



ade

Press Release

21/10/20

The Association for
Decentralised Energy

Combined Heat & Power
Demand Side Services
Energy Efficiency
Heat Networks

Right place, right stuff: Government to put local areas in charge with 'zoning' consultation for heat networks

The Association for Decentralised Energy welcomes the decision announced today (21/10/20) by the Department for Business, Energy and Industrial Strategy to consult on a framework for heat network zoning. This comes after the publication of the ADE's recent report "**Heat and Energy Efficiency Zoning: A framework for net zero for new and existing buildings**", which laid out a vision and policy proposals for a wider zoning framework.

The announcement included the following:

- BEIS will consult on heat network zoning starting in Spring 2021
- The consultation will explore how a zoning framework could encourage both new and existing developments to connect in designated heat network zones.
- The consultation will then inform further policy developments to roll out heat network zones across the country, and explore the role local authorities and stakeholders will play

Heat networks will play a key role in a net zero energy system, and will need to be rolled out at scale if we are to meet our 2050 climate targets (CCC). To make this happen, we need policy that makes low carbon heat an attractive, long-term investment. Introducing zoning for heat networks not only attracts investors, but will help ensure consumers get the most cost-effective low carbon heat for their area.

Caroline Bragg, Head of Policy at the ADE, said:

"Zoning is a hallmark policy for the ADE and the announcement to consult on zoning for heat networks aligns really well with our vision of a local, efficient energy system that works for the consumer. This framework, if implemented correctly, will go a step further towards streamlining policy for heat decarbonisation and acknowledging that different solutions will be best suited towards different areas. It will, when considered alongside broader policy, create a positive landscape for investment in the heat networks sector, resulting in the creation of green jobs and the bolstering of supply chains."

The ADE is ready to work with Government to ensure that a framework that zones for heat networks can be broadened to deliver whole system benefits. It is vital that any low carbon heating solution installed, either in a new development or through retrofit, considers the associated potential for the installation of energy efficiency measures. Zoning for heat *and* energy efficiency provides a lens through which we can consider existing strengths and opportunities in different areas, and the most appropriate, cost effective pathway for them to decarbonise.

Charlotte Owen, Heat Policy Manager at the ADE, said:

“We are delighted to see BEIS embrace the potential that zoning for heat networks offers. Heat networks will play a key role in a net zero energy system, **providing up to 18% of the country’s heat demand by 2050**. A clear zoning framework will help to enable local stakeholders to understand the most suitable pathway for decarbonising heat in their area and attract further investment into the sector through identifying area-specific opportunities. We look forward to working with BEIS and our members to shape the framework and ensure that wider opportunities for whole system optimisation such as energy efficiency and system flexibility are considered going forward.”

Related evidence commissioned by **Vattenfall and Heat UK** found that policy approaches which consider contextual differentiation, such as zoning, could reduce decarbonisation costs by up to £10bn. The principle of zoning has also received buy-in from the Heat Network Industry Council Smart Liveable Cities lead.

Noah Nkonge, Head of Partnerships at Vattenfall Heat UK and Chair of the Smart Liveable Cities Heat Network Industry Council Working Group, said:

“We are excited and wholeheartedly support BEIS’ decision to consult on a heat zoning framework. When implemented well, zoning can remove uncertainty and create confidence for investors, for service providers, for suppliers and for the most important people, the customers. Success or failure in decarbonising heat in the UK by 2050 will depend on the actions and direction we take in the next five years. We cannot afford to keep waiting and hoping that the market will deliver the scope and scale of change needed, instead we need strong leadership from government to back research and evidence and pick the right heat supply technologies for the right areas and buildings.”

ENDS

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 130 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

- **[Heat and Energy Efficiency Zoning: A framework for net zero for new and existing buildings](#)**
- **[Laying the foundations for net zero: Putting households at the heart of the energy transition](#)**

ADE Staff Available for Interview:

Charlotte Owen, Policy Manager: 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.

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.

For further information please contact:

Amy Ritchie, External Affairs Officer, The ADE, Tel: +44 (0)7939572226,
amy.ritchie@theade.co.uk
