

SCHEDULE XX – ELECTRICITY THEFT CODE OF PRACTICE

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1. INTERPRETING THIS DOCUMENT

1.1 This CoP is a Schedule to the DCUSA and any terms used within this CoP should be used in accordance with the definitions in DCUSA.

1.2 Where this Schedule is referenced it is meant that it is useable as a standalone document, so long as it is used in accordance with the relevant sections and definitions in DCUSA.

1.3 This document is divided in sections of “**OBLIGATIONS**”, “**BEST PRACTICE**” and “**REFERENCES**”.

(a) Sections marked “**OBLIGATIONS**” detail actions which must be taken by the relevant Party. Failure to take these actions constitutes a breach of this CoP and therefore this DCUSA Schedule;

(b) Sections marked “**BEST PRACTICE**” provide information on how a Party may proceed. They confer no obligation, and Parties may choose whether they follow the advice provided or another course of action entirely. They are therefore provided for information only and denote the way in which DCUSA believes best handles the issue at hand; and

(c) Sections marked “**REFERENCES**” provide detail on relevant information from documents outside of this CoP, but which are relevant to Party’s actions in Theft of Electricity administration. Failure to adhere to any obligations described in these references is not a breach of this CoP itself, but may lead to a Party being in breach of their obligations elsewhere. They are provided for information only.

1.4 Some points may not contain one or more of obligations, best practice and references

1.5 Any reference to days, months, years throughout this document should be interpreted as calendar days, calendar months and calendar years unless otherwise stated.

2. DEFINITIONS

Premises

Has the meaning given to that term in the

Electricity Act.

Revenue Protection Agent	An internal or external provider of revenue protection services to a Party
Theft In Conveyance	means the abstraction of electricity (regardless of where such abstraction takes place) for use otherwise than at a Premises for which there is a Metering Point or Metering System that is Registered by a Supplier.
Theft of Electricity	Includes but is not limited to the circumstances described in paragraph 4, of Schedule 6 and paragraph 11 of Schedule 7 of the Electricity Act 1989.
Vulnerable Customer	A Consumer is vulnerable if they, or any member of their household, for reasons of age, health, disability or severe financial insecurity, are unable to safeguard their personal welfare or the personal welfare of other members of the household.
Reconnect and Restore	Has the meaning set out in the Electricity Act.

3. INTRODUCTION

3.1 Objectives of the Code

3.1.1 This Code of Practice outlines the relationships between Market Participants where interference with an electricity supply is suspected. It sets out the minimum service standards that Suppliers require from their Revenue Protection Agents. It documents how Parties should communicate with one another where Theft of Electricity has been suspected and/or identified. It also specifies how unrecorded units are to be assessed and how they should be recorded. The Code describes how Parties will deal with customers who are suspected of and are identified as having undertaken Theft of Electricity in order to ensure consistency of treatment between Parties and their appointed agents, and sets out the minimum standards.

3.1.2 This Code of Practice does not deal with:

- other types of theft or fraud;
- the recovery of bad debts;
- the abstraction of electricity from licence-exempt networks where there is no Registered Supplier; or
- theft from a customer's installation.

3.2 High Level Principles

3.2.1 Working within the statutory and regulatory framework, the following principles have been identified:

- (a) **Make safe.** Where any activities are undertaken in accordance with this CoP safety is paramount.
- (b) **Costs should be borne by those that steal.** Parties and Distributors should use reasonable endeavours to pursue the appropriate person and recover the assessed value of electricity stolen, damage to or replacement of any equipment (including any equipment installed to prevent Theft of Electricity) and the costs of any associated investigation.

- (c) **Seek to identify and prevent theft.** Parties should ensure that effective measures are in place to prevent and deter theft.
- (d) **Collect and report trend data.** Trend data and management information relating to types of theft should be shared throughout the industry in a standard format.
- (e) **Collect and report data associated to the Theft of Electricity.** Data relating to the Theft of Electricity should be shared throughout the industry in a standard format. Once data is collected, it is important that it is then collated in to usable reports and provided back to the industry.
- (f) **Enable theft reporting.** Parties should have mechanisms in place to enable any third party to report suspected theft.
- (g) **Ensure that vulnerable customers are treated in an appropriate manner.** It is recommended that Parties should adopt industry best practice for the management of customer relationships and in particular the needs of vulnerable customers.
- (h) **Investigation by competent individuals.** Theft of electricity should only be investigated by a person possessing appropriate skill, experience and authorisation.
- (i) **Standardisation.** Minimum standards should be established for the delivery of revenue protection services and create a common approach to the treatment of consumers.

4. RESPONSIBILITIES OF PARTIES

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OBLIGATION

The Distributor shall investigate and resolve all cases of Theft in Conveyance. Where theft is identified the Distributor shall seek to recover charges from the consumer.

The Supplier shall investigate and resolve all cases of Theft of Electricity, other than those of Theft in Conveyance. Where theft is identified the Supplier shall seek to recover charges from the consumer and shall arrange for all agreed missing units to be entered into Settlement.

Where there is abstraction of electricity and the customer's installation is unsafe the Supplier or its agent will notify the Distributor in a prompt and appropriate manner, of the unsafe situation and any actions taken.

Suppliers, Distributors and their agents will in accordance with this Code of Practice or any other obligation placed on them act on reports made to them for which they have responsibility.

BEST PRACTICE

Distributor

Cooperate with Suppliers to identify and prevent Theft of Electricity.

The Distributor will aim to educate the public, staff and the community about the dangers of interference and the need to report any suspected or damaged equipment to appropriate Party.

Supplier

Cooperate with Distributor to identify and prevent Theft of Electricity.

The Supplier will aim to educate the public, staff and the community about the dangers of interference and the need to report any suspected or damaged equipment to appropriate Party.

The Supplier's approach to making a police complaint or not, will be detailed in their Revenue Protection Policy.

Exercising rights of de- energisation is at the discretion of the Supplier and should be included in the Supplier's policy.

The registered customer will be kept informed as appropriate by the Supplier as to whether costs will be recovered.

REFERENCE

The DNO has rights to Disconnect where an offence has been committed under paragraph 5.3, 6.2 and 6.5 of Schedule 6 to the Electricity Act.

Where the meter is intentionally or by culpable negligence damaged by the occupier of any premises (or by the owner where the premises are unoccupied) paragraph 6 of Schedule 6 to the Electricity Act allows the Supplier to Disconnect the premises.

In circumstances where the meter is interfered with, but not necessarily damaged, paragraph 11 of Schedule 7 to the Electricity Act will allow Disconnection by the Supplier.

See Appendices 1 and 2 for further information.

5. INFORMATION SOURCES

OBLIGATION

Parties have an appropriate reporting process in place to enable individuals to inform them of suspected interference. This should include a telephone number for reporting such information, which should be widely publicised.

BEST PRACTICE

Suppliers shall monitor customer data and identify trends in customer behaviour which enable them to proactively investigate and prevent energy theft.

Revenue Protection Agents may be instructed by Parties to proactively undertake cold calls as a means of deterring interference and energy theft.

6. INFORMATION EXCHANGE BETWEEN PARTIES

6.1 Provision of Information from DNOs to Suppliers

OBLIGATION

Where a Distributor is providing information to the registered Supplier or the equipment owner in accordance with its Standard Licence Condition 27.3 it should do so not later than the next Working

Day.

When the Distributor carries out the De-Energisation or Disconnection on the grounds of safety in relation to a circumstance of theft or damage to equipment, the Distributor will inform the Supplier as soon as possible, especially where vulnerability is identified and in all cases not later than the next Working Day.

When the Distributor carries out any remedial work in relation to interference or tampering, the registered Supplier shall be notified in a prompt and appropriate manner of the work undertaken.

If the Distributor becomes aware of any suspected incidence of theft which is not Theft in Conveyance, it will pass the information to the registered Supplier promptly and in all cases not later than the next Working Day.

REFERENCE

Standard Licence condition 27.3 of the Distribution Licence references that when the Distributor has reason to believe that there has been damage to any electrical plant or electric line or damage to or interference with any metering equipment.

Clause 25 sets out the obligations and rights around Disconnections by a Distributor, including but not limited to 25.9.2 in situations where safety is at risk and 25.9.3 where an accident or emergency threatens personal injury or damage to property.

Clause 30.12 describes when the Distributor carries out any remedial work in relation to interference or tampering.

Clause 41 sets out the obligations and rights around De-Energisation by a Distributor, including but not limited to 41.1.1 if required to do so in an emergency

Electricity Distribution Licence Clauses 27 sets out the obligations of a Distributor notifying an Authorised Supplier or relevant owner of theft, damage or meter interference.

6.2 Provision of information by Suppliers to DNOs

OBLIGATION

Where a Supplier is providing information to a Distributor in accordance with DCUSA Clause 30.5 and/or 30.9 it should do so not later than the next Working Day.

REFERENCE

Clause 30.5 references when a Supplier or its agent becomes aware of an incident that is likely to cause danger or affect the security, availability and quality of service and the obligation to notify the Distributor.

Clause 30.9 references when a Supplier or its agent becomes aware of an incident of damage or interference and the obligation to notify the Distributor.

6.3 Provision of Information by the Supplier to the Revenue Protection Agent

OBLIGATION

The Supplier shall provide the Revenue Protection Agent with the relevant information required for investigation of a case when reasonably requested and where known, including but not limited to: Customer name; address; MPAN, reason for suspicion; any known or suspected vulnerability status; or any known or suspected potential hazards.

BEST PRACTICE

Category A issues should be notified by telephone followed by email.

Category B and C issues should be notified by email.

Where the investigation is initiated by telephone this should be followed up by email.

Section 7.2 of this Schedule outlines Category A, B and C priorities and timescales

6.4 Provision of information by the Revenue Protection Agent to a Supplier

OBLIGATION

Provision of Information to a Supplier to whom the Revenue Protection Agent does not provide a

service

Having ensured that any safety issues identified have been appropriately dealt with, Parties shall ensure that the Revenue Protection Agent will notify the relevant Supplier of a possible irregularity as soon as is reasonably practical and not later than the next Working Day. The Supplier will evaluate the report and initiate the appropriate action, which may be instructing their preferred Revenue Protection Agent to investigate the matter in accordance with Section 7.2, Priorities and Timescales.

Provision of Information to a Supplier to whom the Revenue Protection Agent is providing a service

A full report will be sent by the Revenue Protection Agent to the registered Supplier giving relevant information as soon as is reasonably practical and not later than the next Working Day after the investigation is completed. Where the Revenue Protection Agent has carried out a de-energisation the Revenue Protection Agent will notify the Supplier immediately and advise the method of de-energisation and of any vulnerability status of the Customer.

BEST PRACTICE

Appendix 6 contains a list of the information items which an Revenue Protection Agent should provide to the Supplier.

6.5 Provision of information by the Revenue Protection Agent to the Distributor

OBLIGATION

Provision of Information to a Distributor to whom the Revenue Protection Agent does not provide a service

Having ensured that any safety issues identified have been appropriately dealt with, Parties shall ensure that any Revenue Protection Agent will as soon as reasonably practical and not later than the next Working Day notify the Distributor of a possible irregularity. The Distributor shall evaluate the report and initiate the appropriate action, which may be instructing their preferred Revenue Protection Agent to investigate the matter in accordance with Section 7.2, Priorities and Timescales.

Provision of Information to a Distributor to whom the Revenue Protection Agent is providing a service

A full report will be sent by the Revenue Protection Agent to the Distributor giving relevant information as soon as is reasonably practical and not later than the next Working Day after the investigation is completed.

6.6 Provision of Information by the Distributor to the registered Supplier(s).

6.7 Provision of Information by the Distributor to the Revenue Protection Agent

OBLIGATION

A Distributor will provide its Revenue Protection Agent with the relevant information required for investigation of a case when reasonably requested and where known, including but not limited to: Customer name; address; MPAN, reason for suspicion; any known vulnerability status; or any known potential hazards.

The DNO shall also ensure that the Revenue Protection Agent is provided with up-to-date contact details that can be given to the customer during a site visit.

REFERENCE

Distributor has the ability to bill the consumer in accordance with Schedule 6.4 of the Act.

7. PROCEDURES FOR INVESTIGATION

7.1 Process to be followed

7.1.1 A diagram showing the process to be followed is attached at Appendix 9.

7.2 Priorities and Timescales

OBLIGATION

Category Determination	On receipt of information Parties must assess whether or not there is a Serious Safety Concern.
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	Category A	Category B	Category C
Description	Serious Safety Concern	Evidence of interference, but no particular safety concern	Information giving cause for suspicion that theft or abstraction has taken or is taking place.
Likely Source of information	Employees and third parties who have gained access to the premise.	Employees and third parties who have gained access to the premise or office-	Employees and third parties who have not gained access to the premise or office-

		based staff.	based staff.	
Action to be taken	DNO to be notified by Supplier if there is a dangerous situation the DNO needs to rectify. Supplier to notify the Revenue Protection Agent on the day the issue is brought to its attention. Where possible, Revenue Protection Agent to attend site at same time as DNO.	Supplier to screen the information received and, where further action is needed, refer case to the Revenue Protection Agent within 2 Working Days.	Supplier to screen the information received and, where further action is needed, refer case to the Revenue Protection Agent within 2 Working Days.	
Minimum Response Times	Revenue Protection Agent to visit within a maximum of 8 Hours and resolve within 20 Working Days [timescale to be extended where warrant needs to be obtained]	Revenue Protection Agent to visit within 20 Working Days and resolve within 40 Working Days.	[Revenue Protection Agent to visit within 30 Working Days and resolve within 90 Working Days.]	
Examples	Bridge in place. Consumer Tails removed from Meter and inserted into cut out Meter smashed, inner workings exposed.	Silver paper around meter (gas lighter used). Hole in meter casing.	Discrepancies and data anomalies. Low payments. Low consumption. Comments made by customer that give rise	

	<i>In all the above, the supply would still be on for it to be a serious safety concern.</i>	Burn marks on wall behind meter.	to suspicion.	
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In the absence of allocation of priority by the Party, or where the information is not through the normal notification procedure, the Revenue Protection Agent will allocate priority in discussion with the Party. The Revenue Protection Agent may suggest a re-allocation of the priority but this must be confirmed with the Party.

In this context:

“Visit” means use reasonable endeavours to gain access to the Installation; and “resolve” means gain access to the Installation, investigate and take action in appropriate timescales, but does not include assessment of unrecorded units (which will be carried out as soon as reasonably practicable) nor the provision of any optional services.

The time periods will commence once the Revenue Protection Agent has received instruction to visit.

REFERENCE

The following statutory instruments set out the obligations:

The Electricity Safety, Quality and Continuity Regulations [ESQCR] Clause 26 and 29 sets out the circumstances in which a Distributor can disconnect or discontinue a supply and the period of time in which supply may be withheld;

1998 Licence Arrangement ; and

Utilities Act 2000 Licence Arrangement.

DCUSA Clause 30.11 sets out the obligations for a Supplier to notify a Distributor of its' policies in relation to substitution of alternative meters' the provision of prepayment meters; or de-energisation works which will bear some relevance to revenue protection services.

8. QUALIFICATION OF STAFF

OBLIGATION

Theft of electricity should only be investigated by a person possessing appropriate skill, experience and authorisation.

Parties shall ensure that Revenue Protection staff comply with the Meter Operation Code of Practice Agreement (MOCOPA), where relevant.

REFERENCE

Condition 13 of the Supply Licence sets out the requirements for a Supplier's representative to possess the skills necessary to perform the required function.

Condition 9 of the Distribution Licence sets out the requirements for a Distributor's representative to possess the skills necessary to perform the required function.

9. VISIT PROCEDURE/GAINING ENTRY

BEST PRACTICE

a) Investigative visits

Parties' and their agents will, if required to investigate, visit the premises without prior notification, provide appropriate identification for themselves and state on whose behalf they are calling and request entry to inspect the installation. Circumstances, as determined by the nature of the report and/or known local factors, will determine how many staff are involved and whether Police accompaniment may be requested (for instance if a breach of the peace is considered likely).

Care must be taken when recording what is said by the Consumer or others present at the premise, especially when vulnerability has been identified. In particular:

Care must be taken in the treatment of people who have a visual impairment, hearing impairment, physical or learning disabilities, a mental health condition or are under 18 years of age. Such persons should not be interviewed alone - if necessary an 'appropriate adult' should be present.

Where, as part of any contact with the consumer, it is identified that the consumer has difficulty, or claims to have difficulty in understanding English an interpreter may be required. Parties should establish policy guidance for staff for such situations and ensure that they are aware of this guidance. Where it is identified that the Consumer is a user of British Sign Language, parties should make all reasonable efforts to communicate with the Consumer through the use of a special interpreter ('signer'), or alternatively in writing.

On leaving site, when contact with the customer has been made, the Revenue Protection Agent will leave a letter at the premises as set out in section 14 below.

b) Need for a Warrant

Where access to the property has not been gained after reasonable attempts, have been made, recourse will need to be made to use of a Warrant.

REFERENCE

Warrants to enter a premises are granted under the Rights of Entry (Gas and Electricity Boards) Act 1954 and pursuant to Schedule 6 of the Electricity Act.

10. VISIT PREPARATION

BEST PRACTICE

Parties and their agents should gather and consider all the relevant information required for the investigation prior to attending site.

Parties and their agents should attend the site with the relevant information required for investigation.

The nature of the information provided may indicate a Warrant is required to be obtained in advance to facilitate access to the property.

Where this information is not available to the Parties in advance of the visit, it will be the responsibility of the Party and its agent to attempt to obtain it during or subsequent to the visit.

11. CONDUCT OF INVESTIGATIONS

OBLIGATION

Parties shall ensure that:

- There is sufficient evidence to prove (on the balance of probabilities) that a Relevant Offence

has been committed before exercising any statutory powers to De-Energisation or Disconnect (and remove a meter);

- there is evidence which satisfies each of the elements of the Relevant Offence in question;
- Parties use their discretion and avoid De-Energisation or Disconnecting premises where there is insufficient evidence to suggest that the Relevant Offence was committed by the current occupier (or owner). The commission of a Relevant Offence by the current owner/occupier of premises is currently an explicit pre-condition for the exercise of De-Energisation or Disconnection powers under the meter damage provisions of the Electricity Act 1989. However, Suppliers are also expected to exercise discretion in relation to the meter interference provisions of the Electricity Act 1989;
- Sufficient records are kept in order to justify the exercise of the statutory powers;
- Suppliers terms and conditions (and all other documentation) properly reflect the statutory powers and do not (implicitly or expressly) provide for wider powers over and above those provided in law; and
- Parties do not mislead customers about the scope of statutory powers.

12. COLLECTION AND RETENTION OF EVIDENCE (TO INCLUDE HANDLING OF CASE MATERIALS)

OBLIGATION

Where a suspected offence has occurred, on attending site evidence shall be collected and retained as necessary to demonstrate that, on the balance of probabilities, there has been an offence committed under the Electricity Act.

It should be clearly explained to the customer the reason why evidence is being collected and the basis on which the party is acting.

BEST PRACTICE

No inference should be made that the Customer is the offending party.

Best practice for the collection and retention of meters is as determined by the Authority from time to time.

The collection and retention of evidence is described in Appendix 4.

REFERENCE

Section 14 sets out the information which should be left with the customer during a site visit.

Schedule 6 Paragraph 6, and Schedule 7 Paragraph 11 of the Electricity Act 1989, sets out the authorisations that need to be sought before disposing or destroying meters that have been interfered with.

13. TREATMENT OF VULNERABLE CUSTOMERS

OBLIGATION

Parties will undertake reasonable endeavours to safeguard the personal welfare of Vulnerable Customers in respect of the activities set out in the CoP.

If a customer account is flagged as being on the Priority Services Register, this will be notified to the

Revenue Protection Agents so that if interference or tampering is confirmed appropriate actions are taken. Any additional Vulnerable Persons flags will be notified to the Revenue Protection Agents and the Revenue Protection Agents will have regard to each Supplier's Revenue Protection Policy when investigating theft

Parties or their agents will need to take steps to ascertain who in the household is vulnerable and then make a judgement regarding the action that needs to be taken in the light of this information.

If a customer is left off supply, the Party shall leave contact details for Social Services and/or any relevant Care Agents with the customer. ,

BEST PRACTICE

In many cases, a prepayment meter may need to be installed and in some cases alternative means of collecting charges may be considered by the Supplier.

If there is repeated interference, there may be no alternative other than to De-Energisation or Disconnect the supply for reasons of safety. In these cases, the Supplier will be notified immediately of all the facts by their agent.

REFERENCE

Distributors' and Suppliers' licence conditions (Electricity Distribution Licence condition 10; Electricity Supply Licence Condition 26) oblige them to have regard to the interests of individuals who are disabled, chronically sick, of pensionable age or on low incomes. This includes establishing and maintaining a Priority Services Register, free of charge in order to fulfil these obligations. In addition to this, most suppliers have Vulnerable Persons flags on customer accounts such young people in

specific age groups, e.g. under 11 years. The flags relate to anyone who is normally resident within the household.

14. INFORMATION TO CUSTOMERS

OBLIGATION

On arrival at site, the Revenue Protection Agent should inform the customer who they are representing and act in accordance with the appointed Party's policy on site attendance.

On leaving the site, the Revenue Protection Agent will leave the following information for the customer:

- The contact details for the party the Revenue Protection Agent is representing
- The outcome of the visit, e.g. sufficient evidence of abstraction of electricity, or a cessation of supply
- A statement explaining the statutory basis for any action taken (i.e. specific reference to Legislation).
- Who the customer needs to contact in order to get their supply re-instated, where relevant.
- What the customer can expect next / what they should do e.g. contact their supplier, await to hear from their supplier etc
- What the customer should do if they are unhappy with the outcome e.g. contact their supplier in the first instance.

Parties shall ensure that:

- The customer is informed of other options available under the normal redress processes.
- Contact details for further independent sources of help and advice e.g. Consumer Focus; Consumer Direct; Citizen's Advice Bureau; Social Services.

- Details informing the customer that if they are not able to resolve the issue with their supplier in 8 weeks they can contact the energy ombudsman scheme.
- The responsible person informed as appropriate as to the costs to be recovered in relation to Theft of Electricity.
- Customers are informed, following a make safe, De-Energisation or Disconnection of who to contact in order to find out how to get the supply reinstated.

Where a Consumer is not present at the site, written documentation must be left at the premises in a sealed and addressed envelope.

Where it is not possible for a Party or its agent to leave the written information, as described above, with the Consumer on leaving the site, this must be done so as soon as possible thereafter.

15. OUTCOME OF INVESTIGATION

15.1 Theft of Electricity suspected but not confirmed

BEST PRACTICE

Following an investigation, where Theft of Electricity is suspected but cannot be confirmed, there are a number of actions which may be taken. These include:

- Exchange of the meter;
- Fitting of security measures e.g. anti tamper labels;
- Revisits; and
- Consumption monitoring.

Where investigation has recovered no evidence of Theft of Electricity, and Theft of Electricity is no longer suspected, the investigation should be closed and no further action should be taken.

15.2 Theft of Electricity Confirmed

OBLIGATION

Where Theft of Electricity is confirmed, Parties shall seek to identify the perpetrator, and any beneficiary, of the offence. In most cases the registered customer will be the party where remedy will be sought. However, in circumstances where this is not the case, the Supplier or Distributor, as appropriate will deal directly with the perpetrator.

Where Theft of Electricity is confirmed, appropriate steps shall be undertaken to stop the Theft of Electricity continuing.

BEST PRACTICE

Where Theft of Electricity has been confirmed, appropriate steps undertaken to remedy the situation may include:

- De - energisation or Disconnection;
- Exchange of meter;
- Assessment of unrecorded units;
- Assess the ability of Consumers to pay;
- Apply charges to be billed as appropriate;
- Prosecution; and
- Request a security deposit against future supply.

Where the meter installation has been physically tampered with and rectification work is necessary, this should be undertaken as soon as reasonable practicable. It may be necessary to temporarily de-

energise supply pending the completion of remedial works.

Parties should make reasonable efforts to identify to whom charges should be levied. Wherever possible the assessment of charges should be completed on site with the aim of agreeing the assessment with the Consumer or their representative. The aim should be to secure payments on site. Where this is not possible, an interim assessment should be completed and the final assessment completed and issued to the Consumer.

15.3 Assessment of Unrecorded Units

OBLIGATION

Parties must ensure that the assessment of units unrecorded, following confirmation of Theft of Electricity, must be carried out in a systematic, consistent and transparent way.

BEST PRACTICE

No one single method is necessarily appropriate in all cases, but it is recommended that Parties follow the order as set out in Appendix 8, section 1.

REFERENCE

Where Supply is taken through a deemed contract, Suppliers are required to calculate the number of kilo watt hour taken as prescribed in their licences. In particular they must act reasonably and take into

account available electricity consumption data used at the premises and any other relevant factor. See Condition 7 of the Electricity Supply Licence.

15.4 Remediating the matter

BEST PRACTICE

Providing it is safe to do so, Parties and their agents should consider all available options for the maintenance of supply, including fitting a prepayment meter, payment by installments or direct payment from DSS benefits.

In considering the interpretation of when the consumer has remedied the matter, it is expected that Parties should only seek to recover their directly foreseeable costs associated with a particular incident. Such costs should not be a penalty but could, for example include the specific investigation costs associated with determining that a Theft of Electricity has taken place or a genuine pre-estimate of the loss incurred by the Party.

REFERENCE

Where the exchange or removal of meters is being conducted as part of remedying the matter, Parties must conform to relevant and appropriate legislation.

Once supply has been De-Energisation or Disconnection under the powers conferred by Schedule 2B paragraphs 2, 3, 10, 11 and 18, there is no obligation to reconnect the supply until either:

- the Consumer is no longer the owner or occupier of the premises; or
- the Consumer has made good the default or remedied the matter and has paid the reasonable

costs associated with any De-Energisation or Disconnection

Reconnection and restoration of supply at the premises.

Appendix 2, section 7.9 provides commentary on the interpretation of when the Consumer has remedied the matter.

15.5 Negotiation of Payment

15.5.1 Determine elements for invoice

BEST PRACTICE

Charges may include the assessment of Electricity taken, the cost of remedial work, the cost of damage to equipment and the cost of investigation. Invoices should take into account statutory requirements in regards to VAT, CCL and bill presentation.

15.5.2 Serve Invoice and Demand Payment

BEST PRACTICE

Parties should identify to whom charges should be levied. Wherever possible the initial assessment of charges should be completed on site with the aim of agreeing the assessment with the Consumer or their representative. Where a Supplier or Distributor has the process to safely take payment on site and the customer is in agreement then monies can be taken and receipted on site. Where this is not possible, taking into account Consumers' ability to pay, Parties should seek to agree terms for payment arrangements at the earliest opportunity.

This information should allow the Party to complete the assessment and come to an agreement with the

Consumer or their representative on the best method of recovering any outstanding amounts related to the incident

15.5.3 Assess ability to pay and agree payment arrangements

OBLIGATION

Parties shall ensure that where a debt is now present, the following shall apply:

- Have appropriate credit management policies and guidelines, including clear guidance and training for staff;
- Allow for Consumers to be dealt with on a case-by-case basis; and
- Put in place appropriate controls to ensure that staff incentives do not drive inappropriate behaviour e.g. link to repayment rates;

BEST PRACTICE

Parties should:

- Make it easy for Consumers to raise concerns;
- Proactively explore payment amount and appropriate payment methods;
- Set repayment rates based on ability to pay;
- Ensure all available information is obtained and taken into consideration, including the Consumers' circumstances identified on the visit;
- Ensure the Consumer understands the arrangement which will include:

- how much they are repaying each week;
 - when the debt will be repaid; and
 - what to do if they experience difficulties.
- For PPM Consumers this includes explaining how the debt will be recovered e.g. regardless of usage for time based debt recovery.
 - Monitor arrangements after they have been set up e.g. broken or failed arrangements to understand whether inappropriate rates are being set. It may be necessary to revisit the Consumer.

REFERENCE

The OFT has also issued guidance for debt collectors on how to deal fairly with debtors. It is expected that Suppliers will take due note of the OFT guidance as part of their contractual or policy arrangements (or both) with debt collection agencies.

See in particular:

OFT guidance for all businesses engaged in the recovery of Consumer credit debts July 2003 as updated in October 2011.

Suppliers and their agents will comply with SLC 27 to take all reasonable steps to ascertain the Consumer's ability to pay and to take this into account when calculating instalments. Criteria for what are (to the Supplier) acceptable terms and conditions of any agreements reached must be specified, for example installation of a prepayment meter, minimum “up front” payment (if required), size and number of instalments, methods of payment, etc. .

Suppliers must offer such Consumers the facility to pay by:

- payment deducted at source from a social security benefit received by a Consumer (Fuel

Direct); and

- regular instalments calculated in accordance with a Consumer's ability to pay and paid through a means other than a PPM.

15.6 De-Energisation or Disconnection of Supply for reasons of Theft of Electricity

BEST PRACTICE

Parties and their agents should not De-energise or Disconnect a premises where to do so would De-energise or Disconnect other premises that are not associated with the Theft of Electricity incident unless there is a serious safety concern.

Where Parties De-energise or Disconnect, they should be clear and record on what authority they are exercising their powers.

REFERENCE

Parties have powers to De-energise or Disconnect Consumers that are likely to be relevant in circumstances where Theft of Electricity is confirmed. In some instances, Parties' powers to De-energise or Disconnect arise when a specific offence has been committed. In other instances, no specific offence is required.

Whilst the statutory powers set out in Appendix 2 may be available to Parties in circumstances where safety issues arise (i.e. when there is sufficient evidence to satisfy the relevant conditions for exercising one or more specific powers for example, prevented the electricity meter from duly registering the quantity of electricity supplied), unlike Network Operators, Suppliers do not have broad statutory

powers to De-energise or Disconnect a premises on the basis of general safety concerns.

In particular, Suppliers do not have any statutory powers to De-energise or Disconnect on safety grounds under the provisions of the Electricity Safety, Quality and Continuity Regulations 2002

Ultimately it will be a matter for a Party to decide what action may legally be taken in the event of safety concerns. Where a Party De-energised or Disconnects a premises it must ensure that it has a clear legal basis for do so (and therefore must satisfy all the relevant conditions which apply to the use of powers to De-energise or Disconnect the supply.

15.7 Maintenance of records

OBLIGATION

Each party to the Code will maintain, as appropriate, records in relation to its operation in accordance with the requirements set out in Appendix 5.

BEST PRACTICE

Notes of visits to customers' premises should be written up within 24 hours of the visit. It is recommended that Parties develop processes to keep records of a standard which are aligned with a criminal prosecution. This is because where repeated theft occurs it may be appropriate to report all incidents to the police, particularly where safety or large volumes of electricity theft has or have been a significant factor.

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15.8 Prosecution

BEST PRACTICE

Where there is sufficient evidence, Parties may wish to pursue criminal prosecution and/or civil proceedings. In all cases of repeat offenders, electric contractors, employees of an organisation involved in the electricity supply market, commercial Consumers, cases involving extensive loss or endangerment to life and property etc. criminal procedures and/or civil proceedings are strongly recommended.

The presentation of evidence, especially oral presentation, should be covered by appropriate training of staff.

Parties should provide its staff to attend court and act as witnesses as appropriate.

15.9 Re-visits

BEST PRACTICE

Parties may wish to undertake revisits in certain circumstances. These include:

- High risk property (i.e. where there has been previous history of interference or suspected interference. However, this will be at Suppliers' discretion, as information may be held which

indicates that a re-visit is not needed. The Revenue Protection Agent will report the result of the revisit as soon as reasonably practicable and not later than 5 Working Days).

- Where the supply at a property has been De-energised and not Re-energised during the same visit.
- Where the supply at a property has been Disconnected and Reconnection has not occurred or is not planned.
- Where the Party is responsible for detecting theft, and has evidence that re-offending may have occurred or where other information is held that indicates this may be the case, then the Party will arrange for further visits to properties.

15.10 Reports

OBLIGATION

The Supplier shall provide a [monthly] report to each DNO setting out each of the cases investigated, where theft of energy did occur and the volume of units associated with them.

BEST PRACTICE

The information set out in Appendix 7 should be collated by Suppliers, as the Authority may request such information.

16. RESOLVING DISPUTES

- 16.1** Where a Party has evidence of another Party being non-compliant with this CoP, the escalation procedure detailed in Clause 58 'Disputes' shall apply.