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 add two new authorisation conditions to the general authorisation conditions

1. The Gas and Electricity Markets Authority (the Authority)[1] proposes to modify the general authorisation conditions by adding two new conditions relating to service standards. These are general authorisation conditions applicable to 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.

2. The proposed authorisation conditions will apply requirements for operators and suppliers on heat networks that supply domestic consumers or microbusinesses to have service standards and a response policy for specific activities defined by Ofgem. We propose that authorised persons will communicate these standards to consumers. The authorised person responsible for meeting the standards will measure performance against the response policy and provide information regarding the standards and performance to Ofgem.

3. The purpose of the proposed service standards authorisation conditions is to improve transparency and encourage a better quality of service for heat network consumers.

4. The proposed conditions would allow operators and suppliers to set standards that reflect the characteristics of their networks and consumers. They would not establish uniform service thresholds or require automatic compensation for failure.

[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.

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5. The effect of the proposed conditions would be to establish clear accountability for implementing, communicating and responding to service standards. Operators and suppliers would remain accountable for the services that are most relevant to the activities they are responsible for.

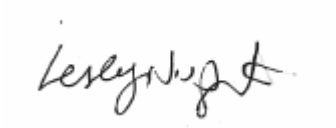
6. Alongside this statutory notice we have published a consultation document, seeking responses from stakeholders on the policy intent and wording of the proposed new authorisation conditions.

7. Copies of the proposed new authorisation conditions and other documents referred to in this notice have been published on our website (www.ofgem.gov.uk).

8. Any representations with respect to the proposed new authorisation conditions must be made on or before 11 January 2027 to HeatNetworksRegulation@ofgem.gov.uk

9. 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.

10. If we decide to proceed with making the proposed modification to the general authorisation conditions to add the two proposed new authorisation conditions, this may have effect from spring 2027.



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Lesley Nugent, Deputy Director Heat Networks

Duly authorised on behalf of the

Gas and Electricity Markets Authority

10 November 2026

We have included the wording of the proposed new authorisation conditions below.

Condition Title: **Supplier Service Standards**

Condition Number: **B13**

Introduction to condition

This condition imposes an obligation on a supplier to have in place service standards as well as related matters.

Where the supplier is also an operator of a relevant heat network, this condition will apply to service standards relating to the supplier's regulated activity of operating the relevant heat network as well as to its regulated activity of supplying Consumers by means of the relevant heat network.

The condition (in paragraph 1.4) recognises that, where the supplier is not also an operator (or the sole operator) of a relevant heat network, in certain circumstances it may be appropriate for the operator (or joint operator) to be responsible for the relevant service standard rather than the supplier. Such an operator's obligations in respect of service standards are set out in C3.

Proposed text of condition

Obligation to have service standards in place

1.1 In respect of any relevant heat network by means of which the authorised person supplies a specified Consumer, subject to paragraph 1.4, the authorised person must have in place service standards ("**service standards**") that cover the matters specified in paragraph 1.2 and that comply with paragraph 1.3.

1.2 The specified matters, as referred to in paragraph 1.1, are as follows:

1.2.1 *making appointments*: the making of appointments between the authorised person or any Representative and specified Consumers, including timeframes for responding to requests for appointments and the timing of appointments offered;

1.2.2 *keeping appointments*: keeping and rearranging appointments made between the authorised person or any Representative and specified Consumers, including the notice period and criteria to be met for any rearrangement;

1.2.3 *notice of interruptions*: the provision of notice to specified Consumers of planned interruptions to the supply of heating or hot water, including timeframes to be met;

1.2.4 *expected restoration times*: the provision to specified Consumers, during any interruption (whether planned or unplanned) to the supply of heating or hot water, of information on expected supply restoration times, including the frequency of updates to be given to specified Consumers;

1.2.5 *support during interruptions*: the provision to specified Consumers in a Vulnerable Situation, during any interruption (whether planned or unplanned) to the supply of

heating or hot water, of support, including in relation to alternative arrangements for provision of heating or hot water;

1.2.6 *restoration of supply following interruption*: the restoration of the supply of heating or hot water to specified Consumers following both a planned interruption and an unplanned interruption, including timeframes to be met;

1.2.7 *reconnection of supply following disconnection*: the reconnection, following any disconnection for non-payment of Charges, of the supply of heating or hot water to specified Consumers following relevant payments having been made, a security deposit having been provided and/or a repayment plan having been entered into, including timeframes to be met;

1.2.8 *multiple interruptions:* limits on the cumulative duration and/or impact, over a twelve-month period, of interruptions to the supply of heating or hot water to specified Consumers;

1.2.9 *faulty meters*: the timescales (distinguishing between meter types where appropriate) for assessing meters that may be faulty, for the taking of action in relation to any meter that is assessed to be faulty, and for keeping the Consumer informed of the assessment process and (where applicable) the action taken; and

1.2.10 *faulty heat interface units (HIUs)*: (except where the repair/replacement of faulty HIUs is the responsibility of the specified Consumer), the timescales for assessing HIUs that may be faulty, for the taking of action in relation to any HIU that is assessed to be faulty, and for keeping the Consumer informed of the assessment process and (where necessary) the action taken.

1.3 Each service standard must be:

1.3.1 specific and measurable;

1.3.2 fair and appropriate, taking into account relevant factors including the nature, size and operational characteristics of the relevant heat network, the needs of any specified Consumer in a Vulnerable Situation, and the objective of seeking to improve service standards over time; and

1.3.3 consistent with the Regulations, the general authorisation conditions and applicable law.

1.4 Where the authorised person is not an operator or the sole operator of a relevant heat network, the authorised person's service standards in respect of such relevant heat network do not need to cover a matter or a relevant part of a matter specified in paragraph 1.2 where:

1.4.1 it is more appropriate for the sole operator or another operator to cover the matter or relevant part of the matter, based on the activities of the different authorised persons in relation to the relevant heat network; and

1.4.2 the authorised person has used all reasonable endeavours to co-operate and co-ordinate with such other authorised persons with the objective of ensuring that service standards are in place for all matters specified in paragraph 1.2 in relation to all activities in relation to the relevant heat network.

Policy for responding to a service standard not being achieved

1.5 In respect of each relevant heat network to which paragraph 1.1 applies, the authorised person must have in place, and comply with, a fair and appropriate policy for how it will respond to a service standard not being achieved, including whether it will provide redress or other remedial action to specified Consumers.

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Communication of service standards and details of response policy

1.6 The authorised person must ensure that:

1.6.1 its service standards and details of its policy for responding to a service standard not being achieved; and

1.6.2 any service standards and details of policies provided to it by an operator pursuant to authorisation condition C3,

are communicated (in an appropriate form and at appropriate intervals) to specified Consumers, including with clear wording explaining, where applicable, the division of responsibilities as between the authorised person and any other authorised person.

Records and a register of interruptions

1.7 The authorised person must keep records for a period of at least five years that would enable it to demonstrate to the Authority its compliance with this authorisation condition and its performance in relation to its service standards and policy for responding to a service standard not being achieved.

1.8 Where the authorised person supplies a specified Consumer by means of a relevant heat network and is also an operator of the relevant heat network, the authorised person must keep an electronic register with details of interruptions to the supply of heating or hot water and ensure the register is updated promptly following the occurrence of such an interruption.

1.9 Records of all information included on the register must be kept for a period of at least five years from the date of recording the information and be categorised in a clear and precise way. On being requested by the Authority to do so from time to time, the authorised person must provide the Authority with such information on the register as requested.

Reviewing and changing service standards

1.10 The authorised person must, at appropriate intervals, review its service standards to ensure that they comply with paragraph 1.3.

1.11 Any changes made to service standards must be capable of objective justification by reference to the requirements of paragraph 1.3 and any such changes must be communicated to specified Consumers promptly.

Expressions used in this authorisation condition

1.12 For the purposes of this authorisation condition:

1.12.1 an "**interruption**" to the supply of heating or hot water includes not only a complete loss of supply but also circumstances in which the quality of that supply (including as to its flow rate and/or temperature) is reduced below [an acceptable / its normal] level;

1.12.2 a "**specified Consumer**" means a Domestic Consumer and/or a Microbusiness Consumer; and

1.12.3 an "**unplanned interruption**" means an interruption for which the required notice under paragraph 1.2.3 was not given.

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Condition Title: Operator Standards of Performance

Condition Number: C3

Introduction to condition

This condition imposes an obligation on an operator of a relevant heat network to have in place service standards as well as related matters.

Where the operator is also the supplier in relation to the relevant heat network, in accordance with paragraph 1.1, this condition will not apply. Instead, authorisation condition B13 will apply to the authorised person it its capacity both as operator and supplier.

The condition (in paragraph 1.4) recognises that, where the operator is not also the supplier (or the sole operator) of a relevant heat network, in certain circumstances it may be appropriate for the supplier (or joint operator) to be responsible for the relevant service standard rather than the operator.

Proposed text of condition

Obligation to have service standards in place

1.13 In respect of any relevant heat network operated by the authorised person by means of which specified Consumers are supplied by another authorised person, subject to paragraph 1.4, the authorised person must have in place service standards ("**service standards**") that cover the matters specified in paragraph 1.2 and that comply with paragraph 1.3.

1.14 The specified matters, as referred to in paragraph 1.1, are as follows:

1.14.1 *making appointments*: the making of appointments between the authorised person or any Representative and specified Consumers, including timeframes for responding to requests for appointments and the timing of appointments offered;

1.14.2 *keeping appointments*: keeping and rearranging appointments made between the authorised person or any Representative and specified Consumers, including the notice period and criteria to be met for any rearrangement;

1.14.3 *notice of interruptions*: the provision of notice to specified Consumers of planned interruptions to the supply of heating or hot water, including timeframes to be met;

1.14.4 *expected restoration times*: the provision to specified Consumers, during any interruption (whether planned or unplanned) to the supply of heating or hot water, of information on expected supply restoration times, including the frequency of updates to be given to specified Consumers;

1.14.5 *support during interruptions*: the provision to specified Consumers in a Vulnerable Situation, during any interruption (whether planned or unplanned) to the supply of heating or hot water, of support, including in relation to alternative arrangements for provision of heating or hot water;

1.14.6 *restoration of supply following interruption*: the restoration of the supply of heating or hot water to specified Consumers following both a planned interruption and an unplanned interruption, including timeframes to be met;

1.14.7 *reconnection of supply following disconnection*: the reconnection, following any disconnection for non-payment of Charges, of the supply of heating or hot water to specified Consumers following relevant payments having been made, a security deposit having been provided and/or a repayment plan having been entered into, including timeframes to be met;

1.14.8 *multiple interruptions:* limits on the cumulative duration and/or impact, over a twelve-month period, of interruptions to the supply of heating or hot water to specified Consumers;

1.14.9 *faulty meters*: the timescales (distinguishing between meter types where appropriate) for assessing meters that may be faulty, for the taking of action in relation to any meter that is assessed to be faulty, and for keeping the Consumer informed of the assessment process and (where applicable) the action taken; and

1.14.10 *faulty heat interface units (HIUs)*: (except where the repair/replacement of faulty HIUs is the responsibility of the specified Consumer), the timescales for assessing HIUs that may be faulty, for the taking of action in relation to any HIU that is assessed to be faulty, and for keeping the Consumer informed of the assessment process and (where necessary) the action taken.

1.15 Each service standard must be:

1.15.1 specific and measurable;

1.15.2 fair and appropriate, taking into account relevant factors including the nature, size and operational characteristics of the relevant heat network, the needs of any specified Consumer in a Vulnerable Situation, and the objective of seeking to improve service standards over time; and

1.15.3 consistent with the Regulations, the general authorisation conditions and applicable law.

1.16 The authorised person's service standards in respect of any relevant heat network do not need to cover a matter or a relevant part of a matter specified in paragraph 1.2 where:

1.16.1 it is more appropriate for the supplier or another operator to cover the matter or relevant part of the matter, based on the activities of the different authorised persons in relation to the relevant heat network; and

1.16.2 the authorised person has used all reasonable endeavours to co-operate and co-ordinate with such other authorised persons with the objective of ensuring that service standards are in place for all matters specified in paragraph 1.2 in relation to all activities in relation to the relevant heat network.

Policy for responding to a service standard not being achieved

1.17 In respect of each relevant heat network to which paragraph 1.1 applies, the authorised person must have in place, and comply with, a fair and appropriate policy for how it will respond to a service standard not being achieved, including whether it will provide redress or other remedial action to specified Consumers.

Provision of service standards and details of response policy to supplier

1.18 The authorised person must provide, for any relevant heat network, its service standards and details of its policy for responding to a service standard not being achieved (and any update

to either of them) promptly to the relevant supplier in order to enable the supplier to communicate them to specified Consumers as contemplated by authorisation condition B13.

Records and a register of interruptions

1.19 Where paragraph 1.1 applies:

1.19.1 The authorised person must keep records for a period of at least five years that would enable it to demonstrate to the Authority its compliance with this authorisation condition and its performance in relation to its service standards and policy for responding to a service standard not being achieved.

1.19.2 The authorised person must keep an electronic register with details of interruptions to the supply of heating or hot water and ensure the register is updated promptly following the occurrence of such an interruption.

1.19.3 Records of all information included on the register must be kept for a period of at least five years from the date of recording the information and be categorised in a clear and precise way. On being requested by the Authority to do so from time to time, the authorised person must provide the Authority with such information on the register as requested.

Reviewing and changing service standards

1.20 The authorised person must, at appropriate intervals, review its service standards to ensure that they comply with paragraph 1.3.

1.21 Any changes made to service standards must be capable of objective justification by reference to the requirements of paragraph 1.3 and any such changes must be communicated to specified Consumers promptly.

Expressions used in this authorisation condition

1.22 For the purposes of this authorisation condition:

1.22.1 an "**interruption**" to the supply of heating or hot water includes not only a complete loss of supply but also circumstances in which the quality of that supply (including as to its flow rate and/or temperature) is reduced below [an acceptable / its normal] level;

1.22.2 a "**specified Consumer**" means a Domestic Consumer and/or a Microbusiness Consumer; and

1.22.3 an "**unplanned interruption**" means an interruption for which the required notice under paragraph 1.2.3 was not given.