

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

Notification of changes consultation (Ofgem)

Response from Propertymark

September 2025

Background

1. Propertymark is the UK's leading professional body of property agents, with over 19,000 members representing over 12,500 branches. We are member-led with a Board which is made up of practicing agents and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry-leading training programme and mandatory Continuing Professional Development.¹

Consultation-overview

2. Ofgem's consultation on *Heat networks regulation: authorisation conditions for Registration, Nominated operator, and Notification of changes* asks for views on the registration of heat networks with deemed authorisation; nominating a primary contact for regulatory engagement for heat networks with multiple operators; and notification of material changes to an authorised heat network. This arises from Ofgem's duties under the Energy Act 2023 and Heat Networks (Scotland) Act 2021 to regulate heat networks in England, Scotland and Wales from 2026. Following analysis of consultation responses, the authorisation conditions will take effect from 27 January 2026.

Propertymark Response Summary

3. Propertymark welcomes the draft conditions and agrees that the conditions meet the policy intent. Propertymark has two suggestions:
 - i) Give clarity in respect of Ofgem's role in the absence of agreement between multiple operators of a network, and how Ofgem's power to determine an operator will function.
 - ii) Ensure clear definitions in forthcoming guidance to inform the notification of changes authorisation condition.

¹ <https://www.propertymark.co.uk/>

Questions

Question 1: Do you agree or disagree that the draft Registration authorisation condition reflects the policy intent?

4. Propertymark agrees that the draft Registration Authorisation condition reflects the policy intent. Propertymark welcomes the intention to allow operators of multiple heat networks to replicate information across submissions to avoid separate submissions for each heat network registration, and it may be sensible to clarify this in the Draft Authorisation Condition for Registration.

Question 2: Do you agree or disagree that the draft Nominated operator authorisation condition reflects the policy intent?

5. In respect of heat networks that involve multiple operators, Propertymark understands Ofgem's position that all parties can be considered to have met the requirement if one operator agrees to submit Registration information on behalf of the other parties and does so. In the event of non-agreement, Ofgem have stated that they 'may determine the operator to fulfil this role'. Further work may be needed to ensure that any imposed roles function effectively, and that other parties fulfil their duties to the nominated operator to allow them to fulfil their obligations. In terms of the proposed text, Ofgem should consider whether the text ought to read 'must determine the operator to fulfil this role', rather than 'may'. If the text 'may' is maintained in preference to 'must', then Ofgem should clarify what will happen in the event that Ofgem decides not to nominate an operator.

Question 3: Do you agree or disagree that the draft Notification of changes authorisation condition reflects the policy intent? Please explain your answer.

6. Propertymark appreciates that this authorisation condition is likely to undergo further work, and that the meaning of a material change for the purpose of the condition will be set out in guidance in due course. In respect of the type of consumer served, for example, any guidance must be explicit and clear on categories of consumer for the purposes of heat networks. It may be that the distinction will simply be between domestic and business need, or the guidance could be more specific about the type of domestic and business consumer being served by the network.