

Memo

To All Registered Metering Equipment Providers (MEPs)
All Approved Auditors

Copies Ron Beatty
Principal Advisor

From Grant Benvenuti

Date 2 April 2014

Subject Category 1 metering installations - inspection reporting for year ended 31
December 2013

For your information

The Authority has been requested to clarify the requirements for inspections and the subsequent reporting for category 1 (Cat 1) metering installations. Cat 1 inspections were required by MARIA, the Electricity Governance Rules 2003 (EGRs) and the old Part 10 of the Electricity Industry Participation Code 2010 (Code). The new Part 10 of the Code, which came into force on 29 August 2013, carried the inspection requirement through, but has transferred the responsibility for the inspection to metering equipment providers (MEPs).

Clause 45 of Schedule 10.7 requires an MEP to ensure that each Cat 1 metering installation for which it is responsible, is inspected by an approved test house (ATH). This clause allows MEPs to choose between one of two options:

Option 1 - clause 45(1)(a): all Cat 1 metering installations (other than interim certified metering installations) that have reached their inspection deadline (currently set at 10 years \pm 6 months from certification) must be physically inspected during this inspection window; or

Option 2 – clause 45(1)(b): the entire population of all Cat 1 metering installations (excluding metering installations that are interim certified or that have already been physically inspected, certified or recertified in the last 84 months) must be statistically sampled every year. The process for this option is contained in clause 45(2) to (6).

By 1 April in each year, MEPs are required to report to the Authority on the inspections required for the previous year, see clause 45(8). Recently there was an item in the Market Brief advising that the prescribed form for this reporting is available on our website.

Clarification: MEPs that choose option 1 (actual inspection of all ICPs that have inspections due)

- 1) Any Cat 1 metering installations that were fully certified after 29 August 2003 need to have been physically visited and inspected under the new Part 10 regime before the expiry of the inspection window (10 years +/- 6 months).

845662-1 clarification March 2014

- 2) Any metering installation where the inspection window ends on or after 29 August 2013, which has not been inspected, has its certification cancelled (see clause 44(4) of Schedule 10.7 of the Code). The MEP must update the registry to show the metering installation as uncertified (certification end date must be the last day of the inspection window). The metering installation must be visited and fully recertified.
- 3) When completing the annual report under clause 45(8), please do not complete section 3 (“List of ICPs inspected if using the method under clause 45(1)(b) – sample testing”), but all other sections must be completed.

Clarification: MEPs that choose option 2 (sample testing of the entire population)

- 1) The statistical sampling period is 1 January to 31 December each year.
- 2) Before starting your inspections, you must submit your sample selection process to the Authority (marketoperations@ea.govt.nz) at least 2 months before the first physical inspection is scheduled, and you should not start the selection process until the process is approved by the Authority in case changes are needed.
- 3) When completing the annual report under clause 45(8), please do not complete section 2 (“List of ICPs inspected if using the method under clause 45(1)(a) – actual inspection of each ICP”), but all other sections must be completed.
- 4) When completing section 3 of the annual report, for the first three rows please use the ICP counts from the population snapshot that was used for the sample selection process. The last row (total actually inspected) is the count of inspections actually completed (excluding no access and other uncompleted inspections) when the annual inspection programme has been completed for the year.
- 5) The Authority still requires an annual report for 2014 so that we have a record of the option you have chosen. Please enter zero (“0”) for all the rows in section 3.

Please note: there is no provision for statistically sampling ICPs of Category 2 and above (see clause 46 of schedule 10.7). Therefore, any ICP where the inspection window ends on or after 29 August 2013 that has not been inspected, automatically has its certification cancelled (see clause 44(4) of Schedule 10.7). The MEP must update the registry to show the metering installation as uncertified (certification end date must be the last date of the inspection window). The metering installation must be visited and fully recertified.

Regards,



Grant Benvenuti
Manager Market Operations