

**Act on the Safety of Electrical Installations,
Consumer Apparatus and Electrical Materials**

**CHAPTER I
Scope and definitions**

Article 1

The objective of this Act is to reduce as far as possible the danger and damage from electrical installations, consumer apparatus and electrical materials as well as disturbances caused by their operations.

Article 2

The provisions of this Act shall apply to electric installations and materials on land, but not to the internal installations of transport vehicles such as ships, aircraft and automobiles.

In the ease of disagreement as to whether the Act covers specific installations the Minister shall decide the question.

Article 3

For the purposes of this Act, the following expressions shall be defined as below:

Responsible party: Person who owns, controls or has been appointed to handle construction or operation of electrical installations, consumer apparatus and electrical materials, and is responsible for their lawful condition.

Private electricity generator: A privately owned generator in a fixed location producing electricity for a consumer utility which does not receive electricity from an electrical utility.

Internal safety control: An explicit system of surveillance to ensure that requirements concerning the quality of work and the safety of equipment, made in accordance with Acts and Regulations, are fulfilled.

Internal safety control system: Systematic measures, of which records are kept for verification, to ensure that operations are in accordance with the safety requirements of Acts and Regulations.

Authorised electrical contractor: A party who has been authorised by Lögildingarstofa to perform electrical work.

Consumer apparatus: Electrical wiring and electrical wiring equipment within the consumer's connection point (or equipment which serves as the consumer's connection point).

Electrical material: Any type of material which can be used for the utilisation of electricity.

Electrical installations: Installations for the production and distribution of electricity.

Electrical inspection agency: An independent accredited party authorised by the Lögildingarstofa to perform inspections in the electrical field.

Electrical utility: An enterprise which produces, transports, distributes and/or sells electricity.

Inspection: Professional evaluation of the design of electrical installations, their instalment and assembly, or services provided to them in order to determine their compliance with the requirements of applicable Acts, Regulations and other lawful administrative instructions.

Installation: A term covering both an electrical installation and consumer utility.

Overall supervision: Ultimate surveillance to ensure the satisfactory implementation of the provisions of this Act in accordance with the Act and Regulations adopted on its basis.

CHAPTER II

The Safety of Electrical Installations, Consumer Apparatus and Electrical Materials

Article 4

Electrical installations, consumer apparatus and electrical materials shall be constructed, used, maintained and checked so as to ensure that any danger they present to the health and safety of humans and animals, as well as danger of environmental damage, will be minimal.

Electrical installations, consumer apparatus and electrical materials may not represent a danger to property or of disturbance to the operation of existing electrical equipment. If this may be prevented through safety measures implemented shall be at the expense of the owner of the new equipment. The owner of the older equipment may, however, be required to bear part of the expense if the implementation of the safety measures creates a significant advantage for the subsequent operation of the equipment. Furthermore, the owner of older equipment may be required to bear the cost in part or in full of safety measures which subsequently will form part of his equipment and be his property if they are necessitated by the fact that the older equipment was less advanced or less secure than is generally the case or than new equipment is required to be at the time when the measures are implemented.

Electrical materials, consumer apparatus and electrical installations may only be placed on the market and taken into use on the condition that their design, construction and installment does not present a threat to humans or animals, the environment or property when properly installed, maintained and used in the manner far which they were intended.

Article 5

The responsible parties of electrical installations and consumer apparatus are responsible for ensuring that their condition complies with law. Similarly, the producers, importers and vendors of electrical materials are responsible for their lawful condition at time of sale.

With the aim of ensuring the safety of electrical installations and their operations as fully as possible, the parties responsible for electrical installations of electrical utilities and heavy industrial plants shall, in accordance with a decision by the Minister, establish internal safety control systems for installations which, in the estimation of the Löggingingarstofa, comply with the requirements of this Act. Electrical contractors shall also establish internal safety control of their own operations which, in the estimation of the Löggingingarstofa, complies with the requirements of this Act.

CHAPTER III

Electrical supervision

Article 6

Overall supervision of the safety of electrical installations, consumer apparatus and electrical materials in accordance with this Act shall be in the hands of Löggingingarstofa.

The role of Löggingingarstofa in the field of electrical safety shall include the following:

1. advising the Minister on questions of electrical safety;
2. providing professional supervision of the implementation of electrical safety measures;
3. carrying out authorisation of electrical contractors, awarding operating permits to inspection agencies and responsible parties, determining penalties and revoking permits if their requirements are not fulfilled and their obligations as prescribed by law neglected;
4. deciding disputes on the safety of electrical installations, consumer apparatus and electrical materials, as well as deciding what safety measures shall be invoked to counteract danger and who should bear the expense of implementing remedies.

Article 7

Electrical installations, consumer apparatus and electrical materials, and the operations of parties who have been granted authorisation or operation permits by Löggingingarstofa, shall be inspected regularly to determine whether they comply with the provisions of this Act.

Article 8

Individuals and legal entities wishing to operate an electrical inspection agency must apply for an operating permit to Löggingingarstofa. In order to acquire such a permit an electrical inspection agency must be accredited in accordance with the Act on Weights, Measures and Accreditation, No. 100/1992.

An operating permit shall apply for the entire country and be issued for a five-year period at a time. Löggingingarstofa may, after prior warning, revoke the operating permit of an electrical inspection agency should it cease to fulfil the permit requirements or neglect its obligations.

Article 9

The role of an electrical inspection agency in supervising safeguards against danger and damage from electrical installations, consumer apparatus and electrical materials shall be as follows:

1. to inspect new and existing electrical installations and consumer apparatus;
2. to inspect the internal safety control systems of electrical utilities and their operation;
3. to inspect the premises and equipment of electrical contractors;
4. to inspect the internal safety control systems of electrical contractors and their implementation;
5. to inspect electrical materials and electrical installations on the market.

In cases where there is no accredited electrical inspection agency to carry out inspections in a specific area the Löggingingarstofa shall look after this and such operations shall be accredited.

Article 10

The employees of the Löggingingarstofa and the employees of an electrical inspection agency with an operating permit in the field of electrical safety in accordance with Article 8

must have at all times unobstructed access to electrical installations, consumer apparatus, the workplaces of electrical contractors and electrical materials to be inspected at any given time, and the right to take samples and carry out whatever investigations and research as considered necessary with the aim of preventing danger of damage caused by electricity. Persons responsible for electrical installations and consumer apparatus, electrical contractors and the producers, importers and vendors of electrical materials, shall provide whatever assistance and information is needed and/or requested.

Article 11

Should the employees of electrical utilities, an electrical inspection agency or an electrical contractor, be of the opinion that a certain consumer utility, electrical material or any part of an electrical installation whatsoever poses a threat or fails to comply with the requirements of this Act, notification thereof shall be sent to the Löggildingarstofa without delay. Notification shall also be sent to the Löggildingarstofa if an electrical inspection agency is of the opinion that a certain electrical contractor, employee of an electrical utility or party responsible for an electrical utility, is not complying with the provisions of this Act.

Should the Löggildingarstofa receive notification as provided for in the first paragraph of this Article, or should it become otherwise aware of a danger posed by electrical equipment, the Löggildingarstofa shall invoke the remedies prescribed in this Article without delay.

Where reasonable grounds exist to doubt that electrical equipment fulfils the requirements of this Act or Regulations adopted on its basis, the Löggildingarstofa may temporarily prohibit its sale or use while the matter is being investigated.

Should an investigation by the Löggildingarstofa reveal that electrical equipment does not fulfil the requirements of this Act or Regulations adopted on its basis, the Löggildingarstofa may prohibit its sale, put a stop to its use, prohibit its assembly and demand its dismantling and recall.

Should the Löggildingarstofa be of the opinion that an individual or legal entity, operating in accordance with an operating permit or authorisation it has issued, has infringed against the provisions of such permit or authorisation, the Löggildingarstofa shall, before revoking a permit, send the party in question instructions informing him of the complaint, indicating ways to rectify it and specifying the time limit for carrying out improvements.

Decisions and instructions from the Löggildingarstofa may be referred to the Minister for review, but such referral shall not postpone the implementation of the decision.

Article 12

The employees of the Löggildingarstofa shall be bound by obligations of confidentiality concerning information which they may acquire through their employment and which is subject to professional secrecy. This shall not, however, prevent the Löggildingarstofa from publishing information on dangerous electrical installations, consumer apparatus and electrical materials, should such be urgently required due to the danger posed by this equipment.

Article 13

The Minister shall, in a Regulation on electrical installations, lay down provisions for safeguarding against danger or damage from electricity and to prevent disturbances in the operations of existing or future electrical installations, consumer apparatus and electrical materials. At the same time the Minister shall lay down more detailed instructions on the implementation of this Act.

Such Regulation shall contain provisions concerning:

1. the type, design, location, operation and surveillance of electrical installations and consumer apparatus, along with other structures which are located or used within such close proximity of electrical installations and consumer apparatus that the latter could cause damage, danger or substantial disturbance;
2. the implication and arrangement of the overall supervision entrusted to the Löggildingarstofa;
3. the responsibility of the parties responsible for the condition of installations and their handling;
4. limitations on or prohibition against the importation, sale, domestic manufacture or use of electrical materials and individual parts of electrical installations or consumer apparatus which do not fulfil the requirements set;
5. the obligations of responsible parties to notify and report on and keep records of existing electrical installations and consumer apparatus, and on new installations and the expansion and improvements of older installations;
6. permission for the Löggildingarstofa to temporarily close down the operations of electrical installations or consumer apparatus and cut off the supply of electricity to individual users and enterprises failing to comply with the provisions of this Act and Regulations issued on its basis, as well as to revoke the authorisation or operating permits of parties in infringement against this Act or Regulations issued on its basis;
7. internal safety control systems and approval of such by the Löggildingarstofa, as well as on the obligations of responsible parties, cf. Article 5 ;
8. the frequency, scope and implementation of inspections which shall be in accordance with the danger posed by the type of electrical installation, consumer utility or electrical material, cf. Article 7 ;
9. surveillance of electrical installations, consumer apparatus and electrical materials, whether imported or domestically produced;
10. the operating permits of the appointed parties responsible for electrical utilities. operating permits of electrical inspection agencies, authorisation of electrical contractors and requirements which must be fulfilled;
11. instruction and information on the dangers of electricity and ways to avoid them;
12. the publication of the results of inspections, information on accidents and damage, and other information concerning questions of electrical safety;
13. permission for the Löggildingarstofa to set detailed rules concerning the technical aspects of the type, design and surveillance and operation of electrical installations, consumer apparatus and electrical materials, and of the inspection procedures of electrical inspection agencies and electrical contractors.

The Minister may, in a Regulation, lay down provisions on electrical installations or materials which are not covered by the provisions of the Agreement on a European Economic Area, including its protocols and annexes.

CHAPTER IV

Fees charged

Article 14

Funding for the carrying out the tasks concerning electrical safety entrusted to the Löggildingarstofa in accordance with this Act shall be provided in the following manner:

1. For the overall supervision provided by the Löggildingarstofa of electrical utilities,

such utilities shall pay to the Löggildingarstofa annually a fee of up to 0.2% of their total income from the sale of electricity and rental of measuring equipment, net of the value of electrical power purchased and value-added tax. If the owner of an electrical power plant himself uses all the power produced, or a substantial part thereof, and such is neither measured nor priced, or if the income from the sale of electrical power is not known, he shall pay a fee based on estimated consumption. Electrical power sales to the Icelandic Aluminium Co. Ltd. and Icelandic Alloys Ltd. shall be exempt from the provisions of this Point, as shall be the case with other industrial plants which may be exempted by law.

2. For sample inspections carried out by the Löggildingarstofa on the equipment of electrical utilities and inspections to their internal safety controls, electrical utilities shall pay inspection costs in accordance with a tariff which the Löggildingarstofa shall publish and the Minister approve.

3. For the overall supervision of the Löggildingarstofa and sample inspections which the Löggildingarstofa has carried out on the equipment of heavy industrial plants which purchase or produce electrical power exempt from the charges of Point 1, the owners of such shall pay inspection costs in accordance with a tariff which the Löggildingarstofa shall publish and the Minister approve.

Fees charged in accordance with this Point may be applied to the cost of overall supervision and inspections of private electricity generators.

4. For the overall supervision of the Löggildingarstofa and sample inspections which the Löggildingarstofa has carried out on new consumer apparatus and consumer apparatus in operation, and without prejudice to the provisions of other Acts on electrical utilities, such utilities shall pay to the Löggildingarstofa annually a fee of up to 0,6 % of their total income from the sale of electricity and rental of measuring equipment, net of the value of electrical power purchased and value-added tax.

Electrical power sales to the Icelandic Aluminium Co. Ltd. and Icelandic Alloys Ltd. shall be exempt from the provisions of this Point, as shall be the case with other industrial plants which may be exempted by law.

5. For the overall supervision of the Löggildingarstofa and surveillance of electrical materials on the market which the Löggildingarstofa has carried out, importers and domestic producers shall pay the Löggildingarstofa a surveillance fee for electrical materials subject to surveillance of up to 0.1596 of the customs duty value, for imported materials, or of a comparable assessment base, for domestic materials.

Electrical materials exported from the country shall be exempt from this levy.

6. For the overall supervision of the Löggildingarstofa and sample inspections which the Löggildingarstofa has carried out on the premises, equipment and internal safety controls of electrical contractors, such contractors shall pay inspection costs in accordance with a tariff which the Löggildingarstofa shall publish and the Minister approve.

7. The Löggildingarstofa may have electrical materials by domestic manufacturers tested when they are marketed for the first time. The manufacturers of such electrical materials shall pay the Löggildingarstofa for such inspections in accordance with a tariff which the Löggildingarstofa shall publish and the Minister approve.

8. The Löggildingarstofa may have additional inspections carried out and may increase the frequency of sample inspections in the case of parties who have repeatedly been found not to fulfil the requirements of this Act or Regulations issued on its basis. The parties subject to such additional inspections shall pay the costs incurred in accordance with a tariff which the Löggildingarstofa shall publish and the Minister

approve.

The Minister Education may, in a Regulation, lay down detailed provisions concerning these fees. In a Regulation the Minister may authorise electrical utilities, owners of consumer apparatus and electrical contractors to reach a direct agreement with electrical inspection agencies concerning inspections under Points 2, 3 and 6 of this Article.

CHAPTER V **Miscellaneous provisions**

Article 15

In the case of failure to comply with decisions or instructions of Löggildingarstofa, the Löggildingarstofa may decide that the party or parties concerned be assessed with fines until they comply therewith. Fines may range from ISK 10,000 to ISK 500,000 per day. A decision to impose a fine must be notified in writing to the party concerned in a verifiable manner.

Decisions to impose/fines in accordance with the first paragraph are enforceable by execution as are legal costs. In the case of execution in accordance with decisions on fines the respondent shall be called to meet before a District Court and proceedings shall be in accordance with Chapter 13 of the Act on Execution.

All fees and fines under this Act may be distrained at the expense of the payee.

Article 16

By verdict of a court electrical installations and electrical materials which are manufactured, sold, delivered or used contrary to the provisions of this Act, Regulations or safety instructions of the Löggildingarstofa may be seized.

Article 17

Infringements against this Act shall be liable to fines. Cases under this Article shall be prosecuted in accordance with the provisions of the Criminal Proceedings Act.

Article 18

Electrical utilities may request an adjustment period of up to twelve months from the entry into force of this Act to cease surveillance of electricity lines and equipment used in connection with their utilities. Electrical utilities must consult with the Löggildingarstofa concerning such adjustments. During the adjustment period inspection of electrical utilities shall comply with the standardised rules of the Löggildingarstofa applicable throughout the country. This Article shall not postpone the entry into force of the provisions of Article 14 of this Act

Article 19

This Act shall enter into force at once. At the same time Act No. 60, of 31 May 1979, on the State Electrical Inspection, shall be repealed.

Done at Bessastaðir, 27 December 1996

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