



Implementation of the Heat Network Regulations

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Agenda

- Overview of Switch2
- Benefits of final customer metering
- Introducing final customer meters
- Case study
- 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

Meeting the challenges of community heating



Customer satisfaction



Reduce exposure to debt



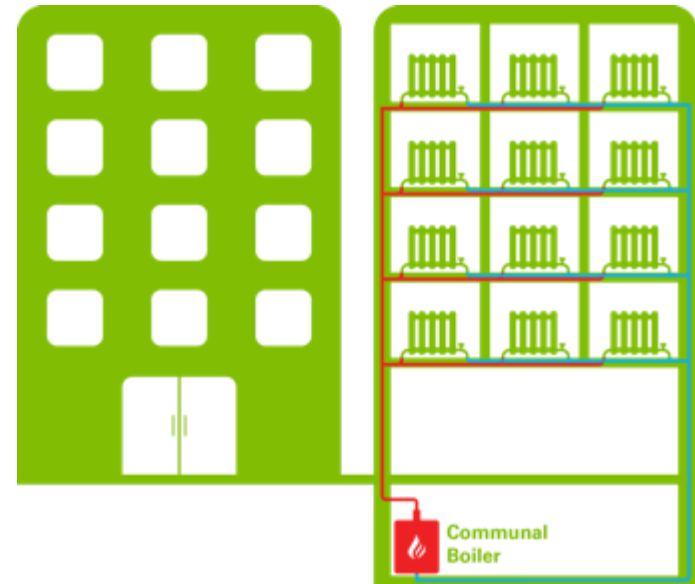
Regulatory requirements



Vulnerable residents

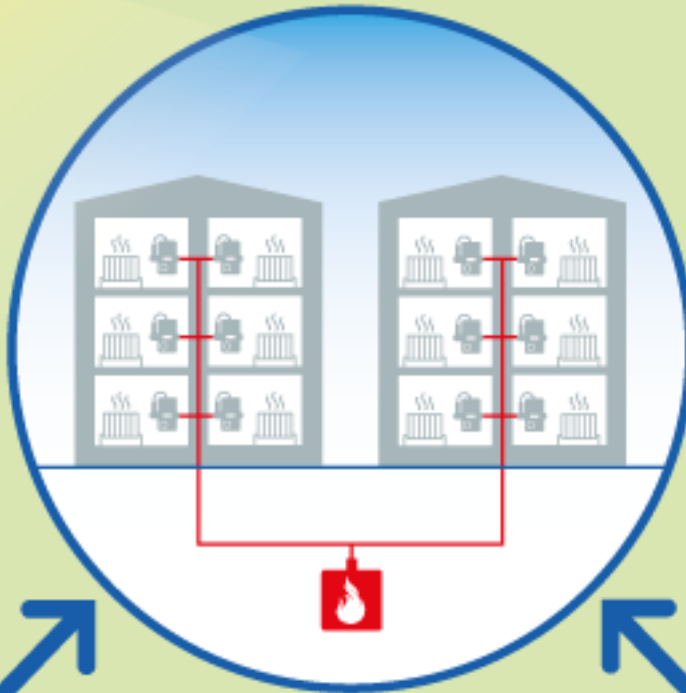


Budgeting and affordability

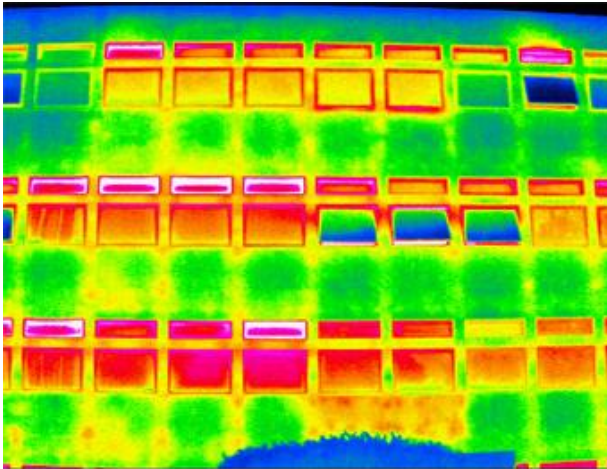




The spotlight is on heat networks



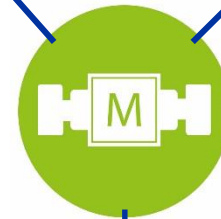
Benefits of final customer metering



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

Reduces CO2
emissions

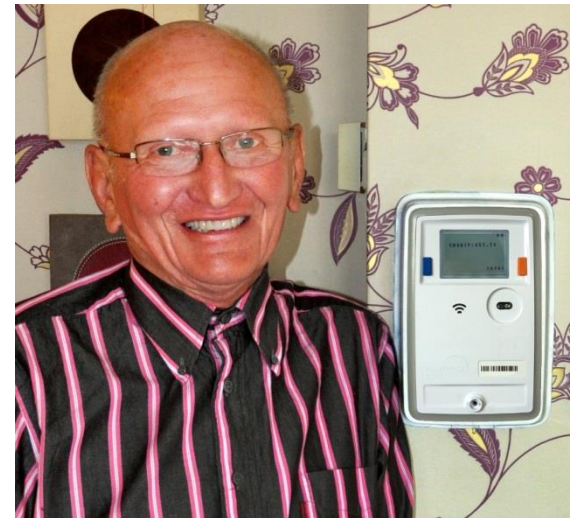
Reduces
consumption



**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: Sheffield City Council



Residents supported move to PAYG



5,000 dwellings flat rate charged (1,000 on old PAYG)



Early resident liaison key in a project of this scale



Residents happy with new metered PAYG system



Bills reduced in some cases by 40%



SCC expect to save residents £1.4m on annual heating bills

“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



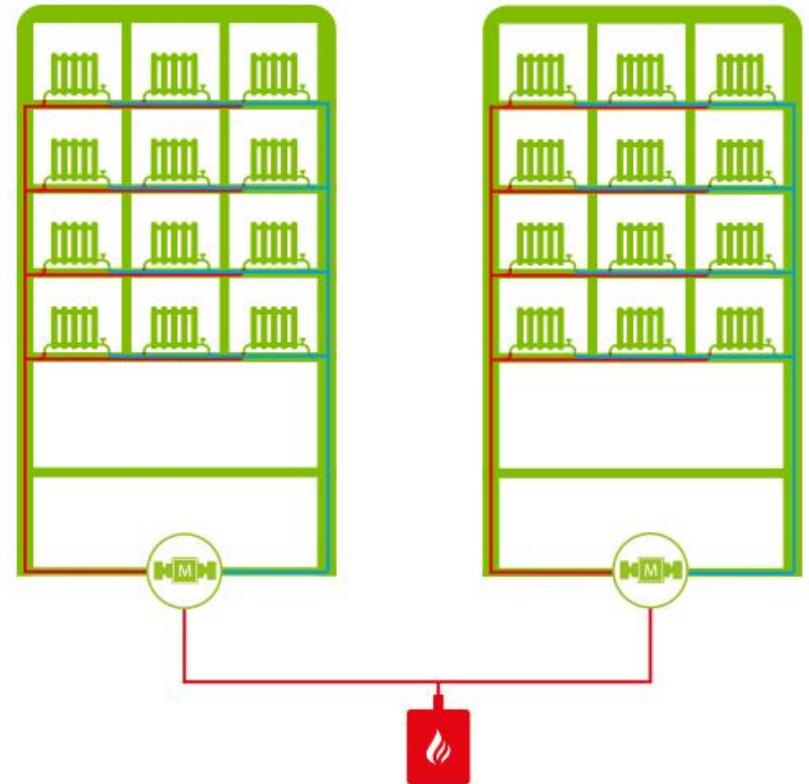
Resident liaison

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

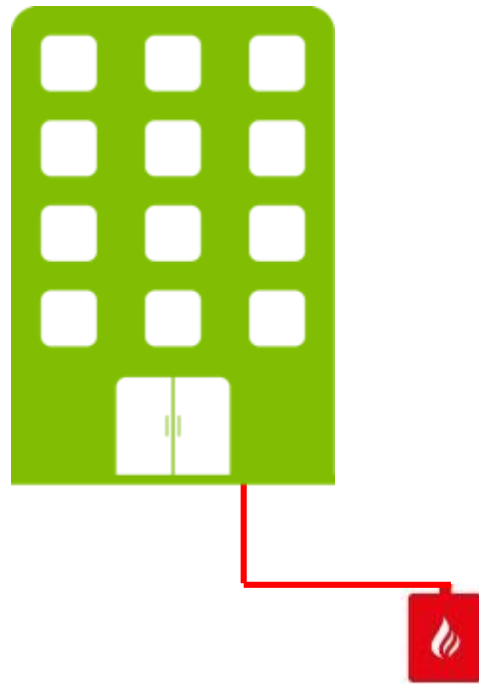


Point of entry meters

- Losses between the block vary hugely
- Understand building performances
- Transparency
- Important for Heat Cost Allocators



Question: Should there be any point of entry meters?

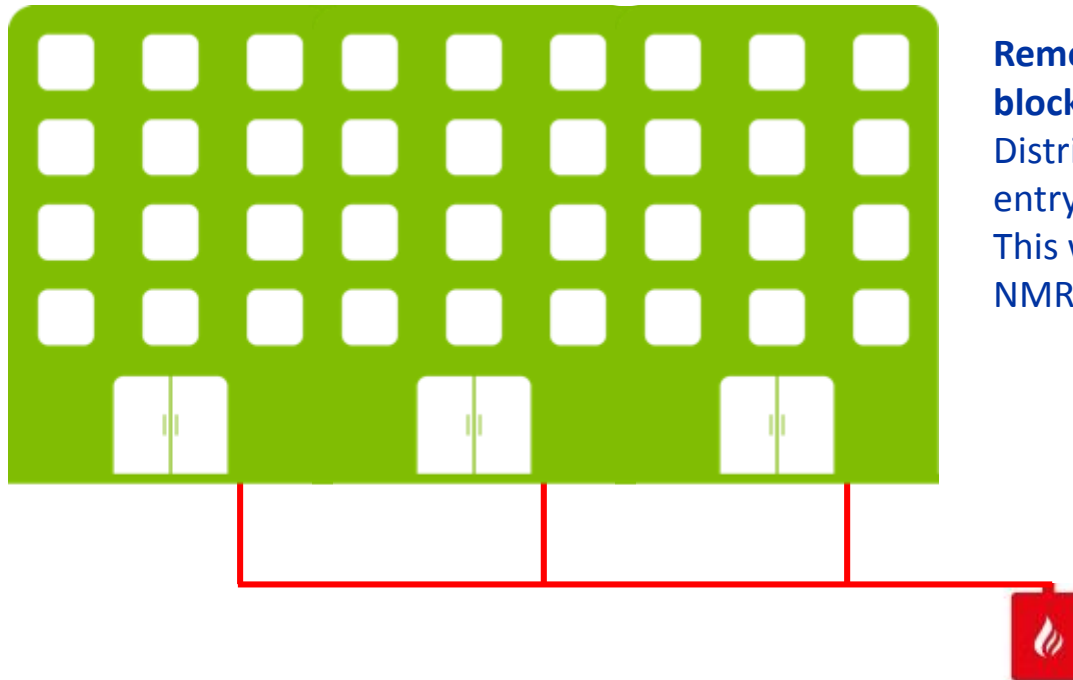


Remote plant room serving one block.

Community Heat Network – no requirement for point of entry meter, as long as there is not heating in the plant room

NMRO 09/06/2015

Question: Should there be any point of entry meters?



Remote plant room serving one block.

District Heat Network – point of entry meter required.

This will be viewed as 3 blocks.

NMRO 09/06/2015

Question: Should there be any point of entry meters?

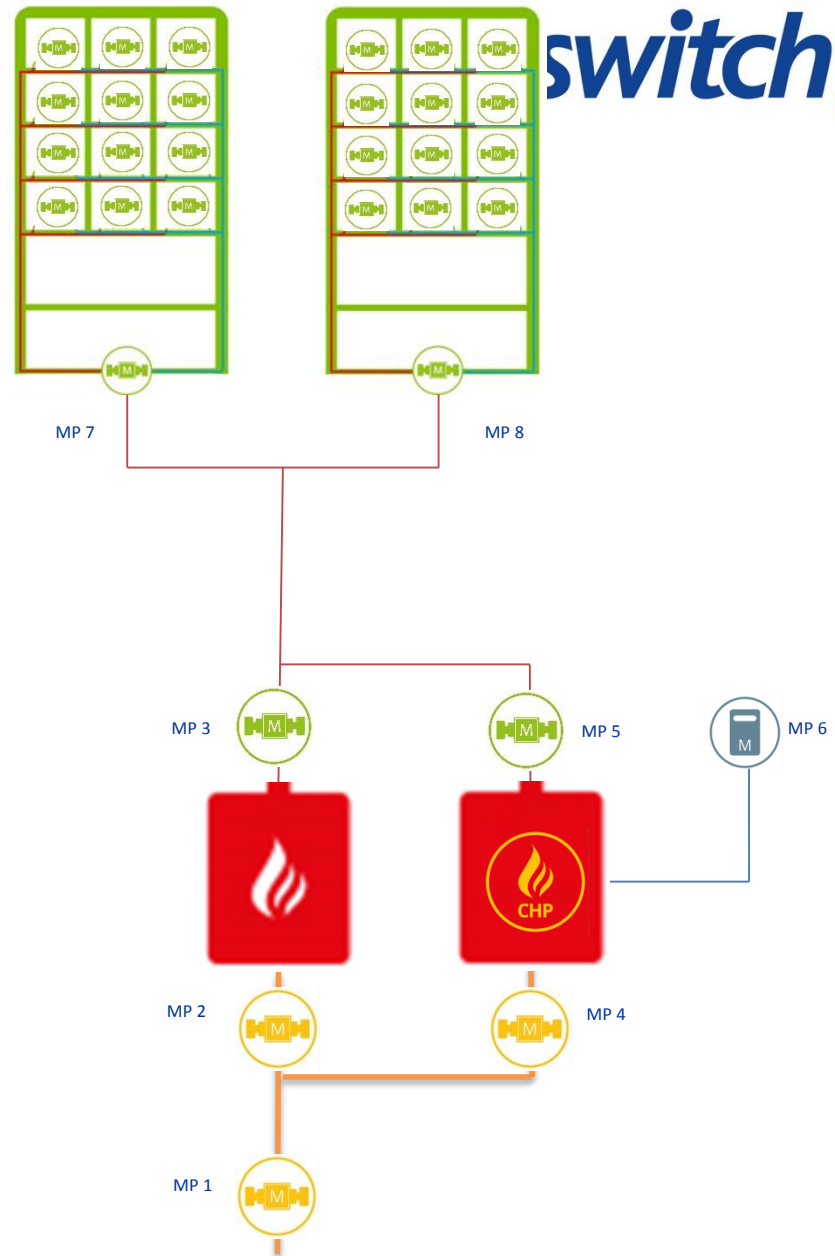


Remote plant room serving individual semis or terraced houses
Community Heat Network – no requirement for point of entry meter. Terraces and semi detached houses considered individual units. It should be noted that low rise deck access blocks would require point of entry meters.
NMRO 09/06/2015

Metering Strategy

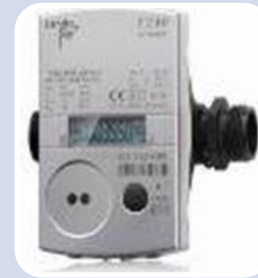


- Transparency
 - Validation of model
 - Efficiency and performance
 - Metering parasitic loads
- Process
 - Metering schematic
 - Meter points
- Model vs actual
 - Proving the business case



Meter maintenance

MID – Up to installation
batteries have 10 year life



Commercial
Annual
Verification for
Fiscal?

Domestic
Local
Arrangement
across EU

Billing



Pay-As-You-Go (PAYG)

- Convenient
- Auto top-up
- Prevents debt
- In-home display
- Collect reads daily
- Annual statement summarising consumption and costs

Billing

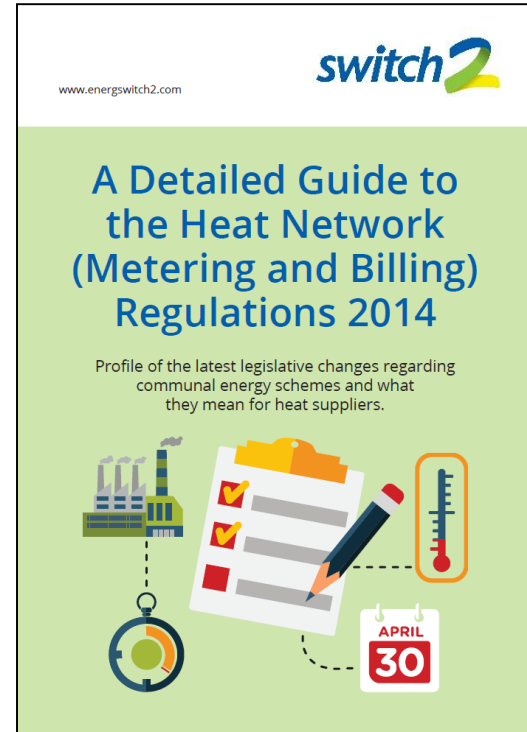


Credit billing

- Quality AMR systems
- Collect meter readings daily
- Bill monthly
- Budget payment plan available
- Web portal and electronic bills
- Consumption graphs on bills

Guide and resources

- Updates to regulations
- Materials/blog
- Resource hub



Summary



Regulations positive and reinforce best practice



Planned approach to introducing metering



Consider PAYG



Putting the resident first



Benefits everyone

Questions?

