

Wilson Energy Ltd



today's energy partner for tomorrow's world

25<sup>th</sup> April 2022

Sent via email to: Rt Hon Kwasi Kwarteng MP [kwasi.kwarteng.mp@parliament.uk](mailto:kwasi.kwarteng.mp@parliament.uk)

Cc: Rt Hon Greg Hands MP [handsg@parliament.uk](mailto:handsg@parliament.uk); Rt Hon Stuart Andrew MP [stuart.andrew.mp@parliament.uk](mailto:stuart.andrew.mp@parliament.uk)

Dear Rt Hon Kwasi Kwarteng MP,

**Re: A missed opportunity to capitalise on shared energy potential**

We read the government's recently launched Energy Security Strategy and like many others, we feel that the Government has missed the opportunity to maximise the potential of energy efficiency in existing buildings by unlocking the benefits of shared energy use.

Wilson Energy delivers integrated heating and billing solutions for Heat Network and District Heating schemes across a wide portfolio of residential and commercial developments. We believe there are steps that could be taken to facilitate a more holistic approach.

About one third of energy used in the UK is for heating and hot water. We fully understand that delivery of this long term this needs to be greener, cheaper and more reliable.

Essentially this means transitioning to electricity from renewables.

It is positive that the Government has reaffirmed its commitment to supporting heat pumps for individual homes as these can help make the best use of electricity - reducing electric consumption by 50-60% for the same level of heating.

However, much greater savings in electricity demand can be achieved at lower cost the use of shared heat pumps, using ground-source or water-source technology. Not only do these generate more heat per unit of electricity than air-source, but bigger heat pumps work out cheaper.

A further benefit is that heat networks or district heating systems make more efficient use of resources because people use heat at different times of day.

The opportunities for shared heating infrastructure are huge, especially in redevelopment of existing buildings into apartments, and in integrated housing developments. There are also major opportunities in industrial and commercial applications.

In this specific area, the government has not replaced the Non-Domestic Renewable Heat Incentive scheme, which favoured the creation of shared resources.

We believe that to unlock the long-term potential of shared energy to reduce both costs and emissions, that Government needs urgently to:

- Re-introduce subsidies for heat networks using heat pumps and other renewables
- Change planning regulations to ensure that heat networks are considered in all new developments and redevelopments
- Improve regulation of the sector
- Undertake an education campaign for landlords and developers on the benefits of shared heating systems in multi-dwelling accommodation
- Offer protection to all consumers on heat networks, as they are not currently covered by the energy cap

We welcome discussions on these points and would be keen to work with you to build these suggestions into a long-term strategy.

Yours sincerely,

Andy Wilkinson

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