

# Annex J

## Heat reconciliation

### Introduction

J.1 Heat sold has been separately identified in the energy balances since 1999. It is defined as heat that is produced and sold under the provision of a contract. The introduction of heat sold into the energy and commodity balances did not affect the individual fuel totals, since the energy used to generate the heat has been deducted from the final consumption section of the energy balances and transferred to the transformation section. The tables show the detailed analysis of the heat generation row of the main energy balances, by sector generating the heat, and are available at:

[www.gov.uk/government/statistics/energy-chapter-1-digest-of-united-kingdom-energy-statistics-dukes](http://www.gov.uk/government/statistics/energy-chapter-1-digest-of-united-kingdom-energy-statistics-dukes)

J.2 To make the heat sold information more transparent, data on the quantity of fuel by consuming sector used to produce heat that is subsequently sold are being made available in the tables that accompany this annex. When producing the energy and commodity balances the quantities of fuel shown in the tables have been deducted from the final consumption section and moved to the transformation section.

### Methodology

J.3 Following the publication of experimental statistics collected in respect of the Heat, Metering and Billing Regulations (HMBR) database in the March 2018 edition of Energy Trends<sup>1</sup>, the data have been evaluated and incorporated into the heat generation figures presented in this annex. As there are gaps in this data, the annual data supply for CHP enabled schemes provided by Ricardo Energy and Environment (as part of the CHPQA scheme<sup>2</sup>) have been retained for producing the heat sold and fuel input (“heat generation”) for CHP supported schemes.

J.4 For non-CHP schemes, various assumptions have been used;

- Heat supplied has been assumed to be heat sold
- The fuel input has been estimated by assuming the previous efficiency
- Where the fuel categories are not sufficiently disaggregated, historic proportions have been applied
- For those networks which have mixed final consumers, it is difficult to assign heat supplied to each sector. To address this, the average generation for domestic consumers (residential properties display considerably less variation compared to industrial and commercial consumers) was used with the remainder being allocated across industrial consumers, and the commercial and public sectors.

J.5 The decision not to use the HMRB data set for CHP schemes was deemed to be appropriate due to the CHPQA administration data being timely and subject to quality assurance. It also provides the correct level of detail such as fuel type, sector generating heat, and final customer types. In contrast, the previous non-CHP estimates were previously derived from the Building Research Establishment’s “National Survey of Community Heating” that was carried out in 1997, a database of community heating schemes in social housing in 2000, and Community Heating Sales Surveys undertaken between 2003 and 2005. The estimates from these sources have been used to derive heat sold figures since 1999; these estimates are now considered less relevant than the more up to date data collected in the HMBR database despite having to use assumptions to achieve the correct estimates across generators and final customers.

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<sup>1</sup> [www.gov.uk/government/publications/energy-trends-march-2018-special-feature-article-experimental-statistics-on-heat-networks](http://www.gov.uk/government/publications/energy-trends-march-2018-special-feature-article-experimental-statistics-on-heat-networks)

<sup>2</sup> [www.gov.uk/guidance/chpqa-guidance-notes](http://www.gov.uk/guidance/chpqa-guidance-notes)