



Department for
Energy Security
& Net Zero

NOTE: This is a general overview of heat network zoning proposals and is subject to change. Please refer to the heat network zoning content on gov.uk for the latest information: <https://www.gov.uk/government/collections/heat-network-zoning>

Heat Network Zoning

An introduction

April 2024





What is a heat network?

- **Heat networks** use highly-insulated underground pipes to distribute heat from centralised sources to a variety of different customers, such as public buildings, shops, offices, hospitals, universities and homes.
- This could be across **entire cities** or to a selection of neighbouring buildings.
- **In high density urban areas, they are often the lowest cost, low carbon heating option.** Those currently powered by gas can be converted to other heat sources in the future.






- **Heat networks currently provide almost 3% of UK heat demand and could provide 20% of heat demand by 2050.**
- **They can unlock otherwise inaccessible large-scale renewable and recovered heat sources** such as waste heat from industry and heat from rivers and redundant mines.
- **They deliver broader system benefits as they can run during times of lower grid demand** and can take advantage of lower carbon electricity and reduce the investment needed in local energy grids.





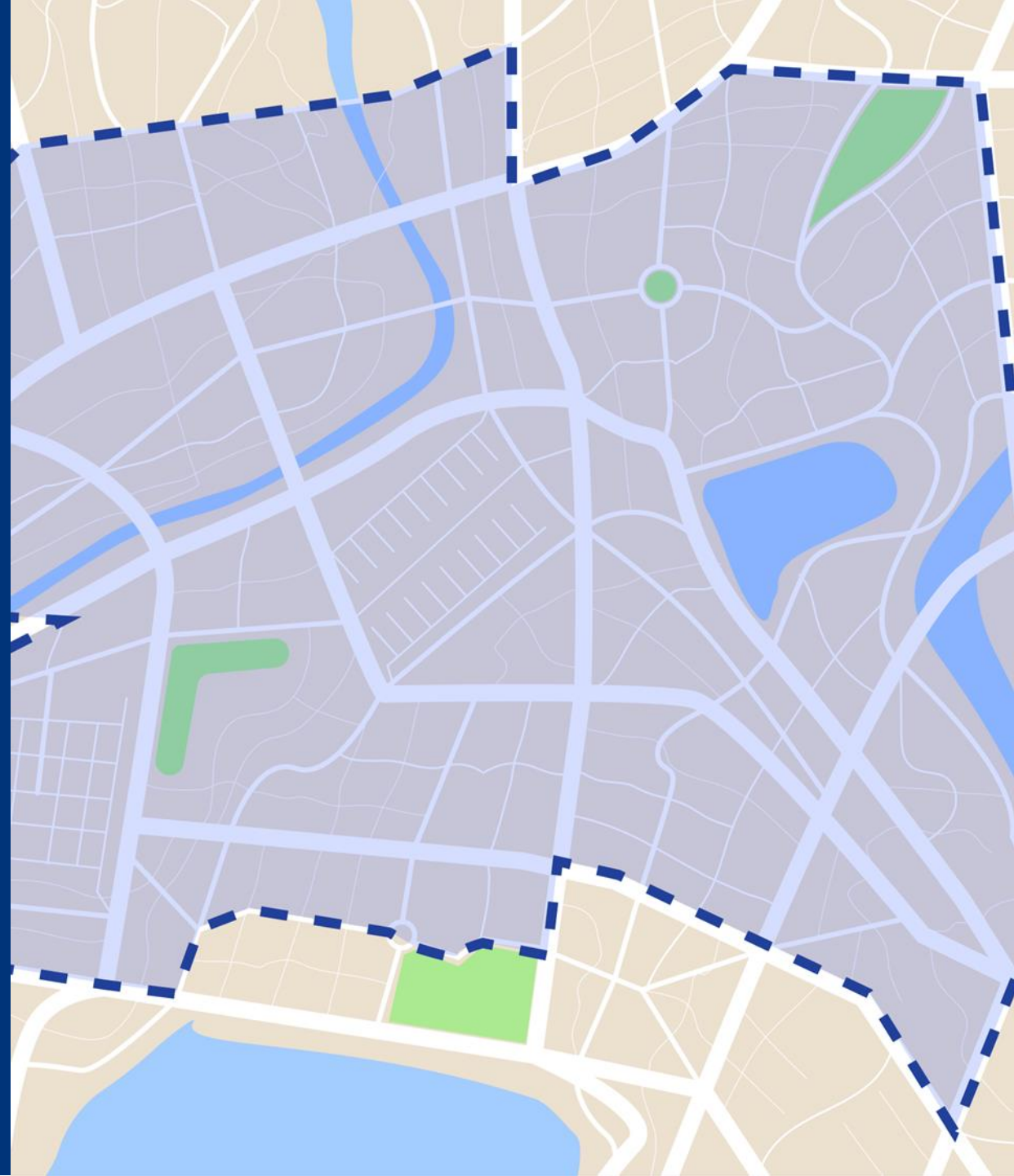
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An isometric illustration of a city and industrial area. The scene includes various buildings, a power line tower, a bus, a truck, and a body of water. Red and green lines are overlaid on the scene, representing heat network zoning boundaries. The text is centered over the illustration.

Heat network zoning will
fundamentally transform the
development of heat networks
in towns and cities across
England



- **Heat network zoning will designate areas** where heat networks are expected to provide the lowest-cost, low carbon heating.
- **It will give local communities the tools** to accelerate the development of heat networks in their towns and cities.
- **We want to give developers and investors more certainty** about the number of likely connections to networks to help unlock the investment needed to build them.
- **This will remove the barriers to greener, cheaper heat** that currently limit the scale and pace of developing heat networks and encourage investment.
- **This will allow for large-scale strategic heat networks** to be built in towns and cities across the country.





How will zoning be delivered?

- Enabling legislation in the Energy Act 2023
- Consultation on heat network zoning – closed 26 Feb 2024
- Establish zoning co-ordinators and a national authority to oversee the process and support local zoning co-ordinators

Where will zones be and how will this be communicated?

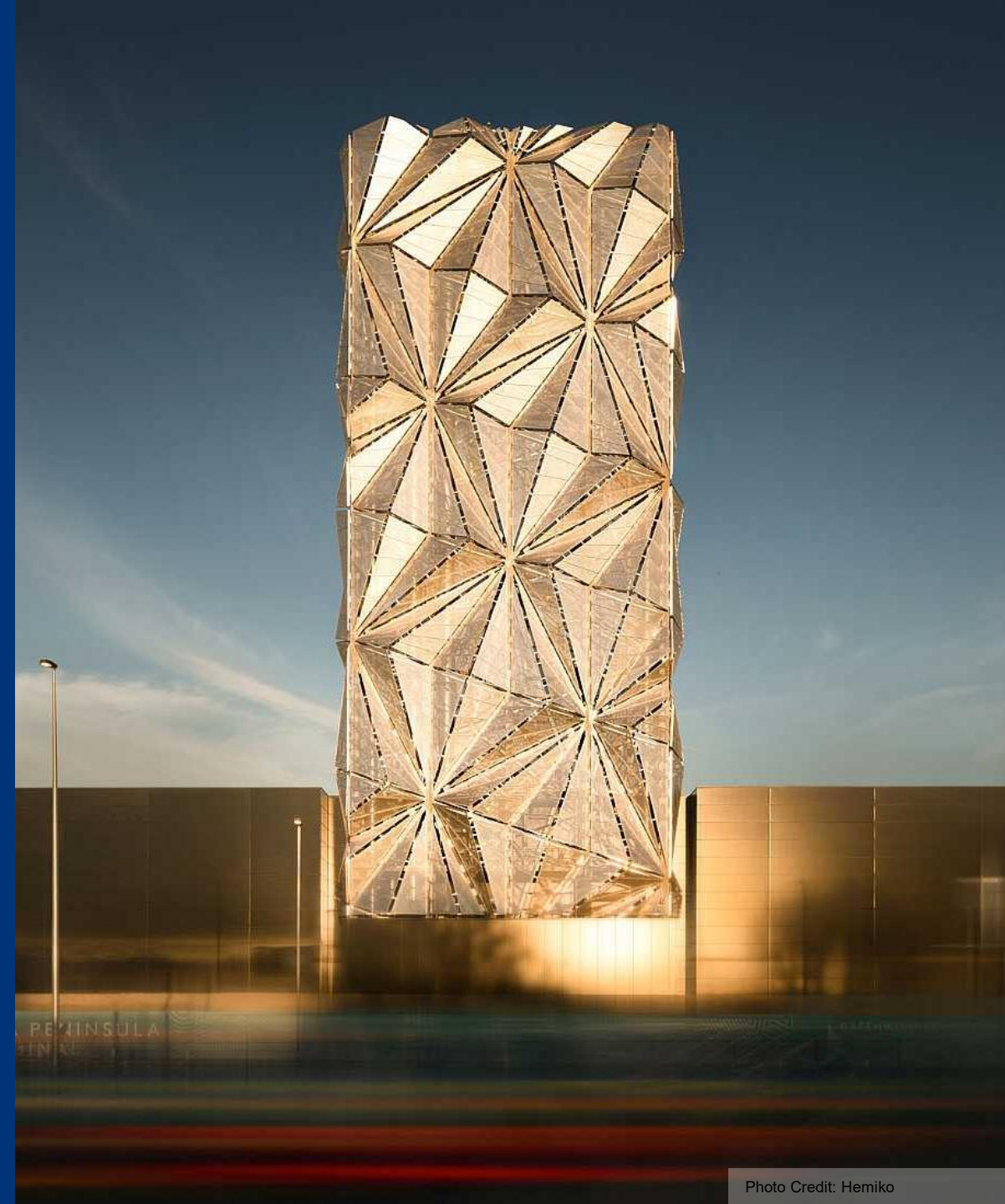
- Potential zones identified throughout England via a national methodology
- Local refinement before zones designated
- Zone information available via a digital portal

What is the process via which zones will be built?

- Standardised routes for identifying heat networks developer in each zone

What lessons can we learn from early pilots and activity?

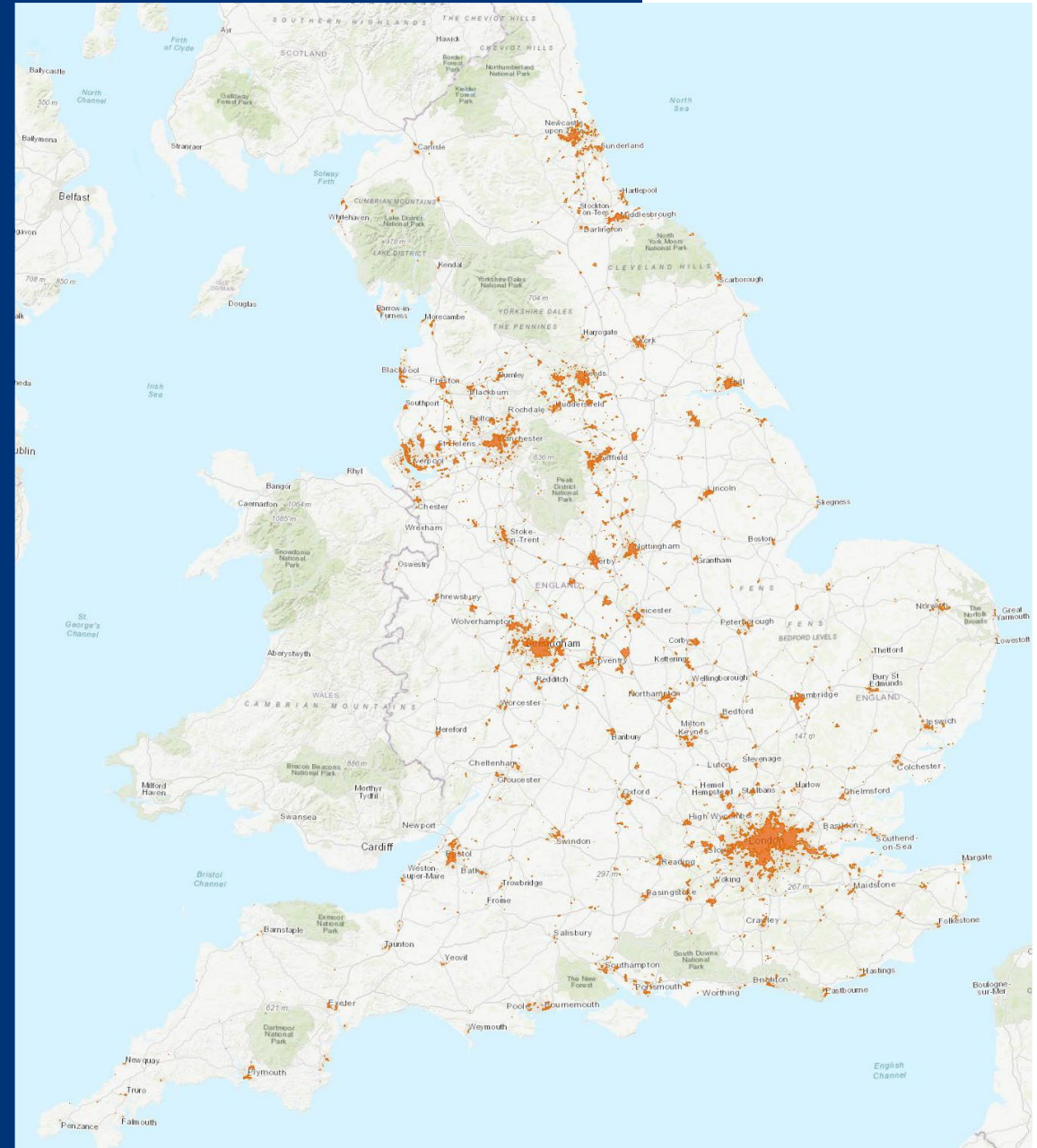
- Advanced work to ensure initial batch of zones are in construction by end 2025





Identifying heat network zones

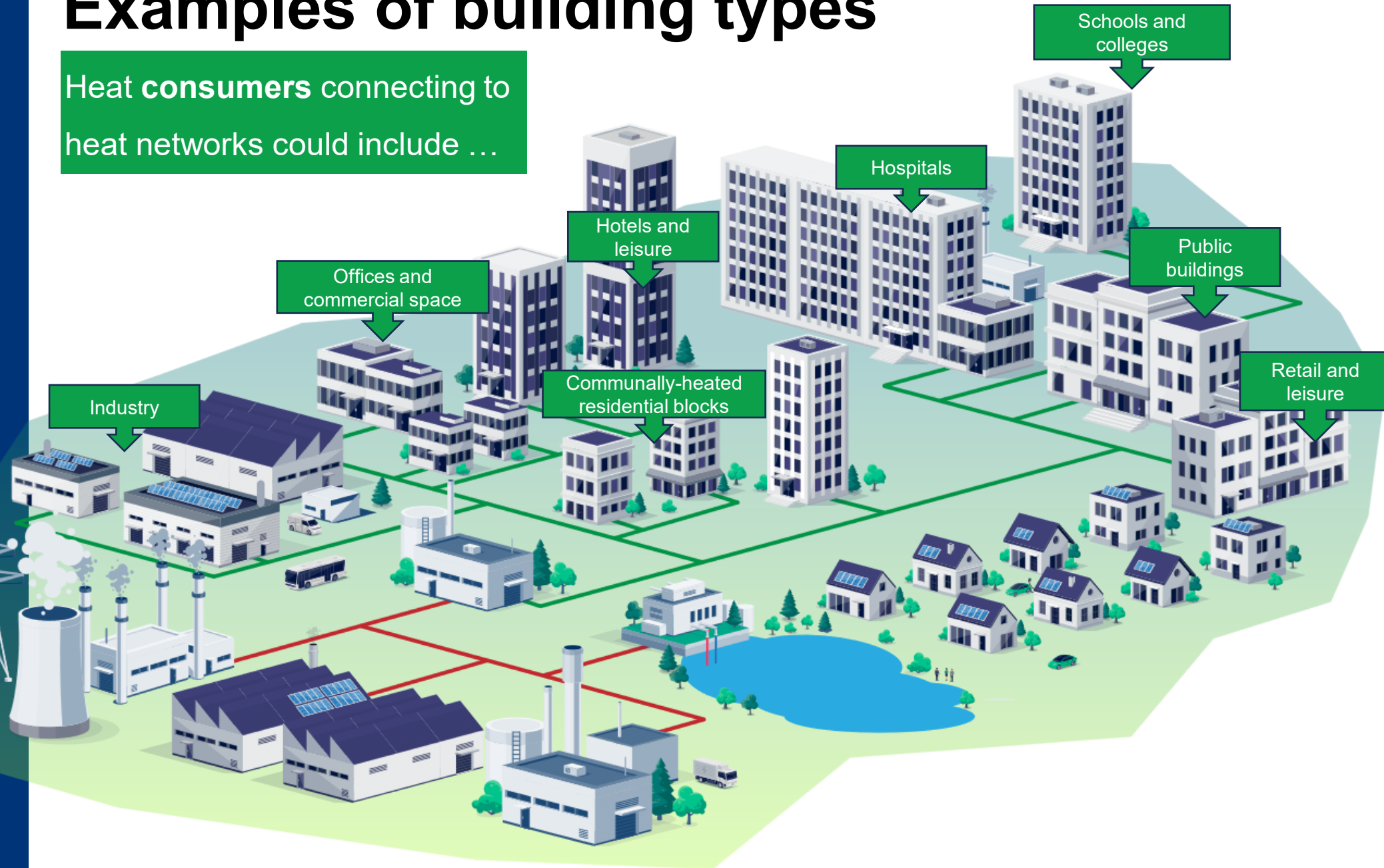
- Standardised methodology for identifying indicative heat network zones
- Areas where we expect heat networks to be the lowest cost low carbon heat against a suitable counterfactual.
- Model uses data about the size, type and existing energy use.
- Working with 28 towns and cities to test and refine the model.





Examples of building types

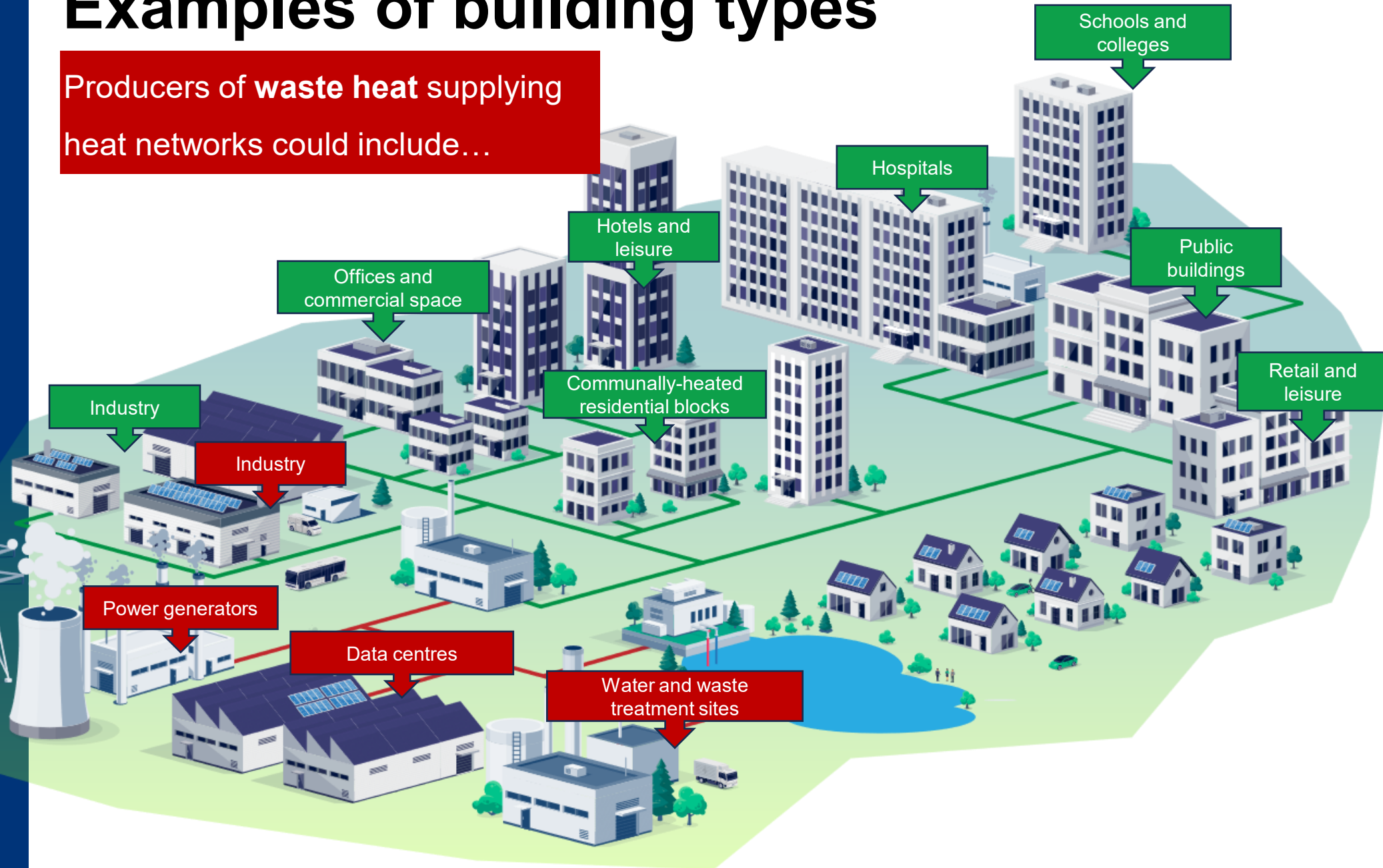
Heat consumers connecting to
heat networks could include ...





Examples of building types

Producers of waste heat supplying
heat networks could include...





Keep up to date

- If you would like to receive the latest news, updates and announcements about heat networks, please subscribe to DESNZ's mailing list
- It's a simple, three-step process and you can specify your areas of interest and unsubscribe at any time.
- To subscribe, please visit: www.gov.uk/guidance/heat-networks-overview or **scan the QR code** (see right)
- You can also visit the heat network zoning gov.uk page for the latest updates - <https://www.gov.uk/government/collections/heat-network-zoning>

