



DCUSA Consultation

The Theft of Electricity Code of Practice

1 PURPOSE

- 1.1 The Distribution Connection and Use of System Agreement (DCUSA) is a multi-party contract between electricity Distributors and electricity Suppliers and large Generators. Parties to the DCUSA can raise Change Proposals (CPs) to amend the Agreement with the consent of other Parties and (where applicable) the Authority.
- 1.2 This document is a consultation issued to the industry parties and the Authority in accordance with Clause 11.14 of the DCUSA seeking industry views on the Electricity Code of Practice (CoP), which is a document being developed by the DCP 054 Working Group.
- 1.3 Parties are invited to consider the proposed drafting set out as Appendix A and submit comments using the form attached as Appendix B to dcusa@electralink.co.uk by **04 December 2012**.

2 BACKGROUND

- 2.1 DCUSA Change Proposal DCP 054 'Revenue protection/unrecorded units into settlement' was raised by Electricity North West Limited and the DCUSA Panel established a Working Group to assess and develop the Change Proposal (CP).
- 2.2 The CP seeks to ensure that a revenue protection service is put in place by either the Company or the User, and:
 1. Revenue protection procedures are undertaken;
 2. All reported energy illegally extracted reaches and is processed through the settlement process; and
 3. A revenue protection Code of Practice (CoP) is incorporated into an appropriate governance framework to ensure it is maintained to reflect best practice.
- 2.3 A series of industry initiatives are currently being taken forward across the gas and electricity industries in relation to the theft of energy, including Ofgem consultations, the Gas Forum NRPS project and BSC Issue 39 Processing

Unrecorded Units identified by Revenue Protection Services. The work being carried out under DCP 054 is taking full consideration of those developments and is being progressed with the approval of Ofgem.

- 2.4 This consultation is specifically in relation to point 3 – the development of a Theft of Electricity Code of Practice.

3 DEVELOPMENT OF THE CODE OF PRACTICE

- 3.1 The DCUSA mandates that electricity Distributors who provide a revenue protection service do so in accordance with the Revenue Protection Code of Practice and that electricity Suppliers shall also comply with the CoP.
- 3.2 The Revenue Protection CoP has been assessed by the DCP 054 Working Group. The group identified that the drafting is out of date and requires updating to reflect best practice.
- 3.3 The DCP 054 Working Group, which consisted of Distributors, Suppliers and Ofgem representatives, have developed the CoP with the understanding that it be placed into the DCUSA as a Schedule, but that it also be useable as a stand alone document, so long as it is used in accordance with the relevant sections and definitions in DCUSA.
- 3.4 The CoP 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.

- 3.5 As certain sections of the CoP, deal with communication between Parties, the Working Group will be progressing with a Privacy Impact Assessment on the CoP, to determine if the document does not impact any aspect of the Data Protection Act.

4 CONSULTATION

- 4.1 This consultation seeks general industry views on the draft CoP and its comparison to best practice:

- Are you supportive of the Code of Practice?
- What do Parties expect in relation to a governance framework of the CoP?
- Do you have any comments on part of the drafting?

- 4.2 In addition the Working Group seeks clarification on specific issues to support the DCP 054 Working Group in its development of the document:

Section 6.3 - Provision of Information by the Supplier to the RP Service:

- Is this section adequate?
- What items do RP Services request/what items do Suppliers usually provide? Should these be mandatory?
- Should the requirements set out in the Information Exchange Table be mandatory?

Section 6.4 - Provision of information by the RP Service to a Supplier

- Is this section adequate?
- What information does the RPS currently provide to the Supplier?

Section 7.2 - Priorities and Timescales

- Are the timescales for safety issues outlined in the CoP sufficient?

- Are the timescales for the completion of investigation?

Section 12 - Collection and retention of evidence:

- How long should physical evidence be retained by the RPS?

Section 15.10 - Reports:

- Do DNOs need the Report and if so what frequency? i.e. monthly or quarterly.
- Do Suppliers require reciprocal reporting from DNOs?
- Is there value in trend information being collated by DCUSA and made available to the industry?
- If there is an obligation to report on all stolen units, can this reporting be issued to the BSC?

Appendices Titles

- Are the Titles of the Appendices below appropriate?

Appendix 1 Relevant Statutory and Regulatory Provisions

Appendix 2 Disconnections or De-energisation

Appendix 3 Impact of Data Protection Act On exchange of Information

Appendix 4 Collection and Retention of evidence Record Keeping

Appendix 5 Record Keeping

Appendix 6 Information to be provided by the RP services

Appendix 7 Reporting Appendix 8 Assessment if unrecorded units

Appendix 8 Assessment of Unrecorded Units

Appendix 9 Process Diagram for dealing with reports of Suspected Interference

- 4.3 Responses should be submitted using Appendix B to dcusa@electralink.co.uk no later than **4 December 2012**.
- 4.4 Responses, or any part thereof, can be provided in confidence. Parties are asked to clearly indicate any parts of a response that are to be treated confidentially.

5 NEXT STEPS

- 5.1 Following the end of the consultation period the DCP 054 Working Group will meet to consider the responses and determine what changes, if any, need to be made to the Code of Practice.
- 5.2 The Code of Practice will then be progressed through the DCUSA standard Change Process and, subject to party and Authority approval, will be implemented as a Schedule into each Agreement.
- 5.3 If you have any questions about this paper or the DCUSA Process please contact the DCUSA Help Desk by email DCUSA@electralink.co.uk or telephone 020 7432 3011.

6 APPENDICES

- 6.1 Appendix A – Code of Practice
- 6.2 Appendix B – Response Form