

Sent by email

Project Manager  
Competition and Market Authority  
Victoria House  
37 Southampton Row  
London  
WC1B 4AD

6<sup>th</sup> May 2016

Dear Sir/Madam,

### **COMPETITION AND MARKETS AUTHORITY (CMA) PROVISIONAL DECISION ON REMEDIES**

The United Kingdom Revenue Protection Association (UKRPA) appreciates the opportunity to comment on the CMA's Provisional Decision on Remedies, and we apologise for the delay in doing so.

The UKRPA is a trade association made up from a range of organisations. Working across the electricity and gas markets of Great Britain, Northern Ireland, the Isle of Man and Jersey, our members cover supply, networks, metering and data organisations. The UKRPA oversees best practice by utilities, in detecting and dealing with meter tampering and the illegal abstraction of supplies and services, particularly electricity and gas. We work closely with a range of other organisations including, but not limited to, the energy regulator (Ofgem), the Home Office, representative bodies and regional services for police and fire, and social landlords.

The consequences of energy theft can be significant, impacting upon energy consumer's bills (we have assessed that about £440m per annum is illegally taken). The theft of energy has the following consequences:

- The dishonest use of electricity (illegal abstraction) is associated with organised crime and drugs (e.g. cannabis farms) - approximately 33% of illegal abstraction has been associated with the cultivation of cannabis.<sup>1</sup>
- Illegal abstraction poses serious risks to not just the person committing the offence (through electrocution), but also to the occupants of the property, as well as potentially neighbours (e.g. electrical fires and gas explosions) and of course those having to investigate dangerous situations (police and fire service and energy company employees).
- Offences are committed not just by a single householder, but also involve those that offer illegal business services to individuals, plying their services from street to street. Moreover, as mentioned above, offences also stretch to organised crime syndicates with respect to cannabis production.
- Illegal abstraction may go undetected for some time (months and even years). The passage of time increases the safety risk, especially as occupants come and go from a particular property and may be unaware their supply has been compromised.
- The cost associated with the illegal abstraction of energy is socialised amongst all consumers. Consequently their bills are greater than they should be.

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<sup>1</sup> <https://www.ofgem.gov.uk/ofgem-publications/76213/electtheft-2july.pdf>

The illegal abstraction of energy is a criminal offence and is covered under various statutes including (but not limited to) the Theft Act 1968, the Criminal Damage Act and under the 1986 Gas Act (to name a few). Consequently, we provide an anonymised public energy theft reporting hot line, a service that ensures reported energy theft situations receive urgent attention across the United Kingdom.

However, having secured access to the Electricity Central Online Enquiry Service (ECOES) to ensure that we can quickly refer reported incidents to the right electricity companies, we draw attention to the difficulty that the UKRPA has experienced in securing access to the Single Centralised On-Line Gas Enquiry Service (SCOGES) for gas. This means that delays occur because the Association is unable to quickly identify which company needs to be informed in order that urgent action can be taken with respect to the gas supply.

We have noted that, the CMA have under Chapter 6 (Domestic retail: helping customers engage to exploit the benefits of competition), paragraph 6.153, proposed that Price Comparison Websites (PCWs) have access to the Electricity Central Online Enquiry Service (ECOES) and access to the Single Centralised On-Line Gas Enquiry Service (SCOGES).

We find it concerning that the UKRPA has been able to secure access to ECOES to protect customers, but not to SCOGES. As noted above, energy theft impacts customers' bills, their safety, as well as having wider social and community implications.

We therefore request that, the CMA in setting the order upon both the ECOES and SCOGES responsible parties, do so in a manner that does not act as a future restriction upon others parties making reasonable requests for access. As noted above, we would hope that the CMA remedy in this respect and the order that is made, supports the UKRPA such that its reasonable request for access be fairly and consistently considered alongside the PCW access provision.

Please do not hesitate to contact us if you have any questions.

Yours faithfully,

Tony Thornton – Chairman, UKRPA