Energy Theft Forum

Headline Report

Forum 01 (28 June 2023)

This Headline Report provides an overview of the discussion topics at the RECCo Energy Theft Forum held on 28 June 2023.

- **RECCo Theft Reduction Strategy Update:** it was explained that RECCo is seeking to deliver a rounded approach to its energy theft reduction strategy which includes better understanding the problem; preventing theft; improving industry ability to detect theft; and, once theft is detected, ensuring industry has the tools to respond to it. It was noted that at the energy theft industry workshop held in November 2022, five priorities were identified for the theft reduction strategy, namely:
    - Re-establish theft expert group and stakeholder forum
    - Raise awareness of scale and impacts of energy theft
    - Develop theft data hub and analytics
    - Improve whole-of-system incentives to prevent, detect and investigate theft
    - Explore feasibility of improving police focus on energy theft

  An agile methodology is being used to deliver against these objectives, with associated actions delivered as a series of "Epics". An overview of the Epics and their status was provided to attendees.

- **The Energy Theft Tip-off Service (ETTOS) and Stay Energy Safe:** Crimestoppers provided an overview of the service it provides, explaining that Stay Energy Safe is the public facing brand of the ETTOS. It is available 24hrs a day, 100% anonymous, with tips-offs received assessed to determine if they are actionable and matched to the relevant supplier. In addition, year-round comms and marketing is delivered to raise awareness and drive reports about suspicions of energy theft. It was highlighted that the Partner section of the Stay Energy Safe website, which contains material on energy theft for use by industry participants, is soon to be updated to improve navigation and add new assets. It was noted that the number of reports received has been steadily increasing, with over 10,000 in 2022.

- **Using Smart Meter Data in Theft Detection:** it was explained that work is underway to explore the feasibility of using smart meter data to improve theft Detection. The intention is to complete back testing on already reported thefts to determine which, if any, smart meter alerts are correlated to instances of energy theft and could be used to better predict and detect energy theft in the future.

- **Police Engagement:** with a representative from City of London Police present, forum attendees were invited to share their thoughts on areas which may not currently be working as well as they could, for REC Parties and Police Forces. Discussions covered the following areas:
    - **Information Exchange:** attendees noted challenges in sharing information with police, with over 50% of attendees responding to a poll saying that they are only sometime able to get the information they need from police and a further 25% saying in most instances they are unable to. With regards to instances where payment has been requested, it was highlighted by the City of London Police representative that there are clear guidelines for police on what they can charge for in terms of the provision of data and this specifies that they cannot charge victims for the provision of information.
    - **Warrant Execution Support:** attendees noted that sometimes police who attend site are not able to support as it is unclear to them what laws have been broken. It was explained that legislation currently limits the powers of police to force entry and issues around enforcing warrants does exposes some potential gaps in the legislation.

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- **Prosecutions:** in response to a poll 85% of respondents stated that they do not actively seek prosecution, leaving it up to the Police and Crown Prosecution Service/Crown Office and Procurator Fiscal Service. It was observed that the CPS may not necessarily take forward energy theft prosecutions, choosing other charges associated with the site that it feels are more likely to be successful.
- **Processes & Guidance:** poll results indicated that processes and guidance are not readily available to provide the information needed, with 73% of poll respondents indicating that there is not sufficient guidance at present.

With regards to solutions, it was agreed that there would be benefit in there being clear guidance made available on the National Business Crime Centre (NBBC) website. This guidance could provide information on what support police can provide, for example, with regards to warrants, what are the responsibilities and restrictions of the police officers there to assist, and what is within their remit?

- **Improving Data Collection and Reporting:** an overview was provided of the current data submitted by market participants to RECCo in relation to energy theft investigations. It was noted that at present the only data collected is in relation to the Theft Detection Incentive Scheme (TDIS) and the data collected under this has not been reviewed for a number of years. It was explained that additional data would be useful in a number of areas, namely:
  - To support the potential Funded Prosecution Unit
  - Lead Generation
  - Health and Safety
  - To input to the Theft Estimation Methodology (TEM)
  - For Theft Trend Analysis

  Attendees were invited to rank the priorities for additional data requirements via a poll, with the top result being data to support a funded energy theft prosecutions unit, followed in second place by the reporting of health and safety information for RP operative safety.

- **Engagement with Water Companies:** It was explained that there are a number of potential reasons why there may be merit in engaging with water companies with regards to energy theft, for instance, there are known instances where there has been energy theft and the water was also on bypass; and energy intensive crypto currency mining is starting to make use of water cooling. Obtaining leads in the commercial segment is particularly challenging and such engagement could help in this area.

  In response to the presentation, it was suggested there would be merit in inviting water companies to join the UKPRA. It was also cautioned that whilst considering additional sources of information is useful, the cost and benefits need to be understood.

- **Third Party Theft and Demand Side Response:** attendees views were sought on whether third party theft (i.e. theft of energy after it has been metered) should potentially be incorporated into the theft reduction strategy. A poll showed 40% supported its inclusion with a further 27% believing it should not be and the remaining 33% unsure. Views were also sought on whether third party theft for demand side response was a potential emerging risk that should be considered under the theft strategy. A poll on this showed 37% supported its inclusion, with 17% not supportive and the remaining 47% of respondents unsure.

Attendees were invited to send topics for the next forum to TechnicalEnquiries@recmanager.co.uk. The next forum will be held on Wednesday, 29 November 2023.

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