

## Change Proposal – F40/01

CP No: 1065

Version No:

**Title:** Amendments to Code of Practice 8 to ensure that it correctly aligns with Schedule 7 of the Electricity Act 1989

### Description of Problem/Issue

Section 2(1) of Schedule 7 of the Electricity Act 1989 (hereafter referred to as “the Schedule”) provides that no meter shall be used for ascertaining the quantity of electricity supplied by an electricity supplier to a customer unless the meter is both of an approved pattern and is certified. These requirements are more commonly referred to as ‘type testing’ and ‘certification’ respectively.

In simple terms, type testing looks at the meter type and not each individual meter. It ensures that the meter type is appropriate for its use. Type testing will include provisions such as accelerated age testing, magnetic influence testing and whether the Meter is appropriately constructed.

Certification is applied to individual Meters that have successfully passed through type testing. The Authority will test each individual Meter for accuracy. If the Meter meets the required standards, it will be sealed and certified for a defined period. The certification will lapse when this defined period expires or if the Meter seal is broken.

Whilst the Schedule requires all Meters to have been subject to type testing, it contains a specific exclusion for certification relating to exempt supply. An exempt supply means a supply of electricity to any premises where the premises are not premises used wholly or mainly for domestic purposes; or the electricity supplier or the customer is a person authorised by an exemption to supply electricity to those premises.

However, the Schedule, in Section 2(2), effectively provides an exemption to these certification rules by stating that certification shall not be required for a meter used in connection with an exempt supply if the electricity supplier and the customer have agreed in writing that this may be the case.

Relevant paragraphs of the Schedule establishing the requirements detailed above are set out in Annex 1 of this TAI.

Clauses 4.2.3 and 5.2.3 of Code of Practice 8 (“CoP8”) currently make reference to a requirement for a CoP8 Meter to have been subject to Authority (Ofgem) certification.

This requirement implies that all CoP8 Meters are subject to certification. This does not adequately take account of the exemption to certification set out in Section 2(2) of Schedule 7 of the Electricity Act in that it fails to note that where a meter is used in connection with an exempt supply and the electricity supplier and customer have agreed in writing that Electricity Act certification is not required.

The CoP8 requirement for verification that all Meters under its governance meet the certification standards it provides for should remain, but the relevant sections should be modified to make it clear that whilst the required standards under the CoP are *equivalent* to certification, they are not *synonymous* with Electricity Act certification. This will mean the CoP does not inadvertently imply that its provisions take

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<p>precedence over those of Schedule 7 of the Electricity Act. They do not, as it is not possible for a document of the nature of CoP to modify or overrule a statute.</p>	
<p><b>Proposed Solution(s)</b> <i>(mandatory by originator)</i></p> <p>Sections 4.2.3 and 5.2.3 of CoP8 should both be modified through the insertion of the following sentence:</p> <p>'Where a Meter is exempt, in accordance with Section 2 of Schedule 7 of the Electricity Act 1989, from certification in accordance with that Act , it shall undergo initial verification to a standard equivalent to that which would have been required by the Electricity Act had the Meter not been so exempt. '.</p>	
<p><b>Justification for Change</b> <i>(mandatory by originator)</i></p> <p>The current blanket reference to a requirement for certification within CoP8 is misleading and is not reflective of the actual requirements of wider electricity governance. This discrepancy should be removed, which would result in efficiency gains for industry participants resulting from clear consistent guidance in this Code Subsidiary Document.</p>	
<p><b>Configurable Items Potentially Affected by Proposed Solution(s)</b></p> <p>Code of Practice 8 will be impacted by the changes identified in the Proposed Solution.</p>	
<p><b>Impact on Core Industry Documents</b></p>	
<p><b>Related Changes and/or Projects</b></p>	

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<b>Requested Implementation Date</b>  <b>Reason:</b>	
<b>Agreed Release/Implementation Date</b> <i>(mandatory by BSCCo)</i>	
<b>Originator's Details:</b>  <b>Name.....Richard Hall.....</b>  <b>Organisation...ELEXON.....</b>  <b>Email Address.....</b>  <b>Date.....09/07/04.....</b>	
<b>Attachments: Y/N*</b> <b>(If Yes, No. of Pages attached:.....)</b> <i>(delete as appropriate)</i>	