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# Heat Networks Project Development Tips

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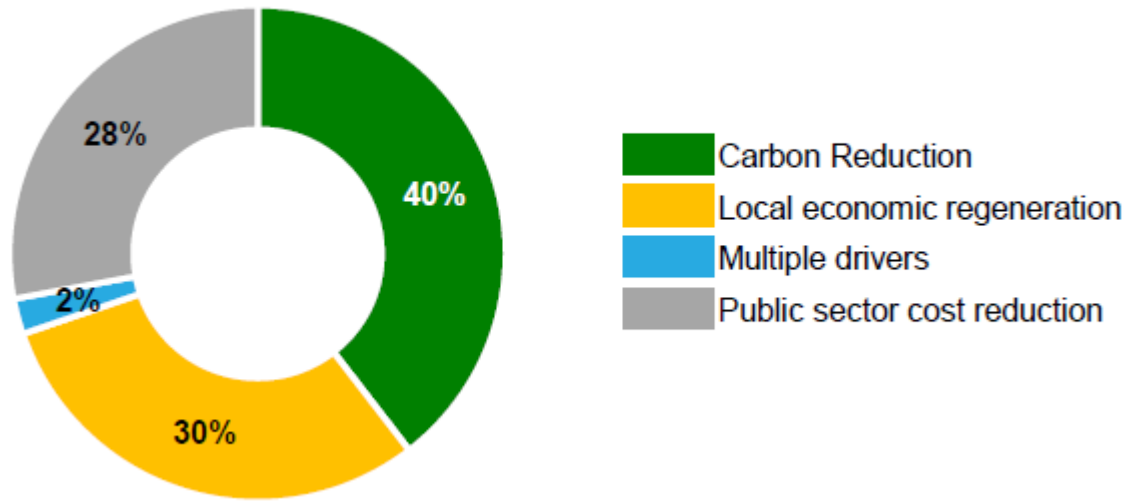
  
Department for  
Business, Energy  
& Industrial Strategy

# Heat Networks: Project Development Tips

- Why heat networks in my Local Authority?
- How should you go about investigating opportunities?
- How do you know if there is a good opportunity?
- You have a viable opportunity, what next?
- Importance of engaging stakeholders
- Other than funding how else can HNDU support you?
- Summary of Top Tips

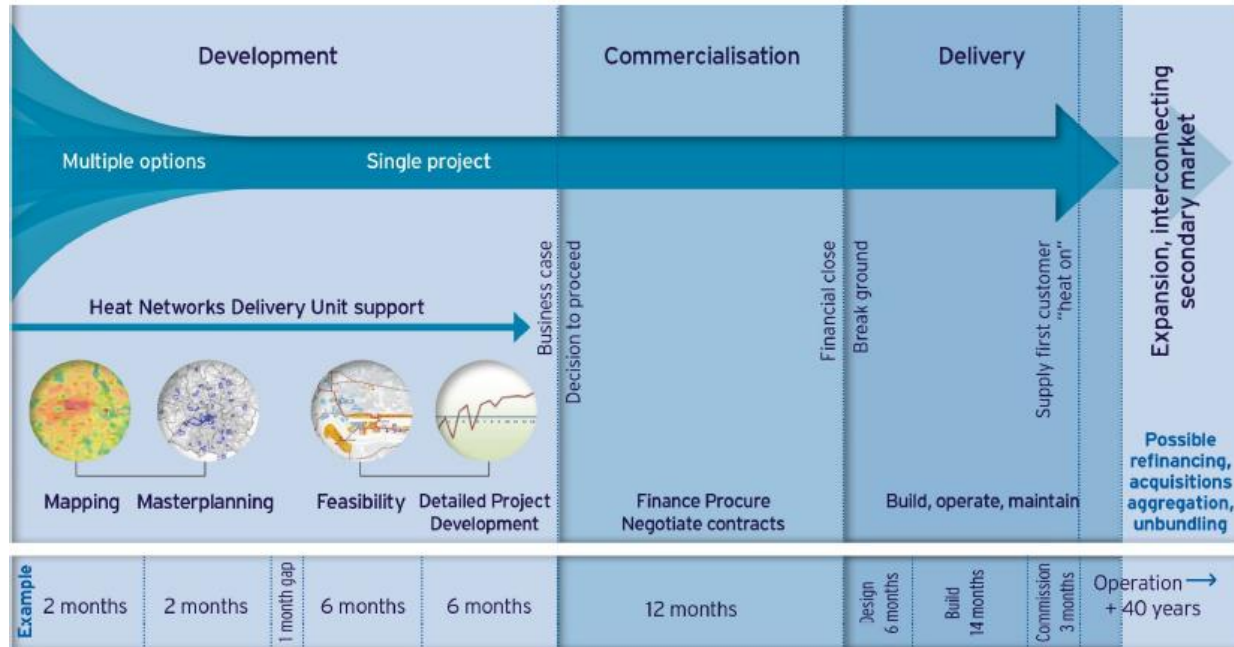


# Why heat networks in my Local Authority?



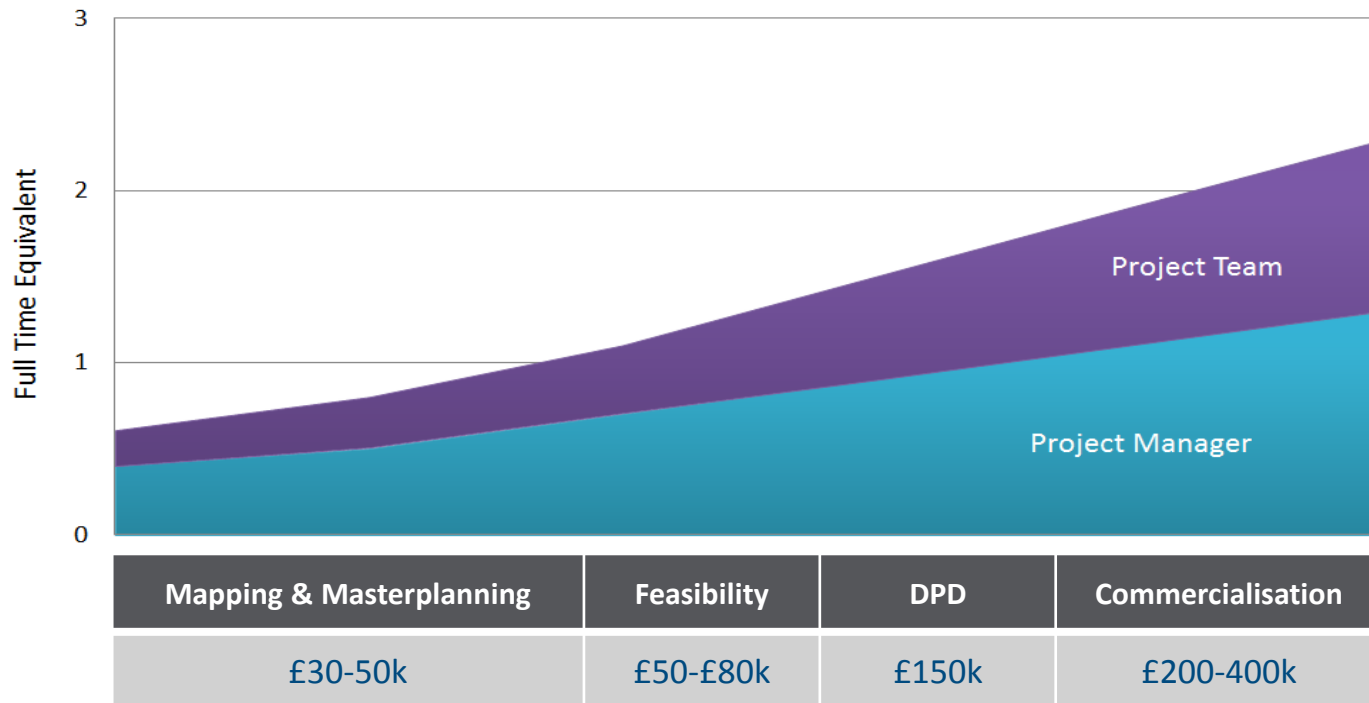
Develop a clear set of **objectives** for your project

# How should you go about investigating a potential opportunity?



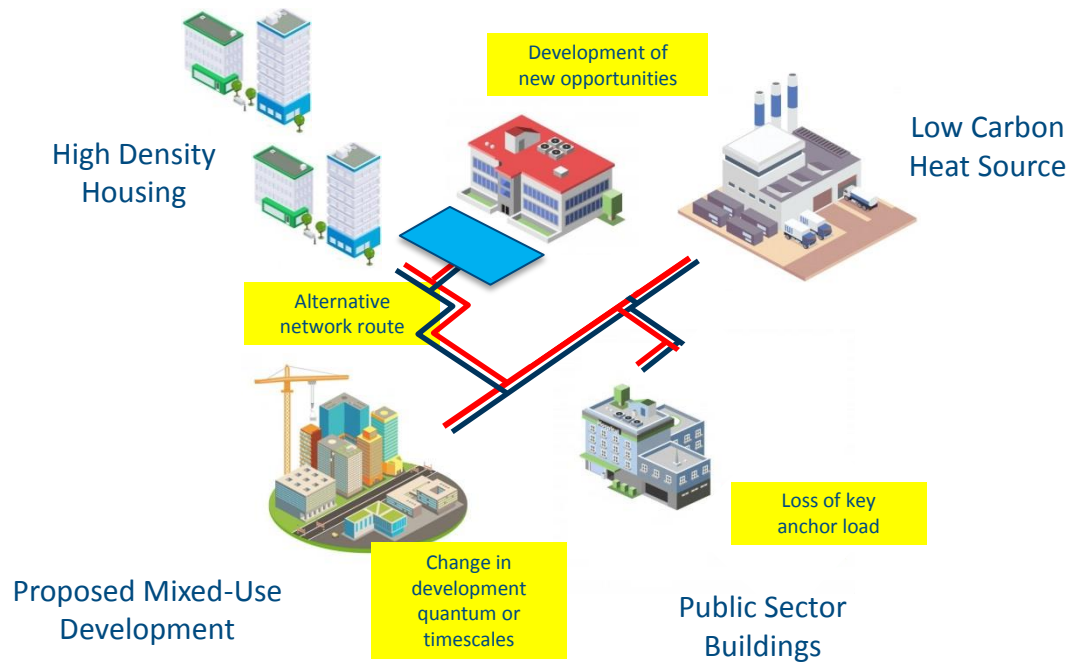
Split the development process into manageable **stages**

# How should you go about investigating a potential opportunity?



Allocate appropriate **resource & budget** (and plan ahead)

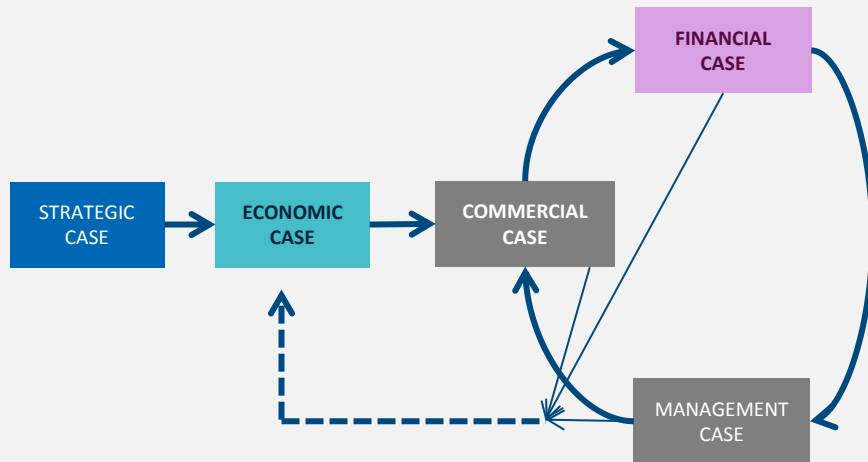
# How do you know if there is a good opportunity?



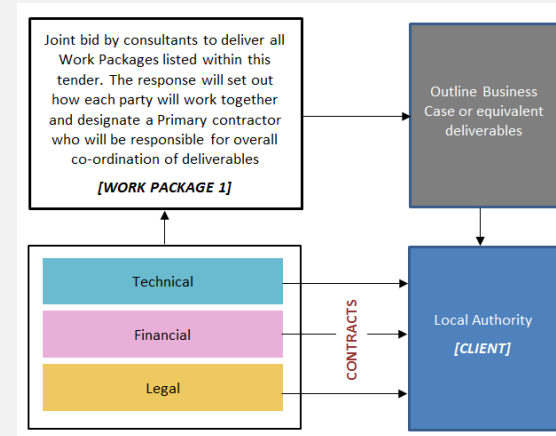
Keep options open and be **resilient to change**

# You have a viable opportunity – what next?

## BUSINESS CASE: LOGICAL ORDER OF PREPARATION



## CONTRACTING APPROACH



TOP TIPS

Develop a **detailed project plan** with key decision milestones

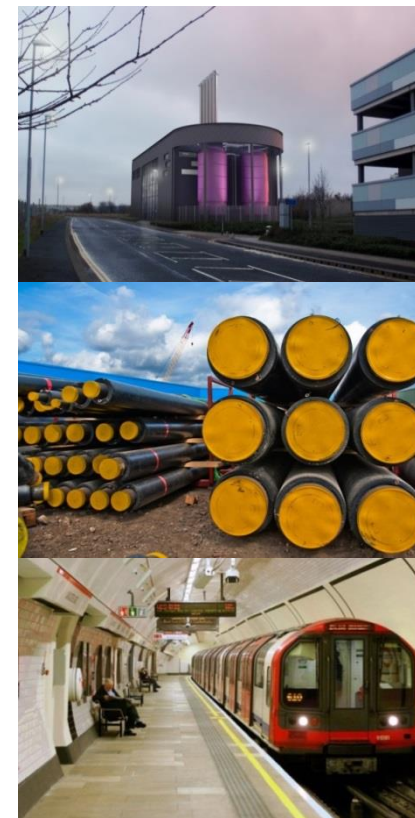
Ensure that commercial and funding options have been **market tested**

**Tailor your procurement** to your specific project needs

# You have a viable opportunity – what next?

## Commercialisation work:

- Reasonable legal costs such as in relation to developing customer commercial agreements
- Initial works towards developing heat supply contracts
- Initial works around agreements for necessary land purchase, leasing agreements, land access arrangements
- Further development of tariff structure for customer contracts
- Further development of financial model and business case and associated commercial advice costs where necessary



TOP  
TIPS

Be realistic about **timescales** and **resources required**



## Internal Stakeholders (Local Authority)



## External Stakeholders (Customers)



## Heat Networks Market (Delivery)



Designate a **'Champion'** to drive the project forward

Be **enthusiastic** about your project and what you are trying to achieve

Develop an **elevator pitch** to communicate the benefits of the heat network

**Secure buy-in** from senior officers, internal colleagues and external stakeholders

Keep **momentum** going



# Other than funding how else can HNDU support your LA?

## HNDU Support:

- Allocated **project lead** throughout the development process
- Help you **identify** initial opportunities
- **Guidance specifications** for procuring high quality studies
- **Regular events/publications/resources** – online Huddle
- **Critical friend role** – attend key meetings/review project outputs



TOP TIP

Make use of **resources** and **support** available

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# Summary of Top Tips

TOP  
TIPS

- Develop a clear set of **objectives**
- Designate a '**Champion**' to drive the project forward
- Split the development process into manageable **stages**
- Allocate appropriate **resource & budget** (and plan ahead)
- Keep options open and be **resilient to change**
- Develop a **detailed project plan** with key decision milestones
- **Secure buy-in** from senior officers, internal colleagues and external stakeholders
- Develop and **elevator pitch** to communicate the benefits of the heat network
- Ensure that commercial and funding options have been **market tested**
- **Tailor your procurement** to your specific project **needs**
- Be realistic about **timescales** and **resources required**
- Keep **momentum** going
- Make use of **resources** and **support** available

# Thank you for listening

Any questions:

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Key Links & Guidance:

<https://www.gov.uk/guidance/heat-networks-delivery-unit>

[www.huddle.net](http://www.huddle.net)

  
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