

A heat supply you can trust

How the main principles of the Heat Trust relate to planning, implementing, and maintaining a heating system



-eGuide-

“As the role of district heating continues to grow in the UK, Heat Trust will be a vital tool to give peace of mind to heat customers. Consumers protected by the scheme will be afforded a new level of confidence in the quality of service they can expect. This scheme shows an industry that takes the initiative and works to ensure that it is able to deliver for consumers. We welcome the creation of Heat Trust and its ambitions to expand to cover more of this growing sector over time.”

Dr Tim Rotheray, Director of the Association for Decentralised Energy

Introduction

Thousands of heat customers can soon expect to be protected by a new industry initiative, marking an important step forward for the maturing district heating sector. Set up in close consultation with the industry, Heat Trust is designed to establish a minimum guaranteed performance standard in the quality and level of customer service and protection given by heat supply contracts, and to offer heat network customers a defined process for settling disputes.

Heat suppliers who sign up to the Heat Trust will not only guarantee standards, they also provide developers with a set of guidelines which should inform and influence the way a heating system is planned, implemented and maintained. Above all, they seek to put the customer at the heart of the design and operation of the plant – and this is a principle that needs to be kept in mind at all stages of development. It’s a good idea for inexperienced developers to seek advice on the regulations at the earliest possible opportunity as they need to be understood and incorporated into plans from the start. If not, meeting the [Heat Trust principles](#) once the scheme is underway could be problematic.

Although voluntary, the scheme is supported by government and consumer groups as an industry led, self-regulation initiative, designed to establish and encourage best practice. The customer-focused guidelines show an industry that takes the initiative and works to improve quality and service, while providing a framework for project developers. Following Heat Trust [guidelines](#) is also looked upon favourably by investors, as a guarantee of best practice.

The voluntary code recognises that heat consumers are an increasingly large group, and consequently growing in power and unwilling to take anything but the highest quality heat supply systems.



By 2030, the government wants 8 million homes to be connected to heat networks, up from around 210,000 now, in order to help meet carbon emissions targets.

Already, the European Energy Efficiency Directive has resulted in laws covering metering and billing, and if customers are not kept happy, pressure will grow for further mandatory regulations – as is the case for gas and electricity heating customers. The government realise, as a young industry, the processes and supply chain isn't mature enough to stand the Office of Gas and Electricity Markets (OFGEM)-style regulation at this point, however the Department of Energy & Climate Change (DECC) have indicated the Heat Trust is the first step on this road.

“We need to ensure a level of consumer protection consistent with that of electricity and gas customers. I want to confirm the importance the government places on the success of this scheme... getting this right is vital to the growth of the heat network sector and vital for heat customers.”

Secretary of State for Energy and Climate Change, Amber Rudd

Obligations to the customer

Complying to the Heat Trust regulations places a series of obligations on heat providers in the way they treat customers. All supply contracts must be clear and comprehensive, along with any supporting documentation or guidance. Contracts need to take account of requirements or constraints the customer has informed the supplier of, and should also be clear about any obligations the customer may have – including the right of access for maintenance purposes.



A heat supplier needs to ensure support for vulnerable heat customers, and planners should be aware of this from the outset. Such an obligation needs to be quantified if possible and incorporated into the project plan and budget. Heat suppliers need to issue and maintain guidelines on how to define a vulnerable customer; how to identify and register them, how to identify changes in customer status; and how much support it is able to provide. Information on these guidelines must be clear and accessible.

Performance guarantees

Above all, heat suppliers need to meet guaranteed performance standards, including the quality of heat and continuity of service. This includes accuracy of temperature control, with clear minimum temperature guarantees, along with a commitment on continuity of service.



Again, this needs to be built into the project plans from the start, and installation and commissioning phases should aim to guarantee the system performs to the standards before handing it on to operators. It's advisable for project developers to bring in their customer service, billing and maintenance partners, whether scheme members or not, in order to help with best practice principles and review service provision.

The Heat Trust Scheme rules require compensation to be paid for breaches in performance standards. Levels of compensation and claims procedures should be set out transparently and made available to customers. Contingency plans should recognise that vulnerable customers may need a heat service to be maintained during a heat supply interruption, and that and other factors need to be built into any maintenance plans – which should also be designed to maintain the system within the stipulated standards.

All of this must be considered at an early stage so that the design, installation and maintenance plans can be put in place to meet [Heat Trust requirements laid out in the Scheme Rules](#). Early advice should be sought to ensure an understanding of the regulations and hassle-free compliance. A better quality system will result, and be recognised as such. Procedures also need to be in place for service guarantees and reporting of a fault or emergency – which need to be seen to within a stipulated four hour window – along with clear guidance for customers joining and leaving the system.

Maintaining and billing to order

Working within these constraints, heat suppliers can develop detailed maintenance and emergency plans that should ensure smooth operation, covering everything from central boilers to individual customer Heat Interface Units.



In the case of an emergency or regular essential maintenance, procedures need to be in place outlining how operators will handle suspension and resumption of services. If a shutdown of the system is required, the customer needs to be informed and access rights sought where necessary. A resumption of service may incur costs, which can be passed on to the consumer according to the scheme guidance.

Even the design and layout can be influenced by the regulations. For example, suppliers need to ensure that any heat meters are visible and working accurately, which could influence where they are put in any design. [Legal requirements](#) for notification, metering and billing have also been in place since late 2014, mirroring some aspects of the Heat Trust rules, which developers need to be aware of and conform to.



Home display, pay-as-you-go (PAYG) meters may be chosen to meet [Heat Trust obligations](#). They can show residents how much they use and how much money they have left in credit, and should be complemented by an annual statement summarising usage over the year. In cases where PAYG is not an option, Heat Trust requires billing in the customer's chosen format for an agreed period, with an accurate bill based on consumption provided at least once a year. Any software system used needs to be designed to ensure privacy and protection of customers' data.

Once the system is up and running, an independent complaint handling and adjudication procedure should be put in place, which helps with dispute resolution.

Benefits of joining the Heat Trust scheme include saving time and money dealing with complaint handling – joining will also help protect the reputation of registered suppliers and raise the profile of the industry.

Heat cost comparator

The Heat Trust will also provide a mechanism (referred to as the Heat Trust Cost Comparator) that will give customers an opportunity to compare their costs against those they may expect if they lived in a property with a conventional gas heating system – this will help reassure customers that they are getting value for money. As well as the unit price of fuel, it also includes other variables, such as boiler maintenance and replacement.

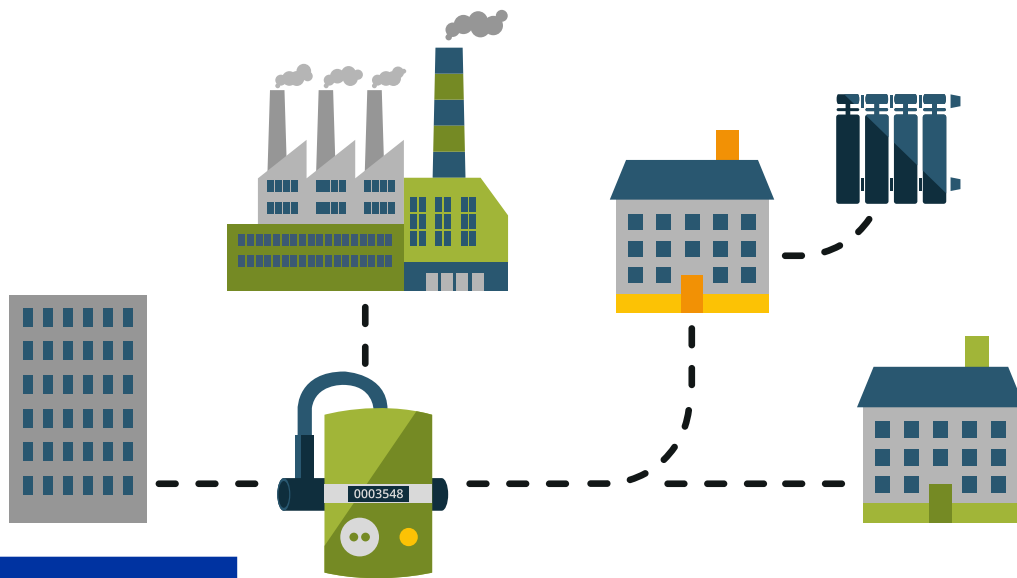
The Heat Trust scheme has already attracted significant interest from heat suppliers, and expects to provide protection to over 20,000 heat customers in its first year.



“The Heat Trust sets out to create a common standard in the quality and level of protection given by heat supply contracts and offers customers an independent process for settling disputes. Switch2 is proud to be a founding member of the Heat Trust, which will establish service levels comparable to the quality and performance standards for regulated utilities.”

Director, Switch2, Kirsty Lambert

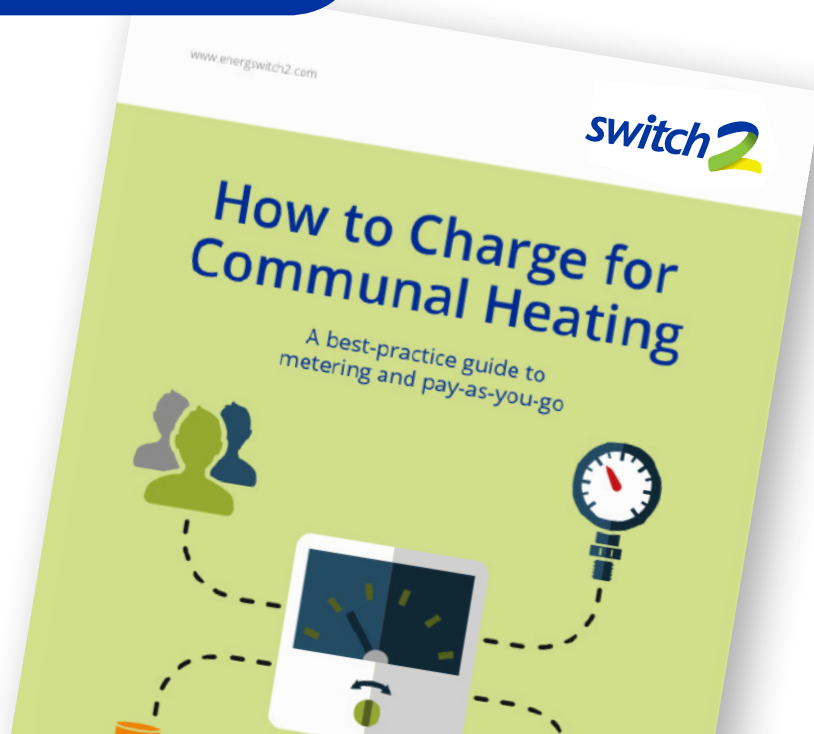
Along with the metering and billing [legislation](#) in late 2014 and other industry initiatives such as the CIBSE Code of Practice, the [Heat Trust regulations](#) are an important step to improving and standardising levels of customer service in the community heating sector, which is needed in any major business area as it reaches maturity. Now that heat networks are seen as a key area of growth, more and more people are being impacted by their introduction, making it ever more critical to ensure best practice.



Takeaways

- Scheme puts customers at the centre of heating projects
- Provides a guide for developers and a means of independently resolving disputes
- Project developers need to bring in their customer service, billing and maintenance partners
- Ensures support for vulnerable customers and guarantees minimum service standards
- Outlines maintenance guidelines and metering and billing requirements
- Heat Trust comparator to show how much customers are saving

Discover the key issues regarding communal energy schemes and how they affect heat suppliers.



**A Detailed Guide to the Heat
Network (Metering and Billing)
Regulations 2014**

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