



Triple Point
HEAT NETWORK
INVESTMENT MANAGEMENT

Template Heat Contracts Published to Reduce Transaction Costs and Raise Standards across Heat Network Projects

The Government is committed to investing £320 million in heat networks through the Heat Networks Investment Project (HNIP) as part of its plans to deliver low carbon heating and cooling. Following the recent announcement that £40 million of this funding has been awarded to applicants both in the private and public sector, the benefits of that low carbon heat are expected to be felt as the heat networks are developed. Importantly, the scheme is still open for applications and the HNIP team anticipates further funding announcements as the scheme continues, and as the heat network market gains momentum.

With just 2% of buildings in the UK currently benefiting from heat networks, the expectation is that this will rise significantly as we step closer towards the UK's zero emissions target by 2050. By then, it is predicted that heat networks will supply 17-24% of heating in the UK.

As the market develops, it becomes increasingly important to raise standards and reduce the costs associated with developing or funding district heating schemes.

To support this, TP Heat Networks is pleased to announce today that a suite of thirteen template heat contracts for use by anyone involved in a district heating scheme have now been published. Drafted by clean energy law firm, Lux Nova Partners, a member of HNIP team. The work was commissioned by the Department for Business Energy and Industrial Strategy and these templates have been developed based on feedback received following two rounds of consultation. We are confident that they will be of significant value, and that they will offer a useful starting point to contract creation and negotiation.

The suite of contracts includes but is not limited to templates on energy centre lease; operation and maintenance (O&M); and connection and supply agreement. Each of these will need to be tailored to each specific project.

This is an important step forward towards the development of a sustainable heat networks market in the UK. To access the Heat Contract Templates known as the "Sales, Operations and Maintenance Set (SOMS)", please visit the Triple Point Heat Networks Investment Management website.

Notes to editors

Download Heat Contract Templates: <https://tp-heatnetworks.org/heat-contract-templates/>

Media enquiries: comms.ecuity@tp-heatnetworks.org

For information on possible future revision of the documents: consult@luxnovapartners.com