

A blue-tinted background image showing a close-up of electrical components, including a three-pronged power plug and a circuit board with various components.

# Theft of Gas & Electricity – data analysis

Ian Anthony

# Introduction

- Data requests:
  - November 2001
  - April 2004
- Inform debate
- Key areas:
  - Suspected & actual cases identified
  - Source of leads
  - Cost of activity
  - Extent of theft

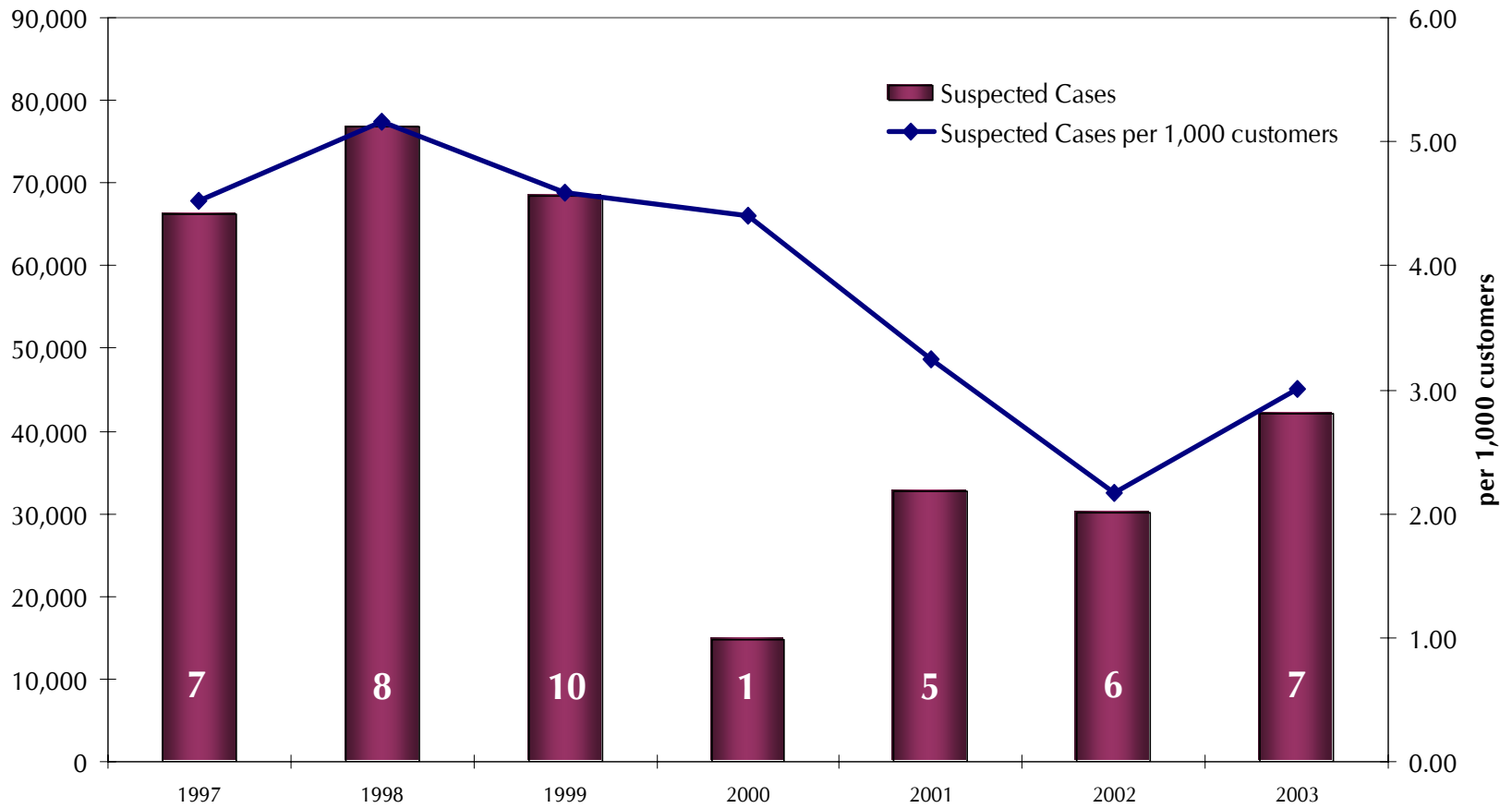
# April 2004 Data Request

- Limited response
- Level of awareness?
- Analysis ongoing
  - Further information
  - Check & challenge
- Full report in September document

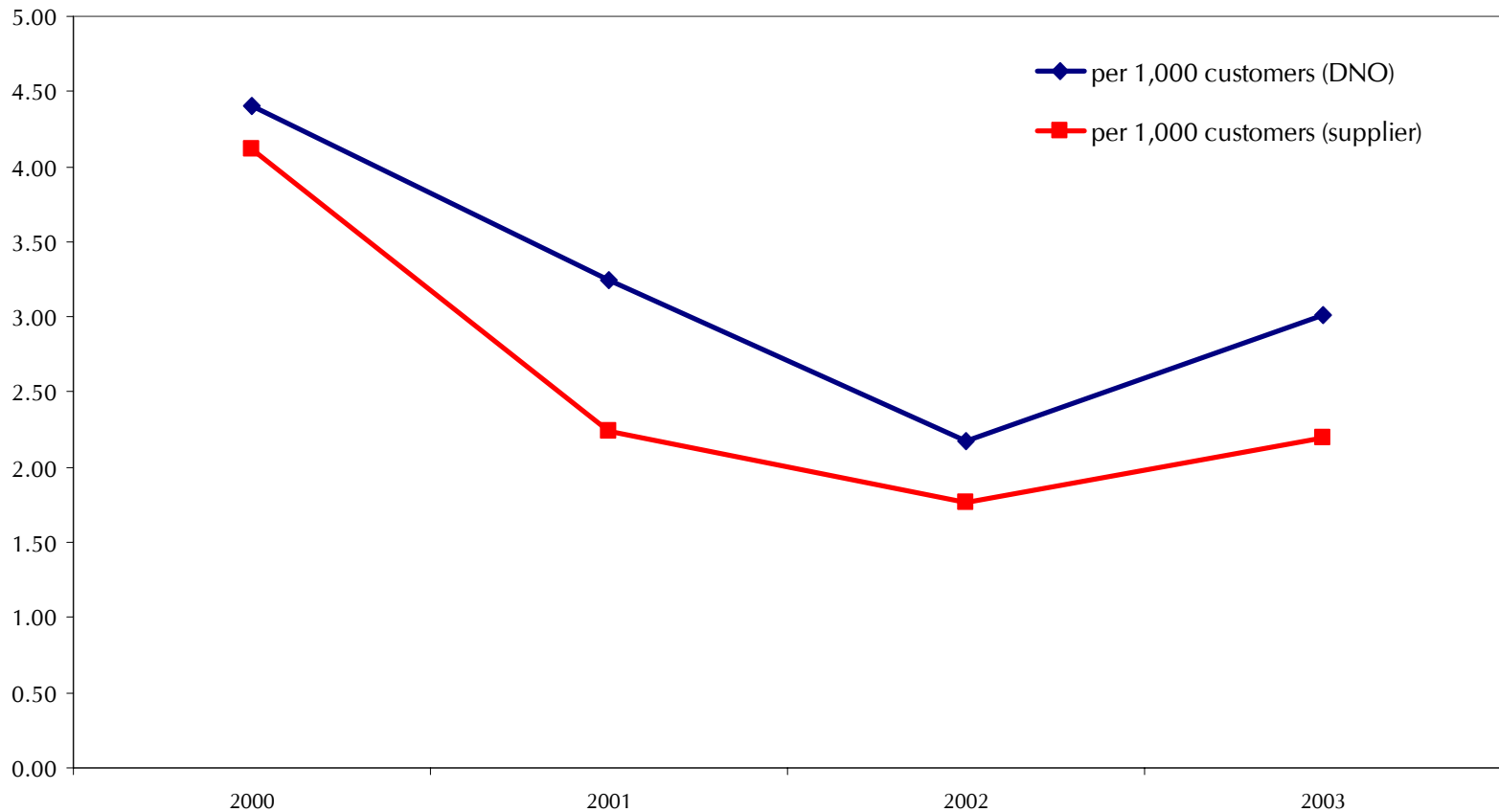
# Electricity Data

- Number of cases
  - Suspected
  - Actual
- Source of leads
- Provision of Revenue Protection Services (RPS)
  - Costs/benefits
- Extent

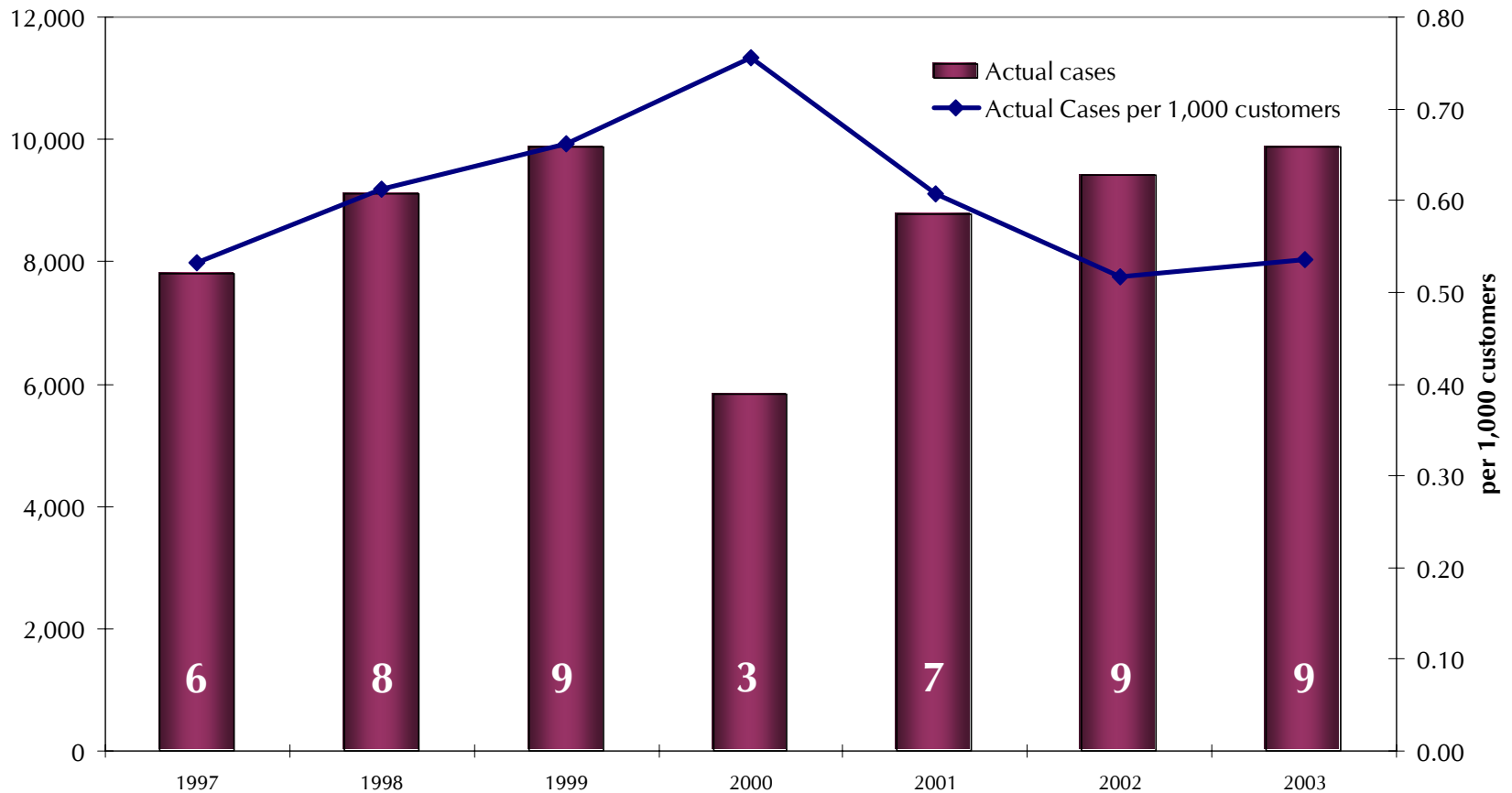
## i) Suspected cases



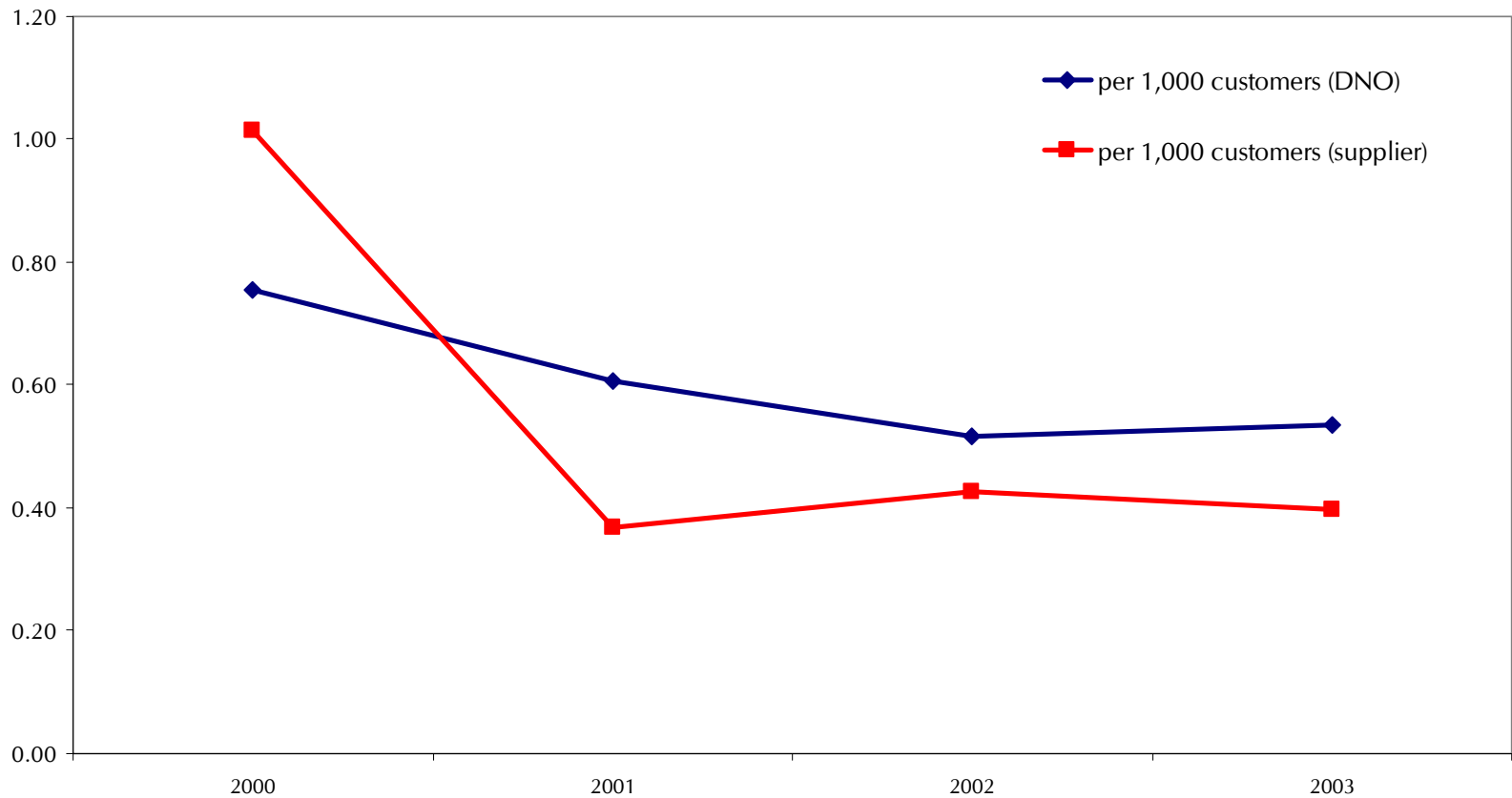
## ii) Suspected cases per 1,000 customers



## iii) Actual cases



## iv) Actual cases





## v) Source of leads

- Significant differences between suppliers

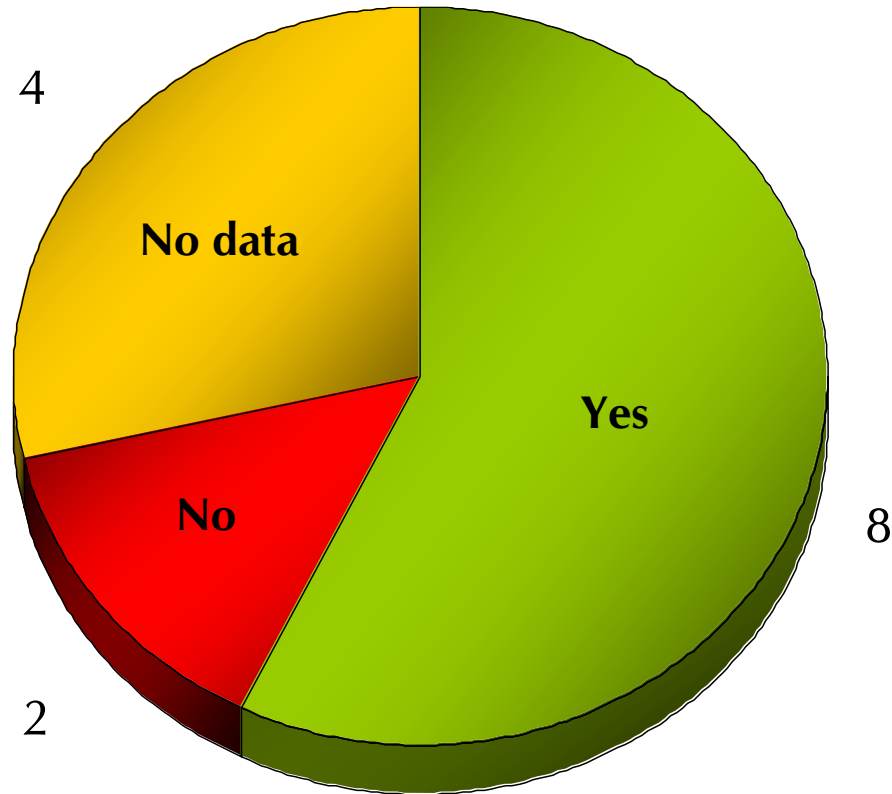
	DC	MOP	RPS	Supplier analysis	Other
Supplier 1	-	-	95%	5%	-
Supplier 2	6%	2%	1%	89%	2%
Supplier 3	20%	16%	4%	57%	3%

## vi) Cost/benefits of providing RPS

- Significant differences between DNOs
- No direct correlation between net position and future RPS provision
- Unquantifiable benefits

	Cost	Benefits	Net position
<b>DNO 1</b>	£2,700,000	£585,689	<b>-£2,114,311</b>
<b>DNO 2</b>	£518,075	£1,125,503	£607,503
<b>Average</b>	£662,778	£325,901	<b>-£336,877</b>

## vii) Future provision of RPS



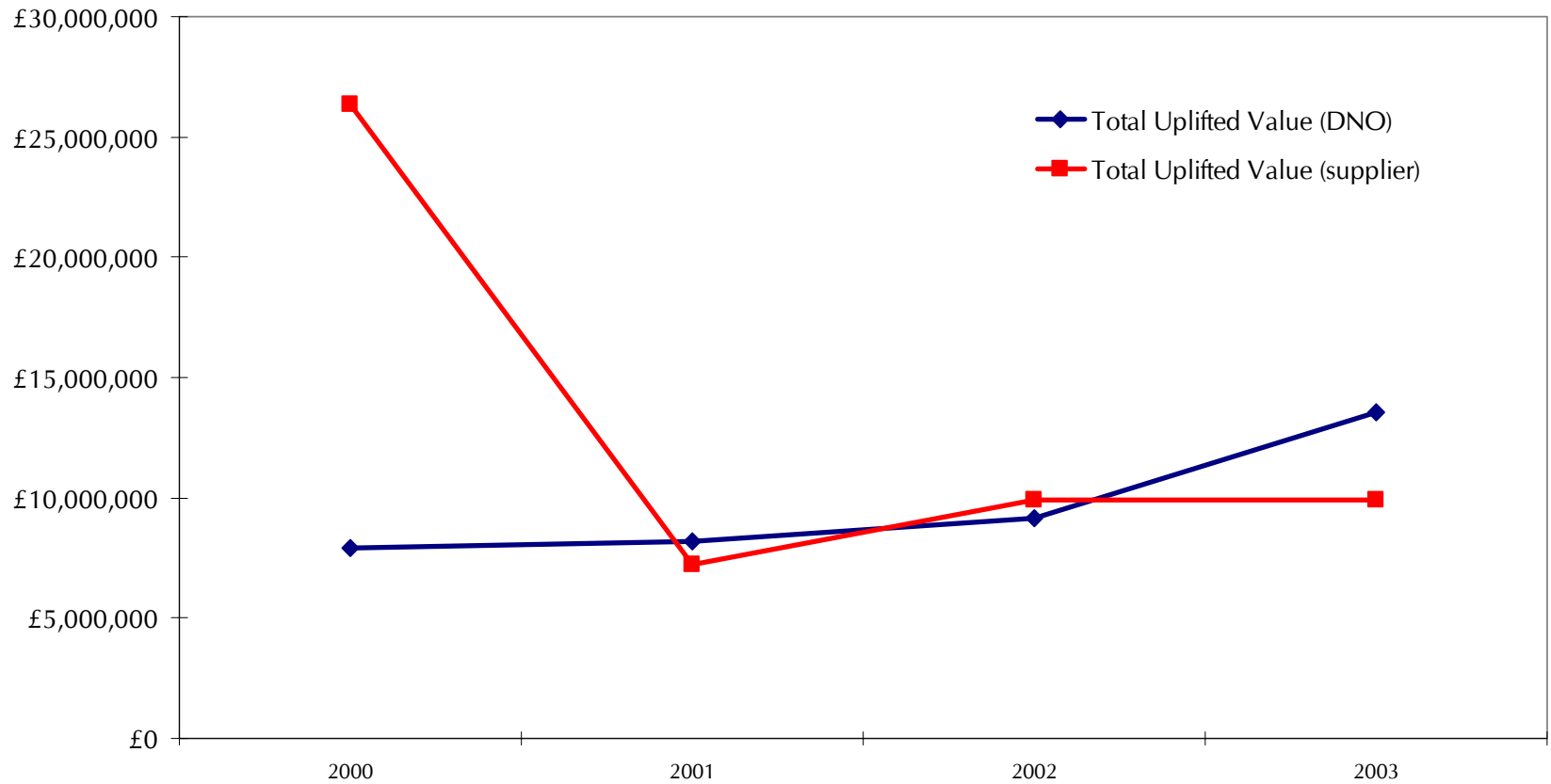
## viii) Average cost of providing RPS per investigation (DNO)

	2000	2001	2002	2003
Minimum	£178	£150	£81	£75
Maximum	£178	£166	£1,684	£997

## ix) Average cost of sourcing RPS per investigation (Supplier)

	2000	2001	2002	2003
Minimum	-	-	£128	£35
Maximum	-	-	£245	£606

## x) Value of stolen units (£), uplifted for UK estimate



## xi) Outcome

- % of cases where money recovered from customer

2000	2001	2002	2003
75.6%	80.3%	59.5%	49.8%

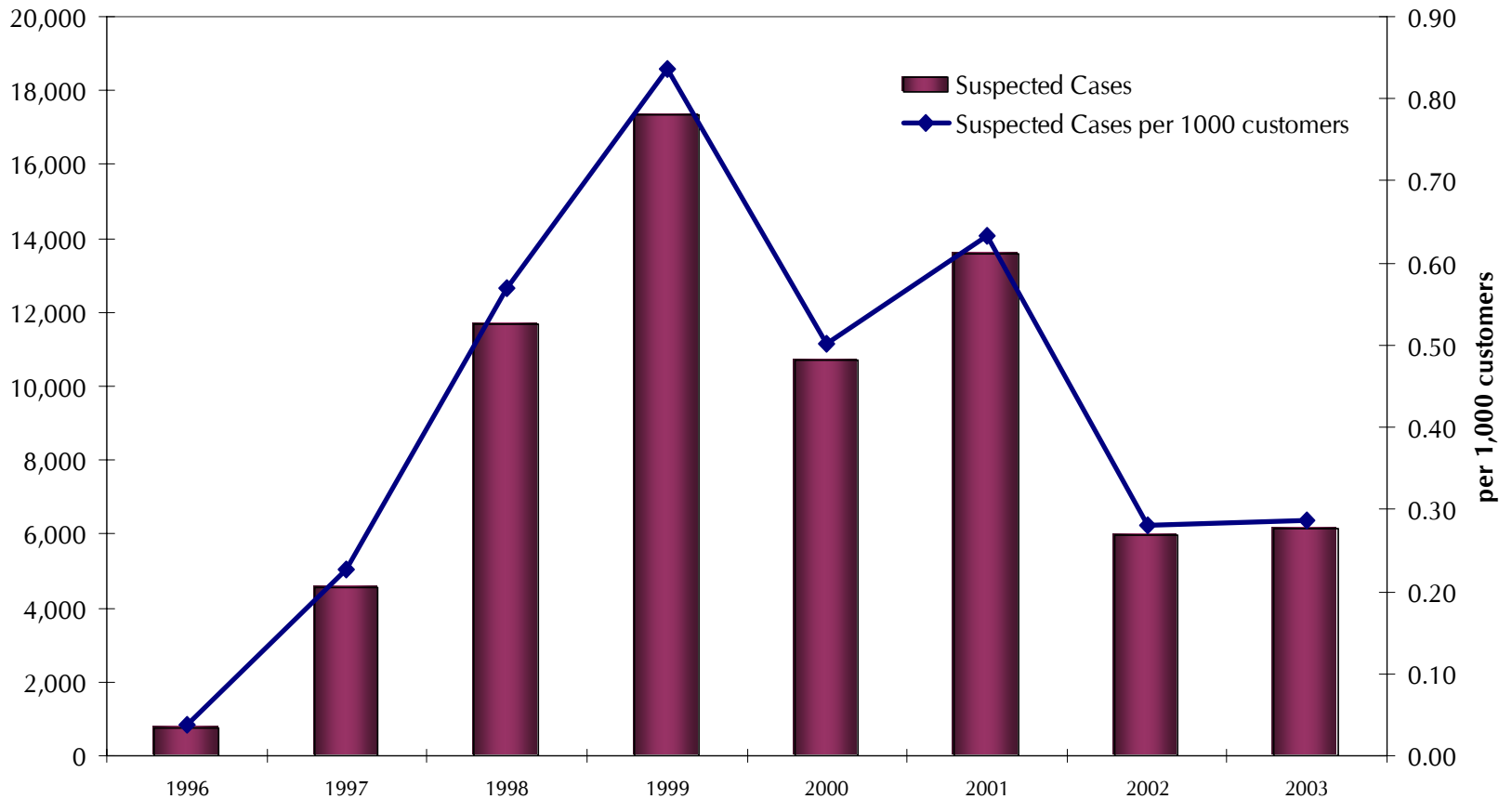
- Criminal convictions

	2000	2001	2002	2003
Proportion of cases attempted	9.1%	3.3%	3.1%	2.7%
Successful	-	-	-	0.03%

# Gas Data

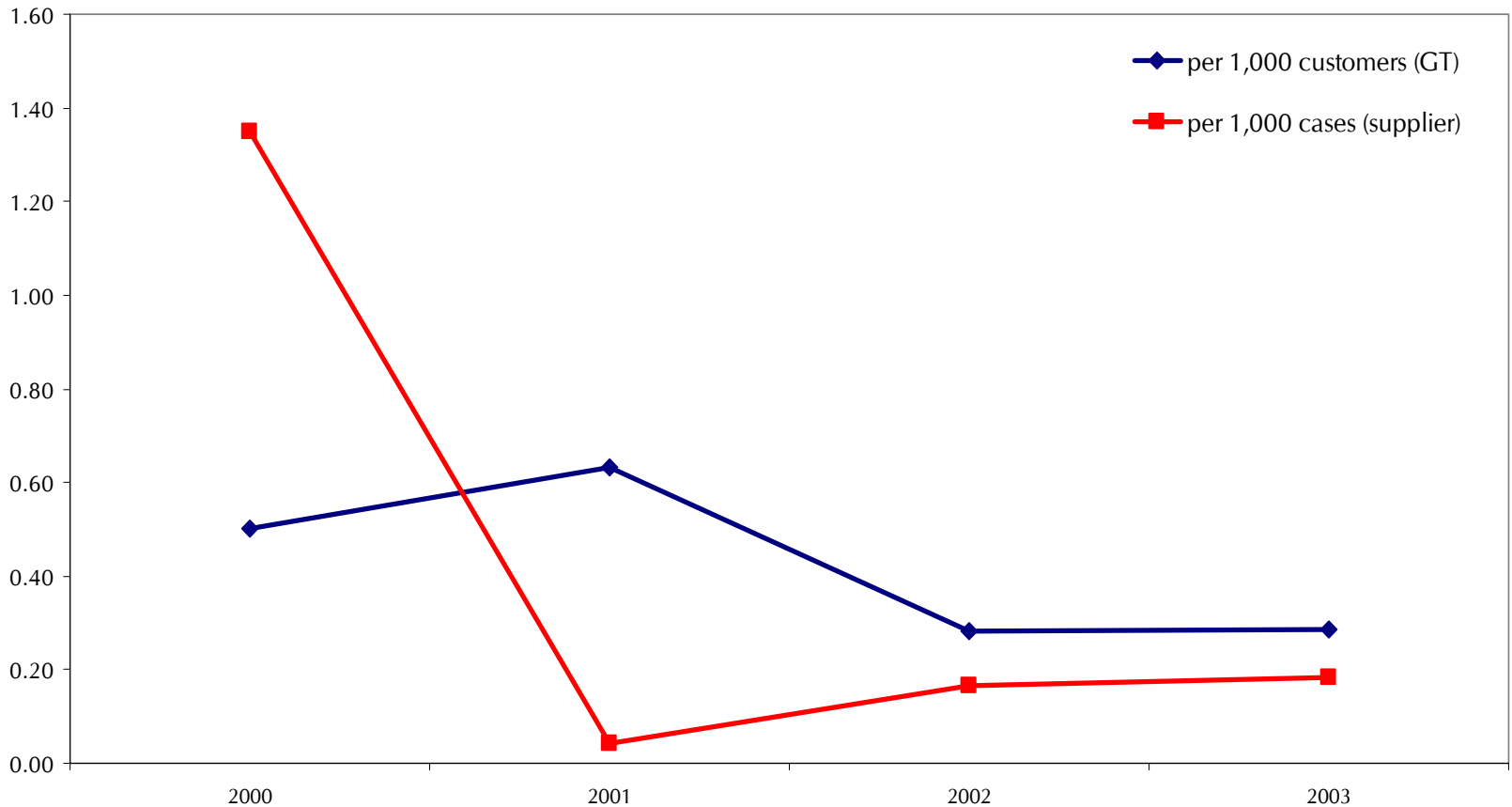
- Number of cases
  - Suspected
  - Actual
- Source of leads
- Cost of investigation
- Volume
- Reasonable Endeavours Scheme

## i) Suspected cases

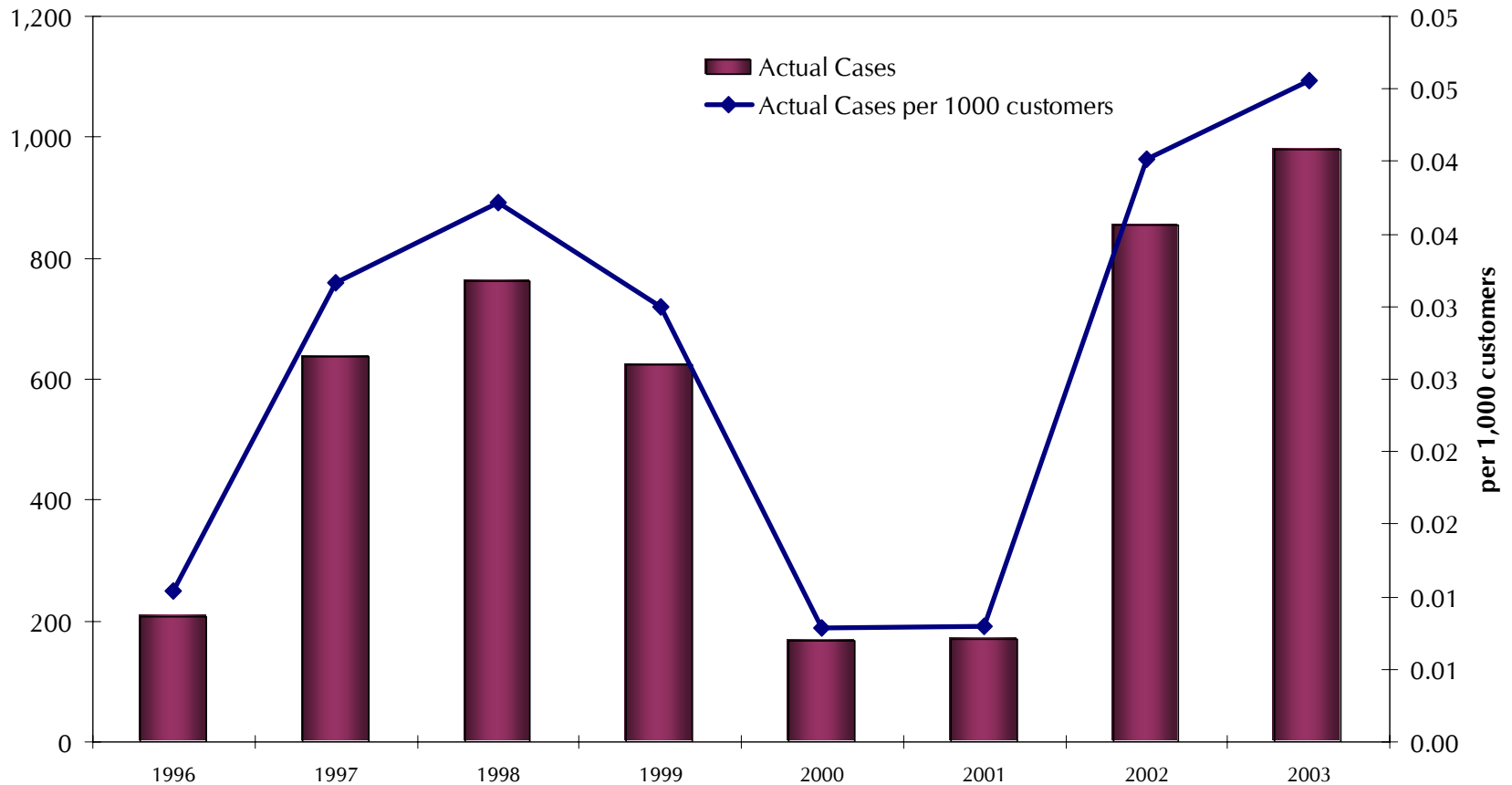




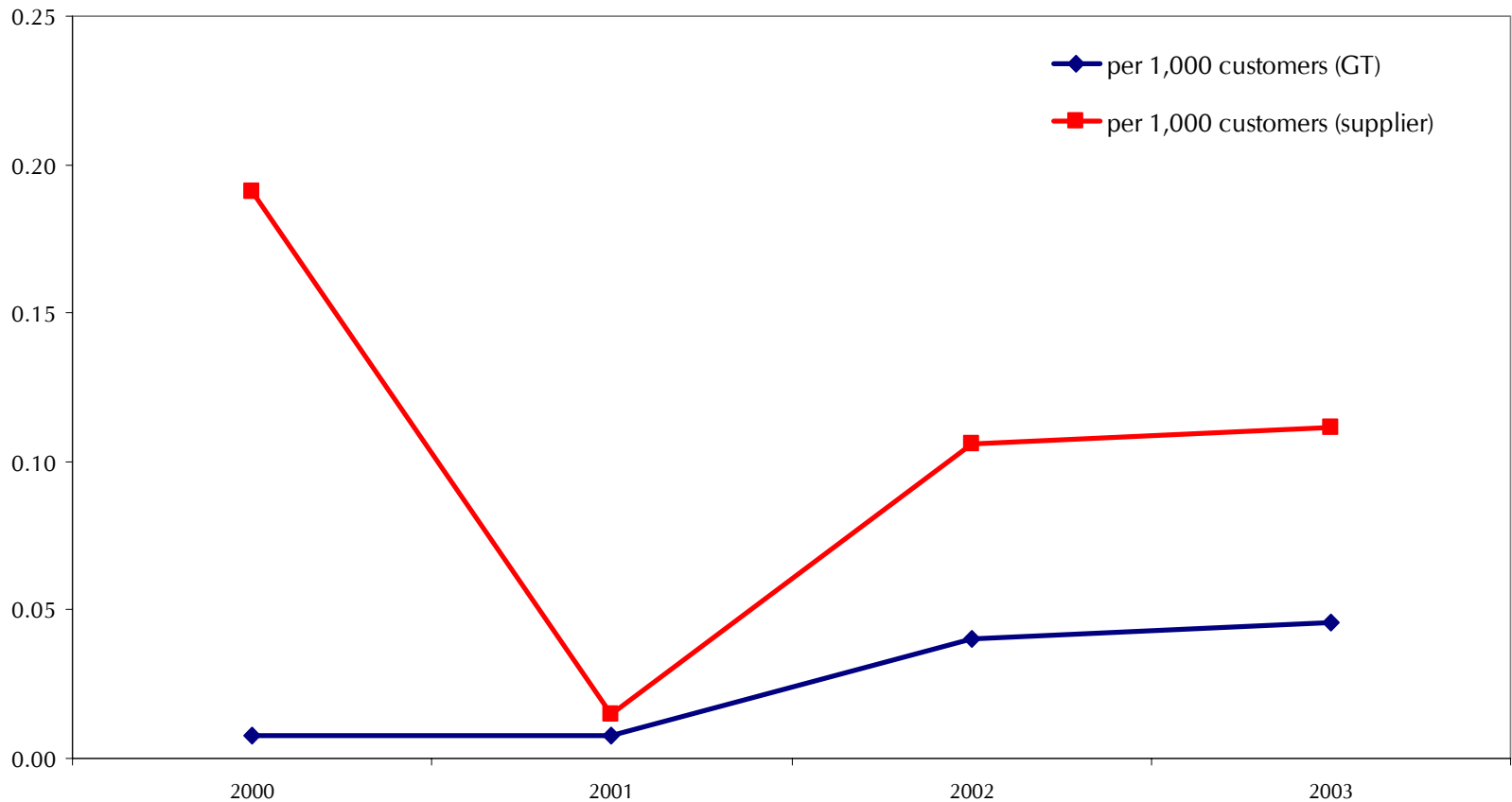
## ii) Suspected cases per 1,000 customers



## iii) Actual cases



## iv) Actual cases per 1,000 customers



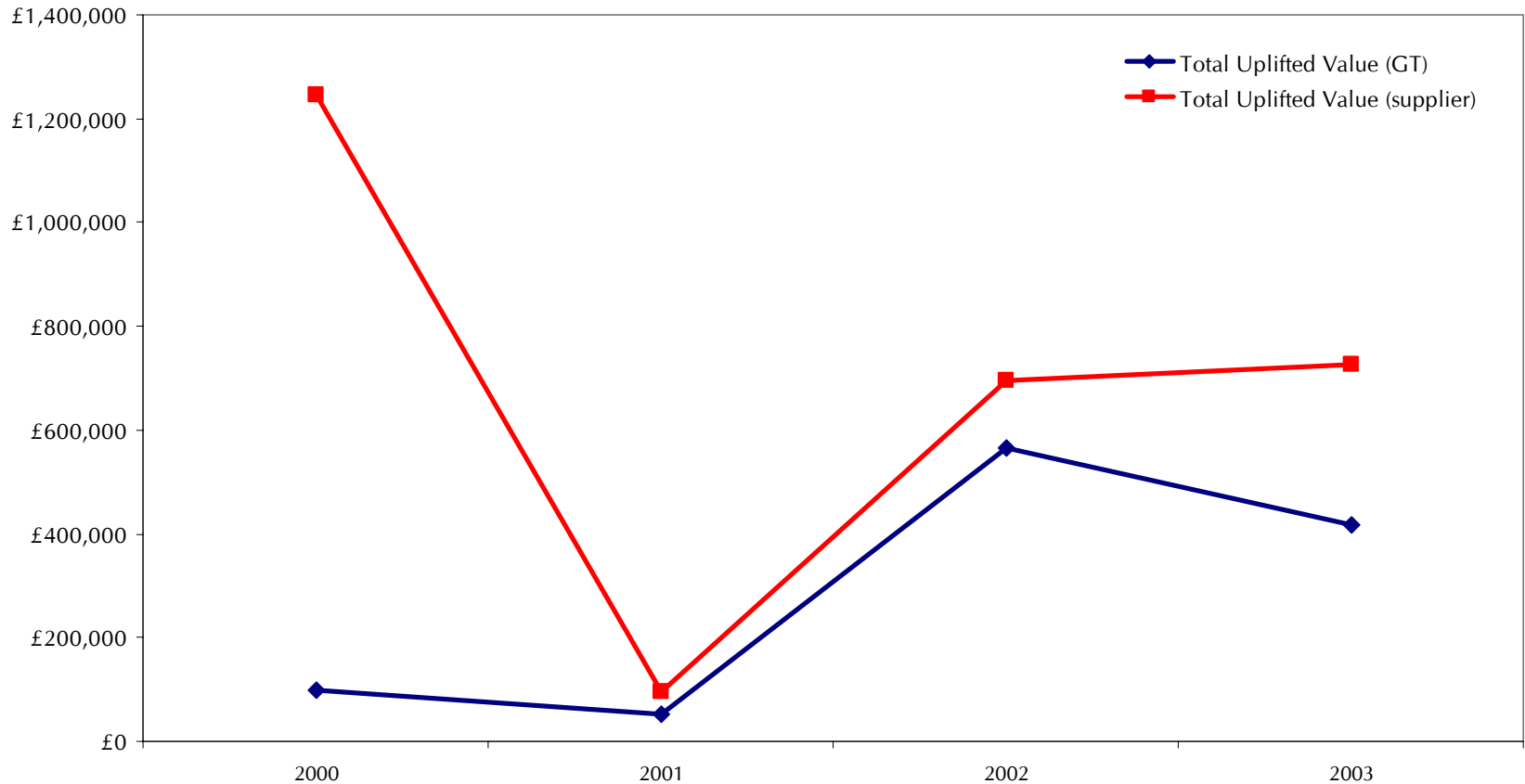
## v) Source of leads

- Significant differences between suppliers

	DC	MAM/MAP	GT	Supplier analysis	Other*
Supplier 1	5%	-	26%	8%	60%
Supplier 2	72%	-	15%	3%	10%
Supplier 3	-	-	90%	-	10%

\* Includes Revenue Protection Services

## vi) Value of stolen units (£), uplifted for UK estimate



## vii) Average cost per investigation (GT)

	2000	2001	2002	2003
Minimum	-	-	-	£26
Maximum	-	-	-	£26

## viii) Average cost per investigation (Supplier)

	2000	2001	2002	2003
Minimum	£20	£20	£43	£25
Maximum	£350	£475	£350	£200

## ix) Outcome

- % of cases where money recovered from customer

2000	2001	2002	2003
0.0%	0.5%	0.0%	0.6%

- Criminal convictions

	2000	2001	2002	2003
Proportion of cases attempted	0.0%	0.5%	0.0%	0.0%
Successful	-	-	-	-

# Summary

- Suspected & actual cases reported are decreasing. Actual cases in gas shows increase from 2001 onwards
- Number of cases far higher in electricity
- Significant concerns about effectiveness of reporting:
  - Many respondents unable to report any figures
  - Inconsistencies in data between Ofgem data requests
  - Considerable difference in reported performance of participants
  - Difficult to draw conclusions without further work and information
- Difference in effectiveness of arrangements between gas and electricity?
- Full report in September





Promoting choice and value for all  
gas and electricity customers