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For the attention of the legal department / General Counsel

By post, and by email: info@baxi.co.uk

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee (“CCC”).⁵ In January 2026, the Government noted that: *“Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency”*.⁶ The Competition and Markets Authority (“CMA”) has emphasised the importance of effective competition and consumer trust in the ‘green’ home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Baxi Heating UK Limited, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
- (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Baxi Heating UK Limited, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p.10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) Potential price coordination practices

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Baxi Heating UK Limited and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023, p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Baxi Heating UK Limited to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* [ECLI:EU:C:2022:379](#), paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, [ECLI:EU:C:2023:1011](#).

⁶² Department for Business Innovation and Skills (2013) [Private Actions in Competition Law: A consultation on options for reform – final impact assessment](#).

⁶³ European Commission Statement of Objections of 7 February 2024 in Case [AT.40278 – Greek wholesale electricity market](#).

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

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For the attention of the legal department / General Counsel

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Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee (“CCC”).⁵ In January 2026, the Government noted that: *“Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency”*.⁶ The Competition and Markets Authority (“CMA”) has emphasised the importance of effective competition and consumer trust in the ‘green’ home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Bosch Thermotechnology Ltd, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
- (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Bosch Thermotechnology Ltd, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p.10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) Potential price coordination practices

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Bosch Thermotechnology Ltd and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023, p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Bosch Thermotechnology Ltd to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* [ECLI:EU:C:2022:379](#), paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, [ECLI:EU:C:2023:1011](#).

⁶² Department for Business Innovation and Skills (2013) [Private Actions in Competition Law: A consultation on options for reform – final impact assessment](#).

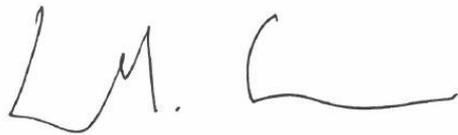
⁶³ European Commission Statement of Objections of 7 February 2024 in Case [AT.40278 – Greek wholesale electricity market](#).

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

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Cadent Gas Limited
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For the attention of the legal department / General Counsel

By post, and by email: [REDACTED]

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee ("**CCC**").⁵ In January 2026, the Government noted that: "*Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency*".⁶ The Competition and Markets Authority ("**CMA**") has emphasised the importance of effective competition and consumer trust in the 'green' home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Cadent Gas Limited, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
 - (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Cadent Gas Limited, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p.10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) Potential price coordination practices

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Cadent Gas Limited and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 ([AT.40588 – Teva Copaxone](#)); Commission Summary Decision of 22 July 2024 ([AT.40577 - Vifor \(IV iron products\)](#)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 [Notice of intention to accept commitments](#).

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, [ECLI:EU:C:2024:1004](#) paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, [Notice of intention to accept commitments](#), paragraph 4.10

⁵⁸ CMA (2023) [Consumer protection in the green heating and insulation sector](#), page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, [Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group](#) (20 July 2023).

⁶⁰ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023), p. 161; CCC (2025) [The Seventh Carbon Budget](#) (2025), 121; Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023, p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Cadent Gas Limited to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* [ECLI:EU:C:2022:379](#), paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, [ECLI:EU:C:2023:1011](#).

⁶² Department for Business Innovation and Skills (2013) [Private Actions in Competition Law: A consultation on options for reform – final impact assessment](#).

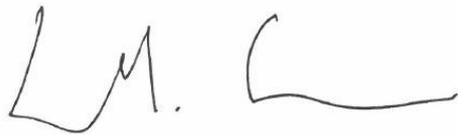
⁶³ European Commission Statement of Objections of 7 February 2024 in Case [AT.40278 – Greek wholesale electricity market](#).

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

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ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

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For the attention of the legal department / General Counsel

By post, and by email: [REDACTED]

Dear Sir/Madam

British Gas: Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee ("**CCC**").⁵ In January 2026, the Government noted that: "*Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency*".⁶ The Competition and Markets Authority ("**CMA**") has emphasised the importance of effective competition and consumer trust in the 'green' home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Centrica plc, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
 - (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Centrica plc, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Centrica plc and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 ([AT.40588 – Teva Copaxone](#)); Commission Summary Decision of 22 July 2024 ([AT.40577 - Vifor \(IV iron products\)](#)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 [Notice of intention to accept commitments](#).

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, [ECLI:EU:C:2024:1004](#) paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, [Notice of intention to accept commitments](#), paragraph 4.10

⁵⁸ CMA (2023) [Consumer protection in the green heating and insulation sector](#), page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, [Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group](#) (20 July 2023).

⁶⁰ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023), p. 161; CCC (2025) [The Seventh Carbon Budget](#) (2025), 121; Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Centrica plc to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* ECLI:EU:C:2022:379, paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, ECLI:EU:C:2023:1011.

⁶² Department for Business Innovation and Skills (2013) Private Actions in Competition Law: A consultation on options for reform – final impact assessment.

⁶³ European Commission Statement of Objections of 7 February 2024 in Case AT.40278 – Greek wholesale electricity market.

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

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ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

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For the attention of the legal department / General Counsel

By post, and by email: enquiries@idealboilers.com; customer.experience@idealheating.com

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee (“CCC”).⁵ In January 2026, the Government noted that: *“Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency”*.⁶ The Competition and Markets Authority (“CMA”) has emphasised the importance of effective competition and consumer trust in the ‘green’ home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Ideal Boilers Limited, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
- (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Ideal Boilers Limited, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p.10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Ideal Boilers Limited and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023, p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Ideal Boilers Limited to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* [ECLI:EU:C:2022:379](#), paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, [ECLI:EU:C:2023:1011](#).

⁶² Department for Business Innovation and Skills (2013) [Private Actions in Competition Law: A consultation on options for reform – final impact assessment](#).

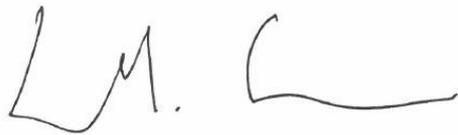
⁶³ European Commission Statement of Objections of 7 February 2024 in Case [AT.40278 – Greek wholesale electricity market](#).

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

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ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

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For the attention of the legal department / General Counsel

By post, and by email: customercare@northerngas.co.uk; stakeholder@northerngas.co.uk;
[REDACTED]

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee ("**CCC**").⁵ In January 2026, the Government noted that: "*Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency*".⁶ The Competition and Markets Authority ("**CMA**") has emphasised the importance of effective competition and consumer trust in the 'green' home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Northern Gas Networks Limited, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
 - (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Northern Gas Networks Limited, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Northern Gas Networks Limited and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023), p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Northern Gas Networks Limited to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* ECLI:EU:C:2022:379, paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, ECLI:EU:C:2023:1011.

⁶² Department for Business Innovation and Skills (2013) Private Actions in Competition Law: A consultation on options for reform – final impact assessment.

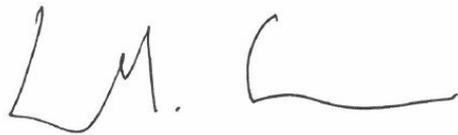
⁶³ European Commission Statement of Objections of 7 February 2024 in Case AT.40278 – Greek wholesale electricity market.

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

www.clientearth.org

Beijing Berlin Brussels London Los Angeles Luxembourg Madrid Tokyo Warsaw

ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

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For the attention of the legal department / General Counsel

By post, and by email: customer@sgn.co.uk; sgn.press.office@sgn.co.uk;



Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee (“CCC”).⁵ In January 2026, the Government noted that: *“Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency”*.⁶ The Competition and Markets Authority (“CMA”) has emphasised the importance of effective competition and consumer trust in the ‘green’ home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Southern Gas Networks Plc, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
 - (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Southern Gas Networks Plc, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Southern Gas Networks Plc and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “concerted practice” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“CJEU”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 (AT.40178 – *Car Emissions*), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 (23-D-15 – *BPA*)).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) Effects of the practices

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 ([AT.40588 – Teva Copaxone](#)); Commission Summary Decision of 22 July 2024 ([AT.40577 - Vifor \(IV iron products\)](#)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 [Notice of intention to accept commitments](#).

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, [ECLI:EU:C:2024:1004](#) paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, [Notice of intention to accept commitments](#), paragraph 4.10

⁵⁸ CMA (2023) [Consumer protection in the green heating and insulation sector](#), page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, [Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group](#) (20 July 2023).

⁶⁰ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023), p. 161; CCC (2025) [The Seventh Carbon Budget](#) (2025), 121; Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023, p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Southern Gas Networks Plc to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* ECLI:EU:C:2022:379, paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, ECLI:EU:C:2023:1011.

⁶² Department for Business Innovation and Skills (2013) Private Actions in Competition Law: A consultation on options for reform – final impact assessment.

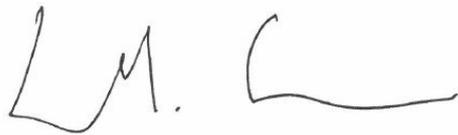
⁶³ European Commission Statement of Objections of 7 February 2024 in Case AT.40278 – Greek wholesale electricity market.

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

www.clientearth.org

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ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

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For the attention of the legal department / General Counsel

By post, and by email: [REDACTED] info@eua.org.uk

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee ("**CCC**").⁵ In January 2026, the Government noted that: "*Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency*".⁶ The Competition and Markets Authority ("**CMA**") has emphasised the importance of effective competition and consumer trust in the 'green' home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including the Energy and Utilities Alliance (“EUA”), which indicates involvement in potentially anti-competitive practices in the UK home heating market.

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
- (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including the EUA, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign ‘Hello Hydrogen’ was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating “*ahead of Government plans to begin roll out of hydrogen to homes*”.¹⁰ ‘Hello Hydrogen’ promoted claims including that “*Hydrogen will play an essential part in Britain’s future energy supply*”,¹¹ and that hydrogen-ready boilers¹² would be “*more affordable*” than other “*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as “hydrogen blend ready boilers” are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the EUA.³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of the EUA and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “concerted practice” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“CJEU”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 (AT.40178 – *Car Emissions*), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 (23-D-15 – *BPA*)).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) *Effects of the practices*

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023), p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on the EUA to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* ECLI:EU:C:2022:379, paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, ECLI:EU:C:2023:1011.

⁶² Department for Business Innovation and Skills (2013) Private Actions in Competition Law: A consultation on options for reform – final impact assessment.

⁶³ European Commission Statement of Objections of 7 February 2024 in Case AT.40278 – Greek wholesale electricity market.

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

www.clientearth.org

Beijing Berlin Brussels London Los Angeles Luxembourg Madrid Tokyo Warsaw

ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

Vaillant Group UK Limited
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For the attention of the legal department / General Counsel

By post, and by email: info@vaillant.co.uk [REDACTED]
[REDACTED]

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee ("**CCC**").⁵ In January 2026, the Government noted that: "*Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency*".⁶ The Competition and Markets Authority ("**CMA**") has emphasised the importance of effective competition and consumer trust in the 'green' home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Vaillant Group UK Limited, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
- (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Vaillant Group UK Limited, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP \(Sponsored content by Worcester Bosch\)](#) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Vaillant Group UK Limited and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) *Effects of the practices*

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023), p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Vaillant Group UK Limited to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* ECLI:EU:C:2022:379, paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, ECLI:EU:C:2023:1011.

⁶² Department for Business Innovation and Skills (2013) Private Actions in Competition Law: A consultation on options for reform – final impact assessment.

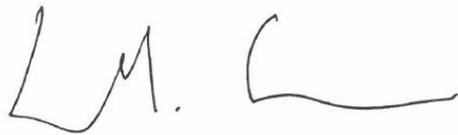
⁶³ European Commission Statement of Objections of 7 February 2024 in Case AT.40278 – Greek wholesale electricity market.

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

www.clientearth.org

Beijing Berlin Brussels London Los Angeles Luxembourg Madrid Tokyo Warsaw

ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office The Joinery, 34 Drayton Park, London, N5 1PB, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.

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For the attention of the legal department / General Counsel

By post, and by email: corporateaffairs@wwutilities.co.uk [REDACTED]

Dear Sir/Madam

Risk of involvement in anti-competitive conduct in the UK home heating sector

ClientEarth is a not-for-profit environmental law organisation that uses the power of the law to protect people and the planet.¹ One of ClientEarth's priorities is clarifying and supporting the enforcement of the law to tackle practices which obstruct the transition away from highly polluting business models.² ClientEarth also has expertise in competition law.³

The UK Government has long recognised the importance of heat pumps to decarbonise heating,⁴ in line with recommendations by the Climate Change Committee ("**CCC**").⁵ In January 2026, the Government noted that: "*Our current dependence on volatile and expensive fossil fuels is bad for energy bills, energy security, fuel poverty and climate change. The solution is cheap, clean power in the home, through solar panels, battery storage, and clean heat, alongside energy efficiency*".⁶ The Competition and Markets Authority ("**CMA**") has emphasised the importance of effective competition and consumer trust in the 'green' home heating sector,⁷ and, generally, that effective competition is important for innovation, which can help further goals of environmental sustainability.⁸ Despite this clear policy direction, the uptake of heat pumps by households in the UK remains the lowest in Europe.⁹

¹ <https://www.clientearth.org/what-we-do/>

² <https://www.clientearth.org/what-we-do/greenwashing-and-false-solutions/>

³ See, for example, ClientEarth, [Competition policy supporting the Green Deal](#) (November 2020); ClientEarth, [Revised draft Horizontal Guidelines on Sustainability Agreements](#) (April 2022); ClientEarth, [CMA Draft guidance on the application of the Chapter 1 Prohibition in the UK Competition Act 1998 to Environmental sustainability agreements](#) (28 February 2023); ClientEarth, [EU antitrust procedural rules – Revision of Regulation 1/2003](#) (October 2025); ClientEarth, [Public consultation on proposed Anti-Competitive Conduct and Agreements Enforcement Guidelines – Canadian Competition Bureau](#) (January 2026).

⁴ DESNZ, [Heat Pump Investment Roadmap](#) (April 2023), p. 4; HM Government, [Heat and Buildings Strategy](#) (October 2021), p. 21.

⁵ DESNZ, [Corporate report: Responding to the Climate Change Committee's \(CCC\) Annual Progress Report 2022 recommendations](#) (30 March 2022).

⁶ UK Government, [Warm Homes Plan](#) (20 January 2026), 16.

⁷ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 1.

⁸ CMA, [Green Agreements Guidance: Guidance on the application of the Chapter I prohibition in the Competition Act 1998 to environmental sustainability agreements - CMA 185](#) (12 October 2023), para. 1.7.

⁹ European Heat Pump Association, [Market Data](#) (accessed January 2026).

Based on publicly-available evidence, ClientEarth has observed behaviour on the part of market participants, including Wales & West Utilities Limited, which indicates involvement in potentially anti-competitive practices in the UK home heating market.

ClientEarth is therefore writing to warn about the associated legal risks that may arise from anti-competitive conduct under competition law.

This letter summarises the evidence we have identified and sets out the relevant legal requirements. It concludes that there is a risk that market participants breached competition law by acting together to:

- (i) mislead consumers (a) as to the viability of switching to hydrogen home heating, and (b) through disparaging heat pumps; and
- (ii) co-ordinate on the prices of products offered in the market, by (a) agreement to fix the price of hydrogen-ready boilers, and (b) increasing the prices of gas boilers, each in order to distort competition and affect trade in the market for home heating products.

ClientEarth is not a law firm and does not provide legal advice. This letter does not constitute legal, professional advice. We recommend that independent legal advice is sought on the risks identified in this letter.

Publicly available evidence

- (i) *Potentially misleading marketing practices*
- (a) Potentially misleading marketing practices regarding hydrogen home heating

A group of companies, including Wales & West Utilities Limited, have engaged in one or more practices that warrant scrutiny under the CMA's standards on false or misleading claims relating to home heating systems and products. The practices concern potentially misleading communications to the effect that widespread hydrogen home heating is feasible, desirable or even inevitable in the UK. The apparent objective of this messaging is to maintain sales of gas home heating appliances or supply. The marketing practices we have identified from publicly available information include communications to consumers and to middleman businesses:

- Towards consumers (B2C): In October 2022, the large-scale joint advertising campaign 'Hello Hydrogen' was launched. It was launched and funded by multiple companies acting together, among others: Cadent, Northern Gas Networks, Wales & West Utilities and SGN; boiler manufacturers: Baxi, Worcester Bosch, Vaillant and Ideal; and British Gas, to promote hydrogen as a widespread alternative for low-carbon home heating "*ahead of Government plans to begin roll out of hydrogen to homes*".¹⁰ 'Hello Hydrogen' promoted claims including that "*Hydrogen will play an essential part in Britain's future energy supply*",¹¹ and that hydrogen-ready boilers¹² would be "*more affordable*" than other "*expensive options that*

¹⁰ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹¹ See Hello Hydrogen [Facebook post](#) (18 October 2022).

¹² i.e. boilers which are capable of being converted to run on 100% hydrogen. In comparison, boilers marketed as "hydrogen blend ready boilers" are those which are capable of running on a blend of 20% hydrogen with fossil fuel gas.

take up lots of space".¹³ This messaging was also directly repeated by some of the individual companies party to the 'Hello Hydrogen' campaign in their own marketing efforts.¹⁴

In apparent connection with the hydrogen messaging adopted by the campaign, it was reported that a number of boiler manufacturers advertised their boilers with similar 'hydrogen-ready' or 'hydrogen-blend-ready' labels, which the CMA has stated may give the impression that use of hydrogen is imminent, and may mislead consumers.¹⁵ Reportedly, in 2023, British Gas sales personnel repeated the false information about hydrogen rollout to journalists posing as members of the public.¹⁶ Centrica, which owns British Gas, stated that these were isolated incidents and denied misleading customers.

- Towards businesses who deal with consumers (B2B): it is estimated that 77% of UK heating installers are sole traders.¹⁷ Evidence suggests that boiler manufacturers repeated the hydrogen messaging to installers,¹⁸ who have in turn repeated the messaging to consumers. For example, in 2022, it was reported that Worcester Bosch had already begun marketing 'Hydrogen blend ready' boilers to boiler installers.¹⁹ As the CMA's consumer protection enforcement action indicated, this may be misleading since all boilers in the UK have fitted this description under legal requirements since the mid-1990s.²⁰ Until at least July 2024, the boiler manufacturer Vaillant's installer-facing information webpage gave the impression through various articles and resources that hydrogen will be used for home heating in the future.²¹ Apparently as a result of such messages, SME installers have made statements that the UK gas grid will switch to 'greener' gases and have or had similar marketing on their own consumer-facing websites.²²

In the words of the CCC, however, which is the statutory advisor to the Government, there is "*no role for hydrogen in home heating*".²³

¹³ Cadent Gas, Press Release: Hello Hydrogen campaign launched by energy sector to tackle lack of choice for future home heating (18 October 2022), accessed at [Cadent - Hello Hydrogen Campaign Launched by Energy Sector to Tackle Lack of Choice for Future Home Heating - Hydrogen Central](#).

¹⁴ For example, reportedly Worcester Bosch and Boiler Central have claimed that hydrogen "*is what the government will be introducing into the UK gas grid*" and "*the UK will, eventually, switch from natural gas to 100% hydrogen*". The companies reportedly removed these statements in response to questions from Sky News. OpenDemocracy, [Investigation launched into 'greenwashing' in gas industry](#) (17 October 2023). Sky News, [Potentially misleading boiler marketing over the use of hydrogen removed after Sky News investigation](#) (13 September 2023).

¹⁵ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), p. 6.

¹⁶ OpenDemocracy, [British Gas advisers caught making false promises about 'green' boilers](#) (12 September 2023).

¹⁷ Heat Pump Association, [Unlocking Widescale Heat Pump Deployment in the UK](#) (2023), p. 69, fn. 151.

¹⁸ OpenDemocracy, [Gas industry invents new term to 'greenwash' boiler sales](#) (21 September 2023). See also Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10.

¹⁹ Global Witness, [Burning the Public: The hydrogen heating pipe dream](#) (2022), p. 10. Installer Online, [Introducing the Bosch Condens 7000 WP](#) (Sponsored content by Worcester Bosch) (11 July 2022).

²⁰ CMA, [Investigation into boiler company over 'green' claims](#) (17 October 2023).

²¹ Vaillant, [Hydrogen for heating](#) (version as of 19 July 2024) accessed at <https://web.archive.org/web/20240719092402/https://professional.vaillant.co.uk/for-installers/business-support/industry-drivers-and-legislation/hydrogen/hydrogen-for-heating-2404424.html>. See also, Vaillant webpage [Vaillant Group UK's Online Training Courses, Industry Courses, Course: Hydrogen & the Role of Green Gas in Decarbonising Heat](#); see also [Hydrogen - The road to decarbonisation - Vaillant](#). We have not accessed the content of these training courses, but the titles suggest that they exaggerated the scope for hydrogen home heating.

²² See, e.g., Checkatrade, [Hydrogen boiler cost guide](#) (1 November 2022); JLA, [Hydrogen-ready boilers and future proofing](#) (5 May 2022).

²³ CCC, [The Seventh Carbon Budget](#) (2025), p. 173.

There is (and was in 2022) expert consensus that widespread hydrogen home heating is not viable at scale in the UK.²⁴ Concerns have been raised about fundamental inefficiencies and costs.²⁵ At the time that these statements were initially made, the Government had not announced any steps towards introducing a blend of hydrogen onto the UK gas network.²⁶ The National Infrastructure Commission ruled out hydrogen home heating in 2023.²⁷ The CCC has repeatedly stated that electrical heat should be the default for home heating.²⁸ The UK Energy Minister has stated that hydrogen will not play a major role in home heating,²⁹ and the Government has now confirmed that “*as hydrogen is not yet a proven technology for home heating, [any] role would come later [than an expansion of heat pumps] and likely be limited.*”³⁰

The CMA has made clear that false and misleading statements regarding the future of hydrogen home heating risk misleading consumers.³¹ The CMA has investigated marketing practices by Worcester Bosch in relation to so-called ‘hydrogen-blend ready’ home boilers, and accepted undertakings in this regard from Worcester Bosch.³² The undertakings state that any boiler manufacturer, third-party retailer or boiler installer which does not comply with the undertakings is at risk of breaching consumer law.³³ However, the evidence that companies acted in concert in the dissemination of similar hydrogen messaging raises separate competition law issues.³⁴

²⁴ Jan Rosenow (2022), *Is heating homes with hydrogen all but a pipe dream? An evidence review*, Joule, Volume 6, Issue 10, 2225 – 2228, DOI: 10.1016/j.joule.2022.08.015; Jan Rosenow (2023), *A meta-review of 54 studies on hydrogen heating*, Cell Reports Sustainability, Volume 1, Issue 1, 2024,100010, ISSN 2949-7906, <https://doi.org/10.1016/j.crsus.2023.100010>.

²⁵ UK experts estimate that hydrogen heating would require more than 5x the renewable power compared to a heat pumps system, or more than 2.5x if sufficient hydrogen storage is built. Hydrogen storage would require construction of underground salt caverns on a scale never attempted and is considered extremely unlikely. The costs of the ‘extra’ energy (assuming storage is built) are significant, estimated at approximately 1% of UK GDP. David Cebon, Professor of Mechanical Engineering at the University of Cambridge, comments that “[i]t is unlikely” that the required extra renewable generation could be built even by 2050, considering it alternatively a “*massive stretch*” or – without storage – “*inconceivable*”. (David Cebon, Centre for Sustainable Road Freight, [Heating with Hydrogen + Storage](#) (6 September 2023); Hydrogen Science Coalition, [Hydrogen for heating? Considering the storage solution \(Part 3\) - Hydrogen Science Coalition](#) (22 December 2023)).

²⁶ Rather, the House of Commons Science and Technology Committee concluded in December 2022 that “*it seems that the role of hydrogen will be to decarbonise specific, limited areas where electrification is either not possible or clearly not optimal, such as the industrial clusters currently developing hydrogen capabilities.*” House of Commons Science and Technology Committee, [The role of hydrogen in achieving Net Zero Fourth Report of Session 2022–23](#) (14 December 2022), p. 48.

²⁷ National Infrastructure Commission, [The Second National Infrastructure Assessment](#) (2023), p. 11.

²⁸ CCC, [Progress in reducing emissions: 2023 Report to Parliament](#) (2023) pp. 160, 172; CCC, [Progress in reducing emissions: 2024 Report to Parliament](#) (2024) p. 94; CCC, [The Seventh Carbon Budget](#) (2025), p. 170.

²⁹ Sky News, [Energy minister says hydrogen will ‘not play a major role’ in heating homes in the UK](#) (25 November 2023).

³⁰ UK Government, [Warm Homes Plan](#) (20 January 2026), p. 91.

³¹ CMA, [Consumer protection in the green heating and insulation sector Call for information: findings report](#) (31 May 2023), paras. 3, 25, 4.32. See also CMA (2024) [Marketing green heating and insulation products: Consumer law compliance advice for businesses](#) (accessed 21 January 2026).

³² CMA, [Worcester Bosch: consumer protection case](#) (accessed 19 January 2026).

³³ We note that The CMA has recently received a complaint by Opportunity Green, an NGO, regarding misleading environmental claims about hydrogen heating by SGN on its websites and in promotional materials. Opportunity Green, [Greenwashing complaint against home heating trial that risks misleading consumers](#) (January 2026).

³⁴ The existence of other regulatory frameworks (such as consumer protection law) does not mean competition law is not engaged or that a remedy under competition law is not available; European Commission Decision of 15 June 2005 (COMP/A.37.507/F3 — *AstraZeneca*) paragraph 744. Indeed, non-compliance by an entity with other regulations may indicate that normal competition is not functioning; see the judgment of the CJEU in Case C-252/21 *Meta Platforms Inc and Others v Bundeskartellamt*, [ECLI:EU:C:2023:537](#), paragraph 47.

(b) Potentially misleading marketing practices disparaging heat pumps

Market participants involved in the “Hello Hydrogen” campaign were at the relevant time, and remain, members of the Energy and Utilities Alliance (“EUA”).³⁵ Through the EUA, market participants in the home heating market may have co-ordinated to disparage competing products, specifically heat pumps:

- In 2021 the EUA published a report in partnership with four gas networks (Cadent, Northern Gas Networks, SGN and Wales & West Utilities), which was publicised in the trade press to a B2B audience, claiming that 37-54% of UK gas-powered homes are not suitable or practicable for heat pumps.³⁶ This has since been contradicted by research cited in the DESNZ Heat Pump Roadmap that 90% of homes are suitable for a heat pump,³⁷ and the independent government-funded Electrification of Heat Demonstration Project, which concluded on the basis of a demonstration project that all types of housing in the UK are suitable for heat pumps.³⁸
- From 2021, the EUA engaged a public affairs firm, the WPR Agency, which said that it aimed to “*spark outrage*” around heat pumps in the press.³⁹ From 2021 to 2024, the WPR Agency website featured a case study on its campaign (called “hydrogen and the consumer”) explaining how it sought to criticise heat pumps. Journalists at DeSmog reported that analysis of publicly available materials suggested that the WPR Agency campaign likely generated a large amount of high profile negative press content on heat pumps over 2021-2023.⁴⁰ Subsequent to the launch of the WPR Agency campaign, mainstream press coverage referred to the roll-out of heat pumps as a “Soviet-style” policy, with “eye-wateringly high” prices.⁴¹ Relatedly, it has even been reported that SME installers refused to supply customers due to erroneous concerns that a heat pump will not sufficiently heat the customer’s homes.⁴² As well as criticising heat pumps, the WPR Agency campaign also reportedly promoted hydrogen as a viable home heating fuel. In response to the DeSmog investigation, the EUA denied the campaign was anti-heat pumps. In January 2024, the (then-) Energy Minister, Lord Callanan, accused “*vested interests*” of “*funding campaigns of misinformation*” about heat pumps.⁴³ The EUA denied that the industry had been spreading misinformation.

³⁵ The EUA is a trade association whose members include British Gas, Cadent, Northern Gas Networks Ltd, SGN, Wales & West Utilities Ltd, Ideal Boilers Ltd, Baxi Heating, Vaillant Group Ltd, Bosch Thermotechnology Ltd and Viessmann Ltd.

³⁶ EUA, Decarbonising Heat in Buildings – Putting Consumers First (April 2021), p. 9.

³⁷ DESNZ, Heat Pump Investment Roadmap (April 2023), p. 4.

³⁸ DESNZ and Energy Systems Catapult, Electrification of Heat Demonstration Project Summary Report (2024), pp. 2, 25.

³⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴⁰ WPR Agency, EUA: Hydrogen and the Consumer (20 September 2021-12 April 2024), accessed at <https://web.archive.org/web/20210920101734/https://www.wpragency.co.uk/our-work/eua-hydrogen-and-the-consumer/> 173. The internet archives of the case study show that between 2021 and 2024 “*took on the heat pump lobby*” was amended to “*challenged prevailing narrative*” and “*spark outrage*” amended to “*spark conversation*”. At some point in 2024 WPR removed the case study from its website. DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁴¹ Tom Haynes, “‘Soviet-Style’ heat pump rules will push up energy costs for households”, *The Telegraph* (14 July 2022); Natasha Clark, “Boiling Point: Hiking gas bills with levy switch will hit poor hardest, Boris Johnson warned”, *The Sun* (9 June 2021).

⁴² Nesta, How to install more heat pumps: insights from a survey of heating engineers (2023), pp. 11 and 54.

⁴³ Sky News, ‘Campaigns of misinformation’ around heat pumps says energy minister amid record number of installations (20 January 2024).

(ii) *Potential price coordination practices*

Evidence also suggests at least two instances of explicit or apparent potential **price coordination practices** over recent years related to competition between gas boilers and heat pumps for home heating:

- In August 2021, the “Big Four” boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant) reportedly entered into and publicised an agreement to commit to set the pricing of ‘hydrogen-ready’ boilers (once these were, purportedly, launched in the market) at the same up-front cost as equivalent natural gas boilers, to reassure consumers about the affordability and viability of hydrogen home heating.⁴⁴

The public promotion of this agreement appears potentially designed to influence the false (installer and consumer) impression that hydrogen home heating is feasible. An EUA representative was quoted as saying that he “*hoped that the cost pledge would shift perceptions around the significance of hydrogen heat to the UK’s net zero aims.*”⁴⁵

- In November 2023, the Government announced the final format of its Clean Heat Market Mechanism (“**CHMM**”), which sets targets for heat pump installations for certain suppliers of types of gas or oil boilers, and requires a payment if these targets are not met based on the number of boilers installed by that company. In or around 8-15 December 2023, in response to the UK Government Clean Heat Market Mechanism, the same companies each increased the price of boilers sold from April 2024 by an extra £95-120 per boiler, describing this as a ‘CHMM levy’ or ‘boiler tax’.⁴⁶ In December 2024, the EUA stated that as a result of its campaign against the CHMM, the payment required under the CHMM was reduced (from £3,000 per boiler to £500).⁴⁷

Potential competition law issues

The evidence set out above raises questions as to whether the conduct of Wales & West Utilities Limited and the other companies mentioned in this letter warrants assessment against the competition law framework governing agreements, coordination, and activities of associations of undertakings.

Chapter I of the Competition Act 1998 prohibits agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within the UK, and which may affect trade in the UK (the “**Chapter 1 Prohibition**”).

⁴⁴ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁵ H&V News, [Four manufacturers make ‘hydrogen-ready’ boilers cost pact](#) (28 July 2021).

⁴⁶ Worcester Bosch, Press release: [Clean Heat Market Mechanism](#) (14 December 2023); Baxi, Press Release, [The Clean Heat Market Mechanism](#) (8 December 2023); and quote from Vaillant confirming the increase in a Telegraph article (Tom Haynes, [Homeowners hit with £120 ‘boiler tax’ to pay for heat pump drive](#), *The Telegraph* (15 December 2023)).

⁴⁷ EUA, [The Benefits of Sticking Together](#) (16 December 2024); DESNZ, [Addendum to the Clean Heat Market Mechanism Consultation - Government Response Summary of responses received and government response](#) (November 2024), p. 5.

(i) *Agreements between undertakings and concerted practices*

The Chapter I Prohibition encompasses agreements whether legally enforceable or not, written or oral, including so-called ‘gentlemen’s agreements’.⁴⁸ Case law has shown that a broad range of practices may be covered by the Chapter I Prohibition.⁴⁹

The fact that an undertaking may have played only a limited part in the setting up of the agreement, or may not be fully committed to its implementation, or may have participated only under pressure from other parties, does not mean that it is not party to the agreement.⁵⁰

Similarly, a “*concerted practice*” does not require a formal undertaking by an undertaking to act in a certain way, but only requires: (i) a contact which is accepted; (ii) a subsequent conduct on the market; and (iii) a ‘relationship of cause and effect’ between the contact and the conduct on the market.⁵¹ An association of undertakings, such as a trade association, and activities arranged through it, may fall within the Chapter I Prohibition if its activities lead to an appreciable restriction of competition.⁵²

The evidence set out above implies that market participants may have: (i) agreed with other companies in the home heating market to launch the ‘Hello Hydrogen’ advertising campaign; (ii) through the EUA, conducted a PR campaign to disparage heat pumps; and (iii) agreed with other companies to co-ordinate prices on hydrogen boilers and – apparently – agreed to raise prices in response to the CHMM.

(ii) *Object or effect of prevention, restriction or distortion of competition within the UK*

These agreements and co-ordinated practices appear likely to have had the object of preventing, restricting or distorting competition within the UK.

False or misleading claims made (whether to customers, consumers, regulators or courts) as part of a strategy to hinder the uptake of a competing product may constitute anti-competitive conduct.

For example, the Court of Justice of the European Union (“**CJEU**”) has held that coordination between competing (pharmaceutical) companies to communicate misleading information to regulatory agencies, healthcare professionals and the general public, with a view to reducing competitive pressure, constituted a restriction of competition ‘by object’.⁵³ That approach has been followed in a number of cases in which an undertaking’s conduct in disparaging a competing

⁴⁸ OFT401, paragraph 2.7.

⁴⁹ European Commission Decision of 8 July 2021 ([AT.40178 – Car Emissions](#)), paragraphs 160-165; the Commission levied fines totalling €875 million on various car manufacturers for colluding on engine cleaning technology. In the Bisphenol A case, the French competition authority (*Autorité de la concurrence*) fined various food manufacturers for colluding on the information made available to consumers on Bisphenol A in food containers (*Autorité de la concurrence* decision 29 December 2023 ([23-D-15 – BPA](#))).

⁵⁰ OFT401, paragraph 2.8.

⁵¹ Judgment of the CJEU (Fifth Chamber) in C-74/14 *Eturas and Others*, [EU:C:2016:42](#), paragraph 42; Judgment of the CJEU in C-286/13 P *Dole Food and Dole Fresh Fruit Europe v Commission*, [EU:C:2015:184](#), paragraph 126.

⁵² OFT408, paragraphs 1.5 and 3.2.

⁵³ Judgment of the CJEU in C-179/16 *F. Hoffmann-La Roche and Others*, [ECLI:EU:C:2018:25](#), paragraph 95.

product or competitor constituted an abuse of competition law.⁵⁴ Whilst these cases concern abuse by a single, market dominant business, an agreement in relation to similar practices by several non-dominant businesses also risks breaching the Chapter I Prohibition.⁵⁵

As regards pricing agreements, the CMA has made clear that an agreement whose object is directly or indirectly to fix prices, or the resale prices of any product or service, almost invariably infringes the Chapter I Prohibition.⁵⁶

The marketing practices and potential price coordination practices described above appear calculated to spread the (inaccurate) perception that widespread ‘green’ hydrogen home heating was viable. This is to the obvious detriment of the competing heat pump product and to the benefit of the incumbent gas heating value chain. If these practices had the object of hindering heat pump uptake, this would in turn provide strong evidence of their effect on competition.⁵⁷

(iii) *Effects of the practices*

It appears that these practices may have actually contributed to confusing consumers and installers and obstructing consumer take-up of heat pumps in the UK. This may have both: (a) affected trade within the UK by distorting competition between heat pumps and gas boilers; and (b) affected consumers to their detriment.

(a) Apparent effect on trade within the UK

The CMA has identified that misleading claims regarding hydrogen-capable boilers and the future role of hydrogen in the home heating market have made it harder for consumers to make informed decisions.⁵⁸ Experts have reportedly noted that, in other jurisdictions, similar confusion does not exist.⁵⁹ The CCC has identified both misleading claims regarding the potential use of hydrogen and disparaging heat pumps as a potential barrier to the take-up of the technology, an observation echoed by the UK heat pump industry body.⁶⁰ It is therefore possible that these practices may have constricted the market for heat pumps and harmed competitors whose business models are focused on the installation of heat pumps.

⁵⁴ European Commission Decision of 31 October 2024 (AT.40588 – Teva Copaxone); Commission Summary Decision of 22 July 2024 (AT.40577 - Vifor (IV iron products)), paragraph 9; CMA Vifor Pharma investigation 10 December 2024 Notice of intention to accept commitments.

⁵⁵ See discussion of the similarities between Article 101 and 102 in the Judgment of the Court (Tenth Chamber) in C-606/23 ‘Tallinna Kaubamaja Grupp’ AS, ‘KIA Auto’ AS v Konkurences padome, ECLI:EU:C:2024:1004 paragraph 36.

⁵⁶ OFT401, paragraph 3.4.

⁵⁷ As in CMA Vifor Pharma investigation, Notice of intention to accept commitments, paragraph 4.10

⁵⁸ CMA (2023) Consumer protection in the green heating and insulation sector, page 6, paragraph 25; page 55, paragraph 4.37.

⁵⁹ DeSmog, Revealed: Media Blitz Against Heat Pumps Funded by Gas Lobby Group (20 July 2023).

⁶⁰ CCC, Progress in reducing emissions: 2023 Report to Parliament (2023), p. 161; CCC (2025) The Seventh Carbon Budget (2025), 121; Heat Pump Association, Unlocking Widescale Heat Pump Deployment in the UK (2023), p. 9.

(b) Apparent effect on consumers

The ultimate purpose of competition law is to protect consumers, by preventing conduct that causes direct or indirect harm to consumers.⁶¹ The Government has also stated⁶² that anti-competitive activity typically leads to lower output and higher prices for goods and services. Impacts on consumers to be considered under competition law may include environmental harms.⁶³

The practices described above point to several potential types of consumer harm. This includes direct consumer harm through preventing informed choice, through locking consumers into higher running costs of gas and through perpetuating indoor air pollution health risks from gas boilers. It also includes the indirect consumer harm of depriving consumers of the substantial greenhouse gas emissions benefits of heat pumps compared to gas boilers, and obstructing the achievement of the UK's climate targets in the wider public interest.

Risk of anti-competitive conduct

The evidence identified in this letter, limited to publicly available information, is not complete. However, it points to the likelihood that misleading marketing practices may have distorted the normal course of competition between the different home heating solutions by disparaging heat pumps and leading installers and consumers to believe (incorrectly) that hydrogen home heating is viable, if not inevitable. In particular, the evidence described above suggests that, through potentially misleading marketing, gas-focussed businesses may have acted in concert to hold out the promise (if not guarantee) of a widespread low-carbon alternative to electric heat pumps which was (and is) illusory. If proven, this would constitute an exclusionary practice that had the likely object and effect of hindering the market uptake of the competing electric heat pump product, risking harm to competitors and ultimately consumers.

There is, similarly, evidence to suggest that price coordination practices may have also contributed to the exclusion of competitor heating electrification companies and reduced the uptake of the heat pump product, both through the reported hydrogen-ready boiler price agreement, and through the apparently synchronised gas boiler price increases that appeared calculated to affect incoming regulation.

We therefore call on Wales & West Utilities Limited to take the necessary steps to investigate these matters and, in any event, to prevent any potentially unlawful activity in the future.

⁶¹ Judgment of the Court (Fifth Chamber) of 12 May 2022 in C-377/20 *Servizio Elettrico Nazionale and Others* ECLI:EU:C:2022:379, paragraph 46. Judgment of the Court (Grand Chamber) of 21 December 2023 in C-333/21 *European Superleague Company, SL v Fédération internationale de football association (FIFA) and Union of European Football Associations (UEFA)*, para. 124, ECLI:EU:C:2023:1011.

⁶² Department for Business Innovation and Skills (2013) Private Actions in Competition Law: A consultation on options for reform – final impact assessment.

⁶³ European Commission Statement of Objections of 7 February 2024 in Case AT.40278 – Greek wholesale electricity market.

We intend to publish this letter on the ClientEarth website in the week of 2 March 2026. A similar letter has been sent to the following companies active in the UK gas industry sector:

- Gas networks (Cadent, SGN, Northern Gas Networks and Wales & West Utilities)
- Boiler manufacturers (Ideal, Baxi, Worcester Bosch and Vaillant)
- Installers of gas boilers (British Gas)
- Trade association (EUA)

Should you wish to make any comment in response to the contents of this letter, please provide these by email in reply to the cover email by midday (GMT) on Thursday 26 February 2026. We reserve the right to publish any comments or other responses received.

Yours faithfully,



Laura Clarke

Chief Executive Officer (CEO)

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