

Energy Theft Reduction Expert Group

29 May 2024



01 Welcome and Introductions

02 ETREG Action Updates

03 Approach to TIG Referred Items

04 Police Strategic Outline Case Update

05 Energy Theft Forum Agenda

06 Energy Theft Profile Hypothesis Generation

07 Future ETREG Meeting Cadence

08 Forward Agenda

09 AOB

Welcome and Introductions

Minutes of the Previous Meeting

The ETREG is invited to approve the minutes of the previous meeting.

Action Updates

Rosalind Timperley

ETREG Action Updates

Reference	Action	Owner	Target Date	Update
ETREG_08_01	Consider the new SME definitions being developed by DESNZ and assess the feasibility of identifying such consumers within REC systems, to better facilitate REC Parties discharging applicable licence obligations.	RECCo	Feb 2024	Awaiting DESNZ definition publication
ETREG_08_04	Work with RECCo on establishing what types of marketing content Distributors and Transporters would find valuable to promote reporting of network theft.	ETTOS Service Provider	Jan 2024	Have any Distributors / Transporters reached out to Crimestoppers to share what material would be useful?
ETREG_09_05	Organise face-to-face meetings with a morning start for the March, June, September and December ETREG meetings.	Technical Secretary	Feb 2024	Future meeting cadence on agenda
ETREG_11_01	ElectraLink to provide an update on its Network Trial at the July meeting of the ETREG.	ElectraLink	July 2024	Move to Aug/Sept based on future meeting cadence
ETREG_11_02	Consider engaging with meter manufacturers on preventing energy theft.	RECCo	May 2024	Awaiting results of smart alert back testing

ETREG Action Updates

Reference	Action	Owner	Target Date	Update
ETREG_11_03	Share the theft amnesty proposal with people in your businesses (including decision makers) and gather their input to ensure that their feedback, including any prerequisite things that have to happen before an amnesty, can be built into the next version of the theft amnesty proposal.	ETREG Members	Apr 2024	Extended to May
ETREG_12_01	ETREG Members experiencing difficulty using the Energy Theft Calculators on MAC operating systems to share details via Theft@retailenergycode.co.uk so that the Energy Savings Trust can look into this	ETREG Members	May 2024	
ETREG_12_02	Share the types of things your organisation would consider when assessing unregistered consumption energy volumes, so that it can be considered whether these should be included within the Energy Theft Calculators.	ETREG Members	May 2024	
ETREG_12_03	Establish if more clarification is needed in regards to use of the Theft Calculators.	RECCo	May 2024	To feed into review of Unbilled Energy Schedule. Forum discussion
ETREG_12_04	Establish if more clarification is needed in regards to the responsibility for back billing unregistered consumption	RECCo	May 2024	To feed into review of Unbilled Energy Schedule

ETREG Action Updates

Reference	Action	Owner	Target Date	Update
ETREG_12_05	Share any figures they may have that can help to quantify the extent to which fraudulent non-domestic change of tenancy is an issue.	ETREG Members	May 2024	
ETREG_12_06	Share any further feedback on R0155 (Change of Tenancy: Evidentiary Standards and Timescales) by emailing change.management@recmanager.co.uk.	ETREG Members	May 2024	
ETREG_12_07	Provide feedback on the draft Strategic Outline Case for the Energy Theft Reduction Police Partnership Proposal to Theft@retailenergycode.co.uk by 3 May 2024.	ETREG Members	May 2024	
ETREG_12_08	Share the cadence for future ETREG meetings at the May meeting of the group.	RECCo	May 2024	On agenda
ETREG_12_09	Explore how engagement can be improved with those Suppliers that are not proactive in the theft space.	RECCo	May 2024	Discussions underway with OAMs

Approach TIG Referred Items

Lynne Fallon

Theft Issues Group (TIG) Referred Items

At its meeting on 24 April, the Theft Issues Group discussed whether the REC Unbilled Energy Code of Practice, which has not been reviewed since pre-REC, is in need of review. This was referred to the ETREG.

Areas flagged by the TIG that may require consideration included the minimum standards, best practice guidance and the potential to add a Job card template type process

The ETREG is invited to:

- **Comment on areas of the REC Unbilled Energy Code of Practice that it feels need review**
- **Advise on how ETREG would like their feedback to be sought (e.g., via email or ad-hoc meetings)**

REC Schedule 8 – Unbilled Energy Code of Practice

1. Should unregistered and theft be split into separate Schedules or is it sufficient to clearly separate them within Schedule 8?
2. Is 'best practice' needed for unregistered sections?
3. Introduction and High Level Principles should not require best practice - but do these need reviewing?
4. Should the review of schedule 8 and development of Best Practice be completed simultaneously to ensure there is no conflict between Best Practice and Obligations?
5. Is reviewing it in sections the best approach? (initial proposals for groupings on next slide)
6. Should the starting point be the amalgamation of SPAA and DCUSA best practice, along with any additional text from UKRPA best practice and review/update this alongside the Obligations in Schedule 8?
7. Is anyone aware of existing areas of conflict or lack of clarity within Schedule 8 to be prioritised for review?
8. Would the group prefer to review each section offline and provide feedback or a dedicated session to review as a group?
9. Do we need to raise this as an issue for Code Manager at this point, or defer until we have some completed section review material and suggestions for potential code changes available?
10. Is there an expectation of timescale for this - including a final end to end review of the complete document

Proposed section groupings for Sch 8 review

Section	Best Practice needed	Review Group
1. Introduction	No	?
2. High Level Principles	No	?
3. Responsibilities of Parties: Theft	Yes	1
4. Responsibilities of Parties: Unregistered Sites	?	?
5. Information Sources	Yes	1
6. Information exchange between Parties	Yes	1
7. Procedures for Investigation	Yes	2
8. Conduct of Investigations	Yes	2
9. Collection and retention of evidence (including handling of case materials)	Yes	2
10. Information to Consumers	Yes	3
11. Outcome of Investigation	Yes	2
12. Assessment of Unrecorded Units	Yes	4
13. Assess Ability to Pay and Agree Payment Terms	Yes	3
14. Maintenance of Records	Yes	4
15. Reports	Yes	4
16. Release of Shipperless and Unregistered Site Data to the PPMIP	?	?
17. Reconciliation of Data between the PPMIP and CDSP Data Sets	?	?
18. Treatment of Vulnerable Consumers	Yes	3
19. Communication with Unregistered Consumers	?	?
20. Information Exchange between Parties (Unregistered Sites)	?	?
21. Information to Consumers (Unregistered Sites)	?	?

Best practice Prioritisation

What areas of best practice need most focus:-

- Theft in Conveyance and Supplier Responsibility definitions and differential between fuels
- Desktop reviews and pre investigation visit considerations
- Warrants - circumstances for Without Notice Warrants and evidence to support their application
- Customer correspondence before theft is confirmed
- Assessments
- Settlements
- Information gathering
- Evidence gathering

Are there other areas to consider?

Strategic Outline Case Update

Jon Dixon

Update on the Police Strategic Outline Case

Verbal update

Energy Theft Forum Agenda

Rosalind Timperley

Energy Theft Forum Agenda

Date: Thursday, 27 June at 1pm

No.	Agenda Item	Presenter
1	Welcome and Introductions	Chair
2	ETTOS Marketing Plan overview	BH&P
3	Energy Theft Calculator Potential Changes	Energy Savings Trust
4	Q&A	Chair
5	Update from the Theft Issues Group (TIG)	Code Manager
6	Overview of Secure Data Exchange Portal (SDEP) Theft Related Changes	Code Manager
7	Q&A	Chair
	Break	
8	Police Strategic Outline Case	RECCo
9	Data Sharing and Analysis	RECCo
10	Share your feedback on the Energy Theft Reduction Hub	RECCo
11	Q&A	
12	Share your successes and challenges	Chair

The ETREG is invited to note the proposed agenda for the Energy Theft Forum.

Do you have any successes or challenges you would like to share with the Forum?

Energy Theft Profile Hypothesis Generation

Rosalind Timperley

Theft Profile Hypotheses

The Theory: within smart metered energy consumption, the patterns of consumption and behaviors where there is energy theft will vary from standard patterns. The more ways in which a household's energy consumption varies from standard patterns, the higher risk that there is theft occurring at the property.

How to test the theory: set out a series of hypothesis as to how energy theft might impact energy consumption patterns and back test these using confirmed theft and HH consumption data.

Example Hypotheses

- **Sudden and Sustained Drop** – drop occurs when the theft commences
- **Change to Peak Consumption Point** – the customer has bypassed the most expensive energy consuming appliances in the property. As the highest energy consuming assets have been bypassed, the peak consumption points that they drove no longer appear in the customer's consumption pattern.
- **Change to consumption shortly before requesting less frequent reads** – HH read customer has a meter tamper that impacts on their consumption and very shortly after requests a change to monthly readings.
- **Localised Spike in Customers Requesting Monthly Reads:** In an area where an individual is offering tampering services there will be a spike in the number of customers requesting to switch from HH to monthly readings (possibly aligning with social media posts offering tampering services in that area).
- **Falsified Change of Tenancy:** in most genuine change of tenancy instances, electricity consumption drops significantly (due to vacancy between tenancies, and potential removal of all appliances). With falsified change of tenancy, there is no discernable impact on consumption.
- **Solar Power /Weather Mis-Match** – the customer is falsifying export from solar panels resulting in the power generated not aligning with weather patterns in the way that genuine solar generation does.
- **Consumption Shifting** – a household with a time of use tariff falsifies the consumption in a way that reduces the amount consumed under the higher rate tariffs.

Adding to the Hypotheses

Can you share examples of types of theft that you have seen in smart metered properties? How might you expect the theft to impact on consumption patterns and behaviours?

Theft Types

- Partial bypass
- Full bypass
- Partial bypass with switch
- Full bypass with switch
- Certain equipment connected before the meter (boiler, EV charger, etc…)
- Electronic/magnetic interference (fully or intermittently)
- Battery removal (fully or intermittently)
- Self re-energisation/connection of de-energised/ disconnected meter
- Unregistered consumption
- Generation with meter without backstop (assume not feasible with smart meters?)
- Organised crime (e.g. cannabis growth)

Theft Drivers

- Need/Greed
- Organised Crime
- Freeman on the land
- Unregistered meter
- Inherited
- Landlord with unaware resident

Detection Avoidance Behaviour

- Requesting reduced smart meter read frequency
- Frequently changing supplier
- Providing estimated reads due to "broken" comms

Theft Impact on Consumption Pattern

- Daily consumption
- Weekday vs weekend consumption
- Monthly consumption pattern
- Annual Consumption
- Seasonality impact
- Weather sensitivity
- Price sensitivity

Other Variables

- Tamper services being offered in the region
- Freeman on the land social media promotion
- False change of tenancy
- Electric Vehicle
- Heat Pump/Solar

Future ETREG Meeting Cadence

Rosalind Timperley

Proposed Future Meeting Cadence

Questions: Does ETREG support having the August meeting in early September to avoid the summer holiday period? Is Wednesday the ETREG's preferred day?

2024 Meetings

Month	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Type	**Forum**			**ETREG**		**Forum**	**ETREG**
Location	Remote			Remote		Remote	Face to face
Notes				Early Sept to avoid holidays			

2025 Meetings

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Type			**ETREG**	**Forum**		**ETREG**		**ETREG**	**Forum**			**ETREG**
Location			Remote	Remote		Face to Face		Remote	Remote			Face to face
Notes				Avoid Easter period								

Forward agenda

All

Forward Agenda

May

- Back testing of smart alerts
- Police strategic outline case feedback

June

N/A - Forum

July

N/A

August

N/A

September

- Theft Portal Feedback
- Back testing of smart alerts
- ETTOS Service Feedback
- Police

We welcome suggestions for further forward agenda items

AOB

AOB Items

- Referral assessment service workshops
- Performance Assurance Scoring