RETAIL ENERGY CODE

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I0265 WORKING GROUP
MEETING MINUTES

MEETING	**I0265WG_0119**
DATE	**19 January 2026, 14:00**
LOCATION	**On Teams**

Presenter	Representing	Initials	Role
Francine Peyroux-Sissoko	REC Code Manager	FP	Chair
~~Glenn Sheern~~	~~REC Code Manager~~	~~GS~~	~~Subject Matter Expert~~
Roz Timperley	REC Code Manager	RT	REC Technical Services
Aiyesha Andrade	Retail Energy Code Company	AA	Subject Matter Expert
Rebecca Lowe	Retail Energy Code Company	RL	Subject Matter Expert

Full attendee list available upon request.

1 WELCOME AND INTRODUCTIONS

The Chair welcomed attendees to the I0265 Working Group (WG) meeting.

2 CONFIRMATION OF AGENDA

The Chair invited any additional items of business for consideration during the meeting. No items were raised by attendees.

3 APPROVAL OF DRAFT TERMS OF REFERENCE (TOR)

WG members agreed to adopt the ToRs. No objections were raised.

4 I0265 BACKGROUND AND WORKING GROUP AIMS

The Chair provided an overview of I0265, summarising the activities to date. The Chair confirmed that these activities helped identify some common barriers to the use of the REC Theft Calculators. However as only eight responses were received during the information request, and only some TIG attendees responded to the Slido questions regarding the REC Theft Calculators, it was agreed that further input was needed before an impact assessment can be conducted. The Chair outlined the proposed approach for developing a solution for I0265 during this WG session:

- Provide feedback on the main barriers identified;
- Identify other issues that have not yet been addressed;
- Discuss suggestions mentioned including the benefits and feasibility of incorporating other tools within the calculator but also the possible disadvantages; and
- Reflect on ways to improve the REC Theft Calculators.

5 REC THEFT CALCULATORS' DISCUSSION

The Chair invited discussions on the challenges faced by Parties and highlighted that views and experiences of both, but not limited to, Energy Suppliers and Network Parties were welcome. The Chair also emphasized that an open dialogue was needed to find and develop a robust tool that supports best practices and a consistent approach to assess energy losses in the industry. Slido was used anonymously to encourage discussion.

The Chair presented the six main barriers that were raised in the feedback retrieved during the information request and TIG sessions and each time asked WG members to provide feedback, identify additional issues and reflect on possible solutions to overcome these challenges.

5.1 SYSTEM BARRIERS

It was clear from the feedback that the current REC Theft Calculators can only be used with Windows based laptops/desktops and the use of macros within Excel also causes problems to some Parties. WG members were asked to discuss how to make the REC Theft Calculators available on all systems and devices, considering any restrictions their companies might have so all industry Parties can use this tool. Similar apps or tools have not been investigated thus far, as the Code Manager would like to hear from Parties first on the ideal features this tool should have. The development of this tool would be part of REC Services. As such, it would be applied through Parties' payments as other services are, and no additional financial contributions would be needed.

WG members suggested having a web-based calculator that could be accessible on the REC portal. They highlighted the importance of offline access given field agents could be on site with limited or no internet access. A purpose-built app, or downloadable app would give further flexibility for both field and desktop access, and if that were the case, ensuring there is an Android and iOS version on top of a desktop portal should be considered. If an app were to be developed, the Code Manager should consider how to ensure it can be used industry wide given that some organisations may limit the ability to download bespoke applications. A WG member questioned whether the coding or APIs could be made available for CRM integration given the number of apps and portals already used by field and office-based agents. It was also mentioned that a web-based tool should be whitelisted internally and that the tool should also be QA-able so different user accounts from the same organisation can use it, and these can be quality checked. The Code Manager should also be aware of any security checks companies may need and factor them in during the implementation timeline of any external software.

Some attendees observed that some of their admin team completing energy loss assessments are outside of the UK. If the tool were to be made available outside of the UK and Europe for these teams, the Code Manager would need to investigate how this could be applied from a security perspective and make sure that there are active measures in place for data handling. Clause 20.8 in the REC Main Body specifies situations regarding taking data out of the European Economic Area (EEA) or the UK.

5.2 NOT ADAPTED TO CERTAIN TYPES OF ENERGY THEFT

The feedback received also highlighted that the REC Theft Calculators are not currently adapted to all types of energy theft, such as rogue meters, interference no theft, and that some situations do not allow suppliers to gather the information needed to calculate the right energy losses, notably for cannabis farm cases or when a third party, such as the police or Network

Parties, would have been on site before the Energy Suppliers and would not have shared the necessary level of information that is needed for the calculator.

WG members noted that partial theft, i.e. direct to mains bypass for electric vehicle (EV) charging point or outbuilding when the main property is metered, are also not covered. One attendee mentioned the possibility to have an ad-hoc appliance option with customisable kWh. However, it was noted that Consumers do not always give permission to obtain a list of the appliances present on site. Some WG members also thought about utilising adjustments that would be based on the Estimated Annual Consumption (EAC)/Annual Quantity (AQ) or on previous consumptions or by incorporating Ofgem typical uses into the calculator. Having these input could help to balance the accuracy of assessments with the availability or practicality of obtaining data on site.

Emphasis was placed on the case of cannabis farms given the challenges faced by Energy Suppliers to retrieve the information requested by the calculator. Depending on the situation, Energy Suppliers are able to go on site with the police where they can gather all necessary information. However, there are cases where police officers might only authorise Energy Suppliers to inspect or retrieve the meter and would not allow them to gather the information they need to input into the calculator, nor would they share this information later. There are also situations where Distribution Network Operators (DNOs) would have gone on site the evening before to make the property safe without necessarily sharing further information to Energy Suppliers. In some of these cases, the police or DNOs would remove the theft evidence and would not record any information nor take any pictures that can be shared with Energy Suppliers. They would only confirm that it was a cannabis farm. A WG member enquired whether it would be possible to explore making mandatory for DNOs to take pictures of cannabis farms and bypass scenarios as well. The Code Manager informed attendees that REC Change Proposal R0253 is currently exploring this question and advised WG members to read it. In those scenarios, it is difficult or even impossible for Energy Suppliers to have the necessary information to input into the calculator. Instead, they have to estimate how big the property was which does not necessarily correlate to the size of the grow, so the right assessment can be difficult to make. If more collaboration with third Parties is needed, the calculator also needs to be improved to take these cases into consideration. WG members suggested defining an average equipment baseline for these cases where no information is provided, for instance an average growing period of 90 days for a two-bedroom terrace house depending on the size of the property. WG members believed that this would be more helpful than trying to estimate the amount of equipment, area growth, or area size without having that information.

This led WG members to think about potentially having a range of default scenarios for cases where it is not possible for Energy Suppliers to obtain any information. This could also benefit new market entrants and could be useful with emerging technologies like EVs and solar panels, crypto mining and when meters go backwards. It could be worth thinking about establishing a list of theft scenarios and current gaps within the calculator working with Revenue Protection (RP) providers, Energy Suppliers, Network Operators and the UKRPA.

A WG member warned that averages could let Parties choose the default option rather than finding ways to gather the specific data needed for the calculator. There is a real risk that needs to be thought of carefully as this could also lead to a loss of RP experience in the industry. WG

members agreed and thought about ways to prevent Parties to choose this option over the others. Should the calculator offer a third option for cases where it was not possible to gather any information, Parties should have to justify steps they took, which third Party they were in contact with and explain the reasons why it was not possible to gather the necessary information in this instance. It could even be codified within the REC so there is a strong assurance that all industry Parties would take all necessary steps to assess energy loss correctly.

For historical theft cases, i.e. where Energy Suppliers would have no evidence of current theft whilst identifying that energy theft took place in the past, by seeing a scotch mark for instance, it is not necessarily possible for Energy Suppliers to assess the period of theft, nor to know who the culprit would be when there had been a change of tenancy. WG members wondered whether it would be useful to have an agreed methodology for these cases so there is a more consistent approach across the industry. RECCo advised that Energy Suppliers would only be able to assess the period of theft based on the consumption information they own for this property which would depend on when they started to supply energy at this property. Unfortunately, due to GDPR restrictions, suppliers cannot obtain any additional information beyond what they have themselves from the point at which they become the supplier.

WG members provided other situations where Energy Suppliers are not able to obtain information such as Non-Conformist Interpretation of Legalities (NCIL) cases, on new inherited meter-less sites, with meter exchanges where Metering Equipment Managers (MEMs) do not report meter exchanges as RP cases, and with returned Meter Asset Provider (MAP) reports. RECCo highlighted that for cases interlinked with MEMs and MAPs, Energy Suppliers would also only be able to assess the theft during the time they were the supplier of this property. The calculator could not help to know what happened prior to the period of supply. This is why there is already a function that allows Energy Suppliers to input a zero when the investigation indicates that any losses that occurred happened during a period before they became the supplier.

Due to the nature of these cases, there seemed to be some limits into what a calculator could do, however some guidance could help Parties navigate what approach to take to make their assessment.

5.3 OUTDATED FOR I&C PROPERTIES AND APPLIANCES

The feedback received showed that the current REC Theft Calculators do not cover several I&C appliances and property which hinders the energy loss assessment. The appliances and businesses identified as currently missing were:

- TV/Monitors
- Desktop/Laptops
- Printers/Scanners
- Clay tandoors
- Hair dryers/Trimmers
- Casinos
- Amusements/betting offices

- Car washes/mechanical/car repairs
- Data warehouses
- Industrial facilities operating Combined Heat & Power (CHPs)
- Schools
- Recycling centres

WG members were asked to provide other appliances and businesses that are currently missing and would be beneficial to include in the calculator. Care homes, gyms and large event spaces were mentioned before highlighting a wider issue with I&C: such a list would be endless and would not necessarily respond to the challenges and many variables faced with I&C customers. I&C can have custom-made appliances and set-up that would be difficult to include in the calculator.

Another idea was to associate appliance categories with business types – this way the list would not be endless – and to input the size of the business with its opening hours. Another suggestion was to have a break down by business types that would be listed on Companies House given that every company has to fit into a category from that list. This could help with not having an endless list for business types.

However, it was highlighted that a lot of businesses have a quick turnaround of usage, going from a pub to a supermarket, before becoming vacant for example. It is difficult to know when the theft would have taken place and in which business type it would have happened. Relying on meter readings can also be difficult because if the supplier was not given access to the property a couple of times, six to twelve months could have gone by before access was obtained and the business could have changed a few times in this short window.

WG members wondered whether it would be better to have a default option, some baselines or use clamp meters to allow suppliers to assess the volume of theft. Another suggestion was to consult the local planning authority who will have the building's planning use class which will record what the building uses. It is also possible to purchase property classifications data from Ordnance Survey which is based on the planning, application data and other sources. It may be accessible from the individual councils which might not be chargeable.

However, using this data may not be reliable. It is likely that the repeated change of use of these properties is done to evade illegal activities on top of energy theft. These individuals would therefore not be inclined to update the business types on legal documents. Furthermore, vacant properties are usually being targeted to become cannabis farms, and it is difficult to know when someone would have broken in and started this illegal business.

It was noted that the current calculator can be a hindrance in some I&C scenarios due to the many existing variables. In some organisations, analysts conduct ad hoc investigations to try and identify the different steps that were taken within this property, i.e. change of business, undeclared vacancy, and so forth. However, there is currently not an easy way to incorporate these steps in the calculator which focuses on the amount of light bulbs, number of customers and usage for the building.

Given the complexity of I&C properties, it was agreed to have a Working Group session that would solely focus on this item.

I0265WG_0119_A01: The Code Manager to organise a Working Group session focusing on I&C cases.

5.4 EQUIPMENT NOT COVERED

In the feedback received, the following equipment was identified as not being currently covered in the REC Theft Calculators:

- Data/crypto mining
- Electric showers
- Sunbeds
- Air fryers
- Exotic pet tanks

WG members specified that the equipment needed for data/crypto mining would be servers, cooling systems and much more. Equipment that are present in gyms such as treadmills and bikes would be useful to add. It was finally highlighted that adding equipment with a description, wattage and hours of use would be beneficial.

5.5 NEW TECHNOLOGIES NOT COVERED

The following new and emerging technologies were identified as not being currently covered in the REC Theft Calculators:

- EV chargers
- Heat pumps
- Solar panels

WG members enquired whether batteries could also be incorporated as some individuals could bypass the meter to charge a battery that would normally be charged by solar panels for instance. It would also be useful to deduct micro generated usage/battery storage from a baseline. Some WG members queried how hydrogen would change the kWh for gas if it were mixed. Finally, time of use tariffs, smart tariffs and demand flexibility schemes should be thought of.

5.6 SOME TAMPERS NOT COVERED

From the previous feedback the below was mentioned as not being covered currently:

- Partial bypass/ Bypass on a three-phase meter
- Electromagnetic interference
- Reverse polarity
- Landlord suppliers

WG members added that rogue meters and direct to mains partial and full bypass would be useful to add.

5.7 LOCATION OF THE REC THEFT CALCULATORS

WG members were asked whether the REC Theft Calculators were easy to find as it was previously mentioned that it could be difficult to locate them. RECCo specified that the visual experience within the Energy Theft Reduction Hub page has improved. It is now also possible to find them through the search bar. The REC Theft Calculators can be found in the following pages: the Theft Calculators page, the REC Schedule 7 - Theft Reduction Wiki Page and in the Category 3 documents page. WG members agreed that the Energy Theft Reduction Hub page is more user friendly and easier to navigate. It was specified that only the latest version of the documents would be on the REC Portal and the Bulletin would inform Parties on any new updates.

6 NEXT STEPS, DATE AND TIME OF NEXT MEETING

The Chair confirmed that the next meeting will take place on 18 February 2026 from 14:00 to 15:30.

Throughout this WG session, a high emphasis was placed on having regular reviews and updates of appliances and theft found to ensure the calculator remains relevant as ways of stealing energy are constantly evolving. This topic will be covered in more depth at the next WG session along with other ways to future proof the REC Theft Calculators.

7 AOB

The Chair invited attendees to provide AOB. None was raised. The Chair invited attendees to share any further thoughts and input they may have after talking to their organisation to the REC Change mailbox: change.management@recmanager.co.uk, before closing the meeting.

ACTIONS LOG

Action ref.	Action	Owner	Status
I0265WG_0119_A01	The Code Manager to organise a Working Group session focusing on I&C cases.	Code Manager	New