RETAIL ENERGY CODE

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01	Proposal Plan
02	Impact Assessment
03	Consultation
04	Final Recommendation

CHANGE REPORT

R0263 – SHARING CONFIRMED ENERGY THEFT DATA WITH THE BSC

DOCUMENT VERSION	V1.0
PROPOSED IMPLEMENTATION DATE	07/11/2025
IMPLEMENTATION APPROACH	BIG BANG

RESPONSIBLE COMMITTEE	CHANGE PANEL	CHANGE PATH	SELF-GOVERNANCE
PRIORITY STATUS	MEDIUM	URGENCY	STANDARD
IMPACTED STAKEHOLDERS	ENERGY SUPPLIERS, REC PERFORMANCE ASSURANCE		

LEAD ANALYST (SOLUTION LEAD)	SUBJECT MATTER EXPERT
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OVERVIEW

This Change Proposal provides a legal text amendment to Schedule 7 – Energy Theft Reduction, Annex 3 clause 6.4, to include the Balancing and Settlement Code (BSC) in the list of organisations and Parties who should be shared data relating to Confirmed Energy Thefts.

RETAIL ENERGY CODE

CONTENTS

1 Summary 3
2 Problem Statement 3
3 Impacts 3
4 Cross-Code Impacts 3
5 Proposal Plan 4
6 Stakeholder Engagement 4
7 Priority Status and Urgency 4
8 Proposed Solution 4
9 Draft Legal Text 5
10 Appendix 5
11 Glossary 5

BACKGROUND

1 SUMMARY

Under the Distribution Connection and Use of System Agreement (DCUSA), provisions for the sharing of theft-related data between the Theft Risk Assessment Service (TRAS) and the BSC were established within DCUSA Schedule 25. However, with the ending of TRAS prior to the transition of Energy Theft-related responsibilities from DCUSA and the Supply Point Administration Agreement (SPAA) to the Retail Energy Code (REC), this data-sharing obligation was not transferred over into the REC framework.

As a result, there is currently a gap in the REC that prevents the REC Code Manager from sharing Confirmed Energy Theft data with the BSC for use in Settlement processes. This limitation hinders the BSC's ability to verify that all relevant Energy Theft data has been accurately incorporated into Settlement, potentially impacting the integrity and accuracy of the electricity market.

This Change Proposal has been raised to amend Schedule 7 – Energy Theft Reduction, clause 6.4, to explicitly include the BSC among the authorised recipients of confirmed Energy Theft data. This amendment will ensure that the BSC can access the necessary data to support its Settlement responsibilities.

Due to the potential implications for Settlement accuracy and market operations for the BSC, the implementation of this Change Proposal is preferred to be as soon as reasonably possible.

2 PROBLEM STATEMENT

There is a gap in the provision of the REC that means that Energy Theft data is not able to be shared with the BSC for the purposes of use within Settlement. Without the ability to have this data shared with them, the BSC are unable to confirm that all Energy Theft data has been correctly entered into Settlement.

3 IMPACTS

CONSUMERS	REC PARTIES AND SERVICE USERS	RECCO / REC CODE MANAGER
Electricity Consumers	Energy Suppliers	REC Performance Assurance

4 CROSS-CODE IMPACTS

This Change Proposal has been submitted by the BSC; however, it does not give contain any direct cross-code impacts, and no corresponding cross-code change is required.

The Code Manager will continue to engage with the Cross-Code Steering Group on the Change Proposal.

5 PROPOSAL PLAN

Milestone	Activity	From	To
Definition		**03 Jul-25**	**31 Aug-25**
	Service Provider Impact Assessment	July	August
Change Proposal		**01 Sept-25**	**06 Oct-25**
	Business Case Assessment	September	September
	Consultation	September	September
	Final Determination	September	October
Voting		**07 Oct-25**	**07 Oct-25**
	Appeal Window	08 October	22 October

6 STAKEHOLDER ENGAGEMENT

A Party impact assessment is not required for this Change Proposal. Stakeholder engagement will be undertaken through a standard 15 Working Day industry consultation, during which stakeholders will have the opportunity to provide feedback on the Change Proposal, including the accompanying draft legal text. This consultation is currently scheduled to take place in September 2025.

7 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Indirect	1	27	27
	Retail Markets Impact	Innovation and Market Arrangements	1	17	17
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	2	7	13
		Legal and Regulatory Compliance	0	14	0
Resource	Complexity / Effort / Duration		3	9	28
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		1	17	8
	Contribution to/ Alignment with RECCo's Forward Work Plan		2		17
Urgency *(The need to progress a change to meet a targeted date)*		Cross Code Activity	3	10	30
				Overall Priority Score (rounded)	139

Priority Status	MEDIUM
Change Proposal Type	STANDARD

This Change Proposal has been given a priority status of Medium based upon a weighted prioritisation score of 139.

8 PROPOSED SOLUTION

Annex 3, clause 6.4 of Schedule 7 – Energy Theft Reduction shall be amended to include a provision that the existing process by which the Code Manager shares data relating to confirmed Energy Thefts with relevant industry Parties shall be extended to explicitly permit the sharing of such data with the BSC. This includes, but is not limited to, the provision of relevant theft-related data to the BSC Panel, BSC Parties, and any appointed BSC Agents, where such sharing is necessary to support Settlement accuracy, market integrity, and the identification or

mitigation of systemic issues arising from Energy Theft. The data sharing shall be conducted in accordance with applicable data protection laws and any relevant confidentiality obligations.

The proposed legal drafting is as follows:

> 6.4 The Code Manager shall ensure that there is a process in place to share data relating to Confirmed Energy Thefts with the CDSP, ~~and~~ DNOs and the BSC for the purpose of the volume of energy associated with each such case being recognised within settlement, consistent with the intent of paragraph 15 of the Unbilled Energy Code of Practice.

9 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to R0263 can be found here.

10 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	R0263 - Legal Drafting - Schedule 7 Energy Theft Reduction (07.07.2025) R0263 - Legal Drafting - Schedule 7 Energy Theft Reduction (Extract) (07.07.2025)
ANY OTHER DOCUMENTS / LINKS	Balancing and Settlement Code DCUSA – Schedule 25 DCP–357: Sharing Theft Data Between the TRAS And Elexon

11 GLOSSARY

TERM	DEFINITION
Balancing and Settlement Code (BSC)	Means the Balancing and Settlement Code, as defined in the Electricity Supply Licences.
Confirmed Energy Theft	means that the holder of an Energy Licence (or person acting on their behalf) reasonably determines that, on the balance of probabilities, and taking into account all of the evidence then available, one of more instances of Energy Theft has occurred. Such a determination may not be made unless sufficient evidence is held to substantiate the occurrence of Energy Theft, including (as a minimum): (a) an indication of theft via a

TERM	DEFINITION
	desktop review of consumption levels; and (b) a report of a site visit where access was successful; and (c) photographic(or sketch) evidence of the theft, including illegal connection/bypass or meter tampering.
Distribution Connection and Use of System Agreement (DCUSA)	means the agreement of that name maintained pursuant to the Electricity Distribution Licences.
Energy Theft	Includes: (a) circumstances described in Paragraphs 5(1) (Restoration of connection without consent) and 6(1)(a) (Damage to electrical plant etc) of schedule 6 to the Electricity Act (in so far as they relate to an electricity supplier; (b) circumstances described in Paragraph 6(1)(b) (Damage to electrical plant etc) of schedule 6 to the Electricity Act; (c) circumstances described in Paragraph 11(1) (Interference with meters) of schedule 7 to the Electricity Act; (d) circumstances described in Paragraphs 10(1)(a) and 11(2) of schedule 2B to the Gas Act (in so far as they relate to a gas supplier); and (e) circumstances described in Paragraphs 10(1)(b) and 10(1)(c) of schedule 2B to the Gas Act.
Settlement	means settlement under the relevant industry codes (the BSC for electricity and the UNC for gas).
Supply Point Administration Agreement (SPAA)	means the Supply Point Administration Agreement as defined in the Gas Supply Licence prior to its replacement by this Code as part of Retail Code Consolidation.
Theft Risk Assessment Service	as described in Annex 2 of the Energy Theft Reduction Schedule.