RETAIL ENERGY CODE

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# THEFT ISSUES GROUP
## DRAFT MEETING MINUTES

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| MEETING | **RECTIG_25_0129** |
| DATE | **29 January 2025, 09:30** |
| LOCATION | **Microsoft Teams** |

| Attendee | Representing | Initials |
|---|---|---|
| Anne Jackson (Chair) | REC Code Manager | AJ |
| Colin Paine | Engie | CP |
| Carole Chapman | Tomato Energy | CC |
| Megan Cetera | Octopus Energy | MC |
| Ben Clark | Utilita Energy | BC |
| Alan Cookson | British Gas | AC |
| Danielle Gibson | SSE | DG |
| Jim Scaife | Seeka | JS |
| Victoria Burkett | SSE | VB |
| Nicola Farrier | N-Power | NF |
| Jennifer Pickering | EON Energy | JF |
| Shamil Udayar | N-Power | SU |
| Paul Hart | UKPN | PH |
| David Mitchell | SGN | DM |
| Lisa Warnock | SGN | LW |
| Alasdair Jenkins | Elexon | AJ |
| Matt Cogram | Elexon | MC |
| Cara Wardle | Elexon | CW |

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|---|---|---|
| Jon Dixon | Retail Energy Code Company | JD |
| Lynne Fallon | Retail Energy Code Company | LF |
| Rebecca Lowe | Retail Energy Code Company | RL |
| Paul Sutherland | Retail Energy Code Company | PS |
| Eve Marriner | REC Code Manager | EV |
| Rosalind Timperley | REC Code Manager | RT |
| Andrew Waghorn | REC Code Manager | AW |
| James Hardy | REC Code Manager | JH |
| Flo Monea | REC Code Manager | FM |
| James Rees (Secretary) | REC Code Manager | JR |

## 1 WELCOME, INTRODUCTION AND CONFIRMATION OF AGENDA

The Chair welcomed attendees to the eighth meeting of the Theft Issues Group (TIG).

## 2 CONFIRMATION OF THE AGENDA

RECTIG Members noted the contents of the agenda, one additional item of business was raised.

## 3 APPROVAL OF THE PREVIOUS MINUTES

The Chair invited attendees to provide comments on the draft minutes of the meeting held on 17 December 2024. There were no comments, and the minutes were approved as an accurate reflection of the meeting.

The Chair highlighted the minutes from RECTIG meetings contain the initials of the member who has raised a point. The Chair asked whether the preference would be to not include the initials of the members, and instead use the constituency they represent or the fact they are a RECTIG member.

LF asked if the initials of the members are removed, will there be a master copy of the minutes which aren't published, however if there is the need for clarify on a particular item, can the member easily be identified. The Chair advised this is a question for RECTIG members to answer on how they would like the minutes to be drafted.

MC advised they are happy with the current approach of displaying a RECTIG members' initials. MC highlighted they are supportive of the Code Manager or a REC party contacting them if clarity is needed on points they have raised.

PH mentioned if the minutes are more anonymised, it may promote more discussion at meetings. The Chair confirmed the idea is to promote more debate and discussions, with a way of doing that potentially anonymising the minutes.

Following the comments raised, it was agreed the minutes will continue to be drafted the same way, with Members initials noted when points are raised.

## 4 REVIEW OF ACTIONS LOG

The Chair provided Members with an overview of the below actions on the Action Log:

**RECTIG_24_1127_01: RECCo to investigate establishing a workshop to discuss the strategic review and prioritisation of theft project.** The Chair advised that an update would be provided under agenda item 5 – **Open.**

The Chair asked whether RECCo were considering holding a workshop. RL advised this will be dependent on the feedback on the first draft of the white paper.

RECTIG members agreed this action should remain open.

## 5 STRATEGIC REVIEW AND PRIORITISATION (WHITE PAPER)

JD provided Members with an overview of the Strategic Review and Prioritisation (White Paper), found on slides 8-14. JD informed Members the main objectives of this activity are to raise awareness of current theft initiatives, identify which initiatives may be mutually beneficial in several expected scenarios and identify the extent of stakeholder support for the provision of further centrally provided services. JD advised further objectives are to gather information to support any future approach to Ofgem and government for policy/regulatory changes and inform future work streams and an overarching strategic roadmap to tackle energy theft.

JD asked Members if they agreed with the proposed scope and objectives of the white paper. MC asked when the first draft of the white paper is expected to be presented to Members. JD advised the plan is to issue a first draft ahead of the next scheduled TIG meeting, however this could depend on feedback received. MC advised they agree with the approach, and it would be great to see the scope of the feedback to show whether parties are aligned on the biggest issues being faced with or projects which need to be prioritised.

The Chair asked whether new ideas will be welcomed, rather than just feedback on the projects already set out in the white paper. JD confirmed new ideas will be welcomed, particularly if new ideas have been triggered by an existing issue.

There were no further comments from Members. JD highlighted feedback can be provided by emailing theft@retailenergycode.co.uk.

## 6 I0233 – INTRODUCTION OF AN ENERGY THEFT UNIT (ENU) UNDER THE REC

PS advised members the consultation responses to the Business Case on the proposal on partnering with the City of London Police have recently been published. PS noted this change is currently going through a legal review, and the view is it will need to go through to an authority decision, however this could cause some delays.

No comments were raised on this agenda item.

## 7 I0234 – INTRODUCTION OF AN ENERGY THEFT REFERRAL ASSESSMENT UNDER THE REC

PS informed Members I0234 is currently going through a legal review.

PS advised the initial approach for sharing the Energy Theft Referral Assessment forms with Suppliers securely through a REC SFTP site. AW queried whether the REC Portal could be used as the solution for the exchange of the reports. PS explained that a bespoke solution was being explored, as the REC Portal and SDEP were considered to lack appropriate security controls. RL provided a counter view that the REC Portal could still provide the solution, and that the priority was to identify the simplest, secure mechanism. SDEP had been discounted as it was not accessed by Gas Transporters".

> ***Post-meeting note**: Following the meeting, RECCo provided the following correction. "Security" was the incorrect term and should be understood as questions on the flexibility and functionality of the REC Portal as a referral transfer mechanism for RAS requirements only.*

MC asked what the level of discussion has been with the Police to understand the evidential requirements. PS advised the plan is to gather feedback from RECTIG Members on the approach, then engage with the Police to understand whether that is fit for purpose or not.

RECTIG Members were invited to provide feedback on the Key Case Acceptance Criteria and the Referral Information and Evenditiary Requirements papers by Monday 17 February 2025 by emailing theft@retailenergycode.co.uk. Both papers will be issued as post-meeting documents.

The Chair asked what RECTIG members can expect to receive ahead of the next meeting on 26 February 2025. RL explained the intent is to create a Category 3 document based on the feedback, to detail the Evidential Requirements that are needed. RL advised the key-case criteria will need to be established, to identify what cases need to be referred.

## 8 I0187 – SCHEDULE 8 REVIEW AND BEST PRACTICE DEVELOPMENT

JH informed Members a list of potential changes and issues to REC Schedule 8 were published ahead of the meeting with the pre-meeting documents. The objective was to go through all the current changes and issues, to gain RECTIG members feedback on what has been raised.

VB highlighted the need for guidance documents to be avoided, as the obligations should be included in the REC Schedule. VB advised there might be scenarios where the guidance documents aren't being used, however if the obligation in the Rec Schedule is explicit, then that should be sufficient. MC agreed with this point, elaborating if the obligations are clear, then

guidance wouldn't be required. MC mentioned wording in the REC Schedules can be confusing for new market entrants, therefore if they are being updated, it needs to be made clear what the obligations are.

JH agreed to go through the issues raised with REC Schedule 8 that currently do not have a required outcome of change.

JH asked whether the principle of clause 2.1 (k) in REC Schedule 8 is met. RL mentioned this is linked to best practice, to show whether there is enough detail in the Schedule for parties to understand how to deal with energy theft. VB highlighted the Schedule could be updated with existing frameworks in other areas of the industry, to show parties where to find what they need. RL mentioned the frameworks could either be included in the Schedule or a separate guidance document.

JH informed Members clause 6.9 states 'If an Energy Supplier receives a report of suspected Energy Theft relating to one or more Consumers for whom the Energy Supplier is not responsible for investigating reports of theft, then the Energy Supplier shall record the details and pass these through to the Network Party by the end of the next working day'. JH asked whether the Supplier should pass this through to the Network Party, or the correct Energy Supplier. LW highlighted if it could lead to a safety concern, it should be sent straight to the Network Party. PH noted there may be a distinction between electricity and gas, therefore this may not be appropriate for electricity.

JH informed members clause 6.15 states 'where a Revenue Protection Agent has carried out a Cut-Off Disconnection, the Revenue Protection Agent shall immediately notify the Party that appointed them and advise the method of Cut-Off or Disconnection, and whether the Consumer is a vulnerable Consumer'. JH asked whether this should refer to those situations that occur outside of normal working hours and the communication that should be in place to safeguard vulnerable customers. JH further asked where most Suppliers have an out of hours team that should be notified to update the details of disconnection onto Consumer accounts. DG asked for clarity around the wording of Cut-Off disconnection, specifying that terminology could be interpreted differently by parties.

**Action: RECTIG_25_0129_08_01 – The Code Manager to clarify the meaning of 'Cut-Off Disconnection' as a defined term in the REC.**

MC highlighted this clause should refer to all situations, whether they take place inside or outside of working hours.

JH mentioned clause 15 is referring to reports, specifically the DNO report, with it being historic and there should be a discussion if it's still needed and if it can be provided by centrally held Theft Detection Incentives Scheme (TDIS) data. JH asked RECTIG Members for their opinions on this subject.

PH explained the DNO report wasn't ever adhered to, and they don't use the report, as they do not receive it. PH expressed an interest in receiving information around what Suppliers are identifying, therefore a solution could be that this information is provided centrally through REC and TDIS.

**Action: RECTIG_25_0129_08_02: The Code Manager to reach out to DNO's and understand their appetite for receiving the report for settlement purposes.**

RL mentioned the need to clarify which parties need to receive the settlement reports, and then it will make it easier to update the Schedule.

JH informed Members clause 15.1 of Rec Schedule 8 states 'Electricity suppliers shall provide a monthly report to each DNO of the cases of energy theft investigation'. JH advised a DNO party stated they receive very few of these reports from Suppliers and do not do anything with them. JH asked whether this obligation need to removed or updated, to reflect any current process in place. RECTIG Members noted this is similar to clause 15.

JH asked for RECTIG Members to review the Potential Issues and Changes document previously published and to provide feedback by Wednesday 19 February 2025.

## 9 CHANGE UPDATE

FM provided an overview of the changes and issues that have been recently raised relating to theft, found on slide 19.

The Chair asked whether the proposal plans for I0233 and I0234 include whether engagement is needed from RECTIG. FM advised I0233 already has a fully formed solution, therefore that will not need to be presented to RECTIG members, however I0234 will need input and is highlighted in the proposal plan.

## 10 FUTURE MEETINGS

The Chair advised that the next meeting of the TIG would be on 26 February 2024 from 09:30 to 12:00.

## 11 ANY OTHER BUSINESS

### 11.1 POTENTIAL WORKSHOP ON INCENTIVISING CORRECTION IN SETTLEMENT

MC informed Members there are discussions taking place in Elexon, to arrange a workshop on incentivising correction in settlement. MC advised the plan is to raise a change on this, however the workshop will be arranged first, to gain parties opinions.