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By email only:

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RECCo response to joint DESNZ/Ofgem consultation: Heat Networks regulation – consumer protection

We welcome the opportunity to respond to this consultation on DESNZ and Ofgem’s planned statutory protections for heat network consumers. Our non-confidential response represents the views of the Retail Energy Code Company Ltd (RECCo) and is based on our role as operator of the Retail Energy Code (REC).

RECCo is a not-for-profit, corporate vehicle ensuring the proper, effective, and efficient implementation and ongoing management of the REC arrangements. We seek to promote trust, innovation, and competition in the energy market whilst keeping positive consumer outcomes at its heart. Through the REC, the services we manage and the programmes we run, we’re dedicated to building a more effective and efficient energy market for the future. We are committed to ensuring that RECCo is an “intelligent customer”, ensuring efficacy and value-for-money of the services we procure and manage on behalf of REC Parties, including those which constitute the REC Code Manager.

The Government’s ambition for a major increase in the number of consumers served by heat networks will be highly dependent on the establishment of robust and credible consumer protections. Evidence from Heat Trust and other consumer organisations show that many consumers on heat networks have until now been poorly served, experiencing for example high prices and unreliable systems.

We agree with the focus that has been placed throughout the consultation process on ensuring that consumers on heat networks receive equivalent protections to those in electricity and gas markets. Further, we welcome the areas of the consultation in which consideration has been given to exceeding those protections, recognising that this new framework could help to deliver a step change in consumer protections.

Summary of key points:

- Consumers who are on smaller heat networks should not experience any diminution in regulatory protections as a consequence, though Ofgem should consider if requirements are practicable for those networks or could be achieved by other, lighter touch means.
- The Priority Services Register is an example of a requirement that could prove challenging for smaller networks, and Ofgem’s heat networks team should engage with the existing industry initiatives that are aiming to enhance the register and the outcomes for consumers.
- We would like further to understand the intentions of the Government and Ofgem in relation to the installation of meters, which is not covered in detail in the consultation despite being an important process for consumers.

To the extent that any of the consumer facing obligations currently contained within the REC or services provided by RECCo could suitably be extended to encompass heat consumers, this may provide a cost-efficient and robust means of bringing the protection of such heat consumers up to the standards enjoyed by

gas and electricity consumers. This would also prevent the sort of fragmentation of governance that the Retail Code Consolidation project sought to address.

We are happy to discuss further any of the points raised in this response.

Yours sincerely,

Jon Dixon

Director of Development and Strategy

Q1. Do you agree with the scope outlined in this section, and which networks the regulatory requirements should apply to? Please provide views and evidence to support your position where you can.

Yes. Consumers on heat networks should have at least an equivalent level of protection to those in the electricity and gas markets, irrespective of the size of the network to which they are connected. The exemption of any networks should require a good reason. It is however possible that some of the proposals may not be practicable for smaller networks to discharge on an individual basis and we therefore consider that lighter touch ways of achieving equivalent protections should be examined, or action taken to facilitate the proportionate delivery of such obligations. The Priority Services Register is an example of a requirement that would better be provided on a coordinated basis through a central register, rather than leaving it to each network to develop their own.

Q2. Do you agree with our proposed activity definitions for heat supplier and heat network operator and our assumptions around the organisation of district and communal networks?

No response.

Q3. Do you agree with our proposal for the separate authorisation of entities where there is a 'bulk supply agreement' in place and operation / supply for district and inbuilding networks is split?

No response.

Q4. Do you consider that our approach to regulation is suitable for the large number of small networks in the sector?

All domestic heat network consumers should be under the same level of regulatory protection and, with the additional considerations for smaller operators set out in the consultation, we believe that this should be achievable. We agree with the proposed phasing in of regulation to give the sector the opportunity to transition but this process should last no longer than is necessary. Further, we agree with the areas that Ofgem has decided to prioritise during the first year of the regulatory framework, though, as set out in this response, greater clarity on the timing of protections in relation to the meter installation process is required.

Q5. Do you consider there to be any consumer protection rules proposed in this consultation that small networks will struggle to comply with? Please provide rationale.

We recognise that resource constraints could cause issues for smaller networks who are unused to the types of obligations they will face: for example, where they lack an in-house regulatory or legal team, it could be challenging for them to understand the requirements and ensure that they maintain compliance. In terms of the specific rules proposed, as set out above, we believe that small networks might find the requirement to maintain a PSR challenging and believe that Ofgem must proactively consider ways of minimising this burden while ensuring vulnerable consumers receive the support they need.

Q6. Do you agree with our proposal to not capture very small building conversions and annexes? What would be the advantages and disadvantages of including them? Are there any other similar scenarios that you believe we should not capture? Please provide rationale.

No response.

Q7. Do you agree with our proposed approaches for the authorisation of existing and new heat networks?

No response.

Q8. What are your views on the potential use of HNMBR notifications data to support the information provision process for existing heat networks? Are there any specific actions around notifications due this year that you feel could further facilitate this process?

No response.

Q9. Do you agree with the proposal to use a mixture of principles and prescriptive rules to protect consumers? Do you agree with our assessment that parts of the sector are likely to want directive rules and supporting guidance to help them comply?

A balance between principles and prescriptive rules for the standards of conduct seems appropriate. Where principles are applied, they will need to be underpinned by clear guidance so that networks have confidence that they understand what is required to achieve compliance.

It is also worth considering if for the benefit of consumers further requirements could be set on operators to demonstrate how they comply: that is, clarity on the procedures or policies to which employees and representatives must adhere. Such requirements would put the onus on the operator to provide evidence that they understand the principle and the rules, which should in turn increase levels of compliance. Whilst it may be a reasonable expectation that such procedures or policies exist, it is not necessarily implicit, and as such may lead to differing levels of compliance.

Q10. Do you agree with the introduction of an overarching Standards of Conduct principle for all heat networks? While we expect all heat networks to identify and support customers in vulnerable circumstances, we would be keen to understand if any networks would find this particularly challenging to deliver.

We agree that it is a good idea to draw on Ofgem's existing Standards of Conduct and implement a very similar, cross-cutting principle. This would need to include a broad objective to treat domestic consumers fairly and tailor consumer services to their needs. As stated in our answer to Q9, we believe that the difficulty would lie in small heat network operators interpreting the rules as set out and we suggest providing additional guidance to address this concern.

Q11. Do you think we should further consider requirements on consumer engagement and including the consumer voice in heat networks' decision making?

Yes. Consumers need to be involved in this decision-making process, not just as a 'tick box' exercise but as an opportunity for the networks to obtain useful feedback. Transparency and open communication with consumers will be key in ensuring that there is trust and well-informed practices and will allow networks to tailor their services for their consumers.

Q12. How often should Ofgem update any public register of pricing data? How often should heat suppliers be required to submit pricing data to Ofgem?

No response.

Q13. What are your views on Options 1, 2, 3 and 4 for centralised price transparency? What combination of options would work best? Please provide detail on why a particular combination could work well.

No response.

Q14. What do you foresee as the main challenges of each option for centralised price transparency?

No response.

Q15. What are your views on a general obligation on heat networks to provide fair and transparent prices, accompanied by rules and/or guidance, setting out minimum expectations, principles, and good practice? We are particularly interested to hear from leasehold arrangements, not-for-profit networks and small players.

No response.

Q16. Do you agree with the broad set of outcomes (in the bullet point list on page 41) that would define our expectations on fair pricing?

No response.

Q17. We are interested in stakeholder views on the balance between prescriptive rules (setting minimum standards) and general guidance, that could be introduced across all heat networks. Which areas, in Table 4 above and Appendix 1 Fair Pricing - rules and guidance, should be covered in rules, which should be covered in guidance, and which should be left to the market?

No response.

Q18. Should cost allocation rules be applied uniformly across the sector, or should there be different rules for different segments? If the latter, what segmentations do you suggest? Please cite examples of good practice for your suggested approaches.

No response.

Q19. How are the current tariffs charged by heat suppliers broken down into the components of standing charge and variable charge? What are the variables affecting the cost components and what are their accounting / financial methodologies? We would also be interested to know how very small networks decide how to set standing and variable charges.

No response.

Q20. How prescriptive should these rules be? What are the constraints and issues that need to be considered during the transition period and beyond?

No response.

Q21. What are the main implementation challenges with the different options?

No response.

Q22. What are your main sources of funding for daily operations and general policies for financial management, for example bad debt management and recovering capital expenditures (where relevant/possible)? Please refer to page 98, at the end of the Appendix 1, for a detailed breakdown of information requested. If you operate more than one heat network, do you allow cross-subsidisation between heat networks and if so, what are your policies governing this (where relevant/possible)?

No response.

Q23. What gas procurement practices and hedging approaches and strategies do you use (where relevant/possible)?

No response.

Q24. What are your views on the proposed benchmarking approaches? Do you agree that Ofgem should develop options 2, 4 and 7? With each approach, what are the main considerations and implementation challenges for the sector that should be considered when developing the methodology?

No response.

Q25. What are your views on how Ofgem should approach segmenting the market for price benchmarking? What are the main characteristics that should be considered?

No response.

Q26. What are your views on how Ofgem should approach guidance on price investigations? Do our proposals cover the type of content stakeholders would expect?

No response.

Q27. What information and evidence should Ofgem be seeking as part of our monitoring activity to identify where there is a case of disproportionate pricing?

No response.

Q28. Do you agree that price regulation, such as a price cap or profit regulation, should not be introduced in the near term but that this should be kept under review?

We believe that in the first instance the focus should be on transparency, and we support the establishment of clear cost allocation rules, as proposed in the consultation. Given the diversity of business models in the sector it is reasonable not to introduce a price cap at this stage, but this should remain a credible possibility and under consideration given the potential detriment to consumers and the long-term development of the sector if prices remain high.

Q29. Do you agree with this approach to regulations related to complaints handling?

We agree that standardisation can lead to improvements for consumers, particularly for complaints, which need to be resolved promptly and courteously. The proposal to align complaints handling rules with those in the electricity and gas market, which in turn are very similar to those in other regulated sectors, is a positive step.

Q30. Do you agree with the proposed core elements of the Guaranteed Standards of Performance?

No response.

Q31. Heat network operators and heat suppliers only: Can you provide us with information on the Guaranteed Standards of Performance (with or without compensation) that you currently have in place? Please include those you have placed on external contractors through contract.

No response.

Q32. How should guaranteed standards of performance work for heat networks operating on a cost recovery model? How can we avoid consumers paying for their own compensation through higher prices in the future? How can we further incentivise reliability for these networks?

No response.

Q33. Do you agree that Guaranteed Standards of Performance should apply to all domestic and microbusiness consumers, regardless of who operates the network? Do you agree that business consumers larger than microbusinesses should be excluded and allowed to negotiate their own service levels and compensation amounts?

No response.

Q34. Do you agree that the proposed Conditions, in Table 6, could be appropriate for heat networks? We are interested in views and evidence on how the Conditions could be adapted for Heat Networks and examples of good practice.

The measures set out in Table 6 appear reasonable. We do not believe that it would be practicable for Ofgem to review the finances of all existing heat networks in the way that it currently does for supply licence applicants, but principles such as minimum capital requirements seem fair.

Q35. What are your views on obligations and protections that are currently in place for ensuring continuity of heat supply in the case of failure? If you consider further requirements or a regulatory safety net is required, please expand.

No response.

Q36. What are your views on heat networks being contractually required to have a contingency plan in place to ensure the continuity of heat supply? Should this obligation apply to all heat networks, including small networks?

No response.

Q37. What are the challenges and costs of placing this obligation on existing heat networks? What timescales or transitional period would be needed?

The challenges are likely to include negotiating agreements with stakeholders, managing the transition of consumers in market-led step-in, and assuring legal frameworks are agreed. Timescales are likely to vary based on the infrastructure of each heat network and the number of consumers.

Q38. How should Ofgem monitor compliance with the requirement for heat networks to have a CSCP in place, recognising the scale of the sector, number of plans that should be in place and the overall approach envisaged for monitoring and compliance?

No response.

Q39. Should guidance be provided on the content of the CSCP? What key things should be covered in guidance? Should there be minimum standards and how might these be different for various types of network?

No response.

Q40. Do you agree with the proposal to require heat suppliers to operate a Priority Services Register and provide specific services for consumers who need them? As previously stated, we would really welcome views from networks that would find it particularly challenging to deliver this.

We strongly agree on the need for a Priority Services Register (PSR) for heat networks' vulnerable consumers. Given the challenges that smaller networks could experience in establishing and operating a PSR, we would however encourage Ofgem's heat networks team to be mindful of and engage with the existing initiatives, currently being progressed in the utilities industries. These are seeking to enhance the register and deliver improved outcomes for consumers, in part through improved data sharing between the agencies that provide support services to vulnerable consumers. However, all of these may only be incremental steps towards the longer-term solution to addressing consumer needs, which is a single register of vulnerable consumers accessible to all organisations with legitimate rights to know of and meet the needs of those consumers. There is an opportunity to learn lessons from energy and water and ensure that a collective register of heat consumers is part of the design from the outset. This would better meet the needs of the consumer, while also likely to be more cost-efficient for heat suppliers.

Our work on the PSR in electricity and gas is currently focused on understanding the role, if any, of existing regulatory infrastructure in safely opening PSR data to a wider range of support organisations, reducing the current burden on consumers to register their needs across multiple organisations. To this end, we believe that there may be merit in a flag being included within the industry's Electricity Enquiry Service (EES) – which holds data for all electricity metering points in GB – to indicate that a PSR needs code is attached to a property or meter point. The EES is already accessible by a range of organisations outside the energy industry, and we are considering if, through changes to the REC, this can be further extended. In principle, we see no reason that heat networks' PSR consumers could not be part of this solution and would welcome a further discussion with Ofgem's heat networks team to discuss in more detail.

Q41. Do you agree with our approach to drive good debt management practices and deter disconnection? Do you agree that assessing ability to pay and offering tailored repayment plans is possible for small heat networks operated/supplied by small entities?

We agree that it is essential for heat network consumers who are struggling to pay to receive support from their network in managing their debts, and we believe that heat providers should assess consumers' ability to pay to ensure a tailored approach. We note that disconnections of gas and electricity consumers is now extremely rare. During the whole of 2022 there were 19 disconnections for non-payment of debt across

both gas and electricity¹. While it may be inappropriate and impracticable to prohibit disconnections, the disconnection of any consumer should be an absolute last resort with strong protections in place for the most vulnerable. We therefore consider that it would be appropriate to use the existing obligations in Standard Condition 27 of the Gas and Electricity Supply Licences as a starting point for any new heat obligations.

Measures to support consumers with debt management could include:

- Offering social tariffs or debt tariffs.
- Third party billing where the consumer can nominate someone else to receive and pay bills on their behalf.
- Debt recovery holidays to enable financial positions to improve (useful where indebtedness is due to transition/short-term change in circumstances).
- Raising awareness of support funds.

Q42. What is your current policy/process for debt management and disconnection? Please provide us with information on the number of disconnections, and outline whether your approach varies across networks (e.g., unmetered/metered, smaller/larger heat networks). Is there anything specific you can share on how you approach customers who might be in vulnerable circumstances?

No response.

Q43. What do we need to consider when exploring a disconnection ban for the sector? We welcome evidence you can provide on benefits to consumers in vulnerable circumstances (including what groups of consumers should be protected), impacts on wider consumers (including specific financial impacts on other consumers on the network), and impacts on heat suppliers (for example with regard to cashflow and financial stability).

Disconnection should be the absolute last resort. Whilst we largely agree with the idea of a disconnection ban to protect consumers, particularly given that heat consumers currently have limited protections, we are conscious that it has not been considered appropriate to impose an absolute ban in gas and electricity, and there may always be safety considerations which trump debt or policy concerns, albeit they should only ever be temporary. The focus should be on managing debt effectively and supporting consumers to avoid this situation. Our suggestions, as above, include heat network operators with tools to better manage debt, particularly for consumers on pre-payment meters who may be more at risk.

Q44. Do you agree that non-payment of heat charges when part of housing charges should follow housing non-payment protection rules?

No response.

Q45. On your heat networks, do consumers on PPMs pay the same amount as consumers on credit meters? If PPM consumers pay more, please provide more detail.

No response.

Q46. Do you agree with our approach for ensuring that consumers in vulnerable circumstances do not resort to self-disconnection or self-rationing and that PPMs are only used where appropriate for the consumer?

We broadly agree, though would encourage Ofgem to consider opportunities to exceed the protections currently applied to electricity and gas PPM consumers, potentially with further clarity for heat network operators on their responsibilities when they observe instances of self-disconnection. While self-disconnection has traditionally been a problem in gas and electricity, the roll out of smart meters should better equip the industry to deal with that problem. Whilst noting the potential for smart metering of heat, this may be a long way off and not offer any remedy to the issue of self-disconnection in the meantime. We

¹ Source: Ofgem data

also note that PPM consumers can be more dependent upon regular maintenance of the meter than those paying by credit, including the need for out-of-office support. We are concerned that that heat network operators may not have the staff and supporting infrastructure to provide such support.

In the short-term, Ofgem should evaluate the scope for having additional requirements on heat network operators to demonstrate that they can justify putting in prepayment meters to ensure that this only takes place when appropriate for the consumer. This could be a set of procedures or policies to which suppliers must adhere to evidence the reason the meters are being installed. This approach supports the assessment of compliance as there are clear principles and rules to follow. It should also require the heat network operator to demonstrate how they will meet the needs of consumers on a 24/7 basis.

We should note that this problem also exists in gas and electricity. REC Change Proposal R0053 seeks to address the issue of energy suppliers currently not being required to provide a 24/7 emergency metering service that enables a consumer to speak to an agent and or receive a visit. From a field operative outside of normal business hours.

Q47. Should we include financial vulnerability as a required consideration for whether a PPM is ‘safe and reasonably practicable?’

Yes. We consider that the protections for heat consumers should be aligned wherever relevant with those of gas and electricity consumer. From 8 November 2023, it will be a condition of the Gas and Electricity Supply licence to adhere to the previously voluntary [PPM Code of Practice](#). The PPM Code of Practice requires gas and electricity suppliers to ensure that a PPM is safe and reasonably practicable, in line with the categories and precautionary principle set out within that Code of Practice. The precautionary principle is that:

“Suppliers must assume that any customer faced with Involuntary PPM for debt is likely to be in a financially vulnerable situation and therefore more likely to self-disconnect.”

We can see no reason why consideration of the potential financial vulnerability of a consumer should not be a required before the installation of a heat PPM, in the same way it would be for a gas or electricity PPM. However, we remain supportive of the use of PPMs in instances in which the consumer prefers to use them for the financial control that they offer and believe that they should always remain an option for consumers.

Q48. Do you consider these measures to be achievable across all segments of the market? Please provide rationale.

Yes, these consumer protections and additional support provisions to vulnerable consumers are achievable across the heat network market.

Q49. Do you agree with this approach to regulation for ensuring heat networks have sustainable cash flows and only install PPMs involuntarily as a last resort?

It is important to remain considerate of the benefit of a prepayment meters: namely that many consumers will find them a valuable tool for managing their energy expenditure more easily. PPMs should not in our view be linked to operators’ need for a sustainable cash flow. This in turn has implications for the idea of PPM installation as a “last resort”: if the supplier’s finances are the priority, then the last resort is disconnection to prevent further accumulation of debt. Involuntary PPM installation is a tool for helping consumers to manage their debts.

We would like to see the emphasis placed on creative approaches to proactive debt management over the installation of PPMs. We have listed other steps for managing consumer debt in Q41.

Q50. Do you agree with our proposal to increase the rollout of individual AMI heat meters? If you disagree, please indicate why, and provide evidence to support this view.

We broadly agree but would note the importance of being cognisant of the effects of this approach on the supply chain. The availability of meter installers has been among the key challenges of rolling out smart

meters in the electricity and gas markets; it will be important that further targets for heat do not exacerbate these problems.

Q51. If yes, are there any functions not in our specification that should be included? If no, would any changes to the specification have a substantial impact on your answer?

If a smart meter must be switched remotely, prepayment consumers would benefit from greater notice periods to avoid causing additional financial stress. Short notice periods of seven days for example create additional stress for consumers who are paid monthly and may have insufficient funds to pay for the switch.

Q52. Is it reasonable or technically feasible to require that dwelling level meters be installed in common/public areas outside of that dwelling? If not, why?

No response.

Q53. Do you agree that an equivalent approach implementing standards of accuracy and processes for pattern of construction and manner of installation regulation in the heat meters market is proportionate? If no, please provide an explanation and support with any available evidence.

The installation of meters is an important component of the consumer experience and should be a priority issue to resolve. We are concerned that it receives little focus in the consultation and by the stated intention to legislate in due course on a methodology for the manner of installation. This may introduce significant uncertainty into the timescales for the implementation of this important measure.

The Retail Energy Code incorporates a Consolidated Metering Code of Practice, to which all meter operators in the electricity and gas sector must adhere, alongside an assurance and audit regime for meter installers. We believe that at the very least the case for extending this regime to heat should be considered, particularly given the likelihood of overlap between the metering firms working in the sectors.

Q54. Do you agree with our view that accurate consumption tracking with HCAs is effectively impossible? Heat networks regulation.

No response.

Q55. Is the cost effectiveness tool fit for purpose, and should we continue using a similar tool for meter installations? If you think we should retain the tool, what changes do you think could be made to the tool? How would these changes increase meter installations in existing unmetred networks?

No response.

Q56. Do you agree that the Open class of existing Regulations should be either reformed or revoked? If not, please explain why, if possible, providing evidence to support your views.

No response.

Q57. Do you agree with the proposed rules on billing information, frequency, and method?

Yes. It is vital that consumers are given transparent information on the terms of their contract, the cost of their bills and their cost in the future, along with having a choice of payment methods. We also support the provision of these protections to both prepayment consumers and those in unmetred properties to ensure fair coverage.

Q58. Do you agree with the proposed rules on back-billing, price change notifications, and heat supply contracts?

We agree with the proposals for back-billing, price change notifications and heat supply contracts as they fully reflect the need for heat consumers to benefit from protections equivalent to those in electricity and gas.

Q59. Do you agree that this package of measures on pre-contractual transparency will provide prospective consumers with sufficient information prior to and during a property transaction? What other information and mechanisms for providing that information should we explore further?

No response.

Q60. How can we ensure pre-contractual transparency for prospective consumers in new developments?

No response.

Q61. What issues do SMEs connected to heat networks typically face and are issues growing in volume and/or severity? Please provide evidence and reasoning to support your position where possible.

No response.

Q62. What consumer protections would you expect to apply to SMEs? Please provide evidence and reasoning to support your position.

No response.

Q63. Do you agree with the proposed rules and activities for introduction in the first year of regulation? Are there any that you think should not be introduced in the first year?

No response.

Q64. Are there any other rules or activities that we should introduce in the first year of regulation?

No response.

Q65. Should we take into account different market segments in our approach to general monitoring and compliance and financial monitoring? If so, what factors should we consider?

No response.

Q66. Are these the right metrics to ensure we have a picture of heat networks' performance and consumer service? Are there any which should not be included or others which should be included? If so, why? Is there a frequency of reporting for particular metrics which would provide a clear picture of performance?

No response.

Q67. Do you agree with the overall scope of and approach to auditing to support compliance with regulation, including the initial areas of focus?

No response.

Q68. Do you consider that the proposed compliance and enforcement framework is appropriate for ensuring that non-compliance is addressed?

We broadly agree. It will be important to be mindful of the framework's value in identifying regulatory issues that might need addressing, rather than as purely a tool for holding suppliers to account for their performance. Reporting should be proportionate, balancing the need for data with the importance of avoiding an unduly burdensome approach.

Our experience in operating a digital platform, as is intended for heat networks, indicates the importance of this being user friendly and Ofgem will need to invest time in advance of implementation in ensuring that operators are confident in using the platform to meet obligations. This should include proactive training and opportunities to receive feedback on the tool to ensure it is effective.

Q69. Do you consider that our penalties policy should include Fixed Penalties as an efficient way of addressing certain non-compliance? If so, what are the main benefits and risks that need to be considered when implementing this approach, including how they would apply to different segments of the market?

Fixed penalties could help to address non-compliance but could also have adverse effects. If the penalties are too small, then they provide limited financial incentives to comply. Where this is the case, it can result in it being more advantageous for suppliers to pay the fines than to comply with the regulations. For these reasons it is advisable, if this approach is implemented, to consider the implementation of a sliding scale in order to provide strong but proportionality incentives. Equally, penalties should not be punitive or compromise the financial integrity of the network operator.

Q70. Do you agree with our proposal not to implement a payback period if the transition period is funded by the gas and electricity licensees?

No response.

Q71. Do you agree with the proposed method of fee apportionment based on consumer numbers, with non-domestic being classed as one customer? Are there any implementation challenges with this approach?

No response.

Q72. Do you agree with our proposal not to impose a minimum fee?

No response.

Q73. Should a de minimis threshold be imposed to streamline the cost recovery process? If yes, what are the factors to be considered when calculating the optimal de minimis threshold?

No response.

Q74. What are the benefits, drawbacks, and possible unintended consequences of imposing a de minimis threshold that we have not considered above?

No response.

Q75. Do you have a view on how frequently heat networks should pay Ofgem fees, and how heat networks may wish to pay us (i.e., the payment method)?

No response.