



UNITED KINGDOM REVENUE PROTECTION ASSOCIATION

UKRPA Newsletter # 6

Q2 2014

Quick Issues:

Keynote Speaker Confirmed for National Conference

Limited number of Conference places still remain!

UKRPA welcomes TRAS proposals

Strategy launched for 2014-2015

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A Word from the UKRPA Chairman...

We start the new financial year with a bang - fortunately not of the gas leakage variety!

2014/15 is sizing up to be another intensive year for the UKRPA. We responded to Ofgem's consultation on the new electricity licence obligations that will deliver the new Theft Risk Assessment Service. Safety considerations seem to have taken a 'back seat' when it comes to investigating theft within the new electricity licence obligations.

This is disappointing, nonetheless we will continue to press home our concern that the juxtaposition between safety and keeping supplies on for customers is a complex one - our response is [here](#). We appreciate Ofgem agreeing to present at the forthcoming UKRPA Conference in June. This will provide a great opportunity to better understand their thinking when it comes to safety versus theft.

In this month's newsletter, you will observe we were approached by the Sentencing Council for our views on the new guidelines for electricity abstraction.

In particular, we were struck by the absence of gas within the consultation process. Whilst we understand why, i.e. not included within the definition of theft as per the Theft Act 1968, there is nonetheless a serious gap that needs to be addressed - the impact of gas theft can be devastating. We will be responding shortly.

We were also amused to learn that stealing a handbag seems to carry a greater maximum custody order than stealing electricity within the guidelines. Suffice to say, we will be setting the record straight. Perhaps the moral here is: whatever happens, don't get caught stealing a handbag!

The UKRPA has also been approached regarding the forthcoming BBC production

covering energy theft, under the 'Fake Britain' series of programmes. We shall see how this evolves. Previous programmes have commented on fake goods, counterfeit iPhones and fake working hours. It seems a bit of a stretch to include energy theft; nonetheless we are reliably informed that the geniuses at the BBC never let such minor detail get in the way of their creative juices. We understand the programme is likely to go out during July / August.

As you can see, there is no rest for the wicked; only three months into the new financial year and already we are battling on all fronts.



Tony Thornton
UKRPA Chairman

National Conference Update

Final places remain for the UKRPA National Conference on 25th - 26th June in Kenilworth.

This year's Conference, sponsored by British Gas and Gemserv, promises to be the biggest event yet, with over 100 delegates confirmed.

We are delighted to confirm the keynote speaker; Ian

Caplan is the Deputy Director of the Home Office Serious and Organised Crime Pursue Unit. We're thrilled to welcome him to speak at this year's event.

Further confirmed speakers include Chief Superintendent Bill Jephson, National Policing's lead for cannabis - who will be speaking about his review of the Problem Profile for cannabis.

Ofgem will also join us to talk about TRAS, and will form part of the expert Q&A panel at the close of the first day.

With over twenty speakers and exhibitors, the event promises to be full of variety and debate. Make sure you book your place by visiting the [UKRPA Website](#) and downloading the booking form today.

“Our Members are already working hard to improve theft arrangements”

“We welcome the decision to align arrangements for electricity and gas”

“We look forward to supporting the development of TRAS”

TRAS and the UKRPA

The way that we think about energy theft is changing. In May 2014, Ofgem published its decision document on new requirements for electricity suppliers to tackle electricity theft.

Changes to the electricity Supply Licence Condition will take effect from 3rd July 2014, and will strengthen the obligations on suppliers to investigate, detect and prevent electricity supply, mirroring changes made to the gas supply licence in 2013.

Further to these licence condition changes, the Regulator has directed the establishment of the Theft Risk Assessment Service—or “TRAS”.

An industry working group has been set up to deliver a dual fuel TRAS, to support suppliers with their revenue protection obligations by profiling the risk of energy theft and potentially predicting where energy theft is likely to occur.

We welcome the decision to align delivery arrangements for electricity and gas, thus avoiding the pitfall of two wholly independent services being developed leading to a fragmented (and therefore more costly) solution.

In terms of timelines, we very much suspect that, whilst it might be possible to have procured a central TRAS provider by Q1 2015, achieving a fully functioning service remains challenging. Realistically, late 2015 / early 2016 may be more likely.

The UKRPA is supportive of TRAS and its goals to improve theft detection for suppliers. But it should be remembered

that our Members are already working hard to improve theft arrangements.

We’ve worked extensively with a major Housing Association to develop the Interoperability Protocol. We meet regularly with the Home Office and National Policing to strengthen our working practices, particularly with respect to cannabis cultivation.

We work closely with Environmental Health Departments to combat the emergence of meter tampering activities at non-domestic properties.

We hold Conferences and Seminars to encourage the sharing of best practice within the industry. And we receive 1,000 reports of energy theft through our confidential helpline every year, helping our Members identify and deal with theft.

We welcome TRAS as an initiative to improve theft detection within our industry. But the positive measures that our members are already taking should be commended.

We are delighted to welcome Ofgem to the National Conference in June to speak more on their proposals for TRAS, and we look forward to supporting the development of TRAS over the coming months and years.

We are sure that attendees at the Conference will very much look forward to putting their questions on TRAS to Ofgem.

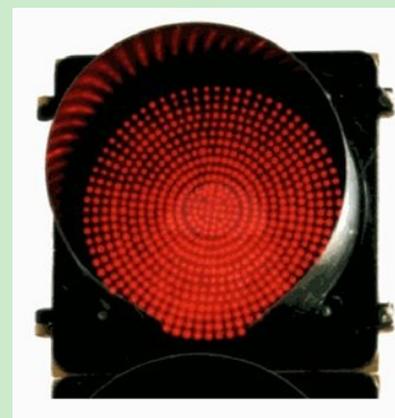
Revenue Protection Abroad

Pakistan's Presidents House Disconnected for Electricity Theft

April 2014 - orders have been given by Abid Sher Ali, State Minister for Water and Power, for the immediate disconnection of electricity supply to seventeen governmental institutions within Pakistan - including the Presidents House, Parliament Lodges and official residence of the Chief Justice of Pakistan.

The Islamabad Electric Supply Company (Iesco) has since been carrying out the orders. It is estimated that more than Rs3 billion (£30 million) of losses can be attributed to power theft by the public office.

One consequence of the campaign has been the suspension of power to Islamabad's traffic light system.



Sentencing Council Consultation

The Sentencing Council is currently [consulting on proposals](#) to develop new sentencing guidelines for theft offences.

It is proposed that the guidelines will include guidance for the sentencing of electricity abstraction offences, providing courts with clear criteria and boundaries for passing sentence.

The UKRPA notes that the Sentencing Council classes electricity abstraction as a 'low volume' offence. But this

fails to take into account the vast number of cases of abstraction that do not make it to court.

It can be extremely difficult to gather the evidence required against a particular individual when that individual may well argue it was not them that compromised the supply of electricity (even though they may well be the only occupant).

Consequently, those cases making it to court represent the thin edge

of a much bigger wedge of offences being committed.

We are also disappointed that the guidelines will make no reference to the illegal abstraction of gas—given the potentially devastating impacts of gas meter tampering. We are keen to engage with relevant bodies to review current arrangements.

UKRPA 2014/15 Strategy Released

The UKRPA has published its strategy for 2014/15. We made some terrific progress against last year's key deliverables. We successfully piloted our Interoperability Protocol with Liverpool Housing Trust. We responded to Ofgem's Tackling Electricity Theft consultation. We made it onto the BBC News at Six. We launched our first training seminar to some fantastic feedback. And that's just the tip of the iceberg.

This coming year, we have some big plans, including extending our work in Northern Ireland and the water sector, delivering our biggest National Conference yet, following up on last year's successful seminar. Contact the UKRPA Secretary for more information.

Big John's Big Gas Theft

The owner of a chain of seventeen fast food restaurants in Birmingham has appeared in court charged with illegally abstracting almost £750,000 worth of gas.

Babar Siddiq, owner of the popular Big John's fast food chain, has been accused of tampering with the gas meters in order to pay a fraction of the gas consumed.

It is alleged that the offence occurred over the course of three



years between 2010 and 2013, and an estimated value of £715,493 had been stolen.

Generally speaking, offences of this nature would be tried at a local magistrates court. Due to the high value of gas involved in this case, Mr Siddiq has been charged to appear at Birmingham Crown Court this September.

Food for thought, as the UKRPA considers its response to the Sentencing Council's consultation on sentencing guidelines...



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The energy industry operates within a regulatory framework that seeks to strike a balance between consumer protection at one end of the spectrum (such as vulnerability), and a desire to drive increasingly proactive theft investigative practices. The approach to theft detection, investigation and resolution has historically been fragmented across the industry with varying industry practices and no real joined up approach between electricity and gas.

Against this backdrop, the UKRPA is uniquely positioned to provide a UK industry wide input to the evolving market arrangements, ensuring that the experiences and expertise of its members is brought to the forefront of the revenue protection industry's discussions.

UKRPA Membership

Full and Associate membership opportunities are open to companies working in the revenue protection arena, in and around the United Kingdom. For more information regarding benefits of membership, please visit our website www.ukrpa.co.uk

UKRPA Members

