

Theft Issues Group Minutes

19 June 2018 at 10:00

The Bloomsbury Building, 10 Bloomsbury Way, Holborn, London, WC1A 2SL

Attendee	Company
Ian Main (IM)	Scottish Power
Lynne Fallon (LF)	British Gas
Paul Hart [PH]	UK Power Networks
David Mitchell [DM]	SGN
Laurie Walker [LW](teleconference)	ISupply
Marvin Clare [MC](teleconference)	Opus Energy
Emma Hegarty (EH)(teleconference)	SSE Supply
Rebecca Lowe [RL](teleconference)	EDF Energy
Richard Dakin [RD](teleconference, part meeting)	E.ON Energy
John Sanderson [JS](teleconference)	First Utility
Sasha Pearce [SP](teleconference)	npower
Terry Carr [TC] (teleconference, part meeting)	E.ON Energy
In Attendance	
Michelle Simpson [MS] (Chair)	ElectraLink
Fungai Madzivadondo [FM] (Secretariat)	ElectraLink
Austin Gash [AG] (Secretariat)	ElectraLink

26 June 2018

Apologies	Company
Terry Carr	E. ON
Piers Merritt	British Gas
Kate Grady	Crimestoppers
Tim Porter	SSEPD
Dave Ackers	Xoserve

1. Meeting Administration

- 1.1 The group noted the introductions and apologies.

2. Minutes and Actions

- 2.1 The meeting minutes from 15 May 2018 without amendment.
- 2.2 The TIG noted the outstanding actions updates. An update of all actions is provided as Attachment 1.

3. TIG Monitoring Log

- 3.1 The TIG noted the Monitoring Log items with updates provided on the undermentioned items:
- 3.2 **Gas and electricity incentive scheme audit process** – With the implementation of the electricity theft incentive scheme in June 2018, the TIG will need to start considering a possible audit of the gas and electricity theft incentive schemes. ElectraLink presented audit options captured within item 7 below.
- 3.3 **Gas Theft Detection Incentive Scheme Targets** – The TIG suggested a discussion at the next TEG meeting regarding year 1 targets and whether they could be reviewed once they received the end of year report. Some members feel that given the Year 3 target options presented at TRAS Expert Group[(TEG) Suppliers may not meet the gas Scheme Year 2 and electricity Scheme Year 1 theft targets as set and that there should be a review of the targets. It was agreed that Experian provide the Year 3 options data for the TIG's consideration. ElectraLink took an action to request the Year 3 options information from Experian and add Review of theft targets to the July TIG Agenda. MS proposed that ElectraLink check Ofgem's view on reviewing the current electricity incentive scheme target, given that some members felt the year 1 target may not be achievable.

ACTION: TIG _20180619/01: Review of incentive scheme targets - ElectraLink to:

- Request the Year 3 target options information from Experian;
- Add review of incentive scheme targets to the July TIG Agenda and;
- Check Ofgem's view on retrospective adjustments to current year incentive scheme targets.

- 3.4 The TIG also discussed the inconsistencies within Theft reporting noting three different data sources for reporting instances of suspected and/or Confirmed Theft. Currently Parties are required to report to the TRAS Service Provider, the Annual SPAA Schedule 33 – Compliance Report, and the Shipper and Transporter Theft of Gas to the Joint Office. It is noted that there is no correlation in the theft of gas reporting requirements and processes. The group suggested that the three reports be reviewed to help determine the information needed and of use to the industry. In addition, it is important for Parties to see understand the reports issued to Ofgem and the Joint Office. ElectraLink took an action to collate a paper showing the different reports and data items reported and any known discrepancies for the TIG's consideration.

ACTION: TIG _20180619/02: ElectraLink to collate a paper showing the different theft of gas reports and data items reported and any known discrepancies for the TIG's consideration.

- 3.5 ElectraLink took an action to update the TIG Monitoring Log.

ACTION: TIG _20180619/03: ElectraLink to update the TIG Monitoring Log.

4. TIG Change Register

- 4.1 The TIG noted the following Change Proposal (CP) updates:
- 4.2 **DCP 318-SCP 434 - Theft Code of Practice investigation and reporting Processes** – The CP will be presented to the DCUSA Panel at the June meeting and submitted the July SPAA Change Board meeting.
- 4.3 **DCP 322-SPC XXX - ETTOS Tip-Offs Read and Response Timelines** – This CP is to be issued to the July Change Board and submitted to the July SPAA Change Board meeting.

5. Ambiguity of 'Detect' and 'Report'

- 5.1 John Sanderson discussed the uncertainty around the Theft Code of Practice detecting and reporting theft guidelines. The group addressed the practicality of the response time guidelines and the 3-tier approach already established within DCUSA and SPAA. The TIG advised that Schedule 23 of the

DCUSA and 33 of the SPAA provide approaches for investigating theft. It was agreed that suggested responses to First Utility's documented questions and concerns could be added to the Best Practice Guidelines.

- 5.2 ElectraLink took an action to provide to provide JS with the 1st draft of the Best Practice Guidelines once finalised for review.

ACTION: TIG _20180619/04: ElectraLink to:

- **Incorporate the First Utility document to the Best Practice Guidelines;**
- **Provide JS with the 1st draft of the Best Practice Guidelines once finalised for review.**

6. Definition of Vulnerable Customer

- 6.1 During the annual review of the Theft Code of Practice schedules the TIG noted that the SPAA and DCUSA definitions of vulnerable customer are not aligned to the current Energy UK and Ofgem definitions. As a result, the group agreed to consider the Energy UK, Ofgem and current DCUSA and SPAA definitions of vulnerable customer. While reviewing the definitions circulated prior to meeting, the TIG noted that the Energy UK does not provide a definition but guidelines covering specific issues for dealing with vulnerability while Ofgem's definition is broader and ties into the licence conditions. It was highlighted that current code definitions be kept as is aligned with Ofgem's definition and the Energy UK guidelines be added to the Theft Best Practice Guidelines being developed by the TEG and TIG.
- 6.2 The group suggested that documents on the definition of vulnerable customer to be collated and tailored to add to the guidelines to be presented at the next TSG meeting.

ACTION: TIG _20180619/05: ElectraLink to collate and tailor the definition of vulnerable customer and add to the Best Practice guidelines for the TIG's review and ultimately TSG approval.

7. Theft Incentive Scheme Audit

- 7.1 The Chair presented options for the first Gas Theft Incentive Scheme Audit noting the separate auditing requirements for the TRAS Service Provider, the Secretariat and Suppliers. It was agreed that an audit on the monthly or annual reports is not required Suppliers have a chance to challenge the monthly reports. In addition, the formula for calculating the annual invoices is within the incentive scheme schedule, Suppliers can calculate, and challenge should they feel the numbers and billing is incorrect. Therefore, a target on the Secretariat is not required. The TIG agreed that a Supplier audit should take place as noted in Schedule 39 (Introduction to the Gas Incentive Scheme) of the SPAA.

7.2 The TIG discussed the following points on conducting an audit:

- Reports submitted the TRAS Service Provider should meet criteria of Confirmed Theft. The Chair added that a minimum of 5% of the total confirmed thefts could be carried out but would seek guidance on sample size from Moore Stephens
- The audit should cover the full Supplier process from start to end.
- All Suppliers should be notified of the planned audit and then communication issued to specific Suppliers selected for the audit.
- Get Ofgem's view on the draft scope
- Consider how onerous the auditing process could be on Suppliers,
- Consult with Moore Stephens for guidance on the audit approach in the first instance and consider if they should conduct the audit as they have already carried out an audit on the TRAS Service Provider and are familiar with the data items.

7.3 ElectraLink took an action to propose a scope for a Supplier audit for consideration at the July TIG meeting. It is noted that approval of the audit and proposed costs are to be put forward for the TSG's approval.

ACTION: TIG _20180619/06: ElectraLink to:

- **Propose a scope for a Supplier audit for consideration at the July TIG meeting.**

8. ETTOS SLA Review

- 8.1 The Chair presented slides covering off an SLA review of the existing ETTOS contract and how we could consider other measures to improve the quality, speed, accuracy and efficiency around the service. MS suggested taking the same approach as the TRAS and incorporating certain aspects such as; customer satisfaction survey and monthly reporting relating to SLA/KPI's. The TIG agreed this would be worthwhile. The group proposed the following changes be considered:

Current	Proposed
Operational 95% of tip offs to be disseminated to the relevant Gas Supplier, Electricity Supplier and /or Network Distributor within 24hours -	Change to 99%, ISR should be provided with reports, Crimestoppers should check accuracy of reports before issuing to Parties, to also include unmatched reports
Operational 95% of tip offs with serious safety concern to be reported to the emergency gas and/or electricity service within 1 hour	Increase to 99%
Operational 95% of calls to be answered within 2 minutes	Increase to 98%
SP Speed Availability Website availability of 99.8% excluding planned maintenance	Keep at 99.8%

- 8.2 ElectraLink is to update the ETTOS SLA slide that was presented with the correct SLA measures (as above), add the changes above and issue to the TIG. The SLAs are to be discussed with Crimestoppers and CCNs raised for the proposed changes.

ACTION: TIG _20180619/07: ElectraLink to:

- Update the proposed ETTOS SLA slide that was presented with the correct SLA measures (as above), add the changes above and issue to the TIG for review;
- Discuss proposed SLAs with Crimestoppers and;
- Raise CCNs for the proposed changes

- 8.3 The TIG suggested that key personnel be added to the contract. A clause should be added to the contract to ensure the service is not impacted by absent personnel. ElectraLink took an action to discuss the ETTOS Account Manager contingency arrangements with Crimestoppers.

ACTION: TIG _20180619/08: ElectraLink to discuss the addition of a Key Personnel clause to the contract and to discuss the ETTOS Account Manager contingency arrangements with Crimestoppers.

- 8.4 MS suggested for an ETTOS survey similar to that being progressed for the TRAS Service. The group agreed for ElectraLink to present a dummy version of the customer satisfaction at the next TIG meeting.

ACTION: TIG _20180619/09: ETTOS Survey

ElectraLink to present a dummy version of the customer satisfaction at the next TIG meeting.

9. Investigating Properties Impacted by Several Parties

- 9.1 Given topics at the Theft Best Practice forum, a discussion took place regarding investigation of properties impacted by several parties. Currently it is difficult for Parties to coordinate investigation across several Suppliers. Members considered the idea of sharing information between parties (Suppliers, DNOs & GTs) regarding linked theft. MS noted that rules would need to be developed around this and a CP drafted with due regard to GDPR.
- 9.2 Members agreed to look at what is currently in place and to check with their legal advisors what can be updated or included. It was also noted that consideration would need to be given to the impact of future faster switching on the investigation of Theft. The group noted this.

ACTION: TIG _20180619/10: Investigating Properties Impacted by Several Parties

- **Members agreed to look at what is currently in place and to check with their legal advisors what can be updated or included.**
- **ElectraLink to check with the legal advisors what can be updated or included to the SPAA and DCUSA codes.**

10. New Supplier Guidelines

- 10.1 The Chair presented on a proposal to produce a Supplier guidelines document. The aim is to develop a set of Industry Guidelines that assists Suppliers in fulfilling their Licence Conditions to detect, investigate and prevent theft. The group discussed the below points on the guidelines:
- The reasons why this document is being produced.

- The recommended approach for the guidelines
- Next steps.

- 10.2 It was agreed that the Guidelines document was a good idea as it sets expectations, however it was noted, the document is being produced as best practice for the industry. It does not take precedence over the codes or the licence. ElectraLink agreed to seek feedback on the Guidelines at the next Theft Best Practice Forum. The Group advised ElectraLink produce the first draft of the Guidelines for review at the July TIG meeting, noting that TEG members had also agreed to review them.
- 10.3 ElectraLink to send the new supplier guidelines paper out to the TIG for review and issue to the July TSG for approval.

ACTION: TIG _20180619/11: New Supplier Guidelines: ElectraLink to send the new supplier guidelines paper out to the TIG for review and issue to the July TSG for approval.

11. Theft Best Practice Forum Next Meeting Date

- 11.1 Feedback from the last Theft Best Practice Forum was positive and the Chair proposed next date for the forum to be held in September. The TIG agreed that the next Forum be held in September subject to the TSG's approval. It was suggested that ElectraLink recommend some industry dates for the next Theft Best Practice Forum for members to review.

ACTION: TIG _20180619/12: ElectraLink to send out proposed dates for the next Theft Best Practice Forum.

12. Ofgem's View on Private and Criminal Prosecutions

- 12.1 The Chair raised an item following discussion with Ofgem on issues Parties have pursuing criminal prosecutions against those committing energy theft. Ofgem advised if ElectraLink can put together a factual letter to send to Police Authorities on behalf of SPAA and DCUSA, they would be happy to put their name against it. Ofgem stated that it would need to be evidence-based. MS put this forward to the members of the group, and they supported this approach. MS asked TIG members to provide evidence of cases referred to the Police to support the letter. Several members agreed to co-operate and provide ElectraLink with examples/scenarios. It was also suggested to work in conjunction with UKRPA, the group agreed.

ACTION: TIG _20180619/13: TIG Members to provide evidence of cases referred to the Police to support the letter.

- 12.2 The second issue relating to private prosecutions had also been discussed with Ofgem and MS advised in their view if a precedent could be set, then a cost of £80k across the industry did not seem so high given it would reduce costs of future cases and would deter theft. There were different approaches to funding. Ofgem suggested Ofgem could pay and recharge as they did with Gowlings support on the Retail Energy Code or it could be borne by SPAA and DCUSA and recharged. MS Was asked to see how the REC recharge worked

ACTION: TIG _20180619/14: ElectraLink to see how the REC recharge worked.

- 12.3 A member of the group mentioned there was a document produced by Ofgem back in 2012 which details supplier obligations when reporting theft energy to the local authorities and removal of the meter in such case. The group agreed this document should be added to the Guidelines document. ElectraLink took an action to add the Ofgem document to the Guidelines document and circulate to TIG members for information.

ACTION: TIG _20180619/15: ElectraLink to update the best practice guidelines document with the Ofgem document around supplier obligations and removal of meters.

OPEN SESSION

13. ETTOS Service Review

- 13.1 MS stepped in for KG this week as she was unable to attend, providing the below ETTOS updates:
- 13.2 **ETTOS Monthly Report** – Over reports for the month of May were lower than previous months with a total of 440 contacts from the public. 63% of the contacts were made online and the Stayenergysafe direct service continues to provide the bulk of these contacts and reports
- 13.3 **Communication Plan** – An outline communications plan was set out in May's TIG meeting and as a part of this detail promotion via third parties is key. A full update regarding how this is progressing will be providing in the August meeting.
- 13.4 **Pending Unmatched** - There are currently 188 unmatched pending reports outstanding over the last seven months. The full details have been shared with ElectraLink for follow up.
- 13.5 **Comparing Gas and Electricity Reports graphical representation**– KG to update in next month's meeting.

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ACTION: TIG _20180619/16: Crimestoppers to provide an update on the comparison of Gas and Electricity Reports Graphically.

14. ETTOS MI Report

14.1 The TIG noted the following on the MI report:

14.2 **Quantity of Contacts Received by Phone and Online, Including Converted into Reports and Disseminated-** A total of 213 forms were submitted in May providing 150 reports along with 227 contacts made by telephone converting to 79 reports in the month.

14.3 Due to the Crimestoppers representative's absence the report was not up to standard with the group noting a number of errors within the MI Report. ElectraLink took an action to provide the TIG's feedback to Crimestoppers and get the MI Report updated.

ACTION: TIG _20180619/17: Crimestoppers to update figures and commentary within the MI Report.

15. Any Other Business

Theft Assessment Calculator

15.1 IM asked how peaks and troughs are accounted for instances of disconnected meters, is there an average built into the calculations? Members suggested that IM raise the question with Piers Merritt before raising with the EST.

16. Date of Next Meeting

16.1 The next meeting date is 17 July 2018 at location is ElectraLink Offices: 3rd Floor, Northumberland House, 303-306 High Holborn, London, WC1V 7JZ.