# Heat network registration draft guidance

Consultation response





We can all face problems that seem complicated or intimidating. At Citizens Advice we believe no one should have to face these problems without good quality, independent advice. We give people the knowledge and the confidence they need to find their way forward - whoever they are, and whatever their problem.

We provide support in approximately 2,500 locations across England and Wales with over 18,000 volunteers and 8,650 staff.

Through our advocacy work we aim to improve the policies and practices that affect people's lives. No one else sees so many people with so many different kinds of problems, and that gives us a unique insight into the challenges people are facing today.

As the statutory consumer watchdog for the energy and post industries we have an important role to play in shining a spotlight on the problems consumers encounter, providing solutions to these problems and ensuring their voices are heard when important decisions are made about the future of these essential markets.

### **Question 1**

Do you agree with the proposed guidance for the scope of heat networks regulation? Please explain your answer, including any suggestions to improve clarity, scope or detail.

Yes, Citizens Advice agrees, although we suggest some minor changes to improve clarity. We welcome the clear steer (2.4) for all parties involved with a heat network to assess their activities carefully against the regulatory definitions. This is fundamental to establishing clear lines of responsibility and accountability, particularly in cases of subcontracting or multiple operators.<sup>1</sup>

The definitions of the regulated activities of Operation (2.6-2.9) and Supply (2.10-2.13) are clear and detailed. We recommend adding to 2.12 that 'We expect consumers to have a single point of contact. In most cases, the heat supplier should be this point of contact.' This will improve consistency between the definition of Supply and the outline of Supplier responsibilities in the previously published Consumer Protection Guidance.<sup>2</sup>

We also recommend including within the 'Exemptions from regulation' section (2.25-2.29), a cross-reference to the relevant parts of The Heat Networks (Market Framework) (Great Britain) Regulations 2025.<sup>3</sup> This would further assist organisations in determining whether their properties are exempt from regulation on the basis of being Houses in Multiple Occupation (2.25-2.27) or converted buildings (2.28-2.29).

<sup>&</sup>lt;sup>1</sup> Citizens Advice, <u>Heat networks regulation: authorisation and regulatory oversight Citizens</u> <u>Advice response</u>, January 2025.

<sup>&</sup>lt;sup>2</sup> Ofgem, Draft guidance: Heat network consumer protections, September 2025, Section 1.18.

<sup>&</sup>lt;sup>3</sup> UK Statutory Instruments, <u>The Heat Networks (Market Framework) (Great Britain) Regulations</u> 2025, 2025 No. 269, Part 3, Regulation 13.

## **Question 2**

# Do you agree with the proposed guidance for registering a heat network? Please explain your answer, including any suggestions to improve clarity, scope or detail.

Citizens Advice partially agrees. The information requirements for registration are set out clearly and in good detail. This should support operators and suppliers to prepare for and complete the registration process smoothly. However, we recommend developing the guidance to pre-empt some risks of the operator-led registration process. We also recommend Ofgem foregrounds the requirement to supply vulnerability information at registration to better prepare heat network providers.

The guidance makes it very clear (3.21-3.24) that where operation and supply is undertaken by different entities, the supplier cannot register with Ofgem until after the operator completes registration. However, the guidance (3.25) for suppliers to contact Ofgem if they're unable to register before the deadline - due to the operator's failure to register - is inadequate.

The supplier is the entity responsible for providing information about the heat network's customers (3.44) and details of consumer vulnerability (3.52-3.56). This is a vital baseline dataset for Ofgem to monitor the implementation of consumer protections and to begin the iterative development of the regulatory framework and its supporting guidance. We recommend incorporating a function into the digital registration platform for suppliers to alert Ofgem of their readiness to register. This could help to identify recalcitrant operators earlier in the registration window and avoid delays in Ofgem receiving vital consumer information from suppliers.

We welcome the requirement for suppliers to provide information about consumer vulnerability during the registration process and the guidance is clear about what information must be supplied. However, we're concerned there may be a low level of preparedness for this requirement among heat network providers. In the most recent survey of heat network operators, only 4 in 10

maintained a register of vulnerable consumers.<sup>4</sup> We recommend Ofgem emphasises in all future communications the importance of putting relevant data collection processes in place by 1 April 2026. The regular data reporting guidance consultation sets out the requirement to back-date data to 1 April 2026.<sup>5</sup> Communicating this milestone as regularly as possible in advance will enable operators and suppliers to establish necessary data collection processes in time. This will also enable them to report on the number of vulnerable consumers early in the registration window.

We further recommend emphasising the importance of providing accurate data during registration with some additional guidance points. This could mirror sections 2.18 and 2.19 of the regular data reporting guidance, which explains how to rectify the submission of any incorrect data and references regulation 62 of the Heat Network Market Framework Regulations 2025.<sup>6</sup>

Finally, the guidance makes repeated reference to the 'first part of the initial period' and the 'end of the first part of the initial period' (eg 3.4, 3.6, 3.7, 3.25). The meaning of this timeframe is spelled out with specific dates in previous consultation documents.<sup>7</sup> However, those dates - especially the end of the first part of the initial period - aren't specified in this guidance. Making the timelines absolutely clear by spelling out the specific dates would help operators and suppliers better prepare for and complete the registration process smoothly.

<sup>&</sup>lt;sup>4</sup> Department for Business, Energy and Industrial Strategy, <u>Heat Network Consumer and Operator Survey</u>, 2022, page 58.

<sup>&</sup>lt;sup>5</sup> Ofgem, <u>Heat networks regulation: regular data reporting guidance consultation</u>, November 2025, pages 7-8.

<sup>&</sup>lt;sup>6</sup> Ofgem, Heat networks: regular data reporting (draft), November 2025, 2.18-2.19.

<sup>&</sup>lt;sup>7</sup> For example, Ofgem, <u>Heat Networks Authorisation and Regulatory Oversight decision</u>, August 2025, page 7.

## **Question 3**

Do you agree with the proposed guidance for heat networks with multiple operators? Please explain your answer, including any suggestions to improve clarity, scope or detail.

Citizens Advice partially agrees. The guidance sets out the responsibilities of the nominated operator and other operators clearly. However, there is only basic guidance for the process of appointing a nominated operator. This includes instructing all parties to 'use reasonable endeavours' (4.2) and 'take practical and proportionate steps', such as actively communicating with each other (4.3) to reach agreement.

There is no guidance on what operators should do if they collectively fail to reach an agreement. A previous consultation decision indicated Ofgem would determine the nominated operator where multiple operators failed to appoint one themselves. This decision was reversed following further consultation, despite acknowledging the commonality of complex ownership arrangements in the sector. We recommend incorporating a function into the digital registration platform for operators to notify Ofgem they require mediation and updating the guidance accordingly.

<sup>&</sup>lt;sup>8</sup> Ofgem, Heat Networks Authorisation and Regulatory Oversight decision, August 2025, 1.66.

<sup>&</sup>lt;sup>9</sup> Ofgem, <u>Decision: Heat network regulation: authorisation conditions for Registration.</u>
<u>Nominated operator, and Notification of changes</u>, November 2025, 3.4, 3.9.

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