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I0265 – THEFT CALCULATOR USAGE AND SUITABILITY ASSESSMENT

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FOR INFORMATION

1 PURPOSE

The purpose of this paper is to provide industry Parties with a short background on REC Issue I0265 – Theft Calculator Usage and Suitability Assessment and progress made since the last Working Group session in March 2026. This includes the reason for raising this Issue, activities conducted to help understand the scale of the problem, and challenges faced by industry Parties to help identify areas of enhancement for the calculators (electricity and gas).

2 I0265 BACKGROUND

REC Issue I0265 – Theft Calculator Usage and Suitability Assessment was raised to investigate how widely the existing Theft Assessment Calculators are being used by Parties to assess energy losses due to theft, despite REC Schedules 7 & 8 mandating the usage. There was evidence to suggest inconsistent application across Parties, and whilst there has only been one Derogation Request, anecdotal feedback indicated that other Parties are also struggling to use the calculator. It was also unclear whether it is consistently applied for Theft Detection Incentive Scheme (TDIS) submissions, or if the current platform is fit for purpose across all operational environments. Gaining a comprehensive understanding of its current usage and effectiveness is crucial to determine if the calculators are delivering its intended purpose efficiently and consistently across the industry.

2.1 ACTIVITIES TO DATE

2.1.1 THEFT ISSUES GROUP

To build a better picture of the situation, the Code Manager engaged with the Theft Issues Group (TIG) in July 2025 where anonymous feedback was sought on the use of the calculators, barriers to their access and usability, suggestions for improvement and usage of alternative calculators. Responses to the survey indicated that issues span both the functionality of the tool and the data it uses and highlighted a need to engage with as many industry Parties as possible to thoroughly gather information about the usage, effectiveness, and suitability of the Energy Theft Assessment Calculator across the industry.

2.1.2 INFORMATION REQUEST

The Code Manager therefore conducted an information request that was open for six weeks between September and November 2025 to gather more input on problems REC Parties

encounter when using the Theft Assessment Calculator. Due to the sensitivity of this topic, all responses to the information request were kept confidential and were not published.

Respondents unanimously acknowledged that the calculators require improvement, even if they were not facing access issues. The main barriers shared in the information request were echoed in the July TIG meeting and then in the November meeting where members were updated of the results.

2.1.3 WORKING GROUPS

Following the November TIG, it was agreed to establish working groups to help determine the solution development of this Issue and the future of the calculators.

Three working groups took place between January and March 2026 where Parties discussed barriers they faced and enhancements they would like to see. These discussions covered the below points:

- System barriers
- Consolidating the gas and electricity calculators
- An outdated offer for Industrial & Commercial (I&C) properties and appliances
- Equipment and new technologies not currently covered
- Consolidating guidance and supporting material
- Learning from others
- Ways to futureproof the calculators.

Minutes of the previous working group sessions can be found on the REC Portal here.

3 SOLUTION DEVELOPMENT

The Code Manager developed solution requirements based on industry feedback to provide for a robust and reliable tool that can be accessed and used effectively across multiple operational scenarios and devices and that can support court-ready evidence.

The Code Manager sorted requirements by nine different categories, identifying the fuel type and property type for each, and separated them depending on three levels of priority, with a final requirement mentioned in the working group that was already integrated in the current calculators.

The nine categories defined are:

- Access
- Usability
- Default profiles
- New technology integration
- Input
- Output

- Feedback
- Guidance
- Code Change

Below is the list of the requirements sorted by the following priority levels:

1. Must-have
2. Nice to have
3. Out of scope
4. Already integrated

3.1.1 MUST HAVE

Categories	Requirement	Party suggestion	Fuel	Properties	Change needed
Access	The theft calculator must be accessible by every organisation regardless of the software they use and be available outside the UK and Europe	Web-based calculator and/or downloadable app accessible to all, available outside of the UK and Europe	Both	Both	Technical/Platform
Access	The theft calculator must be functional without an internet connection	Offline access given not always able to access internet when Parties are on site	Both	Both	Technical/Platform
Usability	The theft calculator must include both gas and electricity fuels on one interface	Have one interface with possibility to select gas, electricity or both fuels	Both	Both	Technical/Platform
Usability	The theft calculator should have the same range of business/property types and default profiles and similar input when appropriate for both gas and electricity	Adding the claimed amount/length of time appliances might be operational for. Have the same business types on both	Both	Non-domestic	Data/Calculation

Default profiles	The theft calculator must include default profiles for a range of business types and property types based on the average equipment/appliances for the premises use and size	Have default profile options based on the average equipment/appliances (and other assessment criteria such as burns test) and steps justifying why Parties are not able to gather information all the time.	Both	Both	Data/Calculation
New technology integration	The theft calculator must integrate new technologies such as EV chargers, heat pumps, batteries and solar panels	New technology and Deduct/integrate micro generated usage/battery storage from an assessment (not just baseline)	Both	Both	Data/Calculation
Input	The theft calculator should include data/crypto mining equipment	Data/crypto mining equipment	Electricity	Both	Data/Calculation
Input	The theft calculator must integrate a wide range of appliance input for multiple property and business type options	Expand the equipment lists for property and business types	Both	Non-domestic	Data/Calculation
Input	The theft calculator must have the option to manually create an appliance input based on the power consumption and use time	Focus on how to enhance these options with known appliances, whilst increasing the number of business types	Both	Non-domestic	Data/Calculation
Input	The theft calculator must have the capability to incorporate EAC, AQ, TDCV and EPC	Elexon annual consumption; Historical consumption; Ofgem's standard consumption values;	Both	Both	Data/Calculation

		Amp/clamp test results at the property; Energy Performance Certificate (EPC)			
Guidance	The theft calculator must include intuitive real-time in-app step-by-step guidance throughout	Guidance throughout the calculator (see notes for specific scenarios)	Both	Both	Guidance
Guidance	The REC Portal should include an up-to-date FAQ Page for the theft calculator	Refer to a FAQ Page when Parties have questions on the calculator	Both	Both	Guidance
Guidance	The theft calculator should have a technical guidance document on how to use the theft calculator, including how to incorporate specific input, and a clear explanation on the difference with the Xoserve calculator	Improved guidance to support Parties	Both	Both	Guidance
Feedback	The theft calculator must have a feedback section to allow Parties to react to and improve this tool	Cyclical feedback on calculator, on data inputs and Yearly feedback	Both	Both	Guidance
Code Change	There should be a Code Change to ensure it is clear who must use the REC theft Calculator and when, and when exceptions are allowed, e.g. Xoserve Calculator	Explain difference between REC and Xoserve calculators: which one to use for what and when, to ensure no breach	Gas	Both	Code Change

3.1.2 NICE TO HAVE

Categories	Requirement	Party suggestion	Fuel	Properties	Change needed
Access	The theft calculator should have the ability to incorporate APIs for CRM integration	Coding or APIs to be made available for CRM integration	Both	Both	Technical/Platform
Usability	The theft calculator should include more granular categories of bypass	Have more granular categories of bypass	Both	Both	Data/Calculation
Usability	The theft calculator should have the capability to auto-populate the geographical regions based on the address/MPXN entered	Not discussed at WG. Determine if it would be possible to auto-populate the region when address is inputted	Both	Non-domestic	Data/Calculation
Input	The theft calculator should have the ability to let Parties input their own unit price rate and standing charges	Include the value of gas consumed (as currently only provides the output of gas in kWh rather than in a fixed price to accommodate for different variables)	Both	Both	Data/Calculation
Input	The theft calculator should have the ability to integrate Ofgem's price cap values for domestic and average business tariffs for non-domestic and be used as the default unit price and standing charges	Include the value of gas consumed (as currently only provides the output of gas in kWh rather than in a fixed price to accommodate for different variables)	Both	Both	Data/Calculation

	when Parties are not inputting their own				
Output	The theft calculator should calculate the value of the assessed energy based on the input of unit price rate and standing charges	Have an option to add time of use tariffs, smart tariffs and demand flexibility schemes	Both	Both	Guidance
Guidance	The theft calculator guidance document should include information on considerations for CHP sites	Need to consider CHP, even if a solution is not found straight away. Parties need to understand scenarios where individuals may use CHP to keep on stealing energy	Both	Both	Data/Calculation

3.1.3 OUT OF SCOPE

Categories	Requirement	Party suggestion	Fuel	Properties	Change needed
Usability	The theft calculator should include the breakdown of tamper types	More granular categories of theft/tamper types were mentioned as believed they could help improve the recording and understanding of energy loss, potentially using prompts and/or guidance on the calculator	Both	Both	Guidance
Usability	The theft calculator should include historical consumption	Parties thought having an agreed methodology for historical theft cases would be helpful	Both	Both	N/A

Usability	The theft calculator should have the ability to save each case with data	Parties discussed having a calculator that would keep a record of each case entered	Both	Both	N/A
Usability	The theft calculator should have the ability to incorporate photos and videos	Parties discussed having a calculator that would allow for the inclusion of photos/videos of each case	Both	Both	N/A

3.1.4 ALREADY INTEGRATED

Categories	Requirement	Party suggestion	Fuel	Properties	Change needed
Input	The theft calculator should include structural input	Adding additional structural inputs (such as floor area load in use, power factor etc.) would improve calculation accuracy	Both	Both	Data/Calculation

4 NEXT STEPS

Thanks to industry input, the Code Manager has been able to develop these solution requirements and has now met the objectives of the original statement of this REC Issue which was to review the usage of the Theft Assessment Calculators and assess their sustainability.

This REC Issue has therefore been brought to a close, whilst the development of these requirements onto the Calculators are conducted by RECCo, outside of the Change Process. RECCo will liaise with relevant service providers to develop an enhanced tool.

A Code Modification will be required to ensure the REC Schedules are updated adequately. This will be raised in due course once Code Reform is in place and the requirements of the Calculators have been developed further.