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9 Millbank
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Our Ref: CJA

Your Ref:100/13

27 August 2013

Dear Sirs

Tackling Electricity Theft Consultation - Northern Powergrid's Response

Northern Powergrid is the electricity distribution business for the Northeast, Yorkshire and parts of northern Lincolnshire, operating through its two licensed subsidiaries, Northern Powergrid (Northeast) Ltd and Northern Powergrid (Yorkshire) plc. We welcome the opportunity to respond to Ofgem's consultation on tackling the problem of electricity theft.

Our response addresses not just the specific issues and questions raised in the consultation (in Appendix 1 to this letter), but also other issues that we feel should be addressed to ensure that there is an effective end-to-end industry solution to resolving identified cases of theft. We believe that current industry processes, legal powers and obligations are not always aligned and may be unsatisfactory in terms of being able to efficiently resolve or rectify cases of theft.

We have also identified some minor drafting points in the proposed supplier licence obligations and we have included some suggested amendments in Appendix 2.

Northern Powergrid continues to provide a revenue protection service to those suppliers who wish to take it, notwithstanding that there is no requirement for us to do so: we believe this demonstrates our commitment to supporting suppliers in the detection of theft. We also believe it is appropriate for us to maintain this service to support theft detection, at least until the outcomes of Ofgem's consultation process become known.

Incentives

We support Ofgem's aims to achieve further clarity on the DNOs' role in tackling theft and we agree with Ofgem's proposal not to include DNOs in the policy proposals, including incentives, as presented in Chapter 4. We also agree that incentives may be more efficient if the link between the consumers stealing electricity and their supplier service providers is maintained, thus targeting theft occurring on sites registered by suppliers. We note that the vast majority

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of theft cases occur where a supplier is registered to the premises in question and so, to maintain the supplier hub principle, it seems entirely appropriate that the burden of obligation and incentives should fall to the suppliers.

Costs

Whilst we are unconvinced that licence obligations on DNOs to tackle theft are absolutely necessary, if DNOs are to face new obligations then it is appropriate that the DNOs should be able to have their reasonable costs met and funded in the normal manner. In considering the topic of recovering costs we believe it is also important for Ofgem to review and clarify what costs are reasonable to be included in any bills issued under the powers in Schedule 6 of the Electricity Act and how the income from such bills should be treated by DNOs.

New obligations on DNOs

We agree that it is reasonable for DNOs to have obligations in respect of tackling theft that relate to their own sphere of responsibility and a more general obligation in respect of assisting other industry parties to identify and resolve cases of theft. However, we note the intention in paragraph 6.15 of Ofgem's consultation document that the obligation will require DNOs to undertake all reasonable cost-effective actions to identify electricity theft occurring on their distribution networks, and take the necessary steps to rectify the position within a reasonable time period. We have some points of detail to offer and we also have some concerns about certain elements of this, which are set out as follows:

- We do not believe that new prescriptive licence obligations on DNOs are strictly necessary and it may be that appropriate obligations could be put in place via industry code governance, for example via the Distribution Connection and Use of System Agreement (DCUSA);
- If new licence obligations on DNOs are deemed appropriate these could be drafted in high-level terms and aligned to the powers that DNOs already have, with the detail captured in industry codes. We believe the most important requirement for the new licence drafting involved will be to deliver absolute clarity, in respect of both existing and any new obligations, as to what licensees are required to do: this will improve matters for all parties involved;
- Any obligations to identify electricity theft ought to be limited to detecting theft in the course of a DNO's normal business. If an obligation to detect theft goes beyond the course of our routine activities, any associated additional efficient costs should of course be appropriately remunerated;
- DNOs may have clear skills gaps if the obligations on DNOs extend to more complex detection (beyond detection as a result of routine field activity), theft investigation and theft prevention as these skills have largely been maintained by Revenue Protection agents/contractors rather than within DNOs' in-house resources;
- Any obligations on DNOs should be reasonable and reflect the potentially limited powers that DNOs have to fully resolve or rectify cases of theft in conveyance where there are no clear safety issues; and
- Even where there are safety issues associated with cases of theft in conveyance, all DNOs can do is disconnect and bill under Schedule 6 powers, but if the customer remains off supply and is trying to get re-energised it does not seem appropriate to consider that the theft case has been fully resolved.

We also note in paragraph 6.15 Ofgem's intention to consult on the drafting of the DNO licence obligations as part of the RIIO-ED1 licence drafting consultation process and we welcome the opportunity to contribute to the drafting process in due course.

Resolving or Rectifying Theft in Conveyance

We believe that a DNO's rights, powers and facilities to actually resolve or rectify cases of theft in conveyance (where there is no express or deemable supplier) are very limited under current industry arrangements. If DNOs are to have obligations to resolve or rectify cases of theft in conveyance then the powers available to DNOs, for example to disconnect, need to be clarified and new industry arrangements need to be put in place to ensure prompt registration by a supplier for theft in conveyance cases. There is a need for a clear definition of terms such as 'resolve' and 'rectify', which, so far as distributors are concerned, must recognise the weaknesses and constraints in current arrangements that prevent DNOs from being able to fully resolve or rectifying theft in conveyance cases. Some of the issues arising from current arrangements are set out below:

- One of the issues that is sought to be addressed by new obligations is to resolve theft by stopping stolen electricity flowing to losses and therefore increasing costs for customers in general. Although DNOs and suppliers have the right to charge for stolen units of electricity under Schedule 6 of the Electricity Act, such stolen units will continue to flow to losses and only cease to contribute to losses if the supply is either registered by a supplier or disconnected. Billing customers under Schedule 6 powers does not, therefore, in itself resolve theft in conveyance in a way that benefits customers in general, overall costs are not reduced because the units are not registered in settlements and continue to add to overall losses;
- A distributor cannot force a customer to register with a supplier, so the only way a DNO can 'rectify' theft quickly is to disconnect: however, it is unclear whether DNOs have the right or powers to do that in all situations. We revisit the topic of disconnection elsewhere in our response;
- DNOs may not be best placed to pursue debt from some of the types of customer involved in blatant theft in conveyance and it is unclear what might be expected of us in such theft cases involving vulnerable customers. For example, DNOs are not equipped to pursue debt from vulnerable customers or those with genuine difficulty in paying in the same way that suppliers can, including through a prepayment meter;
- Suppliers and their agents have obligations to make estimates of stolen units and submit them for settlement under current arrangements in the Balancing and Settlement Code (BSC). These obligations do not extend to DNOs, and rightly so. While DNOs would make estimates of units stolen to support a bill under Schedule 6 those estimates would not feed into settlements to reduce losses;
- Whilst we believe our rights of disconnection clearly apply where a case of theft in conveyance has created a serious safety issue we believe there may be a significant gap in our powers that may prevent us from resolving some theft in conveyance cases. Our disconnection powers seem less clear where an unregistered customer has been improperly connected by a third party, but where no immediate safety issue exists it appears to us that an argument can be made that section 17(1)(c) relieves the DNO of its duty to maintain a connection where the occupier is refusing to arrange for a supplier to be appointed. That would seem to be a reasonable view to take even in circumstances where the connection was properly requested at the outset but where, for some reason, a situation has arisen where the occupier is now receiving electricity without a supplier and is refusing to rectify the matter. Since the duty to connect (and therefore the circumstances in which relief from that duty is provided by the Act) are enforcement matters that fall within the remit of the Authority, we believe that it would be helpful if Ofgem were to consider whether it agreed with this analysis as it may offer a way forward. We would also welcome Ofgem's views on a DNO's rights or powers to disconnect in the event of interference with our assets and different scenarios of theft in conveyance as part of Ofgem's conclusions from this consultation process;

- We would highlight that some non-domestic customers who find themselves disconnected may remain so if they fail to secure a supply contract, noting that suppliers' obligations to offer terms to non-domestic customers are different from those in respect of domestic customers;
- Irrespective of our right or powers to disconnect we fully understand Ofgem's concerns about vulnerable customers and even for events of blatant theft the option to disconnect may not be appropriate in all the circumstances. We feel a solution for resolving theft in conveyance, including for vulnerable customers, might be developed from the work we have initiated (via the DCUSA standing issue group) on seeking to get unregistered customers registered swiftly by a supplier;
- Neither DNOs nor suppliers can force an unregistered customer to accept a supply contract. Thus there is a risk under current industry arrangements that a customer who is committing theft in conveyance through a failure in the registration process may continue to sit in limbo enjoying free electricity unless a DNO or supplier is able to disconnect the supply; and
- We would also add that there is a potential safety risk from unregistered customers as they fall outside any supplier's obligations for two-year inspections of their metering equipment.

Industry Code Governance

Ofgem has helpfully pointed out the relevant industry code work that supports or links to its work on tackling theft, including under the Distribution Connection and Use of System Agreement (DCUSA), and we have comments on DCUSA change DCP 054 'Revenue Protection / Unrecorded Units into settlements' and DCUSA DIF 028 'Getting Unregistered Consumers Registered by a Supplier'.

The new revenue protection code of practice proposed under DCP 054 includes an obligation that 'The Distributor shall investigate and *resolve* all cases of theft in conveyance....' and we highlight our earlier point that we do not believe that current arrangements support the resolution of cases in the way that Ofgem wishes to see them resolved (to prevent further theft, protect customers and get the stolen units into settlements).

Northern Powergrid raised DIF 028 as an issue to seek a solution to getting unregistered customers properly registered by a supplier, where such customers may have fallen through a gap in the registration processes and find themselves energised but with no registered supplier. Such customers enjoy free electricity but will not, for example, receive a smart meter during the planned roll-out. When approached by the DNO some customers actively pursue a supply contract but it is suspected that some are much less enthusiastic about approaching a supplier. We are seeking to develop a process in conjunction with suppliers whereby such customers are moved swiftly onto a supply contract and registered in settlements i.e. without the need for a dependency on the customer to pursue a supplier. Such a process would address 'less proactive' unregistered customers and customers involved in theft in conveyance. In contrast with DCP 054, at this stage DIF 028 is an issue being considered by the DCUSA Standing Issues Group (SIG) rather than a formal change proposal.

Resolving theft and billing under Schedule 6

Even though billing for units consumed using powers under Schedule 6 of the Electricity Act does not fully resolve a case of theft (unless the units consumed are also appropriately treated in settlements) it does send a cost signal to customers and there is a need for clear understanding of when suppliers and distributors should use their respective Schedule 6 billing powers.

Northern Powergrid would welcome more clarity on the regulatory treatment of income secured through Schedule 6 powers. Noting that there is a risk of double charging use of system charges (DUOS) where we recover it from a customer in respect of stolen units as part of a Schedule 6 charge and then also potentially from the supplier once the customer is registered and if the stolen units are processed through settlements. It could be argued that the lost energy part of the Schedule 6 charge should not be recovered by DNOs at all because it is the supplier who has purchased the energy (albeit this cost may have been spread across all suppliers by settlements adjustment mechanisms).

We believe that the Schedule 6 charge masks the real issue - that is enabling the appropriate industry processes to deal with customers not properly registered with a supplier. Whilst the customer may receive an estimated bill for the energy used, because DNO powers are limited, the customer may be able to remain connected but unregistered and therefore technically stealing electricity.

A more radical solution to resolving theft in conveyance cases.

Northern Powergrid has considered the current roles of parties, the industry arrangements and the current constraints on DNOs in relation to rectifying or resolving theft and believes a more radical solution is worthy of consideration. Arguably Schedule 6 powers were only given to distributors to ensure that electricity thieves would not be able to 'get away with it' in situations where a supplier could not be associated with the premises in question, by providing for bills to be issued even in such circumstances. However, this creates issues in that a distributor has limited capability to 'resolve' such matters and settlements and losses are not addressed. The premise of this alternative solution is that, if a supplier could be brought into play in all cases of theft of electricity, all these issues would fall away. Thus, where a case of theft in conveyance was identified, the DNO could be required to work in conjunction with a nominated supplier to get the customer properly connected, metered and registered in a timely manner and for any billing under Schedule 6 to be carried out by the supplier. The practical benefits of such a solution would be;

- Where a customer fails to choose a supplier at the time of detection a default supplier could be nominated by Ofgem or established via industry code arrangements for each DNO distribution services area;
- Any detected connection, interference or metering issues could be addressed by the DNO and supplier's revenue protection agent working together on a joint follow-up visit, thereby resolving any safety issues;
- It should minimise the requirement to disconnect customers;
- The 'less proactive' customers would be registered more swiftly than under current arrangements and stolen units would stop flowing in to losses more quickly as there would be no need to wait for the customer to approach a supplier;
- Billing by a supplier (rather than by a DNO) would support the supplier-hub principle and suppliers could use their existing processes for billing and debt recovery (including pre-payment meters and other payment arrangements) and their existing arrangements for managing any vulnerable customers; and
- It reduces the risk of a DNO double charging for DUOS via the normal arrangements and then also via Schedule 6 bills.

Northern Powergrid remains keen to work with Ofgem and suppliers to see if this approach offers a means to resolve cases where customers take electricity without paying for it, whether such cases involve blatant theft or less obvious cases involving 'less proactive' unregistered customers, and we welcome the opportunity to share our views with Ofgem and other interested industry parties.

Yours faithfully

Chris Allanson

Chris Allanson
Market Strategy Manager

Appendix 1 to Northern Powergrid's response to Ofgem's consultation on tackling electricity theft

Set out below are our answers to the specific questions on Ofgem's consultation on tackling theft of electricity.

Questions from Ofgem's consultation.

Chapter: Three

Question 1: Do you agree with our proposals to introduce new electricity supply licence obligations in relation to theft?

We agree with Ofgem's proposals to introduce new electricity supply licence obligations in relation to theft, noting that some of the arrangements could be captured in industry code governance changes. However, in the light of paragraphs 2.31 and 2.32 of the consultation document, we believe the most important requirement for the new licence drafting involved will be to deliver absolute clarity, in respect of both existing and any new obligations, as to what licensees are required to do: this will improve matters for all parties involved.

Question 2: Do you agree that our drafting proposals set out in Appendix 3 reflect the policy intent described in this chapter?

We agree that the drafting proposals set out at Appendix 3 reflect the policy intent described by Ofgem. There are a few minor errors in the current drafting, as set out in Appendix 2 to this letter.

Question 3: Do you consider that electricity suppliers should be required to offer vulnerable customers and customers that would have genuine difficulty paying, different methods for the repayment of charges associated with electricity theft as an alternative to disconnection?

We are supportive of reasonable measures to assist vulnerable customers and customers who would have genuine difficulty in paying to address accumulated arrears associated with electricity theft. However, clarity will be needed as to the treatment of the additional costs accruing from such an approach in order to avoid cross-subsidisation.

Question 4: Do you agree that our proposed new electricity supply licence conditions should be introduced as soon as reasonably practical?

We agree that requisite changes to electricity supply licences should be made as soon as reasonably practical, but would suggest that this may not be before a complete end-to-end industry solution is ready to be rolled out (including to reflect the timing of the implementation of DCUSA DCP 054 on revenue protection if approved by the Authority).

Chapter: Five

Question 5: Do you agree with our approach to conducting the draft IA, the assumptions that we have made and the outcome of our analysis in the accompanying draft IA?

Northern Powergrid agrees with the approach Ofgem has taken to conducting the draft IA: however, we believe other parties are better placed than we are to comment on the assumptions and outcomes.

Question 6: Have we correctly assessed the main impacts in the accompanying draft IA? Are there additional impacts that we should consider?

Ofgem appears to have assessed the main impacts in the draft IA: however, it may be worth considering the potential impact on Elexon of managing arrangements and processes to support the Balancing and Settlement Code (BSC), including in relation to the proposed Settlements Cost Sharing, Enhanced Audit of Settlement and potential increased transactions to get more stolen units into settlements (noting the apparent non-compliance with current arrangements to get stolen units into settlements).

Question 7: Which, if any, of the proposed policy measures (or package of policy measures) to support theft investigation, detection and prevention should be implemented and why?

Northern Powergrid sees merit in the proposed mix of measures to be reflected in obligations on suppliers, but believes detailed licence obligations may not be necessary where obligations can be included in industry codes, taking DCUSA DCP 054 on revenue protection as an example.

Question 8: Do you consider that there are alternative proposals, or variations of the combinations of the proposed policy measures that should be considered?

Northern Powergrid thinks there *may* be gaps in existing arrangements that prevent DNOs from fully resolving or rectifying cases of theft in conveyance. We believe new industry arrangements need to be put in place to swiftly put unregistered customers on supply contracts, thereby ensuring any further units are placed into settlements rather than losses.

Chapter: Six

Question 9: Do you agree with our view that DNOs, for the time being, should not be included in an incentive scheme?

We agree with Ofgem's view that DNOs should not be included in an incentive scheme. We also support Ofgem's intentions to focus on obligations on suppliers, including maintaining the link between customers and their supplier service providers. We do, however, believe that DNOs should be able to recover their reasonable costs for any enhanced obligations.

Question 10: Do you agree with our view that DNOs should have licence obligations to tackle theft in conveyance?

Not necessarily. It may be possible to achieve Ofgem's intended outcomes through changes to industry codes. If Ofgem has a strong preference for licence obligations for DNOs we suggest that these could be drafted at a high level with the detail captured in changes to industry codes. We would support DNOs having obligations to tackle theft in conveyance, so long as these fully recognise the relevant constraints we have highlighted elsewhere in our response.

Question 11: Are you aware of any alternative proposals to support DNOs in tackling theft in conveyance that should be considered? If so, please provide further details.

Yes, we would welcome clarification of a DNO's disconnection powers in relation to theft in conveyance and we believe new industry arrangements need to be put in place to swiftly put unregistered customers on supply contracts, thereby getting any further units into settlements rather than losses. Ofgem has noted the work taking place on DCUSA issue DIF 028 'Getting Unregistered Customers Registered by a Supplier' and we raised this issue for consideration by Suppliers and other DNOs; we note Ofgem's attendance of the teleconference discussions on DIF 028 under the arrangements for the DCUSA Standing Issues and would welcome any further

support that Ofgem might provide in relation to resolving unregistered customers including where the absence of registration is associated with theft in conveyance.

Questions from Ofgem's Impact Assessment.

Chapter: Two

IA Question 1: Do you consider we have captured all relevant actions that, if undertaken by suppliers, can contribute to tackling electricity theft?

Yes, other than the further work we see necessary to swiftly resolve unregistered customers through proactively establishing supply contracts.

IA Question 2: Do you consider our approach to the draft IA suitable for demonstrating the current commercial disincentives and challenges suppliers face to tackle theft? If not, what alternative approach would you suggest to be best?

Yes, but the IA would benefit from greater clarity on what is preventing suppliers and their agents from remedying the apparent non-compliance with existing obligations and arrangements in the BSC for getting stolen units into settlements.

Chapter: Three

IA Question 3: What do you consider to be the scale of theft in the GB electricity market?

Northern Powergrid records for non-half hourly customers suggest between 2.2GWh and 2.9GWh of energy are detected as stolen per annum across our two licences. Note that the scale of undetected theft may be significantly higher. Our revenue protection service does not include all suppliers, so this is not a complete picture of theft in these licence areas.

IA Question 4: Do you consider that there is material difference in the prevalence of electricity theft between suppliers' customer portfolio? What factors drive any considered difference in theft distribution?

No comment, as this question is for Suppliers rather than DNOs.

IA Question 5: When theft has been detected, what actions do you take to ensure accurate estimates of the volume stolen and to ensure stolen units are entered into settlement?

Following the conclusion of each revenue protection case our revenue protection agent sends a report to the relevant supplier with an estimate of the level of units stolen using the appropriate calculation method to the circumstances.

IA Question 6: What is your estimate of the re-offending rates? Are there any actions you take to prevent re-offence at a premise where theft is detected?

We do not specifically record re-offending rates.

IA Question 7: For each incentive measures, are the proposed compliance measures sufficient to ensure suppliers conduct investigations to satisfactory standards and thereby protect consumer interests? In addition to the proposed new Revenue Protection Code of Practice on theft investigation being developed under the DCUSA, are there any further measures that should be introduced to help address any perceived weakness?

The proposed compliance measures appear to be sufficient. In terms of further measures please note our comments above on the need to secure process to get unregistered customers registered more swiftly and proactively.

Chapter: Four

IA Question 8: Do you consider the incentive problem described in the consultation to be a reasonable representation of the issues and challenges suppliers face to tackle theft?

Yes, but it is still a little unclear what is preventing suppliers and their non-half hourly data collection agents from remedying the apparent non-compliance with existing obligations and arrangements in the BSC for getting stolen units into settlements.

IA Question 9: To what extent do you consider the detection-based and the volume-based incentive schemes are likely to establish and realise targets for theft detection that are proportionate to the potential consumer benefits? Do you have any views on the two variations (cap / no cap) of each of those incentives schemes?

No comment, as we feel suppliers will be much better placed to answer this question.

IA Question 10: Do you consider that the cost-sharing mechanism could address the disincentive suppliers face to enter estimated stolen units into settlement?

Potentially yes: however, we feel suppliers will be much better placed to answer this question.

IA Question 11: Do you consider that additional or alternative measures to the three incentive measures, to the enhance audit and to the TRAS are needed to address the incentive problem and improve theft investigation, detection and prevention?

No - however, we think more would need to be done to ensure effective arrangements are put in place to enable resolution or rectification of theft in conveyance.

IA Question 12: Do you consider that the cost and availability of services to support theft detection and investigation is a material issue for small suppliers?

We are not in a position to respond to this question.

Chapter: Five

We are not in a position to answer the questions in chapter 5.

Chapter: Six

IA Question 15: Do you consider the proposed incentive measures would have any direct or indirect impacts on health and safety others than the areas discussed in this draft IA?

Illegal tampering with electrical equipment is by itself a risk to the safety of the perpetrator and others who may come into contact with compromised equipment, therefore any actions to deter theft will have a positive impact on health and safety. We do believe that it is important that Ofgem addresses the issue of registering untraded customers because an untraded customer is not subject to the 2-yearly inspection regime that traded customers are

subject to. We believe incentives for suppliers would certainly encourage detection and appropriate reporting through normal every day meter operator work.

IA Question 16: What incentive measure (or combination of incentive measures) do you consider would have the greatest impact on health and safety?

We believe that measures in the round to deter theft will have a positive impact on safety but would highlight our response to question 15 as having a significant impact on improving safety for customers.

CHAPTER: Seven

IA Question 17: Do you consider there are other risks or unintended consequences of the proposed policy measures not discussed in this draft IA? What alternative policy measures do you consider could address these risks?

There may be an unintended consequence of placing obligations on DNOs to rectify or resolve cases of theft in conveyance when they may not have the powers, facilities or support from existing industry arrangements to be able to do so.

CHAPTER: Eight

IA Question 18: Do you consider that the implementation timescale for our proposals is realistic and achievable? If not, what do you consider to be a realistic timeframe? What additional measures, if any, do you consider should be undertaken to secure implementation within a reasonable timeframe?

We note that Ofgem has proposed an implementation timeline for the new supply licence conditions to be introduced in Q1 2014 and the TRAS to be implemented in Q1 2015 and while we believe this seems reasonable we feel that suppliers views should be considered against the backdrop of the scale of other industry changes happening in parallel, including preparations for smart.

We note that Ofgem also encourages the introduction of an incentive scheme through changes to the relevant industry codes to be in place before implementation of the TRAS. As the proposed settlement cost-sharing scheme and enhanced audit and performance assurance of settlement arrangements may require changes to the BSC we think Elexon's views need to be taken into account before establishing implementation dates. In addition, should any of the proposed new obligations necessitate changes to DCUSA, for example any changes additional to those proposed by DCP 054, we would highlight recent DCUSA party concerns about the current level of DCUSA change proposals and the proper resourcing of working groups. We also recognise the effects on Ofgem's workload from the current level of DCUSA activity and in particular Ofgem's available resources for approving or rejecting any additional DCUSA changes. We would therefore suggest a review of the potential level and scale of any required changes to industry codes before establishing a firm timeline for implementation of the totality of the new arrangements.

Northern Powergrid is pleased that Ofgem has also considered the potential interactions with the timescale for drafting the new DNO licences as set out within RIIO-ED1, for a 2015 commencement.

IA Question 19: Do you consider that our approach to enhancing obligations on DNOs would provide more focussed action on tackling theft in conveyance? If not, what do you consider to be an alternative approach?

We do not believe that additional obligations on DNOs to tackle theft in conveyance are absolutely necessary and it may be possible to achieve Ofgem's intended outcomes through changes to industry codes. However, If Ofgem has a strong preference for licence obligations for DNOs we suggest that these should be drafted at a high level with the detail captured in changes to industry codes so that any required refinements can be achieved through code governance.

Appendix 2 to Northern Powergrid's response to Ofgem's consultation on tackling electricity theft

Set out below are suggested minor modifications to the licence drafting contained in Appendix 3 to Ofgem's consultation document:

Paragraph XX.1 - the wording of subparagraph (a)(iv) is defective in that "the security of the supply" is not a "means". Insertion of something such as "improving" immediately before "the security of supply" would make it read properly.

Paragraph XX.1 - in the first line of subparagraph (b)(i), "behaves and acts" should be changed to "behave and act" (the verbs need to be plural to reflect the plural subject of "the licensee and any Representative").

Paragraph XX.1 - also in the first line of subparagraph (b)(i), "which" should be changed to "that", as the pronoun introduces a defining, rather than a non-defining, clause.

Paragraph XX.1 - in the first line of subparagraph (b)(ii), "takes" should be changed to "take" (a plural verb is needed to reflect the plural subject).

Paragraph XX.1 - in the fourth line of subparagraph (b)(ii), the words "customers who are" should be inserted immediately before "disabled" and, in the following line, the word "who" should be inserted between "Premises" and "will".

Paragraph XX.2 - in subparagraph (b), "which" should be changed to "that", as the pronoun introduces defining, rather than a non-defining, clause. This same point arises also in the following places:

- the first line of paragraph XX.3;
- the third line of paragraph XX.3;
- the second line of paragraph XX.9; and
- the second line of subparagraph XX.11(a)(i).

Paragraph XX.4 - in the first line, the words "or in respect of which it is not the most recently registered supplier" should be added after "licensee".

Paragraph XX.7 - in the first line, the comma after "with" should be deleted.

Paragraph XX.11 - in the third line of subparagraph (a)(i), the verb "is" does not adequately cater for the subject ("the Domestic Customer and/or the occupants").

Paragraph XX.11 - in the third line of subparagraph (b), "Electricity Theft" should be changed to "Theft of Electricity" (cf the defined term at paragraph XX.16).

Paragraph XX.11 - in the first line of subparagraph (b)(ii), the word "a" should be inserted between "using" and "Prepayment".

Paragraph XX.11 - in the fourth line of subparagraph (c), words such as "the opportunity" should be inserted between "Customer" and "to pay".

Paragraph XX.16 - in the third line of subparagraph (a) of the definition of 'Theft of Electricity', "in so far" should be "insofar".

Paragraph XX.16 - in the fourth line of subparagraph (a) of the definition of 'Theft of Electricity', "a electricity supplier" should be changed to "an electricity supplier".

Condition 1 - in the first line of the proposed definition of 'Statutory Disconnection power', the words "the power described at" should be inserted between "means" and "paragraphs": a piece of text may set out or describe a power, but it is not itself a power.