Energy Theft Reduction Expert Group

Headline Report

Meeting 02 (25 April 2023)

This Headline Report provides an overview of the discussion points of the Energy Theft Reduction Expert Group (ETREG) at its meeting on 25 April 2023.

- TDIS 2024/25 - Potential Changes: attendees discussed potential changes to the Theft Detection Incentive Scheme (TDIS). A number of points were raised by attendees, including:
    - Changes should be phased, for instance, if there were to be a significant increase in targets this should be delivered over a number of scheme years.
    - Segments should be further broken down, especially breaking down the Commercial segments to SME and I&C.
    - It should be evidenced that theft investigations cover the geographical footprint of the party's portfolio.
    - It should be considered whether reconciliation payments should be quarterly, as this may be beneficial for party cashflows.
    - Once the Theft Estimation Methodology (TEM) has matured, there should be an annual review of the targets linked to the TEM to demonstrate that efforts taken are reducing theft numbers.

- Energy Theft Portal Requirements: attendees were asked to share their requirements for the Energy Theft Portal (this would be a central portal with secure access for REC Parties to facilitate data sharing and enable insight to be derived). Suggestions included:
    - It would be useful if the portal could facilitate the sharing of information where a party is part way through an investigation and the customer changes supplier.
    - It would potentially be useful to be able to flag where multiple instances of malicious reports have been received.
    - There could be reporting on kwh's stolen to show environmental impact of energy theft.
    - It could facilitate cross communication between parties.

  It was noted that the portal would be maintained using batch updates when first rolled out, however, subject to user demand, it could move to near real time in future phases.

- TEM Outline Plan: It was explained that RECCo is exploring the potential to obtain smart data to carry out a back test against confirmed thefts to identify whether smart meter data, such as alerts, can be used as an indicator of potential theft. Subject to the findings of this test, the TEM could be updated to further refine the energy theft estimate.

- MHHS and Settlement of Identified Energy Theft: ETREG members' views were sought on how energy should be settled under MHHS. Of the options put forward, no preferences were expressed.

- Agenda for Theft Forum: two additional topics were put forward for the June Energy Theft Forum, namely:
    - theft from pipelines and the potential associated safety issues for gas assets; and
    - collective discussion on how to take forward requests from police forces for payment for the provision of information.

- Codes Roadmap Theft Provisions: proposed topics for the Theft Provisions epic were shared with attendees. No comments were received.

The next meeting of the group is scheduled for **31 May 2023.**

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