

Emma Kelso Head of GB Markets OFGEM 9 Millbank London SW1P 3GE

9 May 2008

Dear Emma

RE: CMS - "New" metering technology in public lighting

I refer to your open letter on the OFGEM web-site and thank you for the opportunity to comment on it.

A number of our member organisations have commented on this directly – some in great detail - and I am attempting to frame an over-arching industry-wide response within this letter.

The facts of the matter are that there are a number of CMS systems already on the market with the facility to control lighting through the application of variable lighting levels (this term is preferred to "dimming" - as set out within the Institution of Lighting Engineers Technical Committee (of which I am also a member) report - as the control can take place both upwards and downwards in terms of light output) and also interrogate the lighting unit to obtain diagnostic information in respect of its running characteristics, including electrical consumption. These systems, together with the electronic control gear for the lamps, have been approved for use via Elexon and provide tangible and realisable savings in CO^2 emissions together with other benefits – such as improved power factor correction and improved tolerance to supply voltage variations.

Whilst the principle of "metering" the currently un-metered public lighting market is attractive and in principle to be welcomed, there would appear to be little or no additional benefits, in terms of energy saving and meeting environmental targets in adopting this over the current technology. Indeed the introduction of any additionally required hardware and software, including presumably agreement on accuracy levels and open protocols, would take some time and inevitably cost both manufacturers and the end-users (which is borne ultimately by the public purse).

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Hard pressed local authorities would need incentives to adopt such technology and would be looking for funding support –perhaps from the various agencies already established, such as the Carbon Trust – although we estimate the total cost to run into millions and potentially billions of pounds.

In the mean time there is concern that the adoption of existing technology, already providing the aforementioned benefits might be reduced or delayed pending the outcome of any standards development. This is particularly important in the area of PFI contracts, which once let, set the equipment types and levels for a period of some 25 years. A number of these have been let already, and more are being progressed. Any delay in adopting the existing CMS technology would harm UK industry (who have already invested heavily in the development and bringing to market of this equipment) and would have an adverse affect on both electricity consumption (in terms of the reduction of losses through alleged poor power factor consumption on existing non-electronic / non CMS equipment) and the UK environmental improvement targets.

Should you decide to proceed with a further investigation into this area, we would suggest a pan-industry approach (as is used in the ECSG unmetered supplies committee) with representatives from manufacturers to ensure that the full impact of any changes is properly considered in order that any perceived negative impacts are mitigated.

Yours sincerely

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