

Dr Alasdair Allan MSP
Acting Minister for Climate Action
Scottish Government
St Andrews House
Regent Road
Edinburgh
EH1 3DG

13th September 2024

Dear Dr Allan,

Creation of a Heat Network Efficiency Scheme

I am writing to you as I am aware you are due to meet with the Heat Trust later this month to discuss funding for heat networks efficiency remediation. I wanted to take the opportunity ahead of that meeting to set out why the introduction of an efficiency scheme would benefit consumers and support the safer rollout of heat networks across Scotland.

You will be aware that Consumer Scotland will become the statutory advocate for heat network consumers in Scotland on 1st April 2025 when new regulations for heat networks will come into force. We are working closely with our partners across the consumer landscape ahead of the regulations coming into force and through this engagement.

Through this work it has become clear that, following the closure of the District Heating Loan Fund earlier this year, there is significant risk of consumers in Scotland experiencing detriment due to the absence of a heat network efficiency remediation scheme. This could potentially result in less efficient heat networks and higher heating costs for consumers, putting at risk the public perception of their benefits. This contrasts with England and Wales where the Heat Network Efficiency Scheme (HNES) is available to support heat network operators to make efficiency improvements to their networks.

We recognise the significant role that heat networks can play in Scotland's journey to decarbonise home heating. The introduction of an equivalent scheme to that in England and Wales will help to raise the efficiency standards on existing networks and ensure that consumers connected to these networks are less likely to suffer from higher costs and poorer quality heating.

Consumer Scotland would welcome the opportunity to engage with officials on this issue and I would be more than happy to meet with you to discuss this matter further.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'S. Ghibaldan', written in a cursive style.

Sam Ghibaldan