



## **NMO/OFGEM CONSULTATION ON DISPOSAL OF ELECTRICITY METERS REMOVED FOLLOWING INTERFERENCE OR DAMAGE**

### **Response by the United Kingdom Metering Forum (UKMF)**

#### **THE UK METERING FORUM**

1. The UK Metering Forum is a trade association open to providers, owners and operators of electricity metering assets. It is an unincorporated association to which Gemserv Ltd provides the Secretariat and a Consultant assists with specialised collective services on behalf of members, mainly connected with interfacing to UK and European legal metrology bodies and other trade associations and with representation on standards bodies.

2. The UKMF does not involve itself directly in the commercial activities of its members or in commercial arrangements between members and, as such, strictly observes the requirements of the Competition Act, 2000.

3. UKMF Members welcome this consultation and the opportunity to comment on the draft criteria dated 8 March 2012. The following submission, agreed by members, is in addition to any individual company submissions which may be made

#### **GENERAL**

4. The introductory paragraphs of the letter introducing the criteria clarify that the authority ['the Authority'] to approve disposal of meters retained by suppliers under Schedule 6, paragraph 6 of the Electricity Act remains Ofgem whereas the authority ['the Director'] under Schedule 7, paragraph 11 is, following provisions in the Energy Act 2008, now vested with the National Measurement Office (NMO). It is helpful to note that Ofgem and the NMO are cooperating to preserve consistency of approach in this matter.

5. The possibility of a General Authorisation to dispose of or destroy relevant retained meters, subject to conditions (which need to be sensible and workable), is welcomed although the paragraphs below indicate some uncertainty as to whether this will ever be invoked.

#### **UKMF INVOLVEMENT**

6. For the avoidance of doubt, although the powers to remove and retain a meter subjected to damage as in Schedule 6 are those of the supplier, such powers would be exercised through UKMF member companies, acting as agents dealing with meters of the relevant supplier. However, this is not commonly so for removal or retention of meters removed found to have been damaged as in Schedule 7, which meters are typically dealt with by member companies of the UKRPA<sup>1</sup>, which will make its own submission on this matter.

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1. The UKRPA is the UK Revenue Protection Association

7. A supplier's powers to act against a customer who has deliberately damaged a meter or allowed damage by culpable negligence were clarified by the Utilities Act, 2000 which recognised that, with the final separation in the UK's competitive market of distribution and supply functions, 'electrical equipment' at the consumer's supply point, as now referenced in Schedule 6 of the Electricity Act, included a meter, the provision of which under relevant Licence Conditions was not the responsibility of the distributor. Hence whereas most matters related to the regulation of electricity meters are included in Schedule 7 to the Act, this provision relating to damage is not.

8. In practice however it is unusual for damage to a meter, other than accidental damage which is not an offence, to be completely unconnected with interference intended to commit theft, and such cases are dealt with by the Revenue Protection agents of a supplier not by UKMF members. Indeed, since powers relating purely to damage have been available since 2000, it is not thought there have been any prosecutions of customers by suppliers which would warrant removal and retention of a meter as evidence.

9. That being said, this could happen and UKMF members would then need to be clear about the conditions under which a meter could be disposed of when no longer required. The following comments are therefore somewhat theoretical, as they are not based on any experience of meter retention and final disposal to date.

## **CONDITIONS OF THE GENERAL AUTHORISATION**

### **Condition 1**

10. Condition 1.1 might be a problem. Other agents have advised that in some areas of the country the police *actively discourage* reporting of offences of electricity theft for various reasons. In these areas it therefore may not be possible to "notify the relevant police" as it is not known what their attitude might be to cases of alleged criminal damage, albeit that these constitute an offence not only under the Electricity Act but also the Criminal Damage Act 1971. Additionally, there is no obligation to report a crime to the Police and in other areas only a small proportion of cases are so reported by suppliers. Of course if the police are involved, eg where utility staff are called in to attend on damage to electrical equipment at discovered cannabis grows, then the police will know of the crime and will, in conjunction with the Crown Prosecution Service, decide whether to proceed with a criminal prosecution (although such damage is invariably done in the course of diverting electricity so that it is not paid for).

11. Condition 1.1 also refers to notifying "other relevant Authorities". Could it be clarified who these might be? If this is meant to include, for instance, NMO then they are not the relevant Authority for offences under Schedule 6. Should Ofgem be notified (and do they wish to be notified)?

12. One party which will need to be notified of removal and retention of a meter is the Meter Asset Provider, whose meter it is (the party removing the meter would be a Meter Operator working as a Meter Asset Manager which may or may not be the same company as the Provider). However, it is suggested that this is an 'industry' matter which should be dealt with by the Supplier who required the meter to be removed, rather than a matter for legislation

13. Otherwise, the procedures for being able to dispose of the meter seem clear.

### **Condition 2**

14. Condition 2 (a) is subject to the same comments as in 9 and 10 above.

15. With regard to 2 (b)
- If the meter has been taken within 6 months, the supplier no longer has it and cannot dispose of it until it is returned. Should it not be made clear that the authority to dispose applies when it is returned and is no longer needed by the police (or whoever took it)?
  - If the police (or whoever may take it) indicate an interest but have not actually taken it at the end of 6 months from removal, how long should the supplier wait after this before enquiring if he can dispose of it?

**SUMMARY – ANSWERS TO QUESTIONS POSED**

- Q1.** See 4 and 5 above
- Q2.** See 10, 11, 12, 13, 14 and 15 above
- Q3.** None but background to UKMF interest is given in 6, 7, 8 and 9 above