

Notice of proposed modification

To: Authorised heat network operators and suppliers

Heat Networks (Market Framework) (Great Britain) Regulations 2025

Regulation 21

Notice of statutory consultation on a proposal to modify Authorisation Conditions

A04: Registration and A05: Nominated Operator

1. The Gas and Electricity Markets Authority (the Authority)¹ proposes to modify Authorisation Condition: A04: Registration (AC A04) and A05: Nominated Operator (AC A05). These are general authorisation conditions applicable to all authorised persons carrying on the regulated activities of operating or supplying on a heat network under the Heat Networks (Market Framework) (Great Britain) Regulations 2025 (the regulations).
2. AC A04 currently requires persons authorised by the regulations to register with the Authority. The authorised person must inform the Authority of each regulated activity it carries on and provide to us the information we request under our arrangements for registration before the end of the first part of the initial period.
3. We are proposing to modify AC A04 to require heat network operators and suppliers authorised on or after 27 January 2027 to complete registration through our digital service within three months of beginning to carry on a regulated activity. Doing this will mean we receive information about their heat networks and arrangements and will provide us with a baseline for data monitoring.
4. Existing AC A04 also includes a typographical error. It refers at paragraph 4.1 to paragraph 4.4 which does not exist. We propose to change the reference to paragraph 4.4 to 4.3.
5. The effect of the proposed modification to AC A04 is to create an obligation on persons conferred authorisation by the Authority on or after 27 January 2027 to

¹ References to the 'Authority', 'Ofgem', 'we' and 'our' are used interchangeably in this Notice. The Authority refers to GEMA, the Gas and Electricity Market's Authority who is the Regulator for heat networks under section 217(1) of the Energy Act 2023. The Office of Gas and Electricity Markets (Ofgem) support GEMA in its day-to-day work.

register with Ofgem within three months of beginning to carry on a regulated activity. It will also amend a typographical error.

6. AC A05 applies specifically to heat networks where multiple operators² control different parts of the physical heat network infrastructure and clarifies the responsibilities for nominating an operator to act as the main regulatory contact and share information and notifications.
7. We are proposing to modify AC A05 to continue the obligation requiring, where more than one entity is undertaking the regulated activity of operation on different physical parts of a relevant heat network, that these operators use reasonable endeavours to agree which of them is to act as the contact point with Ofgem, on behalf of the other operators for the network.
8. Alongside this statutory notice we have published draft Authorisation Application Regulations setting out an authorisation application process.
9. A copy of the proposed modification and other documents referred to in this Notice have been published on our website (www.ofgem.gov.uk).
10. Any representations with respect to the proposed modification to AC A04 and AC A05 must be made on or before 2 November 2026 to HeatNetworksRegulation@ofgem.gov.uk
11. We prefer to receive responses in an electronic form so they can be easily published on our website as is our normal practice. However, if you do not wish your response to be made public then please clearly mark it as not for publication.
12. If we decide to proceed with making the proposed modification, it will have effect from 27 January 2027.



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Lesley Nugent, Deputy Director Heat Networks

**Duly authorised on behalf of the
Gas and Electricity Markets Authority**

5 October 2026

² In accordance with 13(4)(b) of the regulations.

We have included the sections of the authorisation conditions we propose to remove or amend below. Deletions are shown in strike through, and new text is double underlined.

Section A: Condition 4: Registration

Obligation to provide registration information

4.1 The authorised person:

(a) on or before 26 January 2027, where they commence carrying on a regulated activity on or before 26 January 2027; or

(b) 3 months from the date they commence carrying on a regulated activity where that activity is commenced on or after 27 January 2027

~~Before the end of the first part of the initial period,~~ subject to paragraphs 4.2 to ~~4.4~~ 4.3, ~~the authorised person~~ must, by means of the Authority's arrangements for registration described on the Authority's website and/or in guidance issued by the Authority:

4.1.1 inform the Authority of each regulated activity that it carries on; and

4.1.2 provide the Authority with information as the Authority requires under its arrangements for registration, including information relating to:

- (a) the nature of the activities carried on, the way in which they are carried on, and any contractual arrangements relating to such activities;
- (b) the relevant heat network(s) at which the activities are carried on;
- (c) itself, and any other authorised person(s) carrying on a regulated activity at or by means of such relevant heat network(s);
- (d) its financial status, ownership, and organisational structure;
- (e) the heat network consumers supplied by means of the relevant heat network(s), including any relevant characteristics of such consumers and their billing arrangements; and
- (f) matters relevant to the authorised person's compliance with the authorisation conditions.

Registration by a supplier following the operator-led registration process

4.2 Where the authorised person carries on the regulated activity of supply by means of a relevant heat network but does not also operate that relevant heat network:

4.2.1 the authorised person must co-operate with the operator(s) of the relevant heat network, including by providing relevant information to the

operator(s), to facilitate the timely discharge by the operator(s) of their obligation(s) under paragraph 4.1; and

- 4.2.2 the authorised person's obligation under paragraph 4.1 in relation to that relevant heat network shall be treated as not having arisen until at least one operator has discharged its obligation under paragraph 4.1.

Registration in the case of a relevant heat network with multiple operators

4.3 Where:

- 4.3.1 in accordance with regulation 13(4)(b) of the Regulations, the authorised person and one or more other authorised persons each operates a relevant part of a relevant heat network;
 - 4.3.2 the authorised person has agreed with one such other authorised person that such other authorised person will submit the information required by paragraph 4.1 in relation to each of them and the relevant heat network; and
 - 4.3.3 such other authorised person submits such information,
- the authorised person will be taken to have complied with its obligation in paragraph 4.1 in relation to that relevant heat network.

Section A: Condition 05: Nominated Operator

- 5.1 Paragraphs 5.2 to 5.5 apply for the purpose of facilitating the exercise of the Authority's functions where, in accordance with regulation 13(4)(b) of the Regulations, two or more persons are authorised or treated as authorised to operate a relevant part of a relevant heat network.
- 5.2 The authorised person must use reasonable endeavours to:
 - 5.2.1 agree with the other operators which of them is to act as the contact point with the Authority on behalf of each of them in respect of the relevant heat network (the "**nominated operator**"); and
 - 5.2.2 ensure that the Authority is notified of the agreed nominated operator.
- 5.3 Where the authorised person is the nominated operator for a relevant heat network, the authorised person must promptly provide:
 - 5.3.1 information and notifications to the other operators of the relevant heat network following receipt of relevant information or notifications from the Authority;
 - 5.3.2 information and notifications to the Authority following receipt of relevant information or notifications from another operator of the relevant heat network; and
 - 5.3.3 such co-operation and coordination as may be reasonably required to ensure that each operator is able to comply efficiently and effectively with its obligations under the authorisation conditions and/or to facilitate the exercise of the Authority's functions.
- 5.4 Where another authorised person is the nominated operator for a relevant heat network, the authorised person must promptly provide information and notifications to the nominated operator as may be reasonably required.
- 5.5 The obligations in this condition are additional, and without prejudice, to the obligations in the authorisation condition C1 (Operator Standards of Conduct).