



Australian Government
National Measurement
Institute



THE NMI STANDARD

Client Matters, Current News

... from NMI Legal Metrology

ON TRACK TOWARDS A NATIONAL TRADE MEASUREMENT SYSTEM....

On April 13, 2007 the Council of Australian Governments, (COAG) agreed to the introduction of a single national system of trade measurement, administered and funded by the Commonwealth. Following a three-year transition period for the transfer of responsibility from the states and territories, the new system will commence on 1 July 2010, and the NMI, a division of the Department of Innovation, Industry, Science and Research, is the responsible agency.

The NMI is now just over half-way through implementing the national trade measurement (NTM) system. A transition project team made up of NMI staff and representatives from all states and territories are working together on 9 project streams. The key areas are working towards finalising the new national trade measurement regulations this year. The project teams are busy working in consultation with our State and Territory trade measurement colleagues to ensure a smooth transition to NTM on 1 July 2010.

This is a big responsibility and challenge for the NMI, as we work towards wrapping up 8 different state and territory models into one new national model. It is a big organisational change for us as well as we also will see some 140 new staff joining us from states and territories as a result. This increases the NMI's staffing levels by approximately one-third.

The trade measurement system impacts on all Australians throughout their life and is an essential component of almost all transactions ranging from consumer purchases at a supermarket or service station to wholesale business-to-business transactions and multi-million dollar international trades. The amount of trade involving measurement of some kind is estimated to be worth around \$400 billion in Australia each year.

Its primary objective is to ensure a level playing field for transactions involving measurement and to promote transparency and confidence in their integrity. The implementation of the new National Trade Measurement system will minimise transaction costs and maximise national social and economic benefits, and enhance these objectives further in the exciting future ahead.

NEW GENERAL MANAGER FOR NMI LEGAL METROLOGY

Dr Valerie Villiere joined the NMI in 2008, as the General Manager of the NMI's Legal Metrology Branch which includes responsibility for the implementation of the national trade measurement transition program.

Valerie has had a varied and interesting career to date. Her qualifications include a degree in veterinary science from France, a masters degree in pharmacology from Canada and a doctorate in neuroelectro-physiology from UNSW.



Before joining the Australian Public Service, she worked in an industry association for agricultural and veterinary chemicals. Prior to joining the NMI, Valerie was with AusIndustry for a number of years, where she was responsible for the delivery of three biofuels programs. Valerie is enjoying the challenges of her new job and working with the trade measurement staff in the States and Territories towards a smooth and seamless transition to national trade measurement, as part of her important function in leading the Legal Metrology branch.

SUBMETERING AND THE NATIONAL MEASUREMENT ACT

There appears to be some confusion in the utility industry regarding the regulatory requirements for 'sub-meters'. With the increasing prevalence of 'sub-metering' – that is, billing individual tenants of a multi-occupant commercial or domestic premise using individual tenant-specific meters – it is important to clarify any misunderstandings surrounding the regulatory requirements.

In straightforward terms, all utility meters, including those that are used or defined as 'sub-meters' or 'check-meters' require pattern approval and verification if they are used for trade or billing purposes and if that type/class of meter is no longer exempted from the operation of the *National Measurement Act 1960 (Cth)*.

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Currently the only exemption that has been lifted is for cold water meters with a maximum continuous flowrate of 4000 L/h or less, installed after July 1 2004. Although this exemption is commonly thought to only apply to standard domestic 20mm water meters, it also applies to any sub-meter with a maximum continuous flowrate of 4000 L/h or less (i.e. 15mm meters installed in apartment buildings after July 1 2004). Therefore, all cold water meters with a maximum continuous flowrate of 4000 L/h or less, installed after July 1 2004, are required to be pattern approved and verified if they are used for trade or billing purposes. This is a mandatory requirement which applies regardless of who owns and installs the meters; the utility, the owner of the property or a third-party contractor and regardless of whether they are used as sub-meters, master-meters, standard domestic meters or otherwise.

Should the exemption be lifted for any other type of meter, the same principles will apply.

By way of example, if an apartment building has a master-meter at the front of the property and a 15mm water meter in each unit which is used to calculate the water bill for that unit, then each 15mm meter must be pattern approved and verified.

FAQs

We have included here some questions of generic relevance which are frequently asked by stakeholders. If you have questions which you would like answered in this column, please send them by email (contact information below) with 'Newsletter Question' in the Subject line.

Q: Is 1 July 2010 the date when the exemption to the National Measurement Act will be lifted for electricity meters?

A: 1 July 2010 is the commencement date for National Trade Measurement (see article above). NTM is not linked with the lifting of the exemption for electricity meters, for which no date has yet been set.

Q: What will happen to trade measurement inspection/inspectors after July 2010?

A: It will be performed by the same people operating from the same locations but as Commonwealth officers administering Commonwealth law.

Q: Is it possible for a different party to apply for a renewal of a certificate assuming the original certificate holder is no longer interested?

A: Yes, provided the original certificate holder has given permission for this to be done. Permission for the renewed certificate to be based on the original test reports should also be obtained unless new tests are desired by the applicant.

ACCEPTANCE CRITERIA FOR PATTERN APPROVAL TEST RESULTS

The process of pattern approval, viz., the examination of the design of a particular model of instrument to determine the extent of its compliance with a set of requirements, is aimed at ensuring that all measuring instruments used for trade in Australia meet at least a minimum metrological performance standard.

Globalisation has resulted in a rapidly increasing number of measuring instruments being manufactured outside Australia for a world market in which Australia only plays a small part. The NMI has adopted a policy for acceptance criteria of pattern approval test results which is aimed at ensuring for the suitability of all instruments approved for trade in Australia, regardless of the country of manufacture, whilst simultaneously allowing all manufacturers and suppliers equal access to pattern approval and reducing the need for duplicate testing.

Test results may be accepted by the NMI for consideration if they have been produced by one of the following:

1. The NMI's accredited laboratories;
2. A suitable Approving Authority appointed by the NMI;
3. A co-signatory under a bilateral MAA with the NMI;
4. An Issuing Participant under the OIML MAA for instruments related to a Declaration of Mutual Confidence in which the NMI is also a participant;
5. A laboratory which is independent of any manufacturer and has 3rd-party accreditation to AS ISO/IEC 17025 in the relevant field of testing from a full member of the ILAC MRA.

In addition test results must be in accordance with pattern approval documents and standards specified by the NMI and should be presented in a format acceptable to the NMI (e.g. using the correct test report format where available).

CONTACT INFORMATION

For further information on these and other matters relating to legal metrology, or to obtain copies of NMI documents referred to in the articles above, please contact:

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