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Ofgem seeks views on National Grid Transco's proposed restructuring of its metering business.

Energy regulator Ofgem is seeking views on Transco's proposed restructuring of part of its metering business.

National Grid Transco (NGT) currently owns two metering businesses: Transco Metering Services Ltd (TMS), which provides services to Transco and Utility Metering Services Ltd (UMS), which provides metering services in the competitive market.

NGT is proposing to consolidate these two existing metering businesses into a single company, 'NGT Metering', requiring the sale by Transco of TMS and all its installed meters and associated equipment.

NGT wants to implement its metering restructuring this April. Ofgem has today published a consultation document seeking views on the proposals.

The proposals have raised a number of issues including;

- NGT's indication that it intends to 'rebalance' the current charges for domestic standard credit meters and pre-payment meters.
- whether suppliers have been made fully aware of the proposals and their impact, and
- matters concerning the transfer of responsibility from NGT to suppliers, for keeping the meter in proper order.

Following this initial consultation, Ofgem intends to publish a document setting out its views and any actions required as a result of the proposed restructuring.

-Ends -

Notes

1. Copies of the document "The proposed restructuring of National Grid Transco's metering business: Consultation Document" are available on the Ofgem website www.ofgem.gov.uk. Hard copies can be ordered from the Ofgem distribution centre on 020 7901 7116 or by email from distribution@ofgem.gov.uk.
2. It should be noted that NGT's proposed restructuring of its metering business is not connected to its proposed disposal of some of its distribution networks (DNs). As part of NGT's proposed sale of its DN's, Ofgem is currently consulting on the licensing framework necessary to protect customers within a divested industry structure: *National Grid Transco - Potential sale of gas distribution network businesses - Formal consultation under section 23 and section 8AA of the Gas Act 1986, February 2005*. For clarity the issues covered in that consultation are not being considered as part of this consultation.
3. Ofgem is the Office of the Gas and Electricity Markets, which supports the Gas and Electricity Markets Authority, the regulator of the gas and electricity industries in Great Britain. Ofgem's aim is to bring choice and value to all gas and electricity customers by promoting competition and regulating monopolies. The Authority's powers are provided for under the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000 as well as under the Competition Act 1998 and the Enterprise Act 2002.

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