



By email only

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Dear Mr Fuller,

Draft criteria for authorising the disposal of electricity meters under Schedule 6, Paragraph 6 and Schedule 7, Paragraph 11 of the Electricity Act 1989

I am writing in reply to Colin Sausman's and David Moorhouse's joint letter of 8 March 2011 that proposes a general authorisation for disposal of meters removed under certain provisions of the Electricity Act.

Whilst we welcome such an approach, the proposal as it stands we believe will not achieve its aim, which is to alleviate the regulatory burden associated with applying for and granting authorisation for disposal on a case-by-case basis. This is because both options set out in the letter begin with the premise that, following a meter's removal, the matter will have been reported to the police. Our understanding from the UKRPA is that within the industry, for several reasons, the number of cases reported to the police is small; therefore the proposed solution will remove the regulatory burden for a small number of cases only. It would be more helpful and convenient for Ofgem, NMO and suppliers to have an overarching solution that covers all situations, including those cases that are not reported to the police. The consultation envisages that suppliers would still be able to seek approval in individual cases; we believe that, even with the proposed new arrangements, requests to approve disposal in individual cases will be the most common situations.

Turning to the wording of the proposals: in both conditions one and two, meters may be disposed of if all requirements have been complied with. Items six and seven in both conditions are reporting requirements: the first (responding to a request for information from Ofgem) has no timescale attached to it; the latter (a return by the supplier) is an annual requirement.

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The present wording implies that the reporting has to precede the disposal of the meters; indeed that disposal is conditional upon the reporting. I am assuming that this is not the intention as in the first year at least disposal may precede both reporting events. It may be advisable to reword.

If you have any questions regarding the above please do get in touch.

Yours sincerely,

Gerald Jago