



# Implementation of the Heat Network Regulations

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## Agenda

- Overview of Switch2
- Benefits of final customer metering
- Introducing final customer meters
- Case studies
- Point of entry meters
- Billing
- Questions

## Switch2

- Over 35 years experience providing metering and billing solutions
- Focused on communal heating and district energy schemes
- Pioneers in the application of heat interface units in the UK supported by tailored metering solutions, including fully supported prepayment and credit solutions.



£15m handling  
client monies



16 million meter  
readings annually



50,000 dwellings  
across 400 sites



52,000 HIUs &  
25,000 prepayment  
units in the market



20 million billing  
transactions annually

## Meeting the challenges of community heating



Customer satisfaction



Reduce exposure to debt



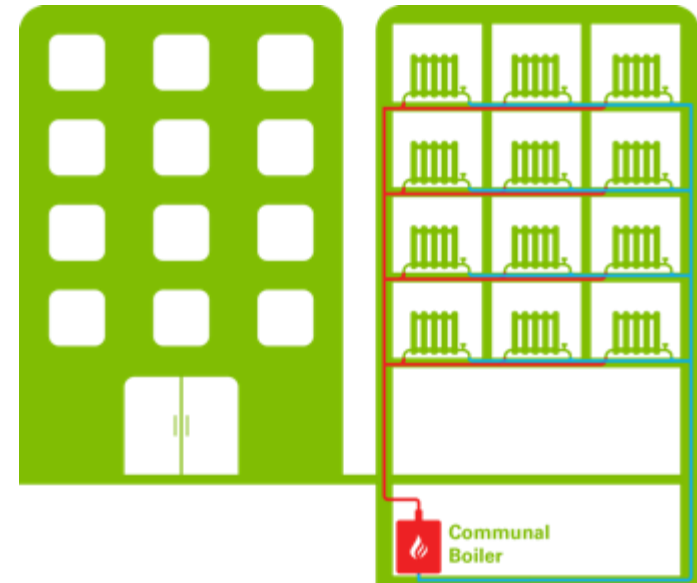
Regulatory requirements



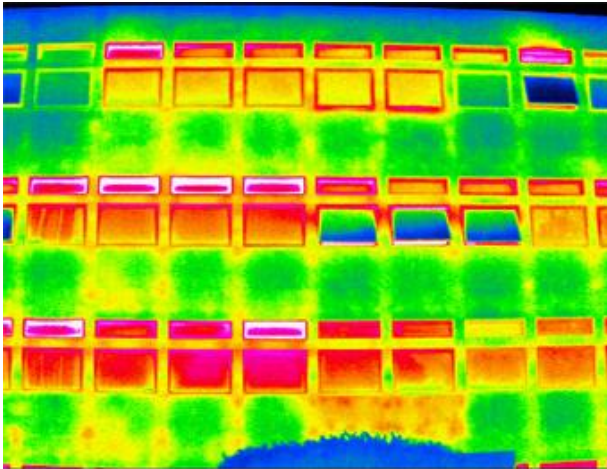
Vulnerable residents



Budgeting and affordability



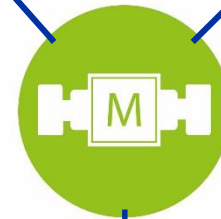
## Benefits of final customer metering



Open windows in winter – a symptom of flat rate charging for heat?

Reduces CO2 emissions

Reduces consumption



**Addresses fuel poverty through behavioural change**

## Introducing final customer meters

- Metering strategy
- Quality AMR and meters
- PAYG reduces debt and is now convenient
- Consumer engagement
- Tariffs and charging structure
- Controls
- Planning and partnership





## Case Study: First Choice Homes Oldham



Installed heat meters and AMR system into 2000 properties



Provided individual resident bills based on consumption



Fuel bills for the 2,000 properties reduced by up to 60%



For 63% weekly charge is 50% less than flat rate



*“Within 3 months of installation of the new system, results show a substantial reduction in fuel costs for the vast majority of tenants.”*

**First Choice Homes Oldham**

## Case Study: Sheffield City Council



Residents drove move to PAYG



5,000 dwellings flat rate charged



Early resident liaison key in a project of this scale



Residents happy with new metered PAYG system



Bills reduced in some cases by 50%

*“Metering gives customers greater choice... Used sensibly we anticipate customers will have the potential to make real savings in their heating bills in the future.”*  
**Sheffield City Council**





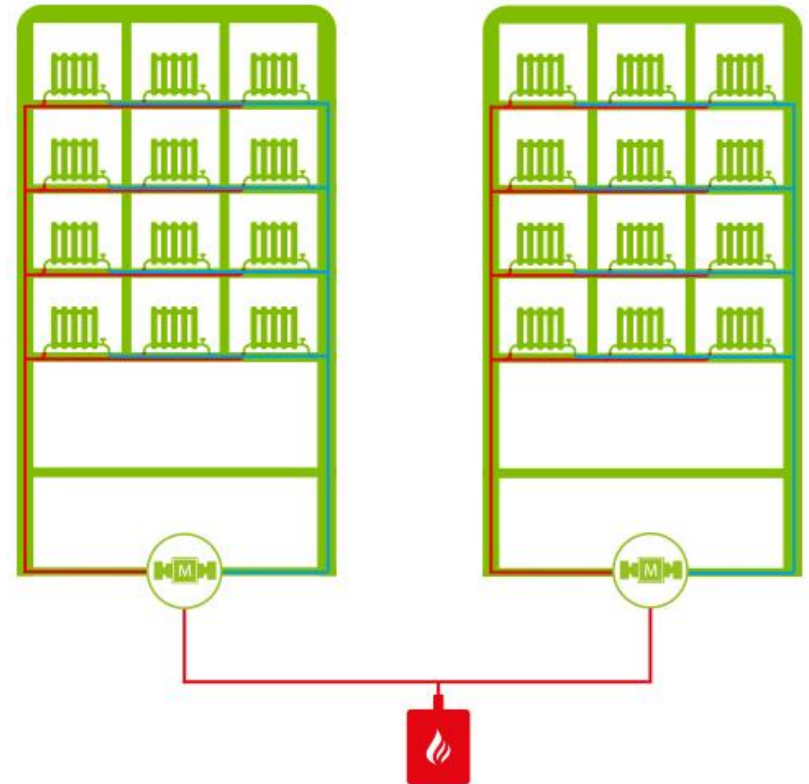
## Resident liaison

- Engagement campaigns
- Support for residents
- Helps with understanding and usage
- Ultimately helps them save money on bills
- Helpful materials

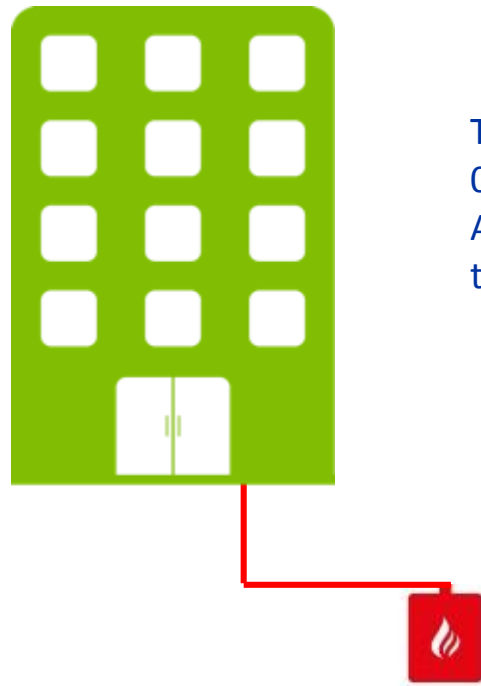


## Point of entry meters

- Building performance – building heat losses can be calculated
- If heat cost allocators are used then this is the only point measurement in a SI unit (kWh)
- Building up experiences of efficiencies and demand feeding into improved designs for the future



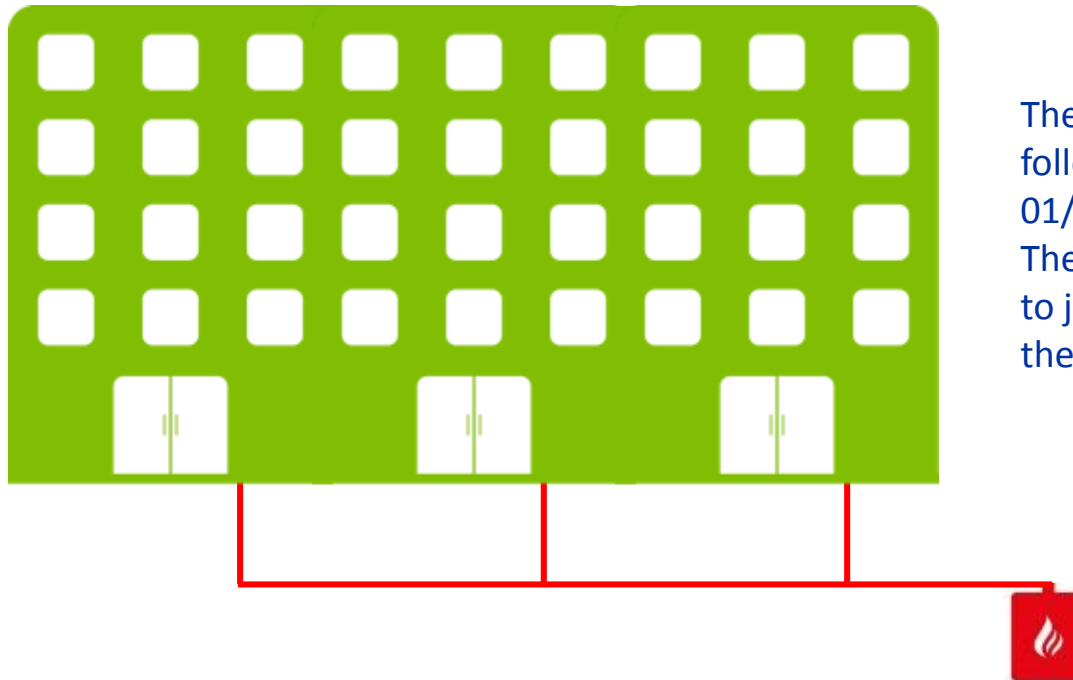
## Question: Should there be any point of entry meters?



The NMRO made the following clarification  
01/04/2015:

A Point of entry meter is required because  
the boiler is not part of the building.

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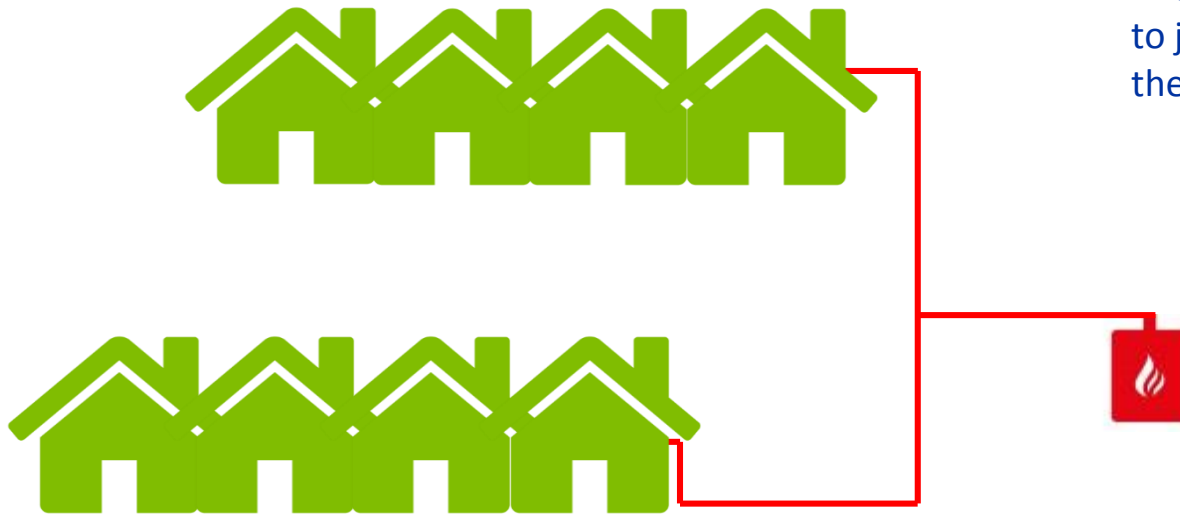


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## Billing services



### Credit billing

- Quality AMR systems
- Collect meter readings daily
- Bill monthly on the majority of schemes
- Budget payment plan available
- Web portal and electronic bills
- Plan to put consumption graphs on bills.



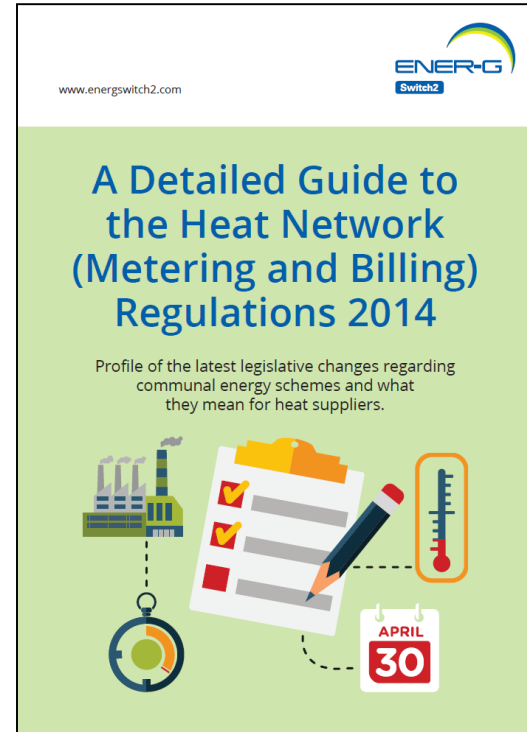
### Pay-As-You-Go (PAYG)

- PAYG is now convenient
- Auto top-up
- Prevents debt
- In-home display
- Collect reads daily
- Option of issuing paper statement once a year to summarise consumption and costs



## Guide and resources

- Updates to regulations
- Reissue materials
- Resource hub



## Summary



Regulations positive and reinforce best practice



Planned approach to introducing metering



Consider PAYG



Putting the resident first



Benefits everyone