RETAIL ENERGY CODE

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01	Proposal Plan
02	**Impact Assessment**
03	Consultation
04	Final Recommendation

CHANGE REPORT

R0253 – THEFT - DNO/NETWORKS NOT PROVIDING PHOTOS

DOCUMENT VERSION	V2.0
PROPOSED IMPLEMENTATION DATE	TBD
IMPLEMENTATION APPROACH	Big Bang

RESPONSIBLE COMMITTEE	Change Panel	**CHANGE PATH**	Self-Governance
PRIORITY STATUS	Low	**URGENCY**	Standard
IMPACTED STAKEHOLDERS	Network Parties: Distribution Network Operators & Gas Transporters		

LEAD ANALYST (SOLUTION LEAD)	TECHNICAL LEAD	ASSURANCE LEAD	SUBJECT MATTER EXPERT
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OVERVIEW

This Issue seeks to introduce an obligation for a Network Party attending Sites with suspected or actual Energy Theft to take photographs of the tampered Metering Asset, to be made available to the Energy Supplier upon request.

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BACKGROUND

1 SUMMARY

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 to investigate Energy Theft, they are required to make the Metering Asset 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 PROBLEM STATEMENT

Where a Network Party attends a Site where Energy Theft has taken place, the Metering Asset may have been tampered with, and may therefore be unsafe. The Network Party, in the process of making the Metering Asset safe, will by necessity resolve any tampering. The removal of evidence of tampering is an issue for Energy Suppliers, who need this evidence to make claims under the TDIS.

3 IMPACTS

CONSUMERS
None

REC SERVICE PROVIDERS
None

RECCO / REC CODE MANAGER
REC Performance Assurance

REC PARTIES AND SERVICE USERS
Gas Transporters
Distribution Network Operators

REC DOCUMENTS / PRODUCTS
Schedule 8 – Unbilled Energy Code of Practice

MHHS
None

GTs and DNOs have been identified as impacted Parties as the proposed solution will introduce new obligations for them. The proposed solution will require Network Parties operational practices to be compliant with enhanced evidentiary standards requirements in respect of Site attendance for Confirmed Energy Theft.

REC Performance Assurance have nominally been identified; whilst there is no impact on them directly, any change to the processes underpinning the TDIS will be of interest to them.

No direct Consumer impact has been identified.

4 CROSS-CODE IMPACTS

No cross-code impacts have been identified.

5 PROPOSAL PLAN

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 Mar 26**
	Business Case Assessment	November	November
	Solution Refinement	November	December
	Consultation	January	February
	Final Determination	March	March
Voting		**03 Mar 26**	**03 Mar 26**
	Appeal Window	March	March

6 STAKEHOLDER ENGAGEMENT

The Code Manager will present a summary of the proposed solution in the October meeting of the Theft Issues Group (TIG) on 29 October 2025. TIG members will have a chance to provide feedback on the proposed solution to coincide with the publication of the Party Impact Assessment.

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7 PRIORITY STATUS AND URGENCY

PRIORITISATION MATRIX

Category	Significance / Resource impacts / Urgency	Further selection / breakdown	Score (0-3)	Weighting	Weighted Score
Impacts	Consumer Impact	Indirect	0	27	0
	Retail Markets Impact	Innovation and Market Arrangements	1	17	17
	RECCo / REC Party / REC Service Provider Impact	Operational Effectiveness and Efficiencies	1	7	7
		Legal and Regulatory Compliance	1	14	14
Resource	Complexity / Effort / Duration		2	9	18
Strategic Alignment	Contribution to/ Alignment with the objectives of the REC		1	17	8
	Contribution to/ Alignment with RECCo's Forward Work Plan		1		8
Urgency *(The need to progress a change to meet a targeted date)*		Other Planned Activity	1	10	10
				Overall Priority Score (rounded)	83

Priority Status	LOW
Change Proposal Type	STANDARD

This Issue has a priority status of Low, based on a score of 83. This score has been calculated as follows:

- Complexity/Effort/Duration has been given a score of two, indicating moderate complexity. This is reflective of the challenges associated drafting legal text that is applicable to both electricity and gas Network Parties, in respect of their different operational processes relating to Energy Theft, and their data sharing approaches.
- All other metrics have been given a score of zero or one, as appropriate.

SOLUTION

8 SUMMARY OF ANALYSIS UNDERTAKEN

The Code Manager has worked with interested stakeholders in order to determine the scope of the Issue, as well as an appropriate solution. The Code Manager had two core goals to address in order to fully address the problem statement:

1. Ensuring that Network Parties recorded visual evidence of Energy Theft; and
2. Establishing a means by which the visual evidence may be sent to Energy Suppliers.

In order to address the first point, the Code Manager consulted with relevant industry stakeholders via the REC TIG. The Code Manager presented this Issue at the July TIG meeting, and took feedback from members that informed the solution development approach. The key feedback was as follows:

- GTs have different file sharing arrangements to DNOs, which will need to be taken into consideration in respect of sharing the evidence of Energy Theft with Suppliers;
- There is a lack of clarity in the Code regarding evidentiary requirements; and
- Network Parties need to consider the safety of the Metering Asset as their foremost priority.

These key points have been taken into account when considering the drafting of the proposed solution.

9 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.*

The Code Manager's expectation for this drafting is that it will compel Network Parties attending Sites where there is actual or suspected Energy Theft to record photographic evidence of the Energy Theft, i.e., the tampering done to the Metering Asset, or any of it's associated components or parts. The Code Manager acknowledges that it will not always be possible to take a photo; where a Network Party attends a Site where there is a material risk to safety as a result of tampering, their first responsibility is to make the Site safe. In some cases, the risks presented will be so great that it is not possible to take a photo. As a result, the proposed solution makes an allowance for this, and permits for a Network Party to submit a sketch (or similar) of the Metering Asset where they were not able to take a photo prior to making the Site safe.

The proposed solution also prescribes how the evidence of the Energy Theft (either the photo or the sketch) is passed to the Energy Supplier. The Network Party should submit the evidence via the Secure Data Exchange Platform (SDEP) in the first instance, but where they are not able to, they may agree with the Energy Supplier an acceptable means of doing so, in a GDPR compliant manner. The Code Manager expects that this makes suitable allowances for GTs, who do not engage with SDEP as a DNO might.

In addition to the primary drafting changes to support the solution for this Issue, the Code Manager (in conjunction with our legal counsel) identified minor, unrelated clarificatory changes to Schedule 8 – Unbilled Energy Code of Practice that can be made at the same time as the primary drafting changes. These changes are as follows:

Section	Change	Rationale
6.22	Introduction of new section heading for Paragraph 6.22.	This provision does not relate specifically to the Theft Contact Register (the previous section), and has so been placed in it's own section for greater clarity.

Section	Change	Rationale
6.22	Changed refences to “DNOs” to “Network Parties”.	As the provisions in 6.22 relate to both electricity and gas (PT0075 and PT0076 respectively), the reference to “DNOs” only excluded gas Network Parties, and so has been broadened as a result.

10 DRAFT LEGAL TEXT

The legal text changes to deliver the proposed solution to I0253 can be found here.

11 APPENDIX

CHANGE PROPOSAL	Link
LEGAL DRAFTING	Link

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12 GLOSSARY

TERM	DEFINITION
Confirmed Energy Theft	means that the holder of an Energy Licence (or person acting on their behalf) reasonably determines that, on the balance of probabilities and taking into account all of the evidence then available, one or more instances of Energy Theft has occurred. Such a determination may not be made unless sufficient evidence is held to substantiate the occurrence of Energy Theft, including (as a minimum): (a) an indication of theft via a desktop review of consumption levels; and (b) a report of a site visit where access was successful; and (c) photographic (or sketch) evidence of the theft, including illegal connection/bypass or meter tampering.
Distribution Network Operator	means a person holding an Electricity Distribution Licence.
Energy Theft	Includes: (a) circumstances described in Paragraphs 5(1) (Restoration of connection without consent) and 6(1)(a) (Damage to electrical plant etc) of schedule 6 to the Electricity Act (in so far as they relate to an electricity supplier; (b) circumstances described in Paragraph 6(1)(b) (Damage to electrical plant etc) of schedule 6 to the Electricity Act; (c) circumstances described in Paragraph 11(1) (Interference with meters) of schedule 7 to the Electricity Act; (d) circumstances described in Paragraphs 10(1)(a) and 11(2) of schedule 2B to the Gas Act (in so far as they relate to a gas supplier); and (e) circumstances described in Paragraphs 10(1)(b) and 10(1)(c) of schedule 2B to the Gas Act.
Gas Transporter	means a person holding a Gas Transporter Licence which requires that person to become a Party to this Code.
Metering Asset	shall have the same meaning as Metering Equipment.
Network party	means a Party which is either a Distribution Network Operator or a Gas Transporter.
Secure Data Exchange Platform	means the portal of that name which forms part of the Secure Data Exchange Service.
Theft Detection Incentive Scheme	is described in Annex 3 of the Energy Theft Reduction Schedule.