Notification Number: 2008/549/UK

Modifications to Standard Conditions: Gas Supply Licence

Date received : 04/12/2008 End of Standstill : 05/03/2009

Issue of comments by : Czech Republic

Message

Message 001

Communication from the Commission - SG(2008) D/52361

Directive 98/34/EC

Notificación - Oznámení - Notifikation - Notifizierung - Teavitamine - Γνωστοποίηση - Notification - Notifica - Pieteikums - Pranešimas - Bejelentés - Notifika - Kennisgeving - Zawiadomienie - Notificacão - Hlásenie-Obvestilo - Ilmoitus - Anmälan - Нотификация : 2008/0549/UK - Notificare.

No abre el plazo - Nezahajuje odklady - Fristerne indledes ikke - Kein Fristbeginn - Viivituste perioodi ei avata - Καμμία έναρξη προθεσμίας - Does not open the delays - N'ouvre pas de délais - Non fa decorrere la mora - Neietekmē atlikšanu - Atidėjimai nepradedami - Nem nyitja meg a késéseket - Ma' jiftaħx il-perijodi ta' dawmien - Geen termijnbegin - Nie otwiera opóźnień - Nao inicia o prazo - Neotvorí oneskorenia - Ne uvaja zamud - Мääräaika ei ala tästä - Inleder ingen frist - Не се предвижда период на прекъсване - Nu deschide perioadele de stagnare - Nu deschide perioadele de stagnare.

(MSG: 200802361.EN)

1. Structured Information Line

MSG 001 IND 2008 0549 UK EN 05-03-2009 04-12-2008 UK NOTIF 05-03-2009

2. Member State

UK

3. Department Responsible

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3. Originating Department

Department of Energy and Climate Change (DECC)

4. Notification Number

2008/549/UK - I10

5. Title

Modifications to Standard Conditions: Gas Supply Licence

6. Products Concerned

Gas meters and services associated with gas meters.

7. Notification Under Another Act

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8. Main Content

When gas is supplied through pipes to consumers in Great Britain it must be supplied through an appropriate meter which conforms to the standards of accuracy laid down in the Measuring Instruments Directive (2004/22/EC) or pre-existing national type-approval requirements which the Directive permits to continue in force until 2016.

The draft regulation adds to the conditions under which gas suppliers licensed in Great Britain operate by imposing an additional requirement in respect of meters they supply to those business customers whose annual consumption is between 732 MWh and 53,600MWh. These classes cover approximately 40,000 non-domestic meter sites. They do not include businesses which use very large amounts of gas, or small businesses whose usage has more in common with domestic patterns of consumption.

The draft regulation will require suppliers to ensure that within five years, all the meters through which they supply customers whose annual consumption is between 732 MWh and 53,600MWh are capable, either on their own or with an ancillary device, of storing measured gas consumption data for multiple time periods, and providing suppliers with remote access to such data. In other words, suppliers must provide these customers with metering systems which have the key attributes of what is known as a "smart meter".

The draft regulation also requires the meter and the ancillary device to be able to comply with the requirements of any gas industry Code in respect of the treatment of data. There are presently no applicable requirements within any gas industry Code. It is acknowledged that any Code requirement relating to the treatment of data by smart meters would constitute a further technical regulation within the meaning of Directive 98/34, and that further notifications under the Directive would have to be made in respect of such requirements if and when they were contemplated.

9. Brief Statement of Grounds

Smart metering technology provides consumers with much more detailed, accurate and intelligible information about their consumption than a traditional meter. It has been shown to reduce energy use, benefiting consumers and the environment. It enables suppliers to offer a wider range of tariff options, stimulating competition in energy supply markets and facilitating more efficient network management. Smart metering technology is also generally considered to be the best way, subject to national cost/benefit calculations, to satisfy the requirements of Article 13(1) of the Energy Services Directive (2006/32/EC). The UK Government's cost/benefit analysis indicates that for customers whose annual consumption is between 732 MWh and 53,600 MWh, the benefits of smart metering will greatly exceed the costs.

The draft regulation imposes no requirements on those aspects of meters which are subject to metrological control under Directive 2004/22/EC. It states what the new metering systems must do in the broadest possible

terms and leaves the choice of the precise technical solution to suppliers and customers. The draft regulation can be complied with by linking a suitable ancillary device to a traditional (non-smart) meter.

10. Reference Documents - Basic Texts

- a) (i) Gas metering section of the Gas Supply Licence, published by the Office of Gas and Electricity Markets (OFGEM)
- (ii) Gas Act 1986 Standard conditions of Gas Supply Licence

11. Invocation of the Emergency Procedure

No

12. Grounds for the Emergency

13. Confidentiality

No

14. Fiscal measures

No

15. Impact assessment

Information on the impact assessment can be found in the attached Consultation document.

16. TBT and SPS aspects

TBT Aspect

No

The draft does not have a significant effect on international trade.

SPS Aspect

No

The draft is not a sanitary or phytosanitary measure in the sense of Annex A of the SPS Agreement.

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