



## Scottish Government consultation on heat & energy efficiency strategies and regulation of district heating

The Law Society's Energy Law Sub-Committee welcomes the opportunity to engage with the Scottish Government's proposals on Heat and Energy Efficiency Strategies and Regulation of District Heating. While we do not feel best placed to respond to the policy questions in the recent consultation, we would be keen to review the draft regulations and provide commentary once these have been developed. At this stage, we would like to offer some general comments which we hope will be of assistance in framing the draft regulations.

Firstly, the regulations should explicitly set out which parties they apply to. It is important that the people who will be impacted by them – both in terms of potential consumers and potential suppliers of heating services – are clear as to the rights and obligations which the regulations are intended to confer.

The regulations should seek to balance the policy aims and legal obligations imposed by the regulations with the existing rights, commercial position, and indeed legitimate expectations of those which the regulations are likely to affect. It is important that the regulations and any licensing regime introduced as a result should contain the necessary measures to protect domestic consumers, and particularly vulnerable consumers, from exploitation. At the same time, the regulations should be proportionate and not impose more of an administrative burden on those operating in this area than is necessary to achieve the policy aims. In this regard it will be important to take into account the size of the operators involved and to consider whether the way the regulations are framed might create barriers to entry. Ideally, the regulations should seek to utilise best practice from other licensing regimes, where possible.