

Millions of homes to be heated by low cost, low carbon heat networks

An announcement made today in the UK Budget 2020 (11th of March 2020) will boost the UK heat sector in combatting climate change, says the Association for Decentralised Energy (The ADE).

- Treasury has committed £270m to a Green Heat Network Fund. This fund will be accessible from 2022-2025, and will support the deployment of low carbon heat networks.
- According to figures from the CCC, the ADE estimates that this announcement will support the sector to put 4.25m homes on heat networks by 2050.
- The ADE has been calling for funding support beyond the end of the Heat Networks Investment Project (HNIP), and certainty from government about ongoing funding support since HNIP's inception. The ADE has also been calling for support from government to reduce the costs of low carbon generation on heat networks, and to support the use of waste heat.
- In total, alongside the £320m government funded HNIP, this brings total government spend on heat networks up to well over half a billion pounds.

Heat networks deliver cost effective, low carbon heat, in the form of hot water or steam, from a central point of generation to the end user through a network of insulated pipes. There are already around 500,000 customers receiving heat through heat networks, equating to around 14,000 heat networks. The CCC (Committee on Climate Change) has set a target to grow this to serve 1.5mn home in 2030. The ADE represents member companies across the entire heat network sector; from the pipe, heat pump and metering manufacturers, from local authorities to housing associations, and from heat generation to end-customer service providers.

Ian Calvert, Director of The ADE said:

"This announcement recognises the considerable contribution that heat networks can make to decarbonising heat and reaching the net zero target. This shows that Government believes in the industry's intention to step up in our contribution to tackling climate change. The focus on delivering low carbon heat to homes and businesses via networks mirrors the commitment to green heat that will be championed by the Heat Network Industry Council, and we look forward to working together with Government."

Charlotte Owen, Heat Policy Officer of The ADE said:

"Thank you to our members who have supported us to demonstrate the need for clarity and ongoing support. Steps like this put the Heat Networks Industry firmly on the path to net zero and demonstrate the level of Government ambition for the heat networks sector. This, coupled with the forthcoming Market Framework, will help to drive investment and

decarbonisation in our sector towards the levels that industry has been calling for through the ADE. Good work, everyone.”

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About the ADE

The Association for Decentralised Energy is setting the vision of a local, efficient, low carbon energy system which enables energy users to make the choices which work for them. The Association has more than 160 members active across a range of technologies and markets and is widely recognised as one of the leading industry bodies in the sustainable energy sector.

Related ADE publications

- **[Laying the foundations for net zero: Putting households at the heart of the energy transition](#)**

About the Heat Network Industry Council

The Heat Network Industry Council brings together leaders of the heat network industry to support Government in achieving its vision of achieving a sustainable industry. The Council’s offer to Government, to be published in the next few months, will identify measures it can take to:

- Create jobs and investment (focussing on the investment that could be unlocked by the sector, and the number and quality of jobs that will be created as a result)
- Cut costs (to both those looking to invest in heat networks and customers supplied by a heat network)
- Set out the industry’s commitment to decarbonisation)
- Create more liveable, smarter cities (including how it can support grid balancing services and flexibility and improve air quality)
- Drive excellence in customer service and standards

The Council has been established, and is led, by the Association for Decentralised Energy (ADE).

ADE staff available for interview

Ian Calvert, Director: Ian is responsible for the development and implementation of the ADE’s vision for our energy system, and oversees the Association’s strategic relationships with members, government, regulators and wider stakeholders. With 20 years of experience in the energy industry, Ian provides a strong voice for the decentralised energy sector as it looks to expand and decarbonise.

Caroline Bragg, Head of Policy: Caroline leads the development of the ADE’s policy and regulatory work – working closely with members and policymakers to promote the sustainable development and decarbonisation of the decentralised energy sector in the UK. Caroline works across the Association’s key policy areas- heat networks, CHP generation, energy efficiency and grid flexibility – influencing key policy and regulatory developments in each.

Charlotte Owen, Policy Officer: Charlotte is the ADE’s lead on heat policy, working with government and industry to identify policy solutions for local and national heat decarbonisation. Charlotte’s primary focus is on heat networks policy, where she has worked with key sector stakeholders to shape regulatory frameworks for heat networks in Westminster and Scotland. Most recently, she played a key role in the development of the Heat Networks (Scotland) Bill.

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