REGULATORY BRIEFING

Heat Network Regulations 2026: An Applicant's Guide

Practical steps for operators and suppliers preparing for authorisation



District Heating Energy Centre

Smart Future Tech



Residential network · Shared supply

Why heat networks are now regulated

- The Heat Networks (Market Framework) (Great Britain) Regulations 2025 bring heat networks into a regulated market.
- Most remaining provisions commenced on 27 January 2026, with Ofgem as the regulator.
- Consumers gain stronger protection and redress, including access to the Energy Ombudsman.
- Housing associations running communal or district systems may be heat network operators or suppliers.

Confirm current regulatory scope and guidance directly with Ofgem.

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Who must apply or register

- Operators running district or communal heat networks, including housing associations that run them.
- Suppliers selling heat or hot water directly to end customers.
- Identify the legal entity acting as operator and the entity supplying heat; one organisation may hold both roles.
- Review whether each scheme is a regulated heat network before deciding what to file.

Check the regulator's latest guidance if your organisation holds both operator and supplier roles.



Network operations · Plant inspection

The authorisation framework

Authorisation to operate

Operators and suppliers prepare for Ofgem authorisation, with notification, information and record-keeping duties.

Core conditions

Ongoing duties cover billing transparency, pricing governance, customer communications, and complaints and redress.

Transition arrangements

Industry guidance points to January 2027 for existing networks to register and provide data; technical and step-in arrangements phase in from 2027.

Refer to Ofgem's published guidance for current transition timelines and registration rules.

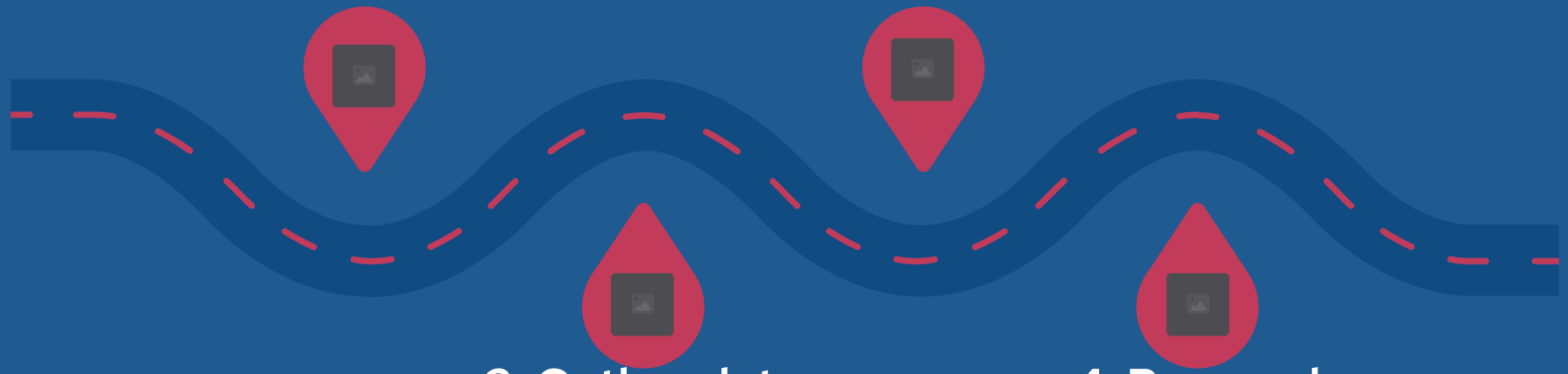
Your application journey

1. Check scope

Confirm eligibility and role.

3. Submit

Send application to Ofgem.



2. Gather data

Compile network and company info.

4. Respond

Answer queries for a decision.

Industry guidance points to January 2027 for existing networks to register and provide data. Check Ofgem's website for current windows and portals.

What to prepare before you apply

Company and ownership

The legal entity acting as operator and the entity supplying heat, with ownership and governance records.

Network description

A heat-network register: every scheme, property coverage, fuel source, metering and billing model.

Capability evidence

Evidence that heat network, customer service and billing roles sit with suitably competent people.

Customer procedures

Billing transparency, pricing governance, customer communications, and complaints and redress procedures.

Confirm the exact documentary checklist in the regulator's current application guidance.

Registration checklist (1 of 4)

Fill in on screen, then download your completed copy on slide 4.

Heat Network Name

Registration Reference

Date Completed mm/dd/yyyy

Completed By

A. Organisation-level information (3.33–3.36)

Item	Yes	No	N/A
Regulatory contact has submitted all required information	○	○	○
Organisation type identified	○	○	○
Organisation/company details provided	○	○	○
Parent company/group structure details (if applicable)	○	○	○
Financial resilience indicators provided	○	○	○

Notes

B. Significant Managerial Responsibility or Influence, SMRI (3.37–3.42)

Item	Yes	No	N/A
SMRI personnel identified	○	○	○
Fit and Proper requirements reviewed	○	○	○
Current SMRI declaration in place	○	○	○
SMRI declaration submitted (if required)	○	○	○
Procedures to assess SMRI suitability	○	○	○
Regular SMRI review arrangements	○	○	○
All individuals with SMRI considered fit and proper	○	○	○

Notes

Registration checklist (2 of 4)

Item	Yes	No	N/A
C. Technical specifications, completed by operator (3.43–3.44)			
Geographical location	○	○	○
Number of buildings supplied	○	○	○
District heat network status confirmed	○	○	○
Number of embedded communal networks (if applicable)	○	○	○
Responsibility for embedded networks	○	○	○
Energy source(s)	○	○	○
Heat generation/distribution technology	○	○	○
Heating capacity	○	○	○

Notes

Item	Yes	No	N/A
D. Customer information, completed by supplier (3.45–3.47)			
Domestic customer numbers	○	○	○
Non-domestic customer numbers	○	○	○
Small business consumers	○	○	○
Microbusiness consumers	○	○	○

Notes

Registration checklist (3 of 4)

E. Continuity plan (3.48–3.50)

Item	Yes	No	N/A
Plan exists	○	○	○
Considered fit for purpose	○	○	○
Covers transfer of critical data	○	○	○
Covers transfer of assets to successor organisation	○	○	○
In place by end of initial period	○	○	○

Notes

F. Complaints management procedure (3.51–3.52)

Item	Yes	No	N/A
Policy in place	○	○	○
Consumers can raise complaints easily	○	○	○
Procedure for investigating	○	○	○
Procedure for resolving fairly and promptly	○	○	○
Arrangements to cooperate with other authorised persons	○	○	○

Notes

Registration checklist (4 of 4)

G. Consumer vulnerability and Priority Services Register (3.53–3.59), completed by supplier

Item	Yes	No	N/A
PSR in place	○	○	○
Equivalent vulnerability support (if applicable)	○	○	○
Vulnerability information collected from domestic consumers	○	○	○
Processes to support vulnerable consumers	○	○	○
PSR/equivalent operational	○	○	○
Network supplies customers in a vulnerable situation	○	○	○
Number of vulnerable customers recorded	○	○	○

Notes

Declaration

☐ I have reviewed this form and confirm it is complete for registration under Sections 3.33 to 3.59.

Name:

Position:

Signature:

Date: mm/dd/yyyy

Download completed form

CSV file | Print view | Clear form

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Connected homes · Customer protection

Consumer protection obligations

Billing transparency and pricing: Give customers clear bills and pricing governance they can understand and check.

Complaints and redress: Handle complaints well and give customers access to the Energy Ombudsman.

Vulnerable customers: Provide targeted support for customers in vulnerable circumstances.

Reliability and outages: Meet service standards for reliable supply and timely outage response.

Technical and quality standards

Metering and billing

Accurate meters and bills that reflect real consumption; close any metering gaps.

Performance reporting

Measure losses, reliability and controls, and report performance. Better data also supports SECR, ESOS and decarbonisation reporting.

Design and operation

Technical standards and performance requirements phase in from 2027; plan now for design, controls and maintenance.

Check Ofgem's technical standards guidance for current reporting metrics and engineering codes.

Common pitfalls to avoid

Starting too late

Leaving preparation late risks missing the expected January 2027 deadline to register and provide data.

Incomplete network data

Gaps in metering, customer, or heat source records delay assessment and trigger regulator queries.

Underestimating reporting

Failing to plan for ongoing compliance and reporting duties creates operational strain after approval.

Allow sufficient lead time to audit your records before submission.

Implementation timeline

When	What happens
April 2025	Consumer advocacy arrangements launched
27 January 2026	Main Ofgem regime commenced
January 2027	Industry guidance indicates the deadline for existing networks to register and provide data
2027 onwards	Further consumer protection, technical and step-in arrangements expected to be phased in

Timelines are indicative. Confirm dates in Ofgem's current guidance.

An 8-step action plan for 2026/27

01

Create a complete heat-network register

Every scheme, property coverage, ownership, fuel source, metering and billing model.

02

Confirm operator and supplier roles

Include outsourced arrangements and the legal entity in each role.

03

Complete a regulatory gap assessment

Review governance, customer service, billing, records and technical oversight.

04

Review charges and customer information

Check pricing, billing transparency and what customers are told.

05

Strengthen complaints and redress

Align handling with access to the Energy Ombudsman.

06

Assure data and records

Customers, consumption, tariffs, charges, assets, outages, complaints and supplier contracts.

07

Assess technical performance

Look at losses, reliability, controls and metering gaps.

08

Establish board-level oversight

Cover compliance, affordability, service continuity and technical risks.

Build the register first; the other seven steps depend on its data.

Social housing standards and Awaab's Law

Social Housing (Regulation) Act 2023: the Regulator of Social Housing has applied consumer standards since April 2024.

- **Safety and Quality**
- **Tenancy**
- **Neighbourhood and Community**
- **Transparency, Influence and Accountability**

Focus areas: damp and mould, stock condition and data quality, complaints handling, building and resident safety, tenant engagement and transparency, and evidence of compliance.

Awaab's Law

Social landlords must address specified hazards within prescribed timescales, in stages, starting with damp and mould.

Where poor heat network performance causes cold, condensation, damp or mould, manage asset, housing and heat network responsibilities together.

Competence and Conduct

Assign heat network, customer service and billing governance to suitably competent roles.

Funding for existing heat networks: HNES

The £107 million Heat Network Efficiency Scheme (DESNZ, delivered by Talan) supports existing district or communal heating in England and Wales. Open to public, private and third-sector applicants. Applicants must be legal entities able to sign off investment; application pack: hnes@talan.com.

Revenue grants

Optimisation studies funded up to 100% of costs, typically £15,000 to £24,000 per project.

Capital grants

Up to, but not including, 50% of eligible costs, capped below £10 million. Replacing primary heat generation plant is not eligible.

Priority

Customers in need: social housing, low-income, fuel poverty, extra care and supported housing.

Round	Key dates
Round 13	Opened 17 August 2026; space requests by 25 September 2026; closes 9 October 2026
Round 14	Expected 30 Nov 2026; requests by 22 Jan 2027; closes 5 Feb 2027 (expected)
Round 15	Expected April 2027, closing May 2027 (subject to budget)

Next steps

01 Review the regulator's latest guidance

Confirm eligibility, application windows and the expected January 2027 registration deadline with Ofgem.

02 Assign an internal owner

Nominate a lead responsible for coordinating technical, financial, and customer service inputs.

03 Build your evidence pack early

Gather ownership records, network maps, metering data, and customer policies ahead of submission.

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Need advice, or want us to complete your application for you?

Get in touch

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