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I0253 - THEFT - DNO/NETWORKS NOT PROVIDING PHOTOS

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1 PURPOSE

The purpose of this paper is to update Members of the REC Theft Issues Group (TIG) on REC Issue I0253 - Theft - DNO/Networks not providing photos. The Lead Analyst will address recent developments on I0253 governance, the proposed legal drafting, the current Party Impact Assessment, and how TIG Members may engage with the Issues process.

2 ISSUE UPDATE

2.1 EXECUTIVE SUMMARY

- Lydia Bentley is now the Lead Analyst;
- An updated Change Proposal Plan has been published and approved by Change Panel on 21 October 25;
- Draft legal text to deliver the proposed solution has been written and reviewed by the Code Manager's legal counsel;
- A REC Party Impact Assessment has been published, and is open between 16 October 25 and 07 November 25.

2.2 BACKGROUND

Under the Theft Detection Incentive Scheme (TDIS), Parties who wish to Qualify for rewards under the scheme must support their claim of Energy Theft with documentary evidence. An Energy Supplier has identified an issue relating to the provision of supporting evidence for TDIS. Where Gas Transporters (GTs) and Distribution Network Operators (DNOs) attend a property and in the course of their visit become aware of suspected or actual Energy Theft, they are required to make the site safe, which may involve changes or modifications to the Metering Asset.

This presents an issue; modifications to the Metering Asset made by the attending Network Party are essential for safety, but in doing so, they will remove the evidence of tampering (i.e., the evidence of Energy Theft) that necessitated their visit in the first place. As a result, when the Supplier attends following the visit by the Network Party, the evidence of Energy Theft that they would use to claim under the TDIS scheme will have been removed already by the Network Party. This will therefore affect their ability to claim under the scheme.

2.3 UPDATED ISSUE TIMETABLE

The Code Manager has published a V2.0 Change Report (Plan) with updated progression milestones. This was approved at Change Panel on 21 October 25. The new plan is as follows:

Milestone	Activity	From	To
Definition		**01 Jun 25**	**23 Nov 25**
	Solution Analysis	June	August
	Solution Development	August	October
	Legal Drafting	October	October
	Impact Assessment	October	November
Change Proposal		**24 Nov 25**	**02 Feb 26**
	Business Case Assessment	November	November
	Consultation	December	January
	Solution Refinement	January	February
	Final Determination	February	February
Voting		**03 Feb 26**	**03 Feb 26**
	Appeal Window	February	February

Key Points:

- An extended period to review responses to the Party Impact Assessment (due to close on 07 November) and the publication of the Consultation in December 25.
- An extended Consultation between December and January to account for the Christmas and Boxing Day Bank Holidays, and reduced industry capacity over the festive period.
- A vote on implementation of the proposed solution by the REC Change Panel on 03 February 26.

2.4 PROPOSED SOLUTION

The Code Manager is proposing changes to REC Schedule 8 – Unbilled Energy Code of Practice; specifically, to propose the following addition to Section 6: Information Exchange between Parties:

> *6.5 Where Paragraph 6.4 applies, the Network Party shall take reasonable steps to record photographic evidence of the actual or suspected Energy Theft (provided that it is safe to do so). If is not possible to record such photographic evidence, the Network Party shall produce a sketch (or similar visual representation) of the actual or suspected Energy Theft. The Network Party shall make such photographic evidence or visual representation available to the relevant Energy Supplier upon request. Unless another appropriate means of exchange is agreed (in compliance with Paragraph 6.6), the Network Party shall send this via the Secure Data Exchange Platform.*

More information relating to the analysis underpinning the proposed solution, and the intention of the drafting, can be found in the Change Report (IA), found here.

The Code Manager is minded to change the wording of the legal drafting from “make […] available to the relevant Energy Supplier upon request” to drafting that would require the Network Party to send the visual evidence in the first instance, rather than upon request. The Code Manager does not believe that this materially impacts the substance and intention of the drafting.

2.5 IMPACT ASSESSMENT

The Code Manager has published a REC Party Impact Assessment (IA) on 16 October 25, which will be open for comment until 07 November 25. The purpose of this IA is to:

- Understand how Network Parties will engage with the proposed solution;
- Understand considerations relating to the implementation and delivery of the proposed solution; and
- Understand costs and benefits associated with the proposed solution, for both Network Parties in respect of their delivery costs, and Energy Suppliers in respect of their TDIS reward qualification.

The Code Manager would encourage TIG Members who are impacted by the proposed solution, or stand to benefit from it, to respond to the Party IA with quantifiable information that may inform a cost-benefit assessment, detailed information relating to the required lead times for implementation, and any solution delivery concerns.

3 QUESTIONS FOR THE REC TIG

- Do you have any thoughts or comment on the updates provided in this paper?
- Do you have any questions regarding the next steps for I0253?