

Promoting choice and value for all customers

Direct Dial: 020 7901 7234

Email: paul.heseltine@ofgem.gov.uk

Date: 1 April 2009

Dear Colleague

Revised licence fee cost recovery principles

In January 2009, Ofgem issued a joint consultation document with the National Weights and Measures Laboratory setting out proposals for revising the Ofgem licence fee cost recovery principles. Comments were invited on the proposals and we are grateful to those who responded.

One comment noted an incorrect cross-reference within the draft licence fee cost recovery principles. This has been amended in the final version of the principles.

Responses supported the changes proposed to the principles, to accommodate the transfer of statutory functions for certain tasks relating to gas and electricity meters. The change of statutory responsibility from Ofgem to the Secretary of State is in accordance with the Energy Act 2008.

The changes come into force today and relate to meter approvals, meter manufacturer authorisations, arrangements for meter accuracy testing, appointment of competent and impartial persons as meter examiners, and developing and managing technical operations related to these tasks.

A copy of the revised licence fee cost recovery principles document is attached.

Yours faithfully,

Paul Heseltine Associate Director, Finance