Energy Theft Reduction Expert Group
Meeting Minutes

Meeting	04
Date	26 July 2023
Location	Teams

Attendees	Organisation	Role
Aiyesha Andrade	RECCo Ltd	Chair
Alan Cookson	British Gas	Committee Member Alternate
Ben Clark	Utilita	Committee Member
Callum Thackray-Lovett	e.on	Committee Member
David Mitchell	SGN	Committee Member Alternate
Gareth Evans	ICOSS	Committee Member
Jane Edge	British Gas	Committee Member
Jenna Smith	Cadent	Committee Member Alternate
Jessica Jarvis	Cadent	Committee Member
Jordan Hills	SSE	Committee Member Alternate
Lisa Warnock	SGN	Committee Member
Paul Hart	UKPN	Committee Member
Shamil Udayar	npower	Committee Member
Nirav Vyas	Deloitte	REC Code Manager
Jason Salmon	REC Code Manager	REC Code Manager
Andrew Waghorn	REC Code Manager	REC Code Manager
Ria Bhatt	REC Code Manager	REC Code Manager
Ann Perry	RECCo Ltd	RECCo Ltd
Lynne Fallon	RECCo Ltd	RECCo Ltd
Rosalind Timperley	REC Code Manager	Technical Secretary
Apologies		
Rebecca Lowe	RECCo Ltd	RECCo Ltd
Jon Dixon	RECCo Ltd	RECCo Ltd

1. Welcome and Introductions

1.1. Attendees were welcomed to the fourth meeting of the Energy Theft Reduction Expert Group (ETREG).

1.2. The minutes of the previous meeting were approved.

2. Action Updates

2.1. The actions of the previous meeting were reviewed. Updates on all actions can be found in the Actions Log.

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3. Theft Detection Incentive Scheme Update

3.1. It was explained that there is a requirement on the Code Manager to review the Theft Detection Incentive Scheme (TDIS) Theft Target Methodology (TTM) on an annual basis. The Code Manager has commenced its annual review, looking forward for next year's (24/25) TTM. The areas under consideration for the review were noted to be as follows:

- Splitting the incentive pots based on additional attributes (e.g. smart/traditional meters)
- Reviewing the Theft Detection Value
- Reviewing the targets based on the findings of the Theft Estimation Methodology

3.2. An attendee observed that the scope is somewhat narrow and suggested that the review could include a wider end to end health check of how the methodology has faired over operation, based on the experience gained from operating the scheme over previous years. It was also flagged that the use of domestic and non-domestic within the scheme does not align with the Supplier Licences.

3.3. In response, it was noted that the TTM in its entirety is the four components set out for review. The REC Code Manager is not approaching the review with an answer in mind but is rather seeking input from parties on the scope of the review, noting that there needs to be a balance as to how much change should be taken forward in one go.

3.4. It was highlighted that there is an assumption about uniformity of theft across the market (e.g. traditional vs smart meters). Reviewing the incentive pots will start to open up the more fundamental assumptions that have been made here. In response it was noted that if this is supported by the evidence base, then it is right that it should be considered within the defining of the incentive pots.

3.5. An overview of the review timetable was then provided, noting that an initial options paper with a call for evidence will be issued in September seeking party responses. This will be followed by a consultation on proposed changes to the TTM in December. Changes would be applied in February, with the calculation of the theft targets ready for commencement of the new TDIS year.

3.6. It was noted that a separate consultation to change the data collected in support of the TDIS may be required, e.g. pots that are not derivable from the existing data. There is also work underway looking at the potential to create a simplified format for the submission of theft reporting data. If this were taken forward, then both formats would look to be supported (i.e. the existing format that many parties have built systems to deliver and the revised format that parties that struggle with the existing format could utilise).

3.7. It was noted that ETREG members are welcome to submit further comments on the TDIS review to the REC Code Manager via enquiries@recmanager.co.uk.

4. End to End Process Mapping Update

4.1. An update was provided on the Theft End to End Process project. It was explained that the project is pulling together information on theft processes. This will be used to prepare a suite of documents that will enable energy market participants to understand the key steps, parties involved, and the obligations placed on them. Furthermore, gaps in processes and obligations will be documented so that action can be taken to address these.

4.2. It was noted that a call to action has been issued via the REC Bulletin and targeted emails inviting representatives to share their own theft management processes for inclusion in this work and to attend one of two works shops scheduled for 31 July and 01 August. ETREG members were encouraged to attend.

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4.3. At the workshops the process maps will be reviewed with attendees. There will also be opportunity for attendees to flag where they feel that there is an issue with the process steps (e.g. gaps in obligations) so that these can be documented.

5. Energy Theft Forum Outputs and Next Steps

5.1. An update was provided on the next steps for the topics discussed at the June 2023 Energy Theft Forum.

Police Engagement

5.2. With regards to Police Engagement, it was noted that RECCo is awaiting written confirmation of the legal guidance on gaps in legislation obtained by the National Business Crime Centre (NBCC) representative. The intent is to share this via the UKRPA once received.

Improving Data Collection and Reporting

5.3. It was noted that attendees of the June Forum had been asked to share ideas on improving data collection and reporting with regards to energy theft, however, no suggestions were put forward. ETREG members were invited to share their suggestions via a whiteboard (shown in Appendix A below). The following points were raised during the discussion on the whiteboard:

- It was observed that it would be useful to have Health and Safety event information as this could be used, for instance, for trend analysis. It was noted that the data would potentially need to be anonymised.
- It was suggested that developer details where they have been involved in illegal connections would be valuable. It was observed that in addition, similar information associated with landlords would also be valuable.
- It was queried what the master record is with regards to a theft, for instance, is it by meter or property. In response, it was noted that it is held on the relevant supplier's billing system but at present there is no centralised register of properties where thefts have taken place. There is the TDIS data but that is only utilised for the TDIS scheme. This makes identifying trends difficult and limits opportunities for leads, e.g. where theft is occurring on both the gas and the electricity meters and the customer is with different suppliers for each. It was also observed that, if a consumer that has engaged in theft switches supplier there is no centralised register that would share this information with the new supplier.
- It was suggested that there would be value in there being a centralised pot of data that Suppliers can access to understand hotspots, similar to that available under the car insurance industry. This would aid parties in being proactive rather than reactive.

Engagement with Water Companies

5.4. It was noted that there was support from forum attendees for engagement with water companies. This will be this will be added to RECCo's epic on engaging with external agencies.

Third Party Theft

5.5. It was noted that there were a mixture of views from forum attendees as to whether Third Party theft should be within the scope of the RECCo theft reduction strategy. This topic will be added to RECCo's theft epics backlog, for review and prioritisation at a future date.

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November Forum

5.6. ETREG members were invited to put forward suggestions for the next forum, which will be held in November 2023. In response, the following suggestions were put forward:

- Have a discussion on facilitating multiple suppliers working together to visit a premise suspected of theft in a synchronised manner (e.g. for gas and electricity theft). It was noted this is a current gap in processes that should also be captured in the Theft end to end mapping.

ACTION 04/01: add facilitating multiple suppliers working together to visit a premise suspected of theft in a synchronised manner (e.g. for gas and electricity theft) as a gap in the end to end process mapping.

- Make the event a data focused one, for instance, covering the theft portal, data required to support a theft police force, DCC data and TDIS.

5.7. An attendee flagged that it is the Network Operator's responsibility to bill a customer where there has been no supplier in place, however, in some cases the suppliers that take on these unregistered customers are seeking to back bill for the period before they were appointed. It was agreed that this should be added to the end to end process mapping as an area where additional clarity is needed.

ACTION 04/02: add clarity on responsibilities for back billing of unregistered customers to the end to end process mapping.

6. Theft Amnesty

6.1. ETREG members were invited to share their feedback on the concept of introducing an Energy Theft Amnesty. A whiteboard containing the comments made by ETREG members is provided as Appendix B. When reviewing the points made via the whiteboard, the following points were raised:

- It was suggested that there should be a set of criteria for who the amnesty applies to, with certain situations excluded such as individuals who have recently illegally made a new connection (say within the last year).
- It was observed that people may be more likely to come forward if there was no back billing.
- It was noted that legislation and licence conditions would need to be considered as part of setting up any amnesty. It will need to be ensured that Suppliers are not put in breach of their licence conditions.
- It was suggested that potentially there should be an amnesty for Suppliers who are not currently delivering their theft obligations, giving them opportunity to seek advice about what they should be doing with regards to addressing energy theft.
- It was cautioned that there could be overwhelming demand. Potentially the industry is capturing 1% of thefts a year, with this amnesty there could be very large numbers of people coming forward. They may not raise it as theft but rather say they haven't been receiving bills for many years and have always been worried about getting a large bill, or say they think something funny seems to be happening with their meter.
- It was noted that there is a gap in processes where customers are topping up prepayment cards which are not registered. This can occur when landlords have installed prepayment meters bypassing the correct process. The money will either end up with the

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last legitimate owner of the meter or in the unallocated pot. It was noted this gap should be fed into the Theft End to End project.

ACTION 04/03: in the end to end process mapping include a gap around customer top ups on illegitimately installed prepayment meters.

- It was queried what evidence exists to the support the need for there to be an amnesty. An action was taken for RECCo to confirm this.

ACTION 04/04: confirm what evidence exists to support the need for there to be an amnesty.

7. Engaging with External Agencies

7.1. It was highlighted that as part of the output of the November ASE event on energy theft, it was suggested that RECCo should engage with appropriate non-industry parties. Furthermore, engagement with water companies was discussed at the June Energy Theft Forum. It was explained that these had been captured as two Epics within RECCo's theft strategy, namely "Identification of Non-Industry Agencies to Collaborate with for Energy Theft" and "Engage with Non-Industry Agencies for Energy Theft".

7.2. ETREG members were invited to share their feedback on which organisations RECCo should engage with and why. A whiteboard containing responses is provided as Appendix C. Points raised during the discussion of the whiteboard included:

- With regards to Crimestoppers, it was noted that RECCo is working with Crimestoppers beyond the ETTOS to tap into their network. More information will be shared with ETREG on this at a future meeting.
- It was suggested that the Gas Safe Register may be able to provide reporting of instances where downstream engineers have been approached to tamper a meter.
- It was noted that if RECCo's work on energy theft takes off, there could be interest from National Media. It was suggested that RECCo should make sure that media organisations are primed to ask RECCo questions on this rather than reaching out to their existing contacts.
- For Local Authority modern slavery tip-offs, it was explained that where unregistered illegal electricity use has been identified in a handful of cases suspected modern slavery has also been identified and passed to the relevant authorities.

8. Social Media Monitoring

8.1. It was explained that for the November 2023 Theft Accelerated Solutions Event (ASE), analysis was undertaken of energy theft related conversations on social media, with charts from the analysis shared with ETREG members.

8.2. Attendees were asked to share their views on social media monitoring via a whiteboard (provided as Appendix D). In discussing the points made on the whiteboard with regards to potentially procuring a service to monitor social media, and what it should cover, the following points were raised:

- It was noted that some telegram groups can only be joined if invited by an existing member.
- It was suggested that there should be monitoring of the selling of services such as conferences that claim to help consumers to understand how they can receive 'free

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energy'. ETREG members were asked to share details of these types of event with RECCo to aid in developing a greater understanding.

ACTION 04/05: ETREG members to share with RECCo additional details on face to face conferences promoted via social media that claim to help consumers to understand how they can receive 'free energy'.

8.3. It was noted that the feedback provided via the whiteboard will be used to aid RECCo in defining its activities under this epic.

9. Forward Agenda

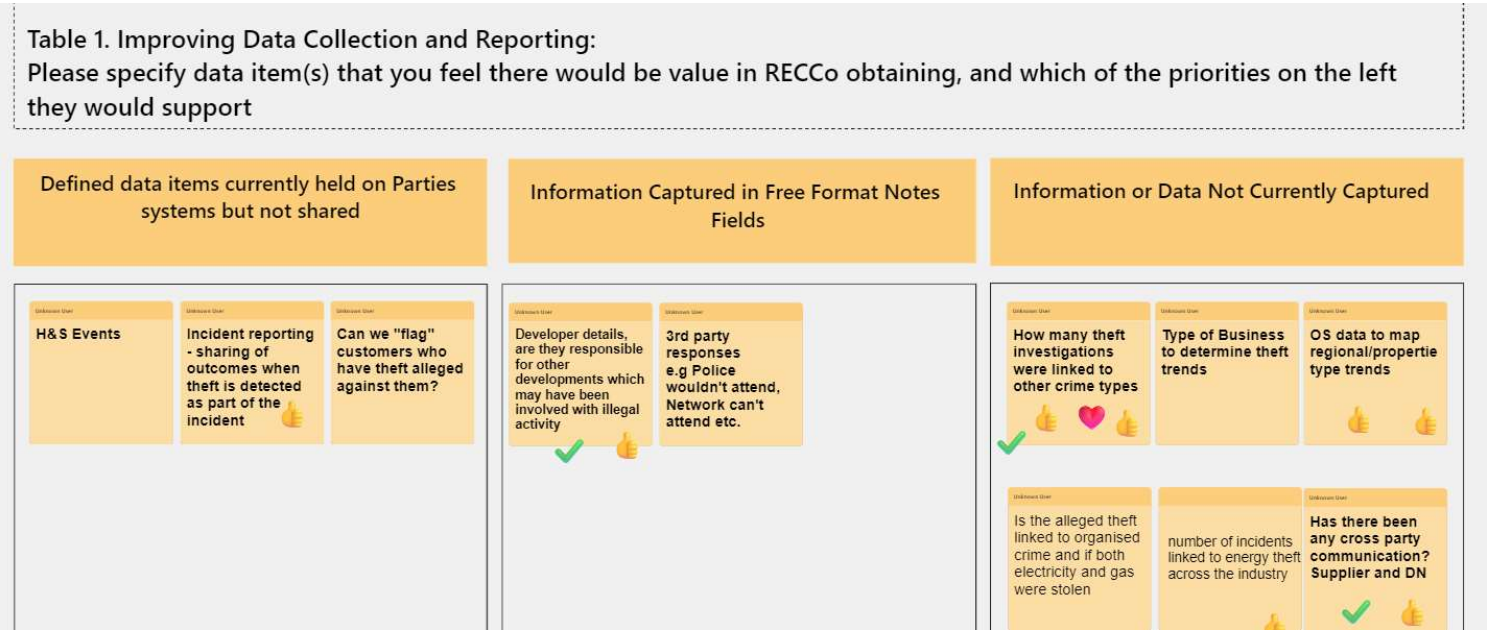
9.1. Proposed topics for future meetings of the ETREG were displayed on screen and attendees were invited to suggest topics for future ETREG meetings.

10. AOB

10.1. Attendees were asked to confirm if they can attend the next ETREG, noting that it falls within the summer holiday period.

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Appendix A - Data Collection and Reporting Whiteboard



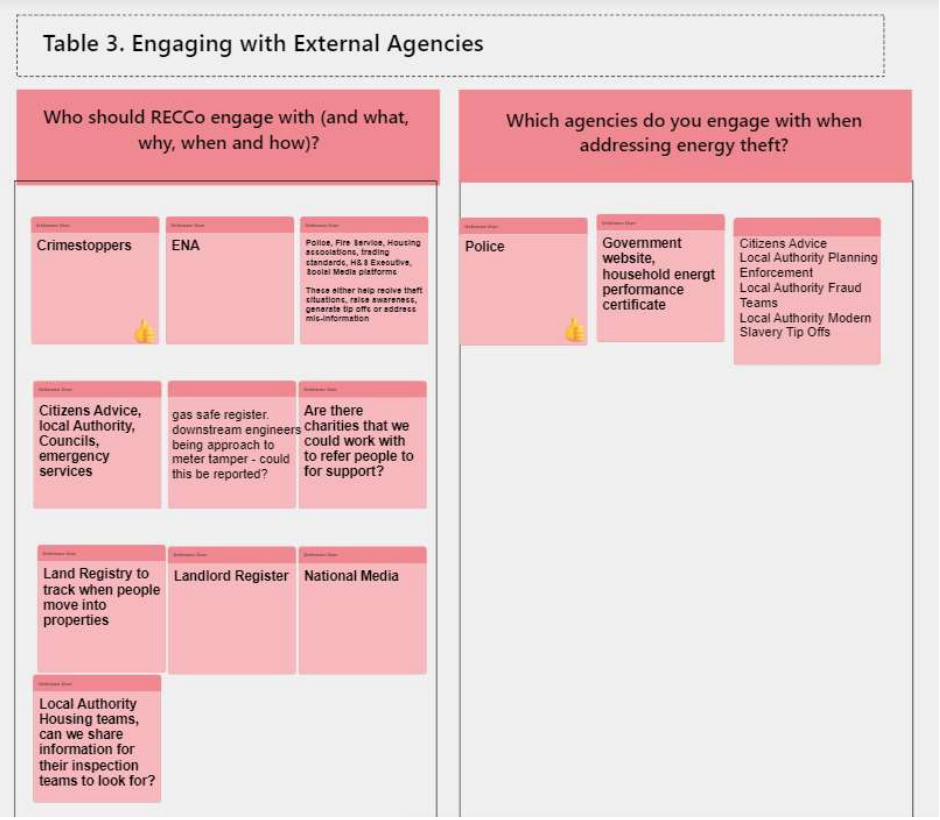
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Appendix B – Theft Amnesty Whiteboard



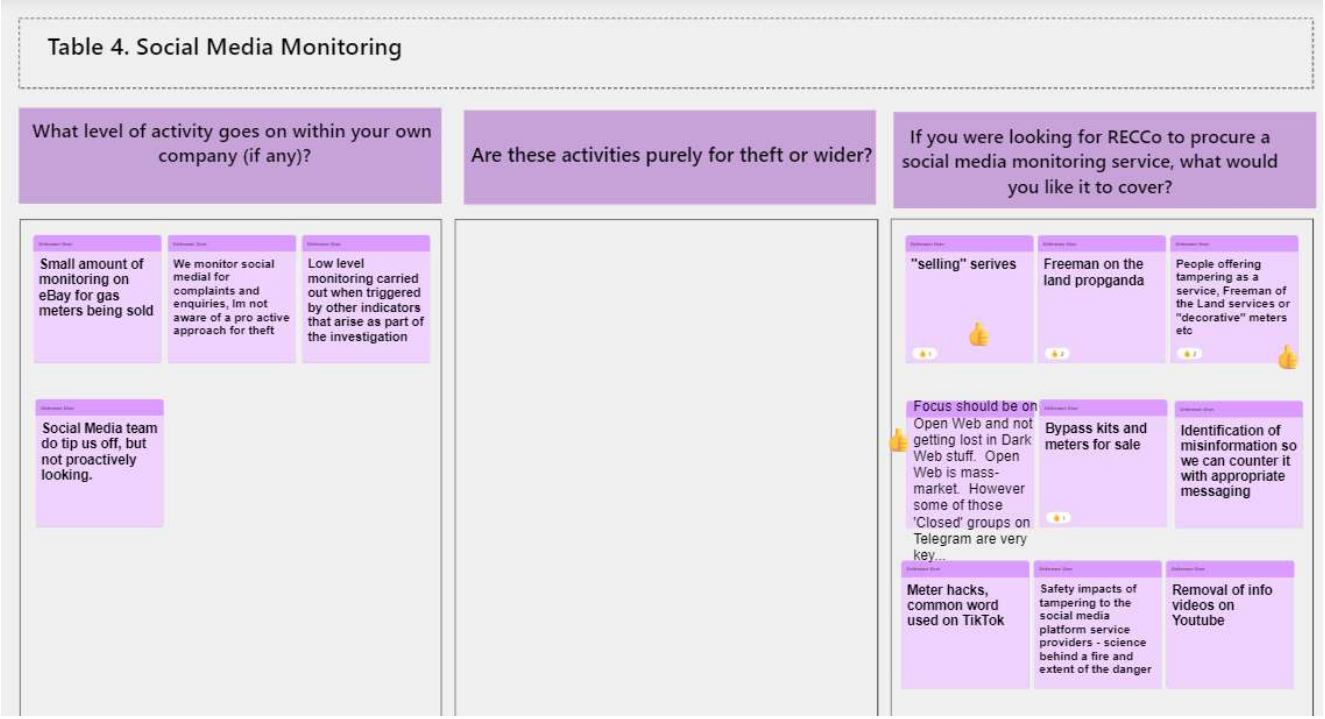
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Appendix C – Engaging with External Agencies Whiteboard



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Appendix D – Social Media Monitoring Whiteboard



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