the heat supplier must renotify the network. It is best practice to inform OPSS of the change as soon as possible so we can update our records. This can be done by contacting OPSS by email at: heatnotifications@beis.gov.uk
- 5.8 The notifications and re-notifications **must** be submitted in the form approved by the OPSS (available at [OPSS Heat Network compliance website](#)). If a notification is not submitted in this format, OPSS will reject this notification and require the heat supplier to resubmit the notification in the correct format.
- 5.9 Where any of the buildings in a heat network fall in the open class, the heat supplier **must** complete the assessment on whether it is technically feasible and cost-effective to install metering devices and submit the results of analysis carried out in accordance with Schedule 1 of the Regulations.
- 5.10 The approved format for the notification and the cost-effectiveness assessment tool is available on the [OPSS Heat Network compliance website](#).
- 5.11 Detailed user guides for the notification template and the cost-effectiveness assessment tool are also available alongside the notification template and the tool. The suppliers are strongly encouraged to consult the user guides as they fill in the templates, as this will ensure that the supplied information is of good quality and in the correct format. The link to the user guide is also provided on the OPSS website referred to in the previous paragraph.
- 5.12 All notifications should be submitted to OPSS using the following email address: heatnotifications@beis.gov.uk
- 5.13 Once heat suppliers send the notification to OPSS, they will receive an automated response from the mailbox, but may not receive personalised acknowledgement from OPSS. The notification will go through a Quality Assurance process, where the submitted information will be checked for errors and data quality. If information needs verification, OPSS will contact the heat suppliers to confirm or amend the information, as appropriate. If the information passes the Quality Assurance process, the notification will be uploaded to the database.

6 Regulation 4 (Duty to Install Meters)

- 6.1 Regulation 4 explains the circumstances in which heat suppliers need to install heat meters on networks they operate.
- 6.2 There are different requirements related to meters which measure the heating, cooling and/or hot water at a building level and those that measure heating, cooling and/or hot water consumption by a final customer. Regulations 4(1) and 4(2) refer to the building level meters, which measure the supply of heat to a building. The remainder of Regulation 4 refers to final customer meters.

Building level meters

- 6.3 A building level meter is used by a heat supplier to measure the heat consumption of a single building on a district (multi-building) network. The purpose of building level meters is to help heat suppliers monitor network efficiency and identify the source of suspected inefficiencies, such as heat loss through pipework. They are not used to measure final customers' heat consumption, nor to bill customers based on consumption.
- 6.4 Regulation 4(1) requires heat suppliers to install a building level meter in every multi-occupancy building on a district network. This is a mandatory requirement that has been in place since 2014 when the Regulations came into force and is not contingent on any prior assessment of suitability.
- 6.5 Building classes (as described below) do not apply to building level meters.
- 6.6 Where a district network has a mixture of buildings, the requirement applies only to the multi-occupancy buildings. For example, a 10 building district network comprised of three apartment blocks (each with multiple final customers) and seven detached houses (each with one final customer) would require three building level meters, one for each of the blocks, and none for the detached houses.
- 6.7 Regulation 4(2) prescribes that building level meters **must** be situated either at a heat exchanger within the building or at the point of entry of the district network pipes into the building.

Final customer meters

- 6.8 A final customer meter (typically but not always installed within a customer's partitioned premises) is used to measure the consumption of heating, cooling or hot water by that final customer.
- 6.9 To determine whether or not they are required to install final customer meters, heat suppliers **must** first determine the building class (viable, open, exempt) for each building on their system:
- Viable class: customer meters are always mandatory;
 - Open class: metering devices (meters or heat cost allocators) are required if it is assessed to be technically feasible and cost-effective); and
 - Exempt class: no requirement to install metering devices for customers (no assessment of technical feasibility and cost-effectiveness is required as the outcome is expected to be negative).

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- 6.10 Building class determinations are made at the building, not the network level. This means that the suppliers may have different building classes and different metering requirements and arrangements for different buildings on the same (district) heat network.
- 6.11 Building classes are explained in detail further down in this chapter.

Viable class

- 6.12 Table B1 in Appendix B lists the buildings that fall into the viable class.
- 6.13 Final customer meters **must** be installed for each customer in viable class buildings.
- 6.14 The buildings in the viable class **must** be declared as such in the notification template available at the [OPSS Heat Network compliance website](#), and/or in another format requested by the OPSS, and final customer meters will need to be installed in line with the deadlines stated in the Regulations.
- 6.15 The heat suppliers should not complete cost-effectiveness tool in respect of buildings that are in the viable class.

Open class

- 6.16 Table B2 in Appendix B lists the buildings that fall into the open class.
- 6.17 Where a building falls into the open class, the heat suppliers **must** install final customer meters for each customer where it is technically feasible and cost-effective.
- 6.18 For buildings that fall into the open class before 27 November 2021, heat suppliers **must** complete the cost-effectiveness assessment in respect of (heat) meters by 27 November 2021. If the cost-effectiveness assessment results are positive, they **must** install meters before 1 September 2022.
- 6.19 Where a building first falls into the open class between 27 November 2021 and 1 September 2022, the cost-effectiveness assessment **must** be made for that building and the installation be complete before 1 September 2022.
- 6.20 Where a building first falls into the open class on or after 1 September 2022, a cost-effectiveness assessment **must** be made, and, if required, meters installed, at that time.
- 6.21 To assess whether it is cost-effective to install meters, heat suppliers should use the cost-effectiveness tool, which is available on the [OPSS Heat Network compliance website](#).
- 6.22 Where the initial cost-effectiveness assessment result is negative, the assessment **must** be repeated within four years.
- 6.23 Where a future cost-effectiveness assessment of an existing heat network returns a positive outcome, indicating that it has now become cost-effective to install final customer meters, the heat supplier **must** install the meters within that four year period.
- 6.24 A failure to complete the meter installations by 1 September 2022 (including those caused by delays in completing the cost-effectiveness assessment or incorrectly completed cost-effectiveness assessment) will **constitute a breach of the Regulations and OPSS will consider the appropriate and proportionate enforcement action to ensure compliance.**

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- 6.25 As part of their notification, heat suppliers **must** submit the outcome of the cost-effectiveness assessments for buildings in the open class to OPSS. This may be as part of first-time notifications (for new networks) or all re-notifications (in respect of existing networks) unless meters are installed in the meantime.
- 6.26 Heat suppliers are strongly advised to contact OPSS in advance of the meter installation deadline, and confirm the results of the cost-effectiveness assessment if in doubt. This may prevent the breach of Regulations as described in paragraph 6.24.
- 6.27 Please refer to Chapter 5 in this Guidance, which covers Regulation 3, for further information about notifications.

Exempt class

- 6.28 Table B3 in Appendix B lists the buildings which fall into the exempt class.
- 6.29 Final customer meters do not need to be installed in buildings that fall into the exempt class.
- 6.30 OPSS may request evidence from heat suppliers that a building falls into the exempt class.

Other considerations

- 6.31 Every final customer meter installed under Regulation 4 (whether mandatory in viable class buildings, as a result of a positive cost-effectiveness assessment in open class buildings or existing meters in open class buildings) **must** be accompanied by a temperature control device allowing a customer to control their consumption of heating or cooling supplied through a network.
- 6.32 Heat suppliers with installed final customer meters are further subject to requirements in Regulation 5 (meter accuracy), Regulation 7 (replacement of meters), Regulation 8 (ongoing obligations in relation to meters) and Regulation 9 (billing). This applies equally to existing and newly installed meters.
- 6.33 Following their initial determination, it is possible for buildings to move between classes due to a later change in circumstances. For example, an exempt class building that undergoes a change of use from supported housing to a non-exempt type of residence (or a building with other non-exempt heat use) would move to the open class or an existing building supplied by a district heat network would move to the viable class if it is undergoing major renovations. However, we would expect the class to remain the same for most buildings.
- 6.34 Where a building moves from the exempt class to the open class and where the heat supplier determines it is technically feasible and cost-effective to do so, the heat supplier **must** install meters when the building falls into that class. The same applies to any buildings that subsequently move into the viable class.
- 6.35 A heat supplier whose building changes class is not required to notify OPSS of this immediately but report the correct building class in the next heat network re-notification submission.

7 Regulation 5 (Requirements Relating to Meters)

- 7.1 Regulation 5 sets out requirements relating to the meter accuracy. It states that meters **must** accurately measure, memorise and display the consumption of heating, cooling or hot water by each final customer.
- 7.2 This requirement applies to all installed meters on any heat network that falls within the scope of the Regulations. This includes, meters installed prior to the Regulations first coming into force in 2014.
- 7.3 With regards to meters which were installed before the 27 November 2020 heat suppliers **must** comply with this requirement before 1 September 2022.

Heat meter accuracy

- 7.4 Regulation 5 requires the heat meters in scope of these Regulations to be accurate but is not prescriptive with regard to a standard or accuracy class.
- 7.5 As a matter of good practice and having reviewed similar schemes that require heat to be metered, the OPSS advises the heat suppliers to use the meters that meet established performance standards. For example, this could mean installing meters that comply with 2014 Measuring Instruments Directive (MID) (2014/32/EU) or recommendations in OIML R 75:2002 Heat meters².
- 7.6 OPSS advises that installed meters need to meet the tolerances which are stated as being the maximum permissible errors for each of the accuracy class.
- 7.7 To ensure accuracy and prevent malfunctioning, meters should be installed in line with the manufacturer's instructions. This includes the correct positioning of all meter components (calculator, flow sensor and the pair of temperature probes), correct placement with respect to the pipe (e.g. distance from joints and bands), meter calibration and similar. For complete requirements and instructions, please refer to your meter's manufacturers' documentation.
- 7.8 OPSS advises that all metering equipment is installed by a competent installer.
- 7.9 For meters that are MID compliant, the acceptable proof of accuracy includes a type examination certificate. Another type of evidence that is also acceptable is a photograph of 'MID markings' on the meter body (integrator component), alongside the proof of the meter installed at the declared location (serial number).
- 7.10 MID compliant meters will also contain an indication of an accuracy class on the meter body (integrator part). In most circumstances, the marking will just say 'class 2' or 'cl 2', rather than 'accuracy class 2'. Other applicable meter classes that are visible on the meter body will normally have full denomination, such as environmental class.
- 7.11 For OIML R 75, the acceptable proof of accuracy may include an OIMLCS Certificate and associated type evaluation/ test report from an OIML Issuing Authority.

² <https://www.oiml.org/en>

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- 7.12 The sections 7.5 to 7.11 contain recommendations on ways to be compliant, but they are by no means prescriptive or exhaustive. If your meter does not fall into the examples described here, please contact the OPSS Heat Networks team to discuss the specifications of the meter you have or are intending to install, and what evidence can be presented to confirm the meter is accurate.

Hot water meter accuracy

- 7.13 Regulation 5 requires the hot water meters in scope of these Regulations to be accurate but are not prescriptive with regard to a standard.
- 7.14 As a matter of good practice, the OPSS strongly advises the heat suppliers that the hot water meters comply with the established standards, such as 2014 Measuring Instruments Directive (MID) (2014/32/EU) MI-001 or OIML R 49: 2013 (E) Water meters for cold potable water and hot water.
- 7.15 In addition to meeting any required standard, hot water meters need to be installed in line with the manufacturer's instructions.
- 7.16 Hot water meters that do not meet MID or OIML may also be deemed accurate. If this is the case for you, please get in touch with OPSS to discuss the options for evidencing the accuracy requirement.
- 7.17 For meters that are MID compliant, the acceptable proof of accuracy includes a type examination certificate. Another type of evidence that is also acceptable is a photograph of 'MID markings' on the meter body (integrator component),
- 7.18 For OIML R 49, the acceptable proof of accuracy may include an OIML-CS Certificate and associated type evaluation/ test report from an OIML Issuing Authority.

OPSS requirements and evidence

- 7.19 When submitting initial evidence on meter accuracy, if it meets the requirements in paragraph 7.14, you need to confirm the following information:
- Make, model and serial number of the meter;
 - Location of the meter on the heat network;
 - Whether the meter is MID compliant and its accuracy class;
 - If the meter is not MID compliant, further evidence of standards and accuracy class, such as calibration or testing certificates;
 - Declaration that the meter has been installed in line with the manufacturer's instructions; and
 - Installation date, and the date of the latest test and/or calibration.
- 7.20 Where OPSS receives complaints from a customer, further evidence may be required from a heat supplier to evidence that the measuring equipment in scope of these Regulations is compliant with the requirements of Regulation 5. This may include in situ or laboratory tests, or other methods, as deemed appropriate.
- 7.21 In line with the transitional arrangements pertaining to the UK's exit from the EU, CE marking on the hot water meters entering the UK are allowed until 1 January 2022. This page will be updated to reflect any changes ahead of this deadline.

8 Regulation 6 (Duty to install heat cost allocators, thermostatic radiator valves and hot water meters)

Heat cost allocators, thermostatic radiator valves and hot water meters

- 8.1 In certain cases, Regulation 6 requires heat supplier to install heat cost allocators (HCAs), thermostatic radiator valves (TRVs) and hot water meters. This applies where there is:
- More than one final customer in the building;
 - Both heating and hot water is supplied to that building; and
 - The heat supplier has determined that it is not technically feasible or cost-effective to install final customer meters.
- 8.2 Heat suppliers are required to install heat cost allocators, thermostatic radiator valves and hot water meters only where it is cost-effective and technically possible to do so. The requirement to assess cost-effectiveness of HCA, TRV and hot water meters installed applies only to buildings in the open class, after the technical feasibility and/or cost-effectiveness assessment has been completed in respect of heat meters and the outcome was negative.
- 8.3 For buildings that fall into the open class before 27 November 2021, heat suppliers **must** complete the cost-effectiveness assessment in respect of HCAs, TRVs and hot water meters by 27 November 2021. If the cost-effectiveness assessment results are positive, they **must** install HCAs, TRVs and hot water meters by 1 September 2022.
- 8.4 Where a building first falls into the open class between 27 November 2021 and 1 September 2022, the cost-effectiveness assessment **must** be made for that building and the installation be complete before 1 September 2022.
- 8.5 Where a building first falls into the open class on or after 1 September 2022, a cost-effectiveness assessment **must** be made, and HCAs, TRVs and hot water meter meters installed, at that time.
- 8.6 Where a cost-effectiveness assessment has indicated that it is not cost-effective for metering devices (meters or HCAs, TRVs and hot water meters) to be installed, the heat supplier is required to carry out a further assessment within four years and repeat this within four-year periods thereafter, for as long as those assessments return a negative response and meters or heat cost allocators have not been installed.
- 8.7 Where it is not cost-effective to install metering devices, the heat supplier may use alternative methods to determine charges for customers for heat supplied through a network, including using a building level meter.
- 8.8 Where a repeated cost-effectiveness assessment of open class building that has previously returned negative result subsequently indicates that it has become cost-effective to install HCAs, TRVs and hot water meters, the heat supplier **must** complete this work within that four year period.

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- 8.9 Where an assessment has indicated that it is cost-effective to install HCAs, TRVs and hot water meters in a building, the heat supplier is required to install HCAs and TRVs at each room-heating radiator in the premises of each customer, as well as a single hot water meter for each customer.
- 8.10 The heat suppliers with both existing and newly installed HCAs, TRVs and hot water meters in open class buildings need to comply with the requirements of Regulation 5 (accuracy of hot water meters), Regulation 6 (accuracy of HCAs), Regulation 8 (ongoing obligations in relation to meters and HCAs) and Regulation 9 (billing).
- 8.11 For clarity, the devices referred to in this section mean:
- HCA is used to record the consumption of heat by a room-heating radiator within a customer's premises;
 - TRV is used to give a customer control over the consumption of heat by a room-heating radiator;
 - Hot water meter is used to record the consumption of hot water by a customer.

Heat cost allocator accuracy

- 8.12 Heat cost allocators in scope of these Regulations **must** accurately measure, memorise and display the consumption of heat by a room-heating radiator.
- 8.13 Regulation 6(6) requires the heat cost allocators in scope of these Regulations to be accurate but is not prescriptive with regard to a standard.
- 8.14 As a matter of good practice, the OPSS advises the heat suppliers that the heat cost allocators comply with the standard BS EN 834:2013.
- 8.15 In addition to meeting any required standard, the heat cost allocators need to be installed in line with the manufacturer's instructions.
- 8.16 Heat cost allocators that do not meet the BS EN 834:2013 may be deemed as accurate. If this is the case for you, please get in touch with OPSS to discuss the options for evidencing the accuracy requirement.

Evidencing heat cost allocator accuracy

- 8.17 Requirements for evidencing heat cost allocator accuracy will follow the same process previously described for meter accuracy in Chapter 7 on Regulation 5 requirements.
- 8.18 When submitting initial evidence on heat cost allocator accuracy, you will need to confirm the following information:
- Make, model and serial number of the heat cost allocator;
 - Location of the heat cost allocator on the heat network;
 - Whether the heat cost allocator is compliant with BS EN 834:2013;
 - If the heat cost allocator is not compliant with BS EN 834:2013, further evidence of its accuracy, such as technical documentation and/or test results;
 - Declaration that the heat cost allocators has been installed in line with manufacturer's instructions;
 - Installation date, and details of any previous tests.

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- 8.19 If OPSS is not satisfied with the heat cost allocator accuracy following the submission of initial evidence, such as if there are customer complaints, further evidence may be required from a heat supplier. This may include in situ or laboratory tests, or other methods, as deemed appropriate.

9 Regulation 7 (Replacement of existing meters)

- 9.1 Regulation 7 requires the heat suppliers ensure that replacement meters accurately measure, memorise and display the consumption of heating, cooling or hot water by a final customer.
- 9.2 For meter accuracy requirements and how they can be met, please refer to paragraphs 7.5 to 7.11 (Chapter 7 on Regulation 5, meter accuracy sub-heading) of this Guidance.
- 9.3 Replacing meters is expected to be generally possible. However, in cases where it would be technically impossible or the estimated cost would be unreasonable, this **must** be evidenced to OPSS.

10 Regulation 8 (On-going obligations in relation to meters and heat cost allocators)

- 10.1 In accordance with the Regulations, heat suppliers **must** ensure that any installed meters and heat cost allocators are:
- continuously operating correctly; and
 - properly maintained and periodically checked for errors.
- 10.2 To ensure that the meters and heat cost allocators are properly maintained, heat suppliers should refer to their manufacturers' documentation and comply with maintenance requirements therein, including re-calibration of meters.
- 10.3 Heat suppliers should also periodically visit sites and visually check meters, remotely monitor usage and address any anomalies, conduct periodic checks against warranties and specifications and similar.
- 10.4 Heat suppliers need to keep evidence of maintenance activities, which includes, but is not limited to, invoices, receipts, inspection logs, and testing or re-calibration certificates and reports, and **must** produce them if requested by OPSS.
- 10.5 OPSS strongly advises that any re-calibration or testing activities be carried out by a manufacturer of the relevant meter, or by an organisation accredited by the United Kingdom Accreditation Service (UKAS).

11 Regulation 9 (Billing)

- 11.1 Regulation 9 outlines the billing requirements for heat suppliers when supplying final customers on the networks they operate. Regulation 9 applies where meters or HCAs are installed on the network.
- 11.2 The billing requirements apply to all existing and new meters and HCAs installed on the heat network, regardless of whether they have been installed under a duty in the Regulations or not. Prior to the amendments coming into force on 27 November 2020, the billing requirements applied only to metering devices that have been installed under the obligations of the Regulations, however, they now include all installed metering devices. From 1 September 2022, mandatory billing requirements will apply to metering devices where this requirement did not previously apply.
- 11.3 The heat supplier **must** ensure that bills and billing information for the consumption of heating, cooling or hot water by a final customer are accurate, based on actual consumption and compliant with the requirements outlined in Schedule 2 of the Regulations.
- 11.4 A heat supplier does not need to comply with mandatory billing requirements unless it is technically possible and economically justified to do so. It will be considered technically possible and economically justified to issue bills and billing information to final customers where the estimated reasonable cost of issuing them does not exceed £92 per a final customer per a year (paragraph 6 of Schedule 2).
- 11.5 To estimate this cost, in accordance with paragraph 7 of Schedule 2, the heat suppliers **must** take in to account the costs of:
- Collecting, storing and processing of the meter readings;
 - Preparation and issuing of the bill and billing information;
 - Processing of payments; and
 - Issuing demands for payment if a bill is not paid.
- 11.6 The mandatory billing requirements **do not apply where** the final customer occupies:
- Supported housing, almshouse accommodation or purpose-built student accommodation; or
 - a private dwelling or non-domestic premise that is subject to a leasehold interest where the lease began before 27 November 2020 and contains a provision which would prevent billing based on actual consumption.
- 11.7 Schedule 2 details the information that need to be included as part of the billing information. Billing information **must** include the following:
- Current energy prices charged to the final customer by the heat supplier;
 - Information about the final customer's energy consumption from the heat supplier;
 - 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;

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- 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. An example of this is <https://www.simpleenergyadvice.org.uk/>
- 11.8 Billing information **must** be issued by the heat supplier at least twice a year and with every bill issued. A bill **must** be issued to a customer at least once per year based on actual rather than estimated consumption.
- 11.9 Where a final customer has opted to receive electronic billing or where a final customer requests, billing information **must** be issued at least quarterly.
- 11.10 A bill may be based on an estimate only if the final customer has not provided a meter reading where they are expected to do so.
- 11.11 A heat supplier's costs of providing bills and billing information may be passed on to final customers provided that no profit is made from such charges. This is the case unless, in buildings with more than one final customer, billing services are undertaken by a third party, in which case reasonable charges may be passed on to final customers.
- 11.12 A 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.
- 11.13 At the request of a final customer a heat supplier must:
- Supply a final customer's billing information to an energy services provider;
 - Provide electronic billing and billing information;
 - Ensure that information and estimates of energy costs are provided to a final customer promptly and in a format, which enables customers to compare charges of different energy suppliers.
- 11.14 Heat suppliers **must** also provide a clear explanation of the information contained in a bill, including how the bill was calculated and specifying fixed and variable charges.
- 11.15 The pricing of heat supply is not in scope of the Regulations.

12 Transitional arrangements

12.1 The Heat Network (Metering and Billing) (Amendment) Regulations 2020 come into force on 27 November 2020. The Regulations set out transitional arrangements for heat suppliers who already operate heat networks. The deadlines for compliance with a number of obligations under the Regulations are staggered over a period of time. This chapter describes the various commitments, deadlines and what suppliers need to do to prepare for it.

First deadline – 27/11/2021

12.2 Heat suppliers will need to have completed the determination of the building class for each building on all networks they operate. In addition, they need to complete a technical feasibility and cost-effectiveness assessment for all buildings in the open class (where meters or heat cost allocators are not already installed).

12.3 There is an obligation to complete the cost-effectiveness assessment by the first deadline but failing to do so does not constitute an offence.

12.4 Failing to complete a cost-effectiveness assessment by the first deadline will have an impact on the ability of a heat supplier to meet other obligations. As an example, if a heat supplier fails to complete a cost-effectiveness assessment in time, and subsequently fails to install heat meters or heat cost allocators in time, they will be liable for penalties under Regulation 13, in relation to Regulations 4 and 6.

12.5 OPSS urges all suppliers to complete the cost-effectiveness assessment well in advance of the deadline and contact OPSS if they encounter any issues with meeting this requirement.

End of transitional arrangements in respect of the first deadline

12.6 Heat suppliers **must** complete and retain copies of cost-effectiveness assessment and submit them to OPSS at request. The tools are available at the [OPSS Heat Network compliance website](#).

12.7 OPSS reserves the right to ask for the cost-effectiveness assessment and any other supporting evidence necessary to verify the requirement to install metering devices in due course.

12.8 There is no requirement to submit the completed cost-effectiveness assessment to OPSS at this stage (immediately after the first deadline has passed).

Second deadline – 01/09/2022

12.9 Heat suppliers **must** comply with all amended and new requirements by the second deadline of 1 September 2022.

12.10 Heat suppliers **must** complete the installations of heat meters in all buildings that fall into the open class where it is technically feasible and the results of the cost-effectiveness assessment confirm that it's cost-effective to do so.

12.11 Where meters are required by the Regulations, temperature control devices **must** also be installed.

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- 12.12 Heat suppliers will also need to comply with requirements on meter accuracy for any meters installed before 27 November 2020. Furthermore, compliance with requirements relating to ongoing obligations (with regards to meters and heat cost allocators) as well as billing will be required for all installed metering devices (not previously covered) by this deadline.
- 12.13 Where it not technically feasible and cost-effective to install heat meters but it is cost-effective to install HCAs, TRVs and hot water meters as per results of the cost-effectiveness assessment, the heat suppliers **must** do so by the second deadline.
- 12.14 Where heat suppliers were due to re-notify their heat network to OPSS between 27 November 2020 and 1 September 2022, they **must** submit their renotification at the latest by the end of this period with all required information.
- 12.15 From 1 September 2022, final customer meters will be mandatory in almost all newly constructed buildings with communal heating (see building classes in Appendix B).

End of the second deadline and transitional arrangements

- 12.16 The transitional arrangements end on 1 September 2022, and from there on compliance with all requirements in the Regulations will apply.
- 12.17 Not having complied with all transitional requirements is an offence. OPSS will seek evidence that obligations have been met and take action where they have not.

13 Our role

- 13.1 The Office for Product Safety and Standards is part of the Department for Business, Energy and Industrial Strategy (BEIS) and is appointed by BEIS as the enforcement authority responsible for ensuring compliance with the Heat Network (Metering and Billing) (Amendment) Regulations 2020 within the UK.
- 13.2 We operate across a range of sectors with a focus on technical, environmental and product-based regulations. We make regulation work, protecting people and the environment, enabling businesses and maximising the impact of what we do, in partnership with users and stakeholders.
- 13.3 Our approach to carrying out our regulatory activities is explained in our [Service Standards](#). We know that good regulation is proportionate, consistent, targeted, accountable and transparent. We use the full range of tools and powers available to us to promote compliance and enforce the law to maintain protection, fairness and confidence.
- 13.4 We ensure that information, guidance and advice are available to help those we regulate to understand and meet legal requirements. Enquiries and requests for guidance or advice can be made by contacting us:
- Email (generic): opss.enquiries@beis.gov.uk
 - Email (heat networks team): heatnotifications@beis.gov.uk
 - Online enquiry form: <https://www.rohs.bis.gov.uk/enquiry>
 - Telephone: 0121 345 1201
 - Post: Office for Product Safety and Standards, PO Box 17200, Birmingham B2 2YT
- 13.5 We carry out inspections and other activities to check compliance with legal requirements, in accordance with our legal powers, and we target these checks where we believe they are most needed.
- 13.6 We are committed to dealing with non-compliance with legal requirements in a manner proportionate to the nature, seriousness and circumstances of the offence, as set out in our [Enforcement Policy](#). Our aim is to deliver enforcement that is fair and objective, while also being robust, credible and consistent with the intentions of the legislation. We use compliance advice, guidance and support as a first response to many breaches, where we consider this effective and proportionate. However, we will deal firmly with those that deliberately, persistently or recklessly fail to comply with their obligations, using the powers set out in Schedule 3 in the Regulations.
- 13.7 When we take enforcement action or make a regulatory decision in relation to a business or other body that we regulate, we will always provide a clear and timely explanation of any associated right to appeal. Further information on rights to appeal is available in our [Challenges and Appeals Guidance](#).
- 13.8 Safety and Standards has responsibility for enforcing other regulations which may affect heat suppliers under Heat Network (Metering and Billing) (Amendment) Regulations 2020. These include Measuring Instruments Regulations 2016 (available here: www.gov.uk/government/publications/measuring-instruments-regulations-2016) and guidance on CE Marking (available here: www.gov.uk/guidance/ce-marking).

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- 13.9 Further information on OPSS and the comprehensive list of regulations that we enforce can be found here: <https://www.gov.uk/guidance/national-regulation-enforcement-services>.

14 Glossary

- 14.1 The concepts used are explained in the Guidance or are otherwise included in definitions in Regulation 2. To avoid duplication, it will not be repeated here.

15 Appendix A – ‘Cascading Responsibilities’

- 15.1 In some situations, there is an intermediary between the heat supplier and the final customer.
- 15.2 In this scenario, company A operates a boiler supplying heat into a district heat network. Building owner B receives heat from company A and rents its building (and sells the heat) to companies C and D.
- 15.3 Building owner B is a final customer on A’s district heat network. B is also a heat supplier to C and D, who are B’s final customers through communal heating.
- 15.4 Both A and B are heat suppliers and have to meet the duties in the Regulations.

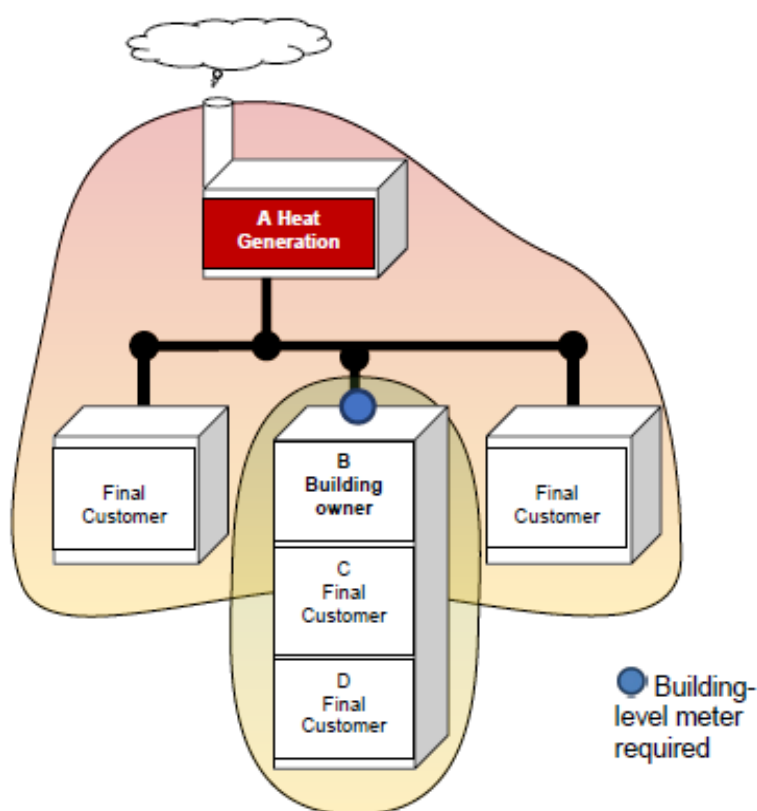


Figure A1

- 15.5 In this situation, OPSS advises that an arrangement is made for A to submit a notification for the network which encompasses both A’s and B’s information (i.e. the total number of final customers).
- 15.6 If this is not possible, then both parties must submit their own notification. In this case, B should enter ‘0’ for the Heating/hot water capacity (question 3.1) and Heating/ hot water generation (question 3.4) and leave a covering note including A’s name and postcode.

16 Appendix B – Building classes

16.1 This Appendix supplements Chapter 6 (Regulation 3 (duty to notify), Regulation 4 (duty to install meters) and Regulation 6 (duty to install heat cost allocators, thermostatic radiator valves and hot water meters)) and summarises building classes in a table format.

16.2 Viable class

Buildings supplied by a district heat network which fall into the viable class	Buildings supplied by communal heating which fall into the viable class
<p>A newly constructed building connected to a district heat network on or after 27 November 2020.</p> <p>This includes new buildings added to existing heat networks as well as those constructed before 27 November 2020 but connected on or after this date.</p>	<p>A newly constructed building (not in the open class or exempt class) connected to communal heating on or after 1 September 2022.</p> <p>This includes buildings which are constructed before 1 September 2022 but connected on or after this date.</p> <p>Some new buildings with communal heating fall into the open class or exempt class (please see relevant tables).</p>
<p>A building that undergoes major renovations relating to the technical services (as defined in the Regulations) on or after 27 November 2020.</p>	<p>No existing buildings.</p>
<p>An existing building where meter installations have previously been mandatory.</p> <p>This includes buildings which during the period between 18 December 2014 and before 27 November 2020</p> <ul style="list-style-type: none"> - were newly constructed and connected to a district heat network; or - underwent major renovations relating to the technical services of that building (as defined in the Regulations). 	<p>No existing buildings.</p>

Table B1

16.3 Open class

Buildings supplied by a district heat network which fall into the open class	Buildings supplied by communal heating which fall into the open class
No new buildings.	<p>A newly constructed building (not in the exempt class) connected to communal heating on or after 27 November 2020 and before 1 September 2022.</p> <p>Some buildings fall into the exempt class (please see the relevant table).</p>
No new buildings.	<p>A newly constructed building (not in the exempt class) connected to communal heating on or after 1 September 2022 where</p> <ul style="list-style-type: none"> - there is more than one entry point for the pipes; or - the building (or any part of the building) is supported housing, almshouse accommodation or purpose-built student accommodation. <p>Some buildings fall into the exempt class (please see relevant table).</p>
An existing building (not in the viable class) where meters or heat cost allocators are installed in all private dwellings or non-domestic premises in that building.	An existing building where meters or heat cost allocators are installed in all private dwellings or non-domestic premises in that building.
<p>Any other existing building that does not fall into the viable class or exempt class (please see relevant tables), this includes but is not limited to:</p> <ul style="list-style-type: none"> - existing buildings which were connected to a district heat network before 18 December 2014 (before meters became mandatory for these buildings). - existing buildings which were not originally constructed to be connected to a district heat network but are connected at a later stage, on or after 27 November 2020. 	<p>Any other existing building that does not fall into the exempt class (please see the relevant table).</p> <p>Existing buildings include those which were not originally constructed to be connected to communal heating but are connected at a later stage, on or after 27 November 2020.</p>

Table B2

16.4 Exempt class

Buildings supplied by a district heat network which fall into the exempt class	Buildings supplied by communal heating which fall into the exempt class
<p>No new buildings.</p>	<p>A newly constructed building, not consisting mainly of private dwellings which is connected to communal heating on or after 27 November 2020 where</p> <ul style="list-style-type: none"> - heat is distributed by means of a system other than hot water; or - the cooling system uses a transfer fluid other than water.
<p>An existing building (not in the viable class), where the building (or any part of the building) is</p> <ul style="list-style-type: none"> - supported housing; - almshouse accommodation; or - purpose-built student accommodation. 	<p>An existing building, where the building (or any part of the building) is</p> <ul style="list-style-type: none"> - supported housing; - almshouse accommodation; or - purpose-built student accommodation.
<p>An existing building (not in the viable class), where more than 10% of the total number of private dwellings and non-domestic premises are</p> <ul style="list-style-type: none"> - subject to a leasehold interest; - the lease began before 27 November 2020; and - the lease contains a provision which would prevent billing based on consumption. 	<p>An existing building, where more than 10% of the total number of private dwellings and non-domestic premises are</p> <ul style="list-style-type: none"> - subject to a leasehold interest; - the lease began before 27 November 2020; and - the lease contains a provision which would prevent billing based on consumption.
<p>An existing building (not in the viable class), not consisting mainly of private dwellings where</p> <ul style="list-style-type: none"> - heat is distributed by means of a system other than hot water; or - the cooling system uses a transfer fluid other than water. 	<p>An existing building, not consisting mainly of private dwellings where</p> <ul style="list-style-type: none"> - heat is distributed by means of a system other than hot water; or - the cooling system uses a transfer fluid other than water.

Table B3

17 Appendix C – Summary changes brought in by the 2020 Amendments

- 17.1 This Appendix sets out main changes brought in by the Heat Network (Metering and Billing) (Amendment) Regulations 2020 (referred to in here as ‘the 2020 Amendments’).
- 17.2 The Appendix is structured so as to note main changes against each Regulation. Each section summarises the main requirements of the Regulation and sets out the changes to the previous version(s) of the Regulations.
- 17.3 This Appendix is aimed at existing heat suppliers who may want a quick overview of what has changed.
- 17.4 This Appendix needs to be read together with main sections of Guidance, which explains the context and requirements of the change.

Regulation 2

- 17.5 Regulation 2 provides for the definitions used in the Regulations.
- 17.6 Several new definitions are introduced, including ‘almshouse accommodation’, ‘social housing provider’, ‘supported housing’, ‘low cost rental accommodation’, and ‘student accommodation’. These are important in relation to the building classes.
- 17.7 A definition of ‘existing building’ has also been included.

Regulation 2A

- 17.8 The 2020 Amendments introduce three building classes, of the viable, open and exempt classes. In this context, the 2020 Amendments introduce changes to the criteria which determine the metering requirements. The building classes are referred to in the context of Regulation 3 section in Guidance main body (relating to the requirement to notify building classes as a part of the notification process), Regulation 4 and 6 (relating to the requirement of assessment of technical feasibility and cost-effectiveness of the installation of metering devices) and in Appendix B (tables setting out criteria for each class).

Regulation 3

- 17.9 The core obligations with regard to Regulation 3 remain around requirement to notify and renotify heat networks.
- 17.10 The changes brought in by the 2020 Amendments cover:
- Additional information related to building class to be reported as a part of the notification;
 - Prescribed form for submitting the notification to OPSS (available on the [OPSS Heat Network compliance website](#)); and
 - Extension of deadline for submission of an updated notification (renotification) for renotifications due between 27 November 2020 and 1 September 2022.
- 17.11 The requirement to submit information related to the cost-effectiveness assessment as part of the notification is not new, however the information will need to part of the prescribed form for submitting the notification to OPSS.

Regulation 4

- 17.12 Regulation 4 covers the duty to install meters.
- 17.13 The 2020 Amendments describe how heat suppliers comply with the requirements to install meters in their buildings in accordance with the building classes.
- 17.14 Changes to Regulation 4 also provide new timelines within which the cost-effectiveness assessments need to be completed and metering devices be installed.
- 17.15 Regulation 4 also references Schedule 1, which has been amended.

Regulation 5

- 17.16 Regulation 5 maintains that the meters installed under the Regulations must be accurate.
- 17.17 The scope for meters to be accurate has been extended to all meters that are installed on heat networks that are in scope of Regulations, whether or not they were installed as a requirement of the Regulations (or voluntarily, for example).
- 17.18 Through amendment of Regulation 11, non-compliance with Regulation 5 has become an offence.

Regulation 6

- 17.19 Regulation 6 covers the duty to install heat cost allocators (HCAs), thermostatic radiator valves (TRVs) and hot water meters.
- 17.20 The 2020 Amendments describe how heat suppliers comply with the requirements to install heat cost allocators, thermostatic radiator valves, and hot water meters in their buildings in accordance with the building classes.
- 17.21 Changes to Regulation 6 also outline the timelines within which the cost-effectiveness assessments need to be completed and HCAs, TRVs and hot water meters installed.
- 17.22 Regulation 6 also references Schedule 1, which has been amended.

Regulation 7

- 17.23 Regulation 7 covers the replacement of existing meters.
- 17.24 Regulation 7 has been simplified to retain only an obligation for replacement meters to be accurate (in the same way that Regulation 5 covers accuracy of existing and first time/newly installed meters).
- 17.25 The remainder of the previous Regulation 7, which referred to metering requirements for new buildings and major renovations on district heat networks, is now reflected in the metering requirements of the building classes in Regulation 2A.

Regulation 8

- 17.26 Regulation 8 covers ongoing obligations in relation to meters and heat cost allocators.
- 17.27 This requirement has been extended to all meters and heat cost allocators installed on heat networks that are in scope of Regulations, whether or not they were installed as a requirement of the Regulations.

Regulation 9

- 17.28 Regulation 9 covers billing requirements.

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- 17.29 One notable change with regard to Regulation 9 is the change of threshold for billing cost that has changed from £70 to £92 per final customer per year. This amendment is contained in Schedule 2, paragraph 6.
- 17.30 The 2020 Amendments also introduce a number of other criteria where billing requirements are not mandatory.
- 17.31 Regulation 9 has been extended to all meters and heat cost allocators that are installed on heat networks that are in scope of the Regulations, whether or not they were installed as a requirement of the Regulations

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