



Office of Utility Regulation

Electrical Inspections

Report on the Consultation
And Notice of Regulations to be made under Sections 19 and 20 of
the
Electricity (Guernsey) Law, 2001

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1. Summary

The Director General of Utility Regulation (“the Director General”) has responsibility for the regulation of the electricity sector in Guernsey in accordance with legislation enacted in October 2001¹ and February 2002². Under the new regulatory framework introduced by these laws, the Generation, Conveyance and Supply activities of Guernsey Electricity Ltd (“GE”) have been licensed since 1st February 2002. Separate arrangements apply to the electricity sectors elsewhere in the Bailiwick of Guernsey.

Under Section 20 of the Electricity (Guernsey) Law, 2001 (“the Electricity Law”), the Director General may make regulations providing that any licensee shall appoint electrical inspectors to undertake inspection and testing of electric lines and electrical plant within the Island of Guernsey. Section 19 of that Law empowers the Director General to set appropriate standards for electrical line and plant (see Annex 1 for the relevant extract from the Electricity Law). Electrical inspections relate to the installation of new equipment and alteration to existing equipment.

Earlier this year, the Director General published a consultation paper on this issue (Document OUR02/28) and comments were invited on proposals to make Regulations in relation to electrical inspections. Three parties responded to the consultation and the Director General is grateful for the input received which has helped her to finalise this report. In line with the policy set out in Document OUR01/01 – “Regulation in Guernsey; the OUR Approach”, responses are available for inspection at OUR’s offices during working hours with the exception of any confidential material.

This document summarises the matters raised in document OUR 02/28, sets out the various responses received together with the Director General’s position on each of the issues and includes, at Annex 2, the outline of Regulations on standards and electrical inspections that the Director General intends to make under sections 19 and 20 of the Electricity (Guernsey) Law, 2001

Interested parties are invited to submit comments in writing on the text set out in Annex 2 to the following address:

Office of Utility Regulation
Suites B1 & B2
Hirzel Court
St Peter Port
Guernsey
GY1 2NH
Email: info@regutil.gg

All comments should be clearly marked “Comments on Proposed Regulations on Electrical Inspections” and should arrive before 5pm on 31st January 2003.

¹ The Regulation of Utilities (Bailiwick of Guernsey) Law, 2001

² The Electricity (Guernsey) Law, 2001

2. Background

Prior to the Electricity Law being enacted, the former States Electricity Board, now Guernsey Electricity Ltd (“GE”) had an obligation to undertake electrical inspections under previous electricity legislation enacted in 1933 and 1955. GE was not permitted to levy an explicit charge for these inspections and the overall costs of electrical inspections were recovered from all electricity customers via the charges they pay for electricity. Prior to the 1st February 2002, the Director General instructed GE to continue with electrical inspections in the same manner, pending the conclusion of this wider consultation on the matter.

The Electricity Law provides that the Director General may make regulations in relation to electrical inspections and explicitly states that those regulations may require a licensee to appoint electrical inspectors for the purpose of inspection and testing of lines and plant, such inspections being designed to ensure that the lines and plant comply with the legislation and with any standards that have been determined or approved by the Director General. Section 19 of the legislation provides that the Director General may make Regulations in relation to standards, including adopting international standards.

3. Electrical Standards

The Electricity Law recognises the need for standards to be in place such that electrical inspections should be carried out to those specified standards. It further provides that the standards can either be prescribed by the Director General or can be standards that are approved by the Director General.

GE presently undertakes installations against the IEE Wiring Regulations (BS7671) and in Document OUR02/28, the Director General proposed that these standards should be approved as appropriate for Guernsey; all respondents to the consultation paper supported this proposal.

Decision 1

The Director General will make Regulations requiring that electrical installations be in compliance with the standards set out in the IEE Wiring Regulations (BS7671) as amended from time to time by the IEE.
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4. Electrical Inspections

4.1 General

In Document OUR02/28, the Director General set out the rationale underpinning the current regime of electrical inspection and proposed that electrical inspections should continue, in the same form as they are currently carried out, with GE (as the conveyance licensee) continuing to appoint competent persons to carry out electrical inspections. All respondents to the consultation felt that it was appropriate for GE to continue in this role.

4.2 New and Existing Installations

GE previously indicated to the Director General that the electrical inspections it undertakes are almost exclusively performed on new installations³. In its response to the consultation, GE proposed that the regulations for installation should only relate to new installations as the strict provisions of the existing requirement are unworkable. This would align the regulations with existing custom and practise.

The Director General considers it essential that all electrical installations be required to meet the relevant standards. If, as suggested, there were to be no inspections of amendments or adjustments to installations, the Director General considers that there would be little incentive for such installations to be in compliance with the standards. However, the Director General recognises that there may be inherent difficulties in ensuring *all* amendments to electrical inspections are inspected, given the potential number of amendments to installations and the fact that some of them might be very minor.

The Director General therefore considers that all installations (new installations and amendments to existing installations) should be required to meet the same standards, but believes that it would be appropriate to have different regimes for inspections whereby all new installations are inspected but only a sample of amendments to installations are inspected.

Decision 2

The Director General will make regulations requiring Guernsey Electricity Ltd to appoint electrical inspectors to carry out the following functions:

- (i) to inspect all new electrical installations so as to ensure that they comply with the IEE Wiring Regulations (BS7671) as amended from time to time by the IEE, and
- (ii) to carry out regular checks on a sample of amendments to electrical installations to ensure that they are in compliance with IEE Wiring Regulations (BS7671) as amended from time to time by the IEE.

The Director General considers that GE is the most appropriate organisation to develop appropriate procedures and processes to carry out such inspections, based on its considerable experience to date and its expert knowledge in this area. The Director General will require GE to consult with affected parties in developing, amending or replacing any such procedures and will keep the operation of the Regulations under review.

4.3 Alternative Regimes

Within Document OUR02/28, the Director General sought views on whether any alternative regimes such as formal accreditation or a requirement for membership of an appropriate trade association would be more appropriate for Guernsey. For example, an accreditation scheme became effective in Jersey⁴ on 1st September 2002. One respondent suggested that an accreditation scheme would be more appropriate for Guernsey as it

³ GE estimates that around 98% of electrical inspections relate to new installations.

⁴ See Schedule 2 Part 12 of the Building Bye-laws (Jersey) 2001, available from www.jerseylegalinfo.je. A press release is also available from www.niceic.org.uk.

would provide a higher level of assurance that both new installations and amendments to existing installations are in accordance with the relevant standards. Conversely, one respondent opposed any form of accreditation, suggesting that the scheme in Jersey was not operating correctly and introducing comparable arrangements in Guernsey could lead to increases in electricity contractor's costs.

Decision 3

The Director General considers that the continuation of an inspection regime is appropriate for Guernsey in the medium term in line with Decisions 1 and 2 and does not believe that there is currently a strong interest in an accreditation scheme in Guernsey. She will keep this matter under review in particular having regard to developments elsewhere such as the accreditation scheme in Jersey.

5. Cost Recovery

Document OUR02/28 set out the financial issues regarding electrical inspection of installations. Currently, there are no explicit charges levied to recover these costs, rather they are spread across all of GE's customers within the overall charges made to customers for consumption of energy. All respondents supported the current charging regime, suggesting that the current regime provided benefits to all users and any form of explicit inspection charging would act as a disincentive for electrical installations to be properly inspected, leading to the potential for sub-standard installations.

Decision 4

The Director General believes that GE should continue to recover the costs of electrical inspections from all customers through the general electricity charge.

6. Conclusion

In summary, the Director General will require all electrical installations to comply with the standards in the IEE Wiring Regulations (BS7671). The Director General will further require Guernsey Electricity Ltd, as the sole Conveyance Licensee in Guernsey, to appoint electrical inspectors to carry out inspections of all new electrical installations and a representative sample of amendments to electrical installations against the standards in the IEE Wiring Regulations (BS7671), with the costs of this activity funded the within the general electricity charge as a regulated activity.

Annex 2 sets out the outline of proposed Regulations that the Director General will make to give effect to the decisions in this paper. Interested parties are invited to submit comments in writing on the proposals in Annex 2 to the Office of Utility Regulation and the Director General will consider such representations before finalising the regulations.

This text will now be finalised and the Regulations will come into effect when they are signed, at which time they will be posted on the OUR web and lodged in the Greffe.

/ENDS

Annex 1: Extract from the Electricity (Guernsey) Law, 2001

Electrical inspectors

20. (1) The Director General may by regulations make provision requiring any licensee to appoint competent and impartial persons to act as electrical inspectors, at the licensee's expense, under this Part for the purpose of-

- (a) the inspection and testing of electric lines and electrical plant belonging to persons authorised by a licence or exemption to generate, convey or supply electricity;
- (b) the inspection and testing of electric lines and electrical plant on a consumer's premises for the purpose of determining whether any requirement imposed by or under this Law in respect of such lines or equipment or the supply of electricity through or by such equipment has been complied with;
- (c) the inspection and testing of electrical installations of such type and installed during such periods of time as may be prescribed, on a consumer's premises to ensure compliance with proper standards of installation practice as determined or approved by the Director General; and
- (d) undertaking such other duties as may be prescribed by regulations under this section or as the Director General may determine.

(2) Regulations made by the Director General under this section may make provision for such matters as the Director General sees fit so as to carry out his

functions under this Law and the Regulation Law and may include, without limiting the generality of the powers of the Director General under this section, regulations-

- (a) prescribing the manner in which and the times at which any duties are to be performed by electrical inspectors;
- (b) requiring persons authorised by a licence or exemption to generate, convey or supply electricity-
 - (i) to furnish electrical inspectors with records or other information; and
 - (ii) to allow such inspectors access to premises and the use of electrical plant and other facilities;
- (c) making provision for relieving persons authorised by a licence to supply electricity from any obligations to supply in such cases as may be prescribed; and
- (d) prescribing the amount of the fees which are to be payable to such inspectors.

Annex 2: Outline of Proposed Regulations

DRAFT

GUERNSEY STATUTORY INSTRUMENT
2003 NO. _____.

The Electricity (Electrical Standards and Inspectors) Regulations, 2003

Made [] [], 2003

Coming into operation [] [], 2003

THE DIRECTOR GENERAL, in exercise of the powers conferred upon her by sections 19 and 20 of the Electricity (Guernsey) Law, 2001⁵ and all other powers enabling her in that behalf, hereby orders:-

Electrical Standards

1. (1) Every Licensee shall ensure that all his works on a consumer's premises which are not under the control of the consumer (whether forming part of the consumer's installation or not) are in compliance with the provisions of the IEE Regulations.

(2) No Licensee shall be compelled to commence or continue to give a supply of electricity to any customer unless he is reasonably satisfied that each part of the consumer's installation is in compliance with the provisions of the IEE Regulations.

⁵

Order in Council No. ** of 2001.

Appointment of Electrical Inspectors.

2. (1) Guernsey Electricity Limited, shall appoint competent and impartial persons to act as electrical inspectors (“Inspectors”) for the purposes set out in section 20 of the Electricity (Guernsey) Law, 2001.

(2) The Inspectors’ functions shall be:-

(a) to examine and test all new electrical installations (being any electrical plant which is about to be supplied with electricity) in the Island of Guernsey and approve such installations as complying with the IEE Regulations, and

(b) to examine and test, in each calendar year, a representative sample of electrical installations in the Island of Guernsey that have been amended or altered, and to approve such installations as complying with the IEE Regulations.

Supply of Electricity To Electrical Installations

3. (1) Guernsey Electricity Limited shall not supply electricity to any new electrical installation unless and until the installation has been examined tested and approved in accordance with section 2.(2)(a).

(2) Guernsey Electricity Limited may cease supply to any electrical installation that, on being inspected in accordance with section 2.(2)(b), is not approved by the Inspector as complying with the IEE Regulations, and Guernsey Electricity Limited may continue to refuse to supply electricity unless and until the installation is approved as complying with the said IEE Regulations.

Disputes

4. (1) Where there is a dispute as to the compliance of an electrical installation with the IEE Regulations, either party may refer the dispute to the Director General and the Director General may hear the dispute or appoint an independent arbitrator to hear the dispute, and arrive at a finding which the parties shall abide by.

Interpretation.

5. (1) Words and expressions in these Regulations shall, unless the context requires otherwise, have the same meaning as in the Electricity (Guernsey) Law, 2001, as the same may from time to time be amended.

(2) The Interpretation (Guernsey) Law, 1948⁶ shall apply to the interpretation of this Order.

(3) In these regulation, unless the context otherwise requires:

“**IEE Regulations**” means the Institute of Electrical Engineers Wiring Regulations 16th Edition ISBN 0 85296 988 0, 2001 (as amended by Amendment No. 1 (AMD 13628) February, 2002).

“**consumer’s installation**” means the electric line or electric plant situated upon a consumer’s premises together with any equipment permanently connected or intended to be permanently connected thereto and which is under the consumer’s control.

⁶ Ordres en Conseil Vol. *****, p. ****.

Citation and commencement.

6. This Order may be cited as the Electricity (Electrical Standards and Inspections) Order, 2003 and shall come into force on the [] day of [], 2003.

Dated this [] day of [], 2003.

.....

R. FINN

Director General of
Utilities Regulation.

EXPLANATORY NOTE.

(This note is not part of the Regulations)

These Regulations require Guernsey Electricity Limited to appoint competent and impartial persons to act as electrical inspectors for the purposes of the inspection and testing of electrical lines and electrical plant installed in Guernsey for compliance with IEE Wiring Regulations. It further provides that electricity shall not be supplied to electrical installations that do not comply with specified IEE Wiring Regulations.