## **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations implement Articles 9(1) and (3), 10 and 11 of Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency (OJNo. L315, 14.11.2012, p.1), amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC.

Regulation 3 imposes a duty on heat suppliers, in relation to the operation of communal heating or a district heat network, to notify the Secretary of State or in relation to a Scottish network the Scottish Ministers about the operation of such heating or networks.

Regulation 4 imposes a duty on heat suppliers to ensure meters are installed in specified circumstances. Schedule 1 sets out how cost effectiveness and technically feasibility are to be determined.

Regulation 5 sets out requirements in relation to meters installed in accordance with these Regulations.

Regulation 6 imposes a duty on heat suppliers to ensure individual heat cost allocators, thermostatic radiator valves and a hot water meter are installed in specified circumstances.

Regulation 7 imposes a duty on heat suppliers to install meters when an existing meter is replaced, a new connection is made in a new building or a building undergoes a major renovation.

Regulation 8 imposes on-going requirements in relation to meters and heat cost allocators installed in accordance with these Regulations.

Regulation 9 stipulates that where meters or heat cost allocators to which these Regulations apply are installed, bills and billing information for heat, cooling or hot water provided to final customers must comply with the requirements set out in the regulation and Schedule 2.

Regulation 10 provides that the Regulations will be enforced by the Secretary of State or in relation to a Scottish network the Scottish Ministers or such person as may be authorised in writing to act on their behalf. Schedule 3 provides for powers of entry, search and seizure and the procedure for obtaining a warrant. Schedule 4 provides for civil sanctions which the authorised person may impose in relation to an offence committed under regulation 11.

Regulation 11 provides for offences for failing to comply with specified duties under the Regulations. Regulation 12 makes provision for offences committed by bodies corporate and relevant individuals in Scotland. Regulation 13 sets out penalties following criminal conviction for an offence under regulation 11. Regulation 14 specifies time limits for prosecution of criminal offences.

Regulation 15 requires the Secretary of State to review the operation and effect of these Regulations and publish a report within five years of them coming into force.

A full impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector is available at the Department of Energy and Climate Change, 3 Whitehall Place, London SW1A 2AW and is published with the Explanatory Memorandum alongside the instrument on www.gov.uk/government/consultations/implementing-the-energy-efficiency-directive-metering-and-billing-of-heating-and-cooling.