



# Heat Metering Regulations An overview.



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# UX Energy Services - Overview

- The Utilities Exchange – established 1995 - independent
- Experienced staff (22)
- Manage 7 TWhs
- Fixed (UX Online®) and Flexible Procurement
- Risk Management
- Portfolios
- Carbon Services, EU ETS, CRC, CCA's, ESOS, Renewables
- Supply Contract and Estate Management services (Bureau)
- Online reporting
- Bespoke work: 10 year price forecasts; PPA's; CHP, renewables evaluation
- Heat Metering Solutions
- Data Services – AMR, HH MOP and reporting services
- Water services
- Engineering services

# UX Energy Services: Clients

## Public and private sector clients:

### Manufacturing

### Property

### Chemicals

### Pharmaceuticals

### Retail and Leisure

### Financial Services

### Logistics

### Public Sector

- ✓ Jaguar Land Rover
- ✓ Land Securities
- ✓ Veolia Water (Regulated + Non Regulated)
- ✓ Royal Garden Hotel
- ✓ Ritz Hotel
- ✓ Network Rail
- ✓ GlaxoSmithKline
- ✓ Aviva
- ✓ Cadogan Estates
- ✓ DuPont
- ✓ Dominos Pizza
- ✓ London Fire Brigade
- ✓ TM Lewin
- ✓ Numerous Councils and NHS Trusts
- ✓ Aldi
- ✓ Cambridge Coplleges

# The Requirements

- **Heat Network (Metering and Billing) (Amendment) Regulations 2015**
- **Implementing the Energy Efficiency Directive (EED) 2012 with regards to the supply of heating, cooling and steam. (Articles 9,10 & 11)**
- **Enforced by National Measurement and Regulation Office. (NMRO)**
- **The Regulations place certain responsibilities on anyone supplying and charging for heat, cooling or hot water**
- **Applies to bulk supply meters and end users alike**
- **The objective of the Regulations is to optimise the use of low carbon sources and meet EED National 2020 target**

# The Requirements

- **Regulations are to encourage users of heat, cooling or steam to be aware of their consumption and costs, and increase efficiencies**
- **Especially created to cover Communal and District Heat Networks and introduce measurement**

## **Deadlines:-**

- **Original deadline for notification to NMRO was 30<sup>th</sup> April 2015  
Changed to 31<sup>st</sup> December 15.**
- **Install compliant meters in properties by 31<sup>st</sup> Dec. 16??**

# The Requirements

- **To bill to be based on accurate consumption data and to include:-**
  - **Current energy prices**
  - **Energy consumption**
  - **Comparisons year on year, inc. CO<sup>2</sup> content of heat**
  - **Transparency of charges, inc. maintenance, standing charges etc**
  - **Contact info – energy eff. organisations etc**
- **It is recommended that suppliers of heat, cooling or hot water, carry out an annual cost comparison against a standard alternative heating system**

# The numbers

- **At least 210,000 homes and 1,700 businesses affected**
- **2000 DH schemes across the UK**
- **Est. 25% CO<sup>2</sup> from domestic heating**
- **60% reduction target for London by 2025**
- **Estimated that only 25% of community heated households have meters**
- **£300m DECC budget**
- **£2B investment into Heat Networks**
- **Additional 200 DH Networks by 2025**

# The Challenges

- Practices have been mixed/poor to date
- High secondary heat losses within buildings
- Lack of secondary insulation
- Buildings overheating – + 50°C!
- Thermal bridging
- Clients don't know what they want
- Designers don't see the results
- Lack of data
- Pre payment options can be challenging
- Poor image – WHICH report!



# The Challenges

- **Return temperatures to high**
- **Flow/Return rates incorrect in design**
- **Heating schemes are not optimised**
- **Uncompetitive heat and/or gas supply contracts**
- **Unreliability of metering/HIU's/valves where installed**
- **Poor end user relations and system management**
- **Misleading information on costs**
- **History of debts and under recovery**
- **Pushing end users into fuel poverty?**
- **Are consumers getting a fair deal?**

# The Challenges

- **Unregulated monopoly – OFGEM reviewing**
- **Inefficient schemes, need a UK register for transparency**
- **Disproportionate costs/bills, need transparency**
- **No comparators – i.e. gas kWhr vs heat kWhr**
- **Huge variances on what is being charged and recovered**
- **High number of user complaints**
- **Debt recovery issues**
- **Payment options**

# Moving forward

- Review all heat supplied buildings and create a national register
- Survey all “The heat supply networks”
- Review current charging methods
- Examine the “energy” supply contract
- Establish robust maintenance regime for plant
- Establish clear, fair, transparent tariffs
- Viability assessment tool delayed
- Get ahead to manage compliance ‘Future Proofing’
- Develop a communications strategy for end users
- Finally CIBSE & ukDEA - Association for Decentralised Energy have created a ‘Code of Practice’ for Heat Networks, that provides good information

# UX Energy Services

## Thank you



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