

Consultation

Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes

Publication date:	Monday 25 August 2025
Response deadline:	Monday 22 September 2025
Team:	Heat Networks
Email:	HeatNetworksRegulation@ofgem.gov.uk

We are consulting on three draft authorisation conditions that create obligations for authorised persons under the heat networks regulatory framework. The draft authorisation conditions cover:

- registration of heat networks with deemed authorisation
- nominating a primary contact for regulatory engagement for heat networks with multiple operators
- notification of material changes to an authorised heat network

We are seeking feedback from stakeholders to confirm whether the content of the authorisation conditions reflects the established policy positions we have communicated in this and previous consultations.

We also welcome feedback on any specific drafting issues.

The consultation document and feedback questions should be read in conjunction with the draft authorisation conditions which are included in the appendices of this document. Consultation - Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes © Crown copyright 2025 The text of this document may be reproduced (excluding logos) under and in accordance

with the terms of the Open Government Licence.

Without prejudice to the generality of the terms of the Open Government Licence the material that is reproduced must be acknowledged as Crown copyright and the document title of this document must be specified in that acknowledgement.

Any enquiries related to the text of this publication should be sent to Ofgem at:

10 South Colonnade, Canary Wharf, London, E14 4PU.

This publication is available at www.ofgem.gov.uk. Any enquiries regarding the use and re-use of this information resource should be sent to: psi@nationalarchives.gsi.gov.uk

Contents

Ex	Executive summary	
1.	Introduction What are we consulting on	5
2.	Registration authorisation condition Consultation question Policy background Registration authorisation condition overview	7 7
3.	Nominated operator authorisation condition Consultation question Policy background Nominated operator authorisation condition overview	11 11
4.	Notification of changes authorisation condition	13 13
5.	Your response, data and confidentiality Consultation stages. How to respond. Your response, your data and confidentiality. General feedback.	16 16 16
Аp	pendix 1 - Draft Registration authorisation condition	19
	pendix 2 - Draft Nominated Operator authorisation condition	
Аp	pendix 3 - Draft Notification of changes authorisation condition	23

Executive summary

In August 2025, we published our decision (2025 decision) following our 2024 authorisation and regulatory oversight consultation. In that publication, we communicated the decisions we have taken in several policy areas including the registration of existing heat networks, regulatory engagement for heat networks with multiple operators, and managing and recording changes to authorised heat networks.

We have drafted authorisation conditions that create the regulatory obligations which underpin these policies, and which are necessary to enable us to achieve our regulatory objectives. Authorised persons will be subject to these conditions following their publication in a formal notice, including entities which are deemed authorised under the Heat Networks (Market Framework) Regulations 2025 statutory instrument (HNMFR SI) (the regulations), as part of the provisions for transition to regulation.

In this consultation, we have provided the policy context for the draft authorisation conditions, to help stakeholders understand our intent and how the obligations they contain relate to our policy objectives. These policy positions have been established through previous consultations and our subsequent decisions.

The draft authorisation condition for Registration was previously published in the <u>2024</u> <u>authorisation and regulatory oversight consultation</u>. Since that publication, the scope of this condition has been expanded, and we are seeking further feedback through this consultation.

Following this consultation, we will analyse stakeholder feedback and make any required adjustments to the drafting of conditions before final publication with other heat network authorisation conditions that will take effect from 27 January 2026.

The draft authorisation condition for notification of changes will not take effect in January 2026 and will not be included in the formal notice. This condition is dependent on the delivery additional features in our digital service to support the process of notification and we will update stakeholders in future as this progresses.

We will draft and publish guidance which will support authorised persons to understand what actions they should take to comply with these conditions.

1. Introduction

This section provides information about this consultation and other relevant publications that may be of interest to stakeholders.

What are we consulting on

- 1.1 We are consulting on three draft authorisation conditions that will apply to authorised persons that carry out the regulated activity of operation or supply for a relevant heat network. The draft authorisation conditions are:
 - Registration with the Authority (Registration)
 - Nominated operator
 - Notification of changes
- 1.2 For each of these authorisation conditions, we have asked stakeholders to provide feedback about whether the content of these conditions reflects the policy intent that we have communicated, and for any comments on specific drafting issues.
- 1.3 The draft authorisation conditions are included in the appendices to the document.

Relevant publications

- 1.4 This consultation may be read in conjunction with the following:
 - our 2025 decision on heat networks authorisation and regulatory oversight (2025 decision)
 - the 2025 government response to the joint consultation on implementing consumer protections for heat networks
 - the <u>updated draft authorisation conditions</u> published with the 2025 government response
 - the Heat Networks (Market Framework) Regulations 2025 Statutory
 Instrument (HNMFR SI) (the regulations)

Next steps

- 1.5 This consultation closes on Monday 22 September 2025. We will publish a response to feedback in winter 2025.
- 1.6 We will draft and consult on guidance covering the Registration and the Nominated operator condition in winter 2025.

Consultation - Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes

1.7 In future, pending development of the digital service to support notification of changes, we will draft and publish guidance for the associated condition, including setting out the material changes that authorised persons will be required to be notify us of, and how this can be completed through the digital service.

2. Registration authorisation condition

This section covers the Registration authorisation condition and includes consultation questions for areas where we are seeking stakeholder feedback.

The section summarises the policy background to the Registration authorisation condition, including policy positions we have established in previous publications such as the <u>2024 authorisation and regulatory oversight consultation</u> and subsequent decision (<u>2025 decision</u>).

In the second part of the section, we explain the obligations set out in the draft authorisation condition and how these relate to our policy positions.

Consultation question

Q1. Do you agree or disagree that the draft Registration authorisation condition reflects the policy intent? Please explain your answer.

Policy background

- 2.1 Registration is part of our transitional provisions for implementing heat networks regulation that enables entities undertaking regulated activity in the initial stages of regulation to continue to do so as they are brought into the regulatory framework.
- 2.2 Under the regulations (<u>HNMFR SI</u>), entities carrying out the regulated activity of operation or supply on a relevant heat network prior to 27 January 2027 will be deemed authorised. These entities will be required to register their heat networks and activities before this date.
- 2.3 Because entities that are required to register are deemed authorised under the regulations, we will not assess registration submissions for the purposes of coming to a decision on their authorisation status. This means that registration will not function as a gateway for entry into the market.
- 2.4 We will use the process of registration to gather information about existing heat networks and the operators and suppliers for those networks. This will enable us to identify heat networks, the entities involved with their operations, and to understand their current practices. The information we will require to be submitted as part of registration is intended to help us establish a baseline for monitoring and compliance.
- 2.5 Operators and suppliers will be required to register each of their heat networks and provide details that relate specifically to that network. Some details that are

- not network specific such as organisation contact details or the suitability of senior personnel will not require separate submission for each heat network registration.
- 2.6 Registration will be completed through our digital service for heat networks regulation. Functionality to register heat networks is expected to be available from spring 2026 and will be supported by guidance.
- 2.7 We have consulted on proposals for the registration process through our <u>2024</u> authorisation and regulatory oversight consultation and confirmed these policy positions in our subsequent decision (<u>2025 decision</u>).
- 2.8 The 2024 consultation included the draft authorisation condition for Registration. Following our review of responses, the scope of this condition has been expanded to include requirements for our approach to heat networks with multiple operators. An updated draft of this authorisation condition was included in the 2025 decision. We have included the updated condition in this consultation to give stakeholders an opportunity to provide feedback on the expanded scope of the condition.
- 2.9 Following this consultation, we will finalise the drafting of this authorisation condition and publish it in a formal notice, ahead of it taking effect from 27 January 2026. The notice will include other authorisation conditions taking effect including the Ongoing fit and proper requirement, Revocation, and Application of general authorisation conditions that were consulted on in the 2024 consumer protection consultation.

Registration authorisation condition overview

- 2.10 The Registration authorisation condition sets out the registration requirements for authorised persons who are undertaking regulated activity during the first part of the initial period and are therefore deemed authorised under the regulations (<u>HNMFR SI</u>).
- 2.11 The first part of the initial period ends on 26 January 2027, the deadline for registration. Following this date, any new regulated activity must be authorised by application.
- 2.12 Paragraph 1.1 of the condition contains the obligation to provide registration information by the deadline for registration through the means that we will communicate on our website or in guidance. This refers to our digital service, which will be the way that authorised persons will submit registration information.

- 2.13 The subparagraphs under 1.1 broadly describe the information that authorised persons will be required to provide at registration. We have previously consulted on the detail of registration information in the 2024 authorisation and regulatory oversight consultation and subsequent decision (2025 decision).
- 2.14 Guidance for Registration will include an explanation of what we mean when asking for a piece of information during this process.
- 2.15 Paragraph 1.1.2(f) indicates that we will ask authorised persons for information relating to their compliance with authorisation conditions. We will use this information to identify areas of non-compliance that need to be addressed, and we will follow up by providing information about how to comply with the relevant condition.
- 2.16 Declaring non-compliance will not prevent an authorised person from completing registration and is part of establishing our baseline understanding of existing heat networks.
- 2.17 Paragraph 1.2 of the condition sets out obligations for authorised persons that undertake the regulated activity of supply but not operation for a heat network. This relates to our operator-led approach to registration, where the operator for a heat network will initiate this process through the digital service, before the supplier is invited to provide information relevant to their activities.
- 2.18 We expect that the regulated activities of operation and supply will generally be undertaken by the same party. However, for instances where this is not the case, the operator-led approach will enable us to collect and appropriately link information from different parties about a heat network and the regulated activities being undertaken.
- 2.19 Subparagraph 1.2.1 requires the supplier to cooperate with the operator and provide relevant information to enable the operator to complete the registration process.
- 2.20 Where the operator and supplier are separate parties, the supplier will be reliant on the operator to initiate the registration process. Subparagraph 1.2.2 sets out that a supplier's obligation to register will not arise until the operator has completed their part of the registration. We have included this drafting to avoid authorised persons that are only undertaking supply, failing to comply with the condition because of the inaction of another party.
- 2.21 Paragraph 1.3 of the condition addresses how the obligation to register will function for heat networks where multiple authorised persons fulfil the role of

Consultation - Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes

the operator, in accordance with regulation 13(4)(b) of the regulations (<u>HNMFR</u> <u>SI</u>).

- 2.22 As these parties will each be deemed authorised under the regulations, they will all be subject to the requirement to register. However, if an operator for the network agrees to submit registration information on behalf of other operators and does so, those other operators will have fulfilled their obligations under this condition.
- 2.23 We have taken decisions on our approach to heat networks with multiple operators in the 2025 decision where we set out the requirement for the authorised persons for these networks to take steps to nominate a primary point of contact for regulatory engagement. These requirements are contained in the Nominated operator authorisation condition, discussed on page 11 of this consultation.

3. Nominated operator authorisation condition

This section covers the nominated operator authorisation condition and includes consultation questions for areas where we are seeking stakeholder feedback.

The section summarises the policy background to the nominated operator authorisation condition, including our approach to heat networks with multiple operators which was determined through the <u>2024 authorisation and regulatory oversight consultation</u> and subsequent decision (<u>2025 decision</u>).

In the second part of the section, we explain the obligations set out in the draft authorisation condition and how these relate to our established policy positions.

Consultation question

Q2. Do you agree or disagree that the draft Nominated operator authorisation condition reflects the policy intent? Please explain your answer.

Policy background

- 3.1 In the 2024 authorisation and regulatory oversight consultation, we discussed the advantages of being able to engage with a single responsible party on regulatory matters related to the role of operator, for a particular heat network. We identified that there are some existing complex arrangements in the market and proposed options for how we could encourage moves towards having a single party in the role of operator.
- 3.2 In our <u>2025 decision</u>, we confirmed that in future, we will create a requirement that a single entity must be identified in the role of operator, as part of the Authorisation Application process for new heat networks from 27 January 2027.
- 3.3 For heat networks that are deemed authorised and will be required to be registered with us, we determined that having one operator act as the primary point of regulatory contact is the most practical way of addressing this issue. We confirmed that taking on the primary contact role will not mean assuming regulatory responsibility from other operators but will involve promptly sharing information and notifications between us and these parties. The other operators with deemed authorisation under the regulations will remain authorised persons and will need to comply with the general authorisation conditions from 27 January 2026.
- 3.4 As noted in the <u>2025 decision</u>, where operators for a heat network fail to agree and nominate an operator, we may determine which of them will fulfil this role.

- 3.5 The draft authorisation condition for nominated operator sets out these requirements and aims to ensure that for heat networks with multiple operators, one of these operators is nominated to act as the contact point between us and other authorised operators.
- 3.6 Following this consultation, we will finalise the drafting of this authorisation condition and publish it in a formal notice, ahead of it taking effect from 27 January 2026.

Nominated operator authorisation condition overview

- 3.7 The Nominated operator authorisation condition sets out the requirement that for heat networks with multiple operators, these parties must take all reasonable endeavours to agree for one of them to act as the primary contact for regulatory engagement.
- 3.8 Paragraph 1.1 of the condition refers to the regulation 13(4)(b) of the regulations (<u>HNMFR SI</u>) which sets out the circumstances where multiple authorised persons can each be an operator for a particular heat network.
- 3.9 Paragraph 1.2 creates an obligation for all operators on such a network to use all reasonable endeavours to agree and notify us of which party will act as the nominated operator.
- 3.10 Paragraph 1.3 enables us to determine the nominated operator if authorised persons have failed to do this within a reasonable timeframe. In coming to this determination, we will consider the steps taken by authorised persons and the proximity to the deadline for registration.
- 3.11 Paragraphs 1.4 and 1.5 set out obligations for the authorised person that is nominated and the other parties to co-operate and share information and notifications as required. Related obligations for co-operation between authorised persons are set out in the Operator Standards of Conduct authorisation condition, referred to in paragraph 1.6.

4. Notification of changes authorisation condition

Section summary

This section covers the Notification of changes authorisation condition and includes consultation questions for areas where we are seeking stakeholder feedback.

It summarises the policy background to the Notification of changes authorisation condition, including policy positions we have established in previous publications such as the <u>2024 authorisation and regulatory oversight consultation</u> and subsequent decision (<u>2025 decision</u>).

In the second part of the section, we explain the obligations set out in the draft authorisation condition and how these relate to our established policy positions.

Consultation question

Q3. Do you agree or disagree that the draft Notification of changes authorisation condition reflects the policy intent? Please explain your answer.

Policy background

- 4.1 In our <u>2024 authorisation and regulatory oversight consultation</u> and <u>2025</u>
 decision, we confirmed our policy to require authorised persons to notify us of certain changes that they have undertaken in relation to an authorised heat network, referred to as 'material changes'.
- 4.2 We expect that, over time, authorised persons and their heat networks may undergo changes, including to physical, technical and organisational characteristics, and the types of consumers they supply. The requirement to notify us of these types of changes will ensure that we remain informed about the details of activities that an authorised person undertakes, and that we have up-to-date information about their heat networks.
- 4.3 Certain changes may trigger relevant authorisation conditions to come into effect, such as commencing supply to domestic consumers. If we are notified that a material change has occurred, we may ask for information or evidence to confirm compliance with any authorisation conditions that have taken effect.
- 4.4 In the 2025 decision, we confirmed that we should be notified after a material change has been made, and prior approval will not be required. However, any authorisation conditions that are triggered as a result of a change will take effect from the time it is made. The timing for making a notification will be set out in guidance.

- 4.5 Material changes will generally be changes that could trigger additional regulatory obligations for the authorised person, and for which we may seek information and evidence to demonstrate compliance with authorisation conditions if this has not been previously assessed.
- 4.6 Material changes will not include heat network expansions or modifications that constitute a new relevant heat network and require authorisation. New heat network activity commencing prior to 27 January 2027 will be automatically deemed authorised under the regulations (HNMFR SI). From this date, authorisation for new heat network activity must be obtained by application.
- 4.7 In our 2024 authorisation and regulatory oversight consultation, we provided examples of material changes such as a change in the type of consumer supplied by a heat network, and physical network changes that are expected to require assessment and certification under the Heat Networks Technical Assurance Scheme (HNTAS). Technical requirements have not been finalised and will be considered in a future consultation by government. Following further development of the scope and timings of HNTAS, we will confirm any related notification requirements. Where a similar reporting requirement exists under HNTAS, we will seek to avoid duplication, where possible.
- 4.8 Although we have included this draft authorisation condition in this consultation, it will not be included in the set of requirements coming into effect from January 2026. This is because we are currently building our digital service for heat networks regulation, including a feature to support the notification process. The requirement to notify us of material changes will be contingent on the delivery of this functionality.
- 4.9 We are currently developing guidance for this policy area which will set out the material changes and how and when an authorised person should notify us of them. Draft guidance will be published for consultation prior to this requirement coming into effect in future. Once in effect, we may periodically review and update guidance, including the list of material changes, and will consult stakeholders when we do this.
- 4.10 If, in future, we specify additional material changes in guidance, we will build these into the notification feature in our digital service.

Notification of changes authorisation condition overview

4.11 The Notification of changes authorisation condition contains an obligation for an authorised person to tell us about certain significant changes to their heat

- networks or the way in which they undertake their activities. In the condition, these are referred to as 'material changes'.
- 4.12 Paragraph 1.2 of the condition specifically mentions notification of a change to the type of consumers supplied by a heat network. This material change has been specified in the condition because it relates to a key part of the regulatory framework, consumer protection, notably for domestic consumers.
- 4.13 We expect that authorised persons involved with supply to domestic consumers will meet certain requirements such as for billing and information provision to customers, vulnerability, and disconnection. These obligations are set out in other relevant authorisation conditions. Requiring the notification for this change will enable us to ensure compliance with authorisation conditions.
- 4.14 Paragraph 1.3 of the condition sets out that guidance will include the way that notifications will be made and requirements for timing of notifications. As noted, we will draft this guidance in future, ahead of this requirement coming into effect.
- 4.15 As per paragraph 1.4, the guidance will also set out the meaning of material change. We will describe the specific changes that authorised persons must notify us of and may from time to time update this list, following consultation.

5. Your response, data and confidentiality

Consultation stages

5.1 The consultation will be open until 22 September 2025. Responses will be reviewed, and the consultation decision will be published by winter 2025.

How to respond

- 5.2 This consultation is primarily for:
 - Heat network operators
 - Heat network suppliers
 - Other parties supporting suppliers and operators to meet regulatory obligations.
- 5.3 It may also be useful for consumer advocacy groups, local authorities, and other stakeholders with an interest in heat networks.
- 5.4 We've asked for your feedback in each of the questions throughout the consultation document. Please respond to each one as fully as you can.
- 5.5 You can give us your views by:
 - completing our <u>online survey on Citizen Space</u>
 - sending your response to HeatNetworksRegulation@ofgem.gov.uk
- 5.6 Please make it clear if you are responding as an individual or on behalf of an organisation.
- 5.7 We will publish non-confidential responses on Citizen Space.

Your response, your data and confidentiality

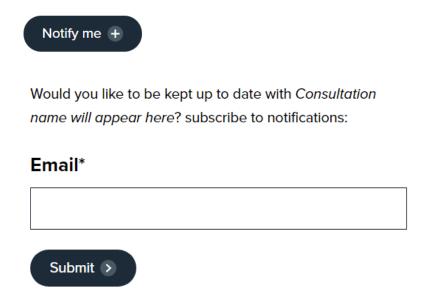
- 5.8 We want to be transparent in our consultations. We will publish the non-confidential responses we receive alongside a decision on next steps on our website at ofgem.gov.uk/consultations.
- You can ask us to keep your response, or parts of your response, confidential. We'll respect this, subject to obligations to disclose information, for example, under the Freedom of Information Act 2000, the Environmental Information Regulations 2004, statutory directions, court orders, government regulations or where you give us explicit permission to disclose. If you do want us to keep your response confidential, please clearly mark this on your response and explain why.

- 5.10 If you wish us to keep part of your response confidential, please clearly mark those parts of your response that you do wish to be kept confidential and those that you do not wish to be kept confidential. Please put the confidential material in a separate appendix to your response. If necessary, we'll get in touch with you to discuss which parts of the information in your response should be kept confidential, and which can be published. We might ask for reasons why.
- 5.11 If the information you give in your response contains personal data under the General Data Protection Regulation (Regulation (EU) 2016/679) as retained in domestic law following the UK's withdrawal from the European Union ("UK GDPR"), the Gas and Electricity Markets Authority will be the data controller for the purposes of GDPR. Ofgem uses the information in responses in performing its statutory functions and in accordance with section 105 of the Utilities Act 2000. Please refer to our Privacy Notice on consultations.
- 5.12 If you wish to respond confidentially, we'll keep your response itself confidential, but we will publish the number (but not the names) of confidential responses we receive. We won't link responses to respondents if we publish a summary of responses, and we will evaluate each response on its own merits without undermining your right to confidentiality.

General feedback

- 5.13 We believe that consultation is at the heart of good policy development. We welcome any comments about how we've run this consultation. We'd also like to get your answers to these questions:
 - 1. Do you have any comments about the overall process of this consultation?
 - 2. Do you have any comments about its tone and content?
 - 3. Was it easy to read and understand? Or could it have been better written?
 - 4. Were its conclusions balanced?
 - 5. Did it make reasoned recommendations for improvement?
 - 6. Any further comments?
- 5.14 Please send any general feedback comments to stakeholders@ofgem.gov.uk
 How to track the progress of the consultation
- 5.15 You can track the progress of a consultation from upcoming to decision status using the 'notify me' function on a consultation page when published on our website. Ofgem.gov.uk/consultations

Consultation - Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes



5.16 Once subscribed to the notifications for a particular consultation, you will receive an email to notify you when it has changed status. Our consultation stages are:

Upcoming > Open > Closed (awaiting decision) **> Closed** (with decision)

Appendix 1 - Draft Registration authorisation condition

Condition Title: Registration with the Authority

Condition Number: [xx]

Introduction to condition

This condition contains registration requirements for authorised persons who are carrying on a regulated activity during the first part of the initial period and are therefore deemed authorised under the Regulations.

Proposed text of condition

Obligation to provide registration information

- 1.1 Before the end of the first part of the initial period, subject to paragraphs 1.2 to 1.4, the authorised person must, by means of the Authority's arrangements for registration described on the Authority's Website and/or in guidance issued by the Authority:
 - 1.1.1 inform the Authority of each regulated activity that it carries on; and
 - 1.1.2 provide the Authority with information as the Authority requires under its arrangements for registration, including information relating to:
 - the nature of the activities carried on, the way in which they are carried on, and any contractual arrangements relating to such activities;
 - (b) the relevant heat network(s) at which the activities are carried on;
 - (c) itself, and any other authorised person(s) carrying on a regulated activity at or by means of such relevant heat network(s);
 - (d) its financial status, ownership, and organisational structure.
 - (e) the heat network consumers supplied by means of the relevant heat network(s), including any relevant characteristics of such consumers and their billing arrangements; and
 - (f) matters relevant to the authorised person's compliance with the authorisation conditions.

Registration by a supplier following the operator-led registration process

- 1.2 Where the authorised person carries on the regulated activity of supply by means of a relevant heat network but does not also operate that relevant heat network:
 - 1.2.1 the authorised person must co-operate with the operator(s) of the relevant heat network, including by providing relevant information to the operator(s), to facilitate the timely discharge by the operator of its obligation under paragraph 1.1; and
 - 1.2.2 the authorised person's obligation under paragraph 1.1 in relation to that relevant heat network shall be treated as not having arisen until at least one operator has discharged its obligation under paragraph 1.1.

Registration in the case of a relevant heat network with multiple operators

1.3 Where:

- in accordance with regulation 13(4)(b), the authorised person and one or more other authorised persons each operates a relevant part of a relevant heat network;
- the authorised person has agreed with one such other authorised person that such other authorised person will submit the information required by paragraph 1.1 in relation to each of them and the relevant heat network; and
- 1.3.3 such other authorised person submits such information,

the authorised person will be taken to have complied with its obligation in paragraph 1.1 in relation to that relevant heat network.

Appendix 2 – Draft Nominated operator authorisation condition

Condition Title: Nominated Operator

Condition Number: [xx]

Introduction to condition

This condition aims to ensure that, where there are one or more operators of a relevant heat network in accordance with regulation 13(4)(b) of the Regulations, one such operator is nominated to be the single point of contact between the Authority and the operators of the relevant heat network.

Proposed text of condition

- 1.1 Paragraphs 1.2 to 1.6 apply for the purpose of facilitating the exercise of the Authority's functions where, in accordance with regulation 13(4)(b), the authorised person and one or more other authorised persons each operates a relevant part of a relevant heat network.
- 1.2 The authorised person must use all reasonable endeavours to:
 - 1.2.1. agree with the other operators which of them is to act as the contact point with the Authority on behalf of each of them in respect of the relevant heat network (the "nominated operator"); and
 - 1.2.2. ensure that the Authority is notified of the agreed nominated operator.
- 1.3. If a nominated operator for a relevant heat network is not identified to the Authority within a reasonable period of time as determined by the Authority, the Authority may determine one of the operators to be the nominated operator for the relevant heat network.
- 1.4. Where the authorised person is the nominated operator for a relevant heat network, the authorised person must promptly provide:
 - 1.4.1. information and notifications to the other operators of the relevant heat network following receipt of relevant information or notifications from the Authority.
 - 1.4.2. information and notifications to the Authority following receipt of relevant information or notifications from another operator of the relevant heat network; and
 - 1.4.3. such co-operation and coordination as may be reasonably required to ensure that each operator is able to comply efficiently and effectively with its obligations under the authorisation conditions and/or to facilitate the exercise of the Authority's functions.
- 1.5. Where another authorised person is the nominated operator for a relevant heat network, the authorised person must promptly provide information and notifications to the nominated operator as may be reasonably required.

Consultation - Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes

The obligations in this condition are additional, and without prejudice, to the obligations in the [Operator Standards of Conduct AC]. 1.6.

Appendix 3 – Draft Notification of changes authorisation condition

Condition Title: Notification of Changes

Condition Number: [xx]

Introduction to condition

This condition contains an obligation on the authorised person to notify the Authority of certain changes to enable the Authority to identify where the authorised person's obligations under the authorisation conditions may change, for example as a result of the authorised person commencing supply to domestic heat network consumers.

This condition is not intended to capture a situation in which the authorised person commences carrying on a new regulated activity. Where the authorised person commences carrying on a new regulated activity during the first part of the initial period, the authorised person will be required to update its registration. After that point, the authorised person will be required to apply to the Authority for authorisation for a new regulated activity in accordance with the application regulations that are being developed.

Proposed text of condition

- 1.4 Where the authorised person operates a relevant heat network, the authorised person must notify the Authority of any material change to that relevant heat network or to the way in which it is operated.
- 1.5 Where the authorised person supplies heating, cooling or hot water by means of a relevant heat network, the authorised person must notify the Authority of any material change to the type of Consumers supplied, including where the authorised person supplies Domestic Consumers for the first time.
- 1.6 The notification provided by an authorised person pursuant to paragraphs 1.1 or 1.2 must be provided in accordance with any guidance issued by the Authority including in relation to:
 - 1.6.1 the form of the notification.
 - 1.6.2 the manner of the notification and the means by which such notification is made; and
 - 1.6.3 the timing of such notification.
- 1.7 The meaning of a material change for the purpose of this condition shall be interpreted in accordance with any guidance issued by the Authority, and whether there has been a material change will be judged by reference to the information last provided to the Authority, whether under this condition, the [Registration AC], or an application for a heat network authorisation.