



Ofgem Changes to Boundary Metering

- Developers to benefit from reduced timescales and costs -

New Ofgem policies, which will benefit developers by **reducing timescales and costs**, came into force on 1st April 2010. GTC, the nationwide provider of utility infrastructure to the new-build market, has been working closely with Ofgem to overcome the issue of boundary metering. On 2nd March 2010, Ofgem announced that if upstream regional Distribution Network Operators (DNOs) require boundary metering it will be at their expense.

For developers, boundary metering equipment has been very unpopular, for the following reasons:

- **boundary metering involves substantial unnecessary costs to developers and IDNOs**
- **the metering equipment can involve long timescales for delivery**
- **boundary metering equipment generates land take issues and additional legal costs**

Ofgem's recent decision overturns their 2005 position that boundary metering equipment should be funded by Independent Distribution Network Operators (IDNOs). Under the 2005 decision DNOs insisted that metering be fitted at all connection boundaries to IDNO networks to measure electricity conveyed. It should be noted that DNO's did not install such metering in respect of developments served by their own network extensions.

Previously: Grey Feeder Pillar

Under previous Ofgem ruling, on low voltage (LV) connections, a feeder pillar was required at the site boundary. This was also usually the site entrance.



Now: Low voltage link box in public highway

Now, less intrusive link boxes can be used. There is no need for a feeder pillar.



Ofgem Decision: True Competition in the Electricity Market

GTC has been working closely with Ofgem to overcome the problem of boundary metering and other issues which have previously slowed down the development of the competitive electricity connections market. Ofgem's own Connections Review published in January 2010 showed that electricity connections provided by independents in 2008/9 were four times higher than the level two years before although still some way behind the position in the gas connections market where over 75% of connections to new homes are provided by independents.

GTC is delighted with the Ofgem decision and believes that this will lead to a dramatic reduction in the need for boundary metering, particularly for low voltage networks. GTC will now install an underground point-of-isolation solution, such as link boxes in public highways, to connect to the DNO network and act as a point of isolation. Recognised industry systems will now be used to record usage.



This dramatically scaled-down approach will create benefits for all involved.

- **No expensive and unsightly feeder pillars to accommodate**
- **Considerable cost savings will now be made on smaller developments**
- **The elimination of land take means the legal process is less complicated, which in turn allows jobs to be processed more quickly and cost effectively**

Clive Linsdell, Managing Director of GTC, says: "This is an important time; Ofgem's decision signals a significant shift towards a fairer competitive electricity market. Previously, disproportionate costs were borne by the Independent connections providers and customers alike, and this inhibited fair competition. We are pleased that our work with Ofgem has helped to produce this very satisfactory conclusion."

To see how these Ofgem changes translate into real savings, please contact your GTC Regional Sales Manager for a quotation - details available at www.gtc-uk.co.uk



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