

Heat Networks: Guidance for Advisers and Caseworkers

An FAQ document to help
advisers support heat
network consumers

Developed in
partnership with:



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Key Definitions

This section has outlined the definitions listed in the [authorisation conditions](#) (pg. 8-18) that are most relevant and/ or most likely to be present in consumers' enquiries.

Word / phrase	Definition (as used in the conditions)
Additional Support Credit	A fixed amount of credit given to a domestic consumer in a Vulnerable Situation when their prepayment credit is low/out, to help keep (or restore) supply.
Bill	A statement of the charges that apply to the Consumer .
Billing	Everything involved in providing a Bill or statement of account, including the content/calculations and the collection/use of consumption information.
Billing Information	Not defined here as a standalone meaning; it's defined by reference to the billing/price transparency condition. See ' Provision of Billing and Price Transparency of Information ' for further detail.
Charge / Charges	Any charge for or relating to supply of heating, cooling or hot water, including standing charge, unit rate, reasonable disconnection/reconnection charges, abortive call-out charges, and debt-processing charges.
Charge Recovery Action	Where the authorised person/ representative issues a Bill to a Domestic Consumer or microbusiness Consumer or otherwise seeks to recover (including via a Prepayment Meter or via increased direct debits) Charges for heating and/or hot water supply.
Complaint	An expression of dissatisfaction about service/action/inaction of the supplier (or someone acting for them), linked to regulated activity, affecting one or more relevant consumers, where a response is expected.
Compensation Payment	A payment made to a specific Domestic Consumer (inc. voluntary payments) under customer service/complaints/redress arrangements, either required (by Authority/law/conditions/redress/courts) or made for a specific service/complaints/redress issue affecting them.
Consumer	A heat network consumer who takes (or requires) a supply of heating/cooling/hot water.
Consumer Credit Balance	The amount a Domestic Consumer has paid over and above what they owe in charges under the domestic supply contract.
Debt Trigger	Where charges have been outstanding for 3+ months after the bill date, outstanding charges exceed a threshold set by Ofgem, and the Consumer isn't on (or moving to) a repayment plan.

Deemed Contract	A deemed contract by conduct or by statute (i.e., a contract exists even without active acceptance/signing).
Deemed Contract by Conduct	A contract formed (or said to be formed) without active acceptance, including where terms were provided but not signed.
Deemed Contract by Statute	A contract treated as made under the Regulations.
Disadvantageous Unilateral Variation	A contract change made without consulting the consumer that leaves the Consumer worse off than if it hadn't been made.
Disconnect	To stop the supply of heating/cooling/hot water.
Domestic Consumer	A Consumer taking (or requiring) supply for domestic purposes.
Domestic Premises	Premises where supplied heat is consumed wholly or mainly for a domestic purpose.
Domestic Supply Contract	A supply contract between an authorised person and a Domestic Consumer .
Emergency Credit	A fixed amount of credit given when a Domestic Consumer's prepayment credit is low/out, to maintain or restore supply.
Explicit Consent	Consent that is unmistakably given in writing (not implied/hidden or just verbal), not given under pressure, and recorded (date + method).
Friendly-hours Credit	Credit provided overnight/weekends/public holidays when prepayment credit is low/out, to maintain or restore supply.
Historic Consumption Data	The quantity supplied over the previous 12 months (or, if the contract is under 12 months, over the contract period so far).
Outstanding Charges	Charges due, demanded in writing at least 28 days earlier, and still unpaid.
Personal Characteristics	Includes being of pensionable age; chronically sick or having an impairment/disability/long-term medical condition (including visual/auditory/mobility); and/or other characteristics the supplier identifies as relevant due to the nature of Priority Services .
Prepayment Meter	A supply meter set to operate (or only able to operate) in a prepayment mode.
Priority Services	An authorised person must offer and supply (free of charge) appropriate mechanisms to; enable the Domestic Consumer to receive additional support to receive communications related to their account, take readings of their supply meter at appropriate intervals, ensure the functionality of any Prepayment Meter at domestic premises, ensure communications are accessible. For more information, see section ' Priority Services Register '.

Priority Services Register	A register of either a Domestic Consumer , and/or an occupant of domestic premises who may, due to their Personal Characteristics or otherwise being in a Vulnerable Situation , require Priority Services .
Relevant Lease	Means a lease or tenancy agreement to which section 11 or sections 18 to 24 of the Landlord and Tenant Act 1985 applies and pursuant to which the charges paid or payable for the supply of heating, cooling or hot water form (or will form) part of a service charge.
Relevant Supply Contract	A supply contract between an authorised person and a Consumer .
Self-disconnection	When a Domestic Consumer uses a Prepayment Meter and experiences an interruption to their supply of heating, cooling or hot water because the credit on the meter has been exhausted.
Vulnerable Situation	Where the personal circumstances and characteristics of a person create a situation where he or she is: (a) significantly less able than a typical person to protect or represent his or her interests; and/or (b) significantly more likely than a typical person to suffer detriment or that detriment is likely to be more substantial.

Executive Summary

Heat networks will play an increasingly important role in Scotland's transition to a low carbon energy future. As the sector grows, it is essential that consumers receive clear and reliable information about the services that impact them. Consumer Scotland is the statutory advocate for heat network consumers in Scotland. Through research and industry engagement, we continually strive to better understand the experience of heat network users, and use evidence to advocate for improved consumer outcomes in the sector.

As part of our statutory role, Consumer Scotland delivers the Heat Networks Advice Service in Scotland, working in partnership with Advice Direct Scotland (ADS) and the Extra Help Unit at Citizens Advice Scotland (the EHU). Consumer Scotland, ADS and the EHU have worked collectively to develop this guidance which is designed to assist anyone supporting consumers with heat network-related issues.

Unlike in the gas and electricity sector, heat networks in Great Britain have historically operated with limited regulation. But with regulation coming into force in January 2026, the regulatory landscape for heat networks is now beginning to evolve, with new authorisation conditions ("the rulebook") and consumer protection requirements changing both supplier obligations and the expectations placed on advice services. In response, we have undertaken a review of the rulebook alongside Ofgem's supporting guidance, to identify the practical issues that are likely to be asked by consumers.

This document brings together a comprehensive set of consumer questions with model answers covering key areas of the rulebook. We have also created a shorter section for questions we would expect to be asked by suppliers (see section '[Information for Suppliers](#)'). The aim is to provide a common reference point for advisers so that consumers receive clear, accurate and consistent information regardless of which organisation they contact. The content reflects the requirements placed on suppliers and focuses on questions that are likely to arise in advice provision and casework settings.

This document is intended to support consistent advice delivery and does not constitute legal advice or replace independent legal guidance. All information in the document is provided here with no guarantee of its completeness or accuracy, and there is no guarantee of the results obtained from using this information. No responsibility can be accepted for any loss or other consequences of following the information in the document and no responsibility can be accepted for any errors or omissions in the information.

As heat networks regulation continues to develop, this document will be regularly reviewed and updated to ensure it remains accurate and relevant.

Statutory Advice Pathway

This section includes information relevant regarding the statutory pathway for advice delivery and escalation in Scotland.

Who should consumers contact if they have a question or complaint about their heating or hot water supply?

Consumers should contact their supplier in the first instance if they have any questions or concerns about their heating or hot water supply. Suppliers should have a formal [Complaints Handling Procedure](#) that should be prominently displayed or signposted in each supplied building (where appropriate), on their website and on in-premises meter displays (where appropriate).

For more information, please refer to '[Complaints](#)'.

If a consumer is not satisfied with their supplier's complaints handling process, what other support is available?

Heat network consumers should contact their heat network supplier in the first instance if they have questions or a complaint related to the service they are receiving. However, if the consumer is not satisfied with their supplier's complaints handling process, or wants support with their heat network-related issue, they should contact Advice Direct Scotland (ADS) as the first tier advice provider.

ADS offers support directly to consumers via energyadvice.scot or through the helpline 0808 196 8660, open Monday to Friday 09:00 to 17:00.

If the consumer meets an agreed vulnerability criteria then ADS will refer the case to the Extra Help Unit (EHU), the second tier advice provider, if the case requires ongoing casework or if the consumer is disconnected or at risk of disconnection from their heat or hot water supply.

The EHU is a specialist department with statutory responsibilities in the gas and electricity market across Great Britain to help households and small businesses to resolve energy issues. It responds to a wide range of complaint types, including prepayment self-disconnection, affordability, meter faults, complex billing disputes, affordable debt repayment plans and erroneous transfers.

How can consumers escalate their query to the Extra Help Unit?

The EHU is a referral-based service which specialises in supporting consumers in vulnerable circumstances. Therefore, consumers cannot take their case directly to the EHU unless they have been referred by ADS.

What is the Energy Ombudsman and when can consumers contact them?

Energy Ombudsman is the dispute resolution provider as part of the heat networks regulatory regime in Great Britain. It is separate from the statutory advice process.

Whilst it is recommended to pursue the statutory advice route, any consumer can contact the Energy Ombudsman if their complaint has gone unresolved for 8 weeks, or if the authorised person issues a deadlock letter (signifying their rejection of the complaint).

Consumers can contact the Energy Ombudsman via their website at <https://www.ombudsman-services.org/> or through their helpline at 0330 440 1624, Monday to Friday 08:00 until 20:00, Saturday 09:00 until 13:00).

Who is Consumer Scotland and what is their role in heat networks?

Consumer Scotland is the statutory advocate for heat network consumers in Scotland. In this role, it works to ensure that heat networks deliver fair, transparent and reliable services for consumers in Scotland. It represents heat network consumers in key decision-making processes which affect them, working closely with Ofgem as regulator, the UK and Scottish governments, and industry stakeholders.

Consumer Scotland delivers the Heat Networks Advice Service in Scotland in partnership with ADS and the EHU.

Consumer Scotland can be contacted at heatnetworks@consumer.scot with heat network-related policy or regulation queries. For advice on individual issues or complaints, consumers should contact Advice Direct Scotland.

What should heat network advisers/caseworkers do with casework information?

A consistent flow of case evidence with Consumer Scotland ensures that consumer's experiences are used to inform policy developments in the heat networks sector, with a view to improving outcomes. By articulating the specific challenges identified during the advice process, Consumer Scotland can more effectively represent consumers in key decision-making processes that affect them. ADS and the EHU do this through data-sharing arrangements with Consumer Scotland, in their role as delivery partners on the Heat Network Advice Service.

Consumer Scotland also encourages anyone providing support to consumers with heat network-related issues to flag non-case sensitive trends or information to us, which will be used to inform our advocacy work on behalf of consumers. This can be done through heatnetworks@consumer.scot.

Fair Pricing

The following two sections have been developed through consultation with both the authorisation conditions and [Ofgem's Fair Pricing and Cost Allocation Guidance](#).

Are heat network suppliers allowed to charge consumers whatever they want?

No. Suppliers are required to ensure that charges imposed on consumers are fair and not disproportionate.

More info:

- Authorisation conditions: pg.21
- Ofgem Guidance: pg.6–8, 10–13

How is 'fair pricing' determined, who decides what is fair?

Fair pricing is interpreted using guidance published by Ofgem. Rather than having a price cap like in the electricity and gas market, [Ofgem's guidance](#) explains that suppliers must have regard to a framework of principles when setting prices:

- **Cost-reflective pricing:** prices should be reflective of the underlying cost of providing heat and of consumers' consumption levels, any costs that consumers impose on the system and contribution to fixed costs of the system - pg. 8-9
- **Cost efficiency:** costs should be efficient whilst providing an appropriate quality of service – pg. 10-13
- **Fair and reasonable returns:** a supplier must not use monopoly status to earn excessive returns relative to the cost of investment – pg. 14
- **Consumer impact:** a supplier should maximise consumer benefit and consider potential consumer detriment whilst also making a reasonable return on their costs – pg. 15-16
- **Regulatory control:** pricing decisions must comply with authorisation conditions and regulatory guidance – pg. 17
- **Price transparency:** consumers should be able to understand how prices are set, what they are being charged for, and how their charges are calculated pg. 18

More info:

- Authorisation conditions: pg.21
- Ofgem Guidance: pg.8-18

Why are prices different between heat networks?

Prices do not need to be identical across networks. They should be proportionate to each network's characteristics and costs.

More info:

- Authorisation conditions: pg.21
- Ofgem Guidance: pg.8

Why has a consumer's heat [bill](#) suddenly gone up a lot, is the supplier allowed to do that?

Note for caseworker: The consumer may be asking about "shock bills", which are large or unexpected increases in charges.

Suppliers should consider consumer impact when making pricing decisions that may lead to shock bills. Suppliers should:

- use timely [billing](#)
- avoid practices that allow debt or costs to build unexpectedly
- consider consumer impact alongside cost recovery.

This sits within the 'consumer impact' principle used to assess fair pricing.

More info:

- Authorisation conditions: pg.21
- Ofgem Guidance: pg.15, 34-35

Why are some consumers paying for costs related to other customers?

Suppliers should consider whether additional costs should be allocated to the consumer - or group of consumers - who they directly relate to them, rather than spreading these across all consumers.

This is part of the **cost-reflective pricing principle**, but it must be balanced with consumer impact.

Example given by Ofgem:

If a new building connects to the heat network and creates extra infrastructure costs, those costs may be allocated to that building rather than everyone.

More info:

- Authorisation conditions: pg.21-22
- Ofgem Guidance: pg.8-9

Cost Allocation

What does cost allocation mean for a consumer's heat charges?

Cost allocation refers to how suppliers decide which costs are included in consumer charges, how these costs are shared between consumers and how tariffs are structured (e.g., standing charges vs. unit rates)

Charges should be structured in line with cost allocation guidance so that prices remain fair and not disproportionate (see '[Fair Pricing](#)' for more information).

More info:

- Authorisation conditions: pg.22
- Ofgem Guidance: pg. 25

Can the supplier just pass all their costs onto consumers?

No, suppliers are expected to allocate costs in a way that supports fair pricing. Cost allocation includes deciding how costs are shared across things like standing charges, unit rates and other fixed charges.

So, while suppliers can recover legitimate costs, they are not supposed to pass on costs in a way that leads to unfair or disproportionate outcomes for consumers.

More info:

- Authorisation conditions: pg.22
- Ofgem Guidance: pg. 25-26

Can suppliers add fines or [compensation payments](#) into consumers' [bills](#)?

No. Costs linked to penalties, redress or compensation payments (e.g., from suppliers failing to comply with regulation or meet standards) are presumed to be unfair if passed-through to consumers, unless in very specific exceptional circumstances. Suppliers should not pass these types of costs on to consumers because they arise from supplier failures or regulatory action rather than the normal cost of providing heat.

More info:

- Authorisation conditions: pg.22
- Ofgem Guidance: pg. 25, 40-41

If a consumer's home isn't metered, how can charges still be fair?

Where homes are unmetered, suppliers may use reasonable proxies such as floor area or number of bedrooms to estimate usage.

These proxies should be understandable and chosen so that consumers can clearly see how charges relate to them.

More info:

- Authorisation conditions: pg.22
- Ofgem Guidance: pg. 25, 30-31

Can suppliers include investment or infrastructure costs in consumer charges?

Yes. Costs linked to building or maintaining the heat network can be included in charges. These costs are normally recovered over time, but suppliers still need to allocate them in a way that keeps prices fair and proportionate.

More info:

- Authorisation conditions: pg.22
- Ofgem Guidance: pg. 32

The supplier says they have legacy arrangements, what does that mean?

Some heat networks have arrangements in place which pre-date heat networks regulation. These as referred to in guidance as 'legacy arrangements'. An example of a legacy arrangement is a three year contract that was entered into by the heat network operator prior to the onset of regulation, but which continues into the regulatory period.

Where legacy arrangements apply, suppliers are still expected to work towards the new standards over time, and to be compliant as soon as is practically possible. Suppliers should consider the impact of their decisions on consumers decisions, regardless of whether legacy arrangements are in place.

More info:

- Ofgem Guidance: pg. 42

Supplier Standards of Conduct

What does it mean that a heat network supplier must treat consumers fairly?

Supplier must treat all consumers fairly as a core obligation. This means acting in a fair, honest, transparent, appropriate and professional manner in all dealings. Their behaviour, (including communications and decisions) should not create a likelihood of consumer detriment unless that outcome would be reasonable in the circumstances.

Fair treatment applies not just to account handling and [billing](#), but also to customer service, contract terms and how changes or problems are managed.

More info: pg. 37–39.

What should consumers expect from their supplier when they explain charges or service changes?

All information provided (written or verbal) must be complete, accurate and not misleading (including by omission). It must be in plain and intelligible language, with the most important points given prominence. The supplier must ensure the information is sufficient for the consumer to make informed choices about their heat supply, tariffs and service changes.

Technical or contractual wording should not be used in a way that obscures meaning for a typical consumer.

More info: pg. 37-38

What extra support should consumers get if they are in a [vulnerable situation](#)?

Suppliers must try to identify consumers in vulnerable situations and adjust how they apply their standards accordingly. They must provide additional support (including tailoring communications and providing extra help to ensure access to necessary services and information) including [priority services](#) where applicable (page 38).

More info: pg. bottom of 37-38.

What can consumers do if they feel the supplier misled them or left out important information?

Providing misleading or incomplete information may breach the Supplier Standards of Conduct. Consumers have the right to complain, and the supplier must investigate using its formal [complaints](#) procedure. Possible remedies/solutions can include an apology, explanation, corrective action and compensation, where appropriate.

More info: pg.37-38, 45-47.

Do suppliers have to make it easy for consumers to contact them and get help?

Yes. Customer service arrangements must make it easy for consumers to make contact. Suppliers must act promptly and courteously and have fit-for-purpose, transparent service processes. If suppliers do not have appropriate customer service arrangements, they may be in breach of the Supplier Standards of Conduct. In this instance, you (the consumer) have the right to complain via ADS or the Energy Ombudsman.

More info: pg. 37-38.

Are there rules to help ensure consumers' supply is not disrupted?

Note for caseworker: Further information for this question sits in section 'Security of Supply' in the authorisation conditions.

The responsibility of maintaining security of supply lies with the heat network operator, as opposed to the supplier.

Operators must take all possible steps to ensure the supply of heat and hot water is reliable and consistent, ensuring outages are minimised as much as possible. Operators must also ensure the network is fit for purpose, and in line with industry standards, so that disruption occurs as infrequently as possible.

Operators must seek to carry out replacements or repairs promptly, if action is required that would restore or retain consumers' supply. They must review the system periodically, carrying out prompt upgrades where needed. They must monitor and report on areas such as performance, reliability and consistency on a regular basis.

More info: pg. 76.

Heat Supply Contracts

Do consumers have to be offered a heat supply contract if their property is connected to a heat network?

If a consumer's premises are connected and it is reasonable and safe to supply, the supplier must offer a heat supply contract when requested. They may refuse only in specific circumstances, for example: where the premises are not connected, supply would create danger, supply is not reasonable in the circumstances, or a permitted security deposit is not paid.

More info: pg. 39

What information must be included in a heat supply contract?

Contracts must include: all supply terms, principal terms, charges, billing information, supplier contact details, [complaints](#) procedure details, dispute resolution rights, tariff and charge change information, network performance indicators, energy source/environmental info and how to obtain [historic consumption data](#).

More info: pg.41-42.

What is a '[deemed contract](#)' and how is it different from a signed contract?

Written contracts must be in writing, in plain language and provided at the outset of supply. A copy must also be provided on request and whenever changes are made. Terms cannot be hidden by only referencing a website.

A deemed contract applies where supply starts without a signed agreement. The supplier must still provide the principal terms and inform the consumer that alternative supply contracts may be available. Copies must be provided free on request.

More info: pg. 40-41

Can a contract include exit fees or long fixed terms?

If a consumer is on a [deemed contract](#) (where supply started without the consumer actively signing a contract), then exit fees are not allowed, fixed-term periods are not allowed and the supplier cannot require special notice before the consumer moves onto a proper supply contract.

If the consumer is on a signed heat supply contract, fixed terms may be allowed, but terms must be fair and not unduly onerous and notice periods to end the contract must not be longer than 30 working days.

More info: pg. 40-42

How much notice does a consumer need to give to end their heat supply contract if they move out?

Domestic contracts must end promptly when the consumer stops occupying a property. If a consumer gives at least two working days' notice, the contract should end on that date. If not, it must end shortly after notification or when a new occupier takes supply. Consumer termination notice periods must not exceed 30 working days.

More info: pg. 41-42

Contract Changes Information

How much notice must a consumer get before a price increase?

At least 31 days' advance notice must be given before a price increase or [disadvantageous unilateral contract](#) change takes effect.

More info: pg. 43.

Can a supplier change terms without the consumer's agreement?

The supplier may make unilateral changes, but if the change disadvantages the consumer, formal notice (31 days) and termination rights must be given.

Any change notices (changes to the contract) must be issued separately from [bills](#), statements or marketing material.

More info: pg. 43- 44.

How often can prices be increased?

No more than once in any six-month period during the relevant [billing](#) year.

More info: pg. 43.

What must be included in a change notice?

It must explain the change, show charges including VAT where applicable, explain the consumer's right to end the contract (within 30 days), outline consequences of ending, and be presented clearly and prominently to support the consumer to make an informed choice before it takes effect.

More info: pg. 43-44.

Can the consumer leave if terms change?

Yes. The notice must inform the consumer that they can end the contract within a period no longer than 30 days.

More info: pg. 43.

Complaints

How can consumers complain?

[Complaints](#) must be accepted by phone, in writing, or digitally. The supplier must have a formal Complaints Handling Procedure.

More info: pg. 45–46.

What must the complaints handling procedure include?

A complaints procedure must be written in plain and intelligible language. It must also explain, investigation steps, resolution steps, likely timescales and coordination steps where multiple authorised persons are involved. It also must include an internal review stage if the consumer is dissatisfied and available remedies (inc. apology, explanation, remedial action & compensation (where appropriate)).

Finally, it must provide independent help/advice body contact details, dispute resolution body referral rights and how to escalate if the consumer is not satisfied.

More info: pg. 45–47.

Must it be accessible and easy to find?

Yes, the complaints handling procedure must be prominently displayed or signposted in each supplied building (where appropriate), on the supplier website and on in-premises meter displays (where appropriate).

It must be provided to the consumer before contract start on request (free of charge) and at least annually.

More info: pg. 45–46.

How quickly must [complaints](#) be handled?

Complaints should be handled efficiently, promptly, with sufficient trained staff and with adequate authority to resolve. Suppliers must allocate enough resources to meet this duty.

There is not a single fixed resolution deadline in days, but delays without justification can breach the efficiency requirement and escalation rights trigger after specified periods (see below).

Consumers must be informed when they can refer to an ombudsman or tribunal, typically after deadlock or after the specified time period passes unresolved.

More info: pg. 49–50.

What special duties apply for vulnerable consumers?

Suppliers must consider vulnerability when handling [complaints](#), take additional steps where appropriate, provide extra assistance and support consumer advice third-party representation.

If a third-party has complained on the consumer's behalf (for instance, consumer advice bodies), the supplier must have a defined referral process and still treat the complaint fully.

More info: pg. 45,48-49.

What if multiple companies are involved (supplier vs operator)?

Where multiple authorised persons are involved, the supplier remains the single point of contact and they must coordinate with the other parties. They must not pass the consumer around (e.g. by directing them to contact other parties) and they must cooperate to produce a complete response.

More info: pg. 50.

Assistance and Advice

What help and assistance is a heat network supplier required to provide?

Suppliers must proactively ensure that every consumer is given enough information (in a suitable format and often enough) to quickly and easily understand how to get help with their heat supply.

This includes help with

- How to identify and contact the relevant person for queries, [complaints](#), disputes and emergencies (5.1.1)
- How to seek impartial advice from relevant consumer advice bodies and dispute settlement processes (5.1.2)
- How to access assistance/ advice for debt related queries, improving energy efficiency and social/ financial/ energy efficiency programmes (5.1.3)

If there is an emergency or suspected emergency, the supplier is required to immediately inform the consumer and provide them with a contact number for related enquiries. If the consumer is experiencing a delay to the supply of their heat (domestic), the supplier is required to be available 24 hours every day to receive enquiries.

Assistance and information must be actively provided and maintained by the supplier.

More info: pg. 51-52.

What contact info must the consumer be given by their supplier?

Consumers must be given clear information showing how to identify their supplier, how to contact their supplier, how to contact the network operator (if different). They must also be told which contact route to use for faults, [billing](#) queries, service issues and assistance requests.

Contact routes should include phone, email and digital platforms.

More info: pg. 51.

Where can consumers find help and contact details for their supplier?

Help and contact information should be provided in different accessible places, such as start-of-supply / welcome information, contracts or customer packs, supplier website or portal, customer communications, [bills](#) or statements and building or meter display information (where used).

It should not be hidden or only available if the consumer knows where to search.

More info: pg. 51.

What if consumers need information in a different format or extra support to understand it?

Suppliers are expected to take account of consumer needs and vulnerability. Where reasonable, they should provide information, including help and contact guidance, in an accessible format.

This may include alternative formats, adjusted communication methods, working with a representative or adviser and extra explanation or support. This expectation is reinforced by the vulnerability and fair treatment duties in the conduct and [complaints](#) conditions (pg 37-38).

More info: pg. 37-38, 45, 51.

Provision of Billing and Price Transparency of Information

What [billing information](#) should suppliers provide consumers with?

[Bills](#) and billing information must show the charges for heat supply in a way that allows the consumer to understand the cost structure and how the bill was calculated. This may include unit rates, standing charges, total charges, billing period and charge categories.

It should be presented in a way that enables the consumer to compare their charges over time and across the seasons, including comparisons with the consumer's consumption for the same period in the previous year. If possible, this should be displayed in a graph using estimates of consumption and future charges.

More info: pg. 54 and 57.

Does the supplier have to show heat charges separately from other charges?

Yes. Where the supplier charges for heat supply **and** other goods or services, the contract must separately identify the heat supply charges and other service charges.

This separation is intended to support [bill](#) transparency and prevents bundled hidden costs.

More info: pg. 41.

Must heat [bills](#) be based on actual meter readings?

Yes, where supply meters are installed, bills and [billing information](#) must be accurate and based on actual consumption.

Bills may be based on estimated consumption only if the consumer has not provided a meter reading when required, or the supplier cannot obtain a smart meter reading despite taking all reasonable steps.

Even where estimates are used, the supplier must issue a bill based on actual consumption at least once a year (or once per service charge period where a [relevant lease](#) applies).

More info: pg. 53-54, 57.

Are there situations where [bills](#) do not have to be based on actual consumption?

Yes, the requirement to bill based on actual consumption does not apply where this is not reasonably practicable, including supported housing, almshouse accommodation, purpose-built student accommodation, certain leasehold premises (where the lease began before 27 November 2020 and the lease prevents [billing](#) based on actual consumption).

More info: pg.54, 57

Are suppliers supposed to tell consumers what tariff they are on and what other tariffs are available?

Yes. Heat supply contracts must include info on:

- how to obtain information about available tariffs
- how to obtain information about changes to charges
- justifications for charge changes

More info: pg. 41-42.

Can a supplier change how charges are calculated without telling consumers?

No, a supplier must not change how charges are calculated without providing formal notice to affected consumers. If the supplier changes any of the following: how charges are calculated, the level of charges or discount structures **and** the change disadvantages the consumer, they must issue a relevant contract change notice with at least 31 days' notice and termination rights.

They also cannot increase charges more than once in any six-month period (per relevant year).

More info: pg. 43.

If the consumer thinks their [bill](#) is wrong, what should they do next?

The consumer should contact their supplier and let them know. The supplier should explain the bill and cost structure clearly, provide supporting [billing information](#) and consumption data (if requested and correct any errors if found).

If the consumer is still dissatisfied, they should follow the supplier's formal [complaints](#) procedure (see section B4).

More info: pg. 41, pg. 45-51.

Do consumers have a choice of how they receive bills and how to pay?

Yes, the supplier must provide consumers with information about all available options for receiving bills.

Bills must be in a form that the consumer can retain and easily reference.

Suppliers must also provide consumers with a choice of payment methods and not unreasonably refuse or delay a request for a payment method change.

More info: pg. 56

Back-billing

When is a supplier allowed to back-bill?

Suppliers can issue a [bill](#) for energy consumed no more than 12 months beforehand, and they can also bill for other relevant charges incurred within the same period.

Suppliers are only permitted to recover charges for energy consumed over a period longer than 12 months where any of the following apply:

- the bill was issued before the authorisation condition went live in January 2026
- the supplier has already billed for energy consumed within the previous 12 months and they have not received payment from the consumer
- the supplier has already billed for energy consumed within the previous 12 months and the consumer has demonstrated obstructive or manifestly unreasonable behaviour, in this time.

Are there any exceptions to the back-billing rules?

The majority of rented properties will be covered by housing legislation, such as the Landlord and Tenant Act 1985, which would take precedence over back-billing regulations. This would typically be the case where a [relevant lease](#) is present, or heating costs are recovered through service charges.

Where the supply of heating and hot water is subject to a relevant lease, back-billing regulations will not apply if the act of issuing a back-bill – otherwise known as a “[charge recovery action](#)” – complies with the Landlord and Tenant Act 1985, or equivalent in Scotland.

This is likely to mean that suppliers responsible for properties in these circumstances can bill for energy consumed over an 18-month period, rather than twelve, although they would still be encouraged to restrict back-billing to 12 months, in the interests of fairness.

Non-domestic properties are not covered by back-billing rules.

Should a consumer have any documentation which confirms whether back-billing rules apply to them?

Any [relevant supply contract](#), or [deemed contract](#), should make clear whether the back-billing rules would apply, and suppliers must not take advantage of any other terms within the contracts that may contradict this authorisation condition.

More info: pg. 58.

Priority Services Register

What is a [Priority Services Register](#)?

Suppliers must establish and maintain a Priority Services Register, offering important services for consumers in vulnerable circumstances. They must promote the existence of the Priority Services Register at any appropriate opportunity, in order to ensure it is as accessible as possible. They must also take active steps to identify consumers who may require additional support, offering to add their details to the register during interactions.

More info: pg. 59-60.

What types of support must be provided?

Suppliers have a duty to offer a range of services free of charge to consumers recorded on their [Priority Services Register](#).

Examples of types of support are shown in the **Consumer Protection Guidance**, and some examples are listed below:

- regular meter reading services for those who are unable to read the meter themselves
- the provision of correspondence in an accessible format for the consumer (for example, large print or braille)
- the setting up of ID and password schemes if requested, in the event that an engineer visit is required

In situations where there is a risk of loss of supply, suppliers must prioritise the needs of consumers in vulnerable circumstances who are on the Priority Services Register, ensuring that any interruptions to the supply of heat and hot water to these people are rectified at the earliest possible opportunity.

More info: pg. 59-60.

How is vulnerability defined?

Ofgem's definition of a vulnerable situation is included in the table on Page 4. This outlines a situation where the personal circumstances and characteristics of a person create a situation where they may need extra support. The definition recognises that mental or physical health, economic circumstances, geography, caring responsibilities, or bereavement, can create vulnerability, and that characteristics may be short-term, long-term, or permanent.

Security deposits, payment difficulties, disconnections, direct debits and final bills

Can a supplier request a security deposit?

Suppliers are allowed to request security deposits in relation to the supply of heat and hot water, but they must not exceed a reasonable amount.

If there is a prepayment meter at the property, and it is considered safe and practicable for the consumer to pay for their energy via prepayment, suppliers must not request a security deposit.

Suppliers must take into account all circumstances in any case where a security deposit may be requested, and if these circumstances determine that it would be unreasonable for a supplier to request a security deposit from a consumer, they must not request one.

More info: pg. 61.

A consumer is in financial difficulty, and may be unable to meet payments with their supplier. What should the supplier do to support them?

Suppliers must, first and foremost, ensure that there is a facility available for consumers to make payments towards their heat and hot water supply. They must also ensure that the option is available for payment to be made in instalments. If a consumer has a prepayment meter, suppliers must consider allowing charges to be recovered through top-ups to the meter on a weekly basis, and for those who do not have prepayment meters, alternative means of paying in instalments must be made available.

Suppliers must take all available information into consideration when a consumer informs them that they may have difficulty making payment, in order to help determine their ability to pay, and ensure an appropriate solution is available. Information provided by third parties may be used as part of this process, and appropriate credit management guidelines must be followed.

Suppliers must ensure that consumers are dealt with on a case-by-case basis, and if staff incentives exist, they must be linked to successful consumer outcomes, rather than the value of repayment rates.

As an additional step, suppliers are expected to make sure consumers are aware of relevant energy efficiency measures, that may help ease the burden of their financial difficulties by reducing usage costs.

More info: pg. 61-62.

What else should suppliers be doing to help those in payment difficulties?

Suppliers must monitor their debt policies on an ongoing basis, and take active steps to ensure consistency in their approach to arranging repayment plans.

The debt pathway must always be followed, and information from the [Priority Services Register](#), and usage trends, can be taken into account to inform the approach for any given consumer. Consideration must always be given to deferring debt recovery action for those in [vulnerable situations](#).

Suppliers must provide a statement that sets out their payment difficulties and disconnection policies in writing and on their website. A copy of this must be made available on request without charge. Suppliers are encouraged to focus on using empathetic language, using terms to evoke co-operation and avoiding language that could be perceived as threatening.

More info: pg. 63-64.

Can a supplier disconnect a consumer due to unpaid [bills](#)?

All of the steps outlined above must be followed before a supplier even considers disconnecting due to unpaid charges.

Suppliers must not disconnect in winter if they know there is an occupant who is under the age of 2, over the age of 75, disabled, terminally ill or chronically sick. Suppliers must not disconnect at any time if they know there is an occupant who has a medical condition which means they are reliant on the supply of heating and hot water throughout the year. Suppliers must take all reasonable steps to identify this information. Disconnection includes credit limiting in cases where a consumer is not paying for their charges via prepayment.

Suppliers must not insist on substantial upfront payments from a consumer before proceeding to reconnect, and reconnection must be completed as soon as practicably possible – ideally within 24 hours, according to the Consumer Protection Guidance, as is the case in gas and electricity. These conditions also apply to bulk suppliers.

More info: pg. 64-65.

How must direct debits be managed?

Suppliers must communicate clearly how direct debits have been calculated, and this must be based on the most accurate, up-to-date information available.

Credit refunds must be provided in a timely manner, and if there is a valid reason whereby this cannot be done, the reason must be clearly communicated to the consumer.

More info: pg. 65.

Prepayment Meters

What are the circumstances under which a prepayment meter must not be installed?

Suppliers must always ensure a prepayment meter is safe and practicable for a consumer to use before agreeing to install one. Where a prepayment meter has been installed and it becomes clear that it is not safe and practicable, suppliers must offer to move or replace the meter. They must offer a facility for a [domestic consumer](#) to pay charges through alternative means, including those outlined in Authorisation Condition B9.

[Explicit consent](#) must be provided by the consumer for a prepayment meter to be installed, unless the [debt trigger](#) has been met, and multiple attempts have been made to engage with the consumer, ensuring adherence to the requirements under Authorisation Condition B9. It must also be determined that the use of a prepayment meter is safe and practicable, and advance notice of any change must be given in writing.

If the mode of a meter can be remotely switched to prepayment meter, the change should not be completed in winter if there is an occupant of the property who is under the age of 2, over the age of 75, disabled, terminally ill or chronically sick. The same rule will apply in situations where a consumer has not given explicit consent to the change to prepayment. In these circumstances, a vulnerability assessment must be carried out before any switch to prepayment can be completed, and this assessment must determine that having a prepayment meter at the property would not have a significant impact on the well-being of any occupants.

This condition will not apply to heat networks serving ten or fewer properties, for a transitional period.

More info: pg. 66-68.

What information must a supplier make available to all prepayment consumers?

Suppliers must communicate in writing, the advantages and disadvantages of [prepayment meters](#). They must also communicate how the prepayment meter operates, and how a consumer may be able to get assistance in case of any problems. Information must be made available regarding the provision of [Additional Support Credit](#), as well as the procedures involved in the removal or resetting of prepayment meters.

Suppliers must clearly provide a statement on their obligations under this authorisation condition.

More info: pg. 66.

What other support must be provided to consumers, in relation to prepayment meters?

Suppliers must ensure that post-installation aftercare support is provided for consumers, to ensure that consumers are comfortable with their use of the prepayment meter. If a debt has been loaded onto a prepayment meter, any action in relation to debt recovery must be proportionate and fair, and any costs suppliers seek to recover from consumers must not place them in a position of detriment.

If a site visit is required, recording equipment must be used, and the information gathered as part of this process must be taken into account when determining the suitability of a prepayment meter for a consumer. If staff incentives exist, they must not be linked to the number of prepayment installations.

All authorisation conditions should always be considered and adhered to when determining the suitability of a prepayment meter, and if there is a conflict between the prepayment meter authorisation condition and any others, the prepayment meter authorisation condition should always take precedence.

If a debt has been fully repaid where meter has been changed remotely to prepayment or without a consumer's consent, suppliers must contact consumers to discuss prepayment suitability further, ensuring they are aware of a range of other payment methods. If a new payment method has been agreed, this must be changed as soon as reasonably practicable.

More info: pg. 69-70.

Self-disconnection

What should a supplier do when a consumer self-disconnects?

Suppliers must seek to identify examples of [self-disconnection](#) on an ongoing basis, and the support outlined below should be provided where possible. Consideration should also be given to the authorisation conditions relating to [prepayment meters](#) (B10), and payment difficulties (B9).

Communication channels should always be made available to consumers, in order for them to inform suppliers that they are self-disconnecting, or have self-disconnected. Suppliers must then seek to offer a reasonable amount of [emergency credit](#) and friendly credit, unless this is technically unfeasible, in which case alternative short-term support must be provided.

Consideration should be given by suppliers to authorisation condition B9, regarding payment difficulties, where a consumer indicates they may have difficulty repaying this credit.

Credit, or alternative short-term support, must always be given by suppliers in a timely manner in situations of suspected consumer vulnerability. There may be scenarios whereby suppliers deem the provision of [Additional Support Credit](#) or emergency credit not in the consumer's best interests. In these scenarios, alternative short-term support must be provided.

What other types of financial support should be provided to prepayment customers, and in what circumstances?

Where a meter has been installed remotely or without a consumer's consent, credit must be provided, or a suitable alternative must be provided, in the immediate term. If, for whatever reason, it is not possible to arrange financial support to help retain a consumer's supply, suppliers must give assurances that there will be no disruption to heating or hot water.

Information regarding the provision of temporary credit must be readily available for consumers to access.

More info: pg. 71-72.

Information for Suppliers

This section covers key questions that suppliers may have regarding heat network guidance and regulation. It has been developed through consultation of the authorisation conditions and guidance developed by Ofgem.

What must a supplier do to establish a [Priority Services Register](#), if they have not already done so?

Suppliers must add the “minimum details” of a consumer to the Priority Services Register, which means the consumer’s name, as well as any relevant [personal characteristics](#) or details of [vulnerable situations](#). GDPR processes must always be considered when storing consumers’ details.

Suppliers are encouraged to refer to [Ofgem’s Vulnerability Strategy](#) when developing their Priority Services Register, and in situations where similar resources may already exist due to housing-related requirements, the information from these resources can be used in the Priority Services Register, to help ease any administrative burden.

What actions should suppliers be taking to ensure they can provide the right level of support to consumers in payment difficulties?

Consumers should be able to contact their supplier quickly and easily, if they have concerns around their own ability to make payment. When identifying solutions to help consumers, suppliers must use all available information regarding their circumstances, and this includes any information that may have been identified on site when installing [prepayment meters](#). Any repayment amounts and rates that are set must be tailored to each consumer’s needs, and a default amount must only be set in situations where there is insufficient information available.

Suppliers must make every effort to contact consumers proactively, and must continually review the types of proactive contact that they use. When contacting consumers who may be in difficult financial circumstances, they must make them aware of debt advice services, and must seek to effectively gather information regarding a consumer’s ability to pay. Clear guidance and training must be available to staff members to help elicit this information.

Suppliers must engage with consumers after the initial failure of a repayment arrangement, offering to discuss whether a different repayment plan would be more suitable. They must also offer to pause any scheduled repayments for an agreed period of time, to fit consumers’ needs, in line with any repayment plan that has been agreed.

Once a repayment plan has been agreed, suppliers must ensure that consumers understand the arrangement through clear communication on repayment amounts, repayment methods, and who to contact where additional support is required. The terms and conditions of any repayment arrangement must make this information clear.

Suppliers must also allow for the right of any credit on any account to be offset against a debit balance, as this may help to alleviate the financial burden on a consumer.

More info: pg. 62-63.

What information must a supplier make available to all prepayment consumers?

Suppliers must communicate in writing, the advantages and disadvantages of [prepayment meters](#). They must also communicate how the prepayment meter operates, and how a consumer may be able to get assistance in case of any problems. Information must be made available regarding the provision of [Additional Support Credit](#), as well as the procedures involved in the removal or resetting of prepayment meters.

Suppliers must clearly provide a statement on their obligations under this authorisation condition.

More info: pg. 66.

What should a supplier do when a consumer self-disconnects?

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Consideration should be given to authorisation condition B9, regarding payment difficulties, where a consumer indicates they may have difficulty repaying this credit.

Credit, or alternative short-term support, must always be given in a timely manner in situations of suspected vulnerability. There may be scenarios whereby suppliers deem the provision of [Additional Support Credit](#) or emergency credit not in the consumer's best interests. In these scenarios, alternative short-term support must be provided.

How should we respond if contacted by the Heat Networks Advice Service, acting on behalf of a consumer?

Operators and suppliers are expected to fully co-operate when contacted by the delivery partners of the Heat Networks Advice Service, i.e. Advice Direct Scotland (ADS) and the Extra Help Unit at Citizens Advice Scotland (the EHU), on behalf of a consumer. The supplier or operator should ensure that all of the concerns outlined by the organisation on behalf have been fully investigated and addressed, and should make contact with both the advice body and consumer, as appropriate.

Additional Resources

Consumer Scotland

[Consumer Scotland Consumer Challenges and Issues Paper](#) – Consumer Scotland has published a review of recent evidence and literature setting out the challenges facing heat network consumers in Scotland.

Upskilling on heat network issues

As the statutory advocate for heat network consumers in Scotland, Consumer Scotland wants to ensure that the advisers and caseworkers are equipped to provide consumers with the information, advice and support they need. Consumer Scotland is working to develop a webinar series to support advisers and caseworkers that provide support to heat network consumers. The sessions are aimed at improving knowledge of:

- **Understanding heat networks** - the session will focus on the technology that underpins heat networks, how this works and how consumers can interact with this.
- **Understanding the challenges and issues facing heat network consumers** - the session will focus on the known issues and challenges that consumers can experience.
- **Understanding heat network regulation** - the session will provide an introduction to regulation including what this means in practical terms for industry and for consumers.
- **Maximising the opportunity from heat networks** - the session will provide another view of plans for the rollout of heat networks including the potential to tackle fuel poverty, decarbonise Scotland's buildings and the opportunity to connect to sources of waste heat.

These sessions are planned to be delivered in Q2 2026. If you are interested in accessing the training sessions, please contact heatnetworks@consumer.scot.

Citizens Advice

[Citizens Advice Heat Networks Billing Best Practice Guide](#): Citizens Advice England and Wales have produced a best practice guide to provide practical steps that heat networks can take to go beyond the minimum requirements set out in the new authorisation conditions.

Ofgem guidance

[Heat networks regulation: registration](#): Guidance to help heat network operators and suppliers with deemed authorisation understand their obligation to register with Ofgem.

[Heat networks regulation: fair pricing and cost allocation](#): Guidance on the fair pricing network and cost allocation for heat network suppliers and operators serving [domestic and non-domestic consumers](#).

[Heat networks regulation: consumer protection](#): Guidance for the consumer protection rules and requirements set out in heat network authorisation conditions.

[Heat networks regulation: financial resilience](#): This guidance covers the following three authorisation conditions which heat networks are required to comply with.

[Heat networks regulation: enforcement guidelines](#): Guidelines on how Ofgem may use their enforcement powers and tools in situations relating to breaches and infringements.

[Heat networks regulation: penalty policy](#): Policy on financial penalties and consumer redress for businesses operating in the heat networks sector.

Contact Us

As heat networks regulation continues to develop, this document will be regularly reviewed and updated to ensure it remains accurate and relevant.

If you are an adviser or caseworker and think we have missed something, or have a query related to this document, please contact heatnetworks@consumer.scot.