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From the Chairperson

Someone once said change is a good thing, the transition is the hard part. Welcome to the world now as we know in the utility industry. The economic uncertainty in these times, deregulation, stable generation being thrown out the window to make sure we minimize our foot print (so new and improved methods of generation, in many cases more costly can be implemented), new smart meter technology (seems like something new is started every week), and new billing systems are causing utilities to lose the experienced eyes in the field and office that functioned as the first line of defense in revenue protection.

So with all the ongoing change what can be done by those of us who work to protect our companies from losses due to utility error, theft, or fraud? Well, here is a review of a few basic items/areas we as revenue protection professionals should encourage our companies to visit/revisit in order to help ensure financial stability. Many of these are not new but are still valid while undergoing change that can be overlooked.



Wayne Wohler
IURPA Chairperson

Remember with all change sound revenue protection concepts, policies and practices still need to be applied for our company's longevity and success.

- Continue to secure the metering equipment in the field to prevent tampering
- Provide constant, ongoing theft recognition training for all new and existing field personnel (appropriate to each skill level)
- Stress the SAFETY issues in training not just the potential for monetary losses to the company
- Insure the information being gathered in the field is reviewed and analyzed in-house (or by an appropriate outside vendor) and necessary feedback is provided so that accounts can be investigated
- Make sure your company provides necessary IT support for new equipment and programs
- Evaluate and purchase new equipment, theft recognition software and services that will be beneficial and cost effective
- Insure customer contact personnel are also given training and tools to help identify fraud, possible theft, or tampering and give instructions on how to initiate an investigation
- Insure all groups within your company know about the revenue protection group (share your successes)
- Develop a good working relationship with the other utilities within your area (If you find tampering in your area and the party identified has other utilities, they would not dare to tamper with the other utility...would they?)
- Educate local law enforcement regarding the seriousness of utility theft/tampering and fraud. Also encourage your company to work with legislators to assign stiffer penalties in criminal filings of cases involving theft of utilities
- Interact with other utilities through association with IURPA and regional revenue protection organizations in order to see how different approaches to issues (that we all may have in common) may allow a fresh solution to a current problem (Why re-invent the wheel?)

ON THE INSIDE

SARPA MAKES ITS MARK	5
DO YOU HAVE A PLAN TO DEAL WITH SOPHISTICATED POWER THEFT?	6
INVESTIGATING & REFERRING TO LAW ENFORCEMENT FINANCIAL CRIME/FRAUD	7
VENDORS MAKE IT ALL HAPPEN	10
PASSION FOR THE JOB	11
2014 INTERNATIONAL JOINT CONFERENCE	11
"FREE ELECTRICITY" EVEN FOR GOATS	13
INSTINCT VS INTELLECT	14

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SARPA MAKES ITS MARK

BY RENS BINDEMAN, TECHNICAL ADVISOR

The past year has seen SARPA's name becoming a household name in Law Enforcement circles in Southern Africa. This has resulted in an increase in providing guidance to the other role players on how to combat electricity, water and metal thefts. We have subsequently taken the lead role across the African continent with regard to setting of standards, training and development of processes and standards to combat these crimes. We have also shown our superiority with regard to our training ability, by been chosen by the South African Police Force to assist them to develop and present training courses to their members.



Rens Bindeman
Technical Advisor

SARPA 2014 CONVENTION

The 2014 SARPA Convention was held from the 10 to the 11 July in Knysna, South Africa. It was at the same time as the "Oyster festival" and the event was hosted by the Knysna Municipality. It was the most involvement of Utilities, Judicial and Law Enforcement entities ever at a SARPA Convention. There was also several international speakers and some very interesting case studies (6).

The Deputy Mayor, Counsellor Esme Edge opened the event and highlighted the fact that Knysna was one of few Municipalities in South Africa which had received a "clean audit report". This was achieved by implementing an Integrated Strategy. The Key note address was delivered by the President of the Institute of Municipal Finance Officers Mrs Louise Muller, who pointed out that the growth in the economy was slowing due to the high unemployment rate in the country. Utilities should aim to full-fill the needs of their consumers as debt levels are very high with \$ 2 billion outstanding.

The SARPA President, Mr Michael Rhode mentioned that the high losses are crippling utilities. He said we need to internalize revenue protection and take cognisance of the fact that "Asset Management" is a very important aspect of minimizing revenue losses.

With revenue losses on average 23% in Sub Saharan Africa, the South African Electricity Regulator has indicated that 10%

losses is acceptable. Eskom's recovered \$10 million through their "Energy Losses Management Programme (ELP)" and the Ugandan Uganda) has brought losses down from 38% to 19%.

Mr Patrick Simwinda from the Zambian Electricity Distributor ZESCO won the best presentation prize with a very interesting paper, which highlighted their five point strategy and the fact that their losses are currently below 14%.

The Eskom "Operation Khanyisa" which is focused on sending the message out that "stealing of electricity is wrong", are focused on creating a behaviour change for consumers. It was noted that it is not only the needy stealing, as 60% of money recovered has been from Large Power users.

Several speakers highlighted the need to do data mining analysis, as well as "energy balancing" exercises, in order to identify the challenges. Experts warned that the data is not enough alone in order to minimize losses, therefore the need to empower officials to improve data and understand it is very important.

Legal speakers pointed out the need that the legislative framework should support the revenue protection processes. With the current constraints and challenges to implement laws, it has become necessary to "give laws some teeth"


Regular reference to the involvement of utility staff in illegal acts, the so called "enemy within", once again highlighted the need to implement Revenue Protection KPI's for all Utility Managers and the development of key policies, in order to "stop the rot"

The importance of sharing information and the need for Utility members to interact with the police was repeatedly mentioned. South Africa is seen as the African gateway for criminals and this is therefore posing a serious threat to our national security.

The main message that came out of the convention is that we should look to continuously improve processes, be innovative and look for end to end solutions which we should then share with each other.

BY RENS BINDEMAN, TECHNICAL ADVISOR

Enterprise Analytics



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DO YOU HAVE A PLAN TO DEAL WITH SOPHISTICATED POWER THEFT?

The introduction and installation of Smart meters came and went without instruction manuals. Most of us in the Revenue Protection field have been searching for ways to use meter data as our new, “eyes in the field.”

With only the theory of using data to detect power theft many western utilities are developing sophisticated techniques to detect and defeat power theft. We all know that power theft grows exponentially if it is ignored, putting tremendous pressure on the grid.

A recent report on the island of Malta reports over 41 million dollars in loss due to theft that was ignored. The country is now involved in a lawsuit that could have been avoided.

However, while lost revenue is a major burden for ratepayers and places ever increasing demands on power generation, safety is the largest concern.

“Energy theft is a significant problem in B.C. It increases customer costs and is a major safety concern for the general public and our employees,” said Tom Loski, vice-president, customer service at FortisBC



Energy diversion is always unsafe and bypasses are at the top of the list.

Past WSUTA President Steve Sprague, Revenue Protection Supervisor at PGE has this to say about our future:



“Smart meters have for sure changed the game in Revenue Protection; we have seen a large decline in meter type tampering but an increase in people bypassing the meters and alarms. So, what that means is the easier kind of tampering to detect is no longer there and you better have a plan to deal with bypasses and more sophisticated and dangerous types of diversion. You can do that several ways:

1. Get smarter and better at using KWH analytics to proactively hunt down this kind of diversion.
2. Use voltage and load information to pinpoint large scale theft and grow operations.
3. Use voltage information to identify wrong meter installations, connection failures and transformer problems.

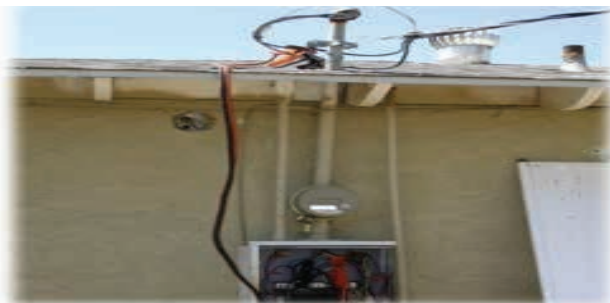
4. Put primary metering to work

A big safety gain is the ability to identify unauthorized reconnects quicker and more effectively. This discourages this kind of customer behavior over time as they will see the quicker response from the utilities, no benefits and penalties imposed faster and more often.”



During last year’s WSUTA conference we learned of many tools the vendors are offering and techniques that are being used to help keep our systems safe.

This year we have added new speakers. We have a Core Body Language presentation and The One Minute Lie Detector, an interviewing techniques training. Keeping people safe while investigating theft is at the top of our agenda. There is even a safety certificate training, not to mention the latest on analytics. The WSUTA Board of Directors has put together, what we hope will be, a fast paced and informative conference. I would like to encourage you to attend this year’s event in Long Beach California. The historic Queen Mary will be hosting the conference.



Please visit us at www.WSUTA.Org to register and call the Queen Mary at 877-342-0742 to reserve your hotel room before the August 13th deadline for the discounted rate.



See you at the conference,
Matt Stock

WSUTA Vice- President, Reno, NV

INVESTIGATING & REFERRING TO LAW ENFORCEMENT FINANCIAL CRIME/FRAUD

By CLIFF M'SADUQUES

PHYSICAL THEFT/FRAUD

Physical Theft of Service from utility companies is not a new criminal concept against utility companies. Many utility companies have their well established procedures to handle this issue both internally and when making a complaint/referral to law enforcement. Utility companies have been locating, identifying, investigating and preventing physical theft for many years. Decades ago, we started using physical seals on our meters, provisions and teaching theft awareness/detection training to personnel. Now we have improved locks, one and two way automated meters which can show database anomalies when meters are tampered with or damaged. These newer systems and meter locking techniques have helped to reduce and protect utility companies from physical theft but still... criminal theft/fraud continues and there is always a need to keep a vigilance to protect our equipment.



Cliff M'Saduques

FINANCIAL THEFT/FRAUD

What is less developed, documented or investigated within the utility company industry is utility financial crimes/fraud. Financial fraud has been a huge ongoing and growing problem within utilities, in part causing many victims of identification (ID) theft and costing utility companies millions of dollars of year in lost revenue (fraud is a multi-faceted, multi-billion \$\$ loss to all USA companies and society). We the hardworking, honest and bill paying public pay for these crimes! It is to be noted by federal law that any company requiring, handling and storing personal confidential information of customers is "tasked" to enforce and maintain the mandated "Red Flags Programs" (Section 114 & 315 of the Fair and Accurate Transaction Acts of 2003). This law demands that as the "keepers" of confidential customer information, we have a Federal and State fiduciary duty to keep records safe and to prevent crimes of fraud against our customer's especially from the stealing of individual's personal information for utility services. The recent stolen customer information from Target and Neiman Marcus Stores is an example of a serious public embarrassment, trust and liability to a business when confidential information is lost. Utility companies can also be a major target and source for utilizing stolen confidential information. Unfortunately, utility companies are first line contributors and cause of ID theft which also helps to "skew" commercial database information. When you repeatedly accept and use bad/stolen ID from your customers, this information will show up in commercial database systems (i.e. Experian, Lexis Nexis etc.) and bad data may start to appear like real personal data which can confuse, legitimize, extend and hide criminals, illegal aliens and terrorist in our society. Using bad ID for utility service also exacerbates and extends the suffering of INNOCENT VICTIMS of ID misuse. Victims experience a

nightmare to their finances, ability to obtain loans, keeping good credit etc., not forgetting the difficulty it takes to fix the ID theft and stop future abuses. Can your company describe what progressive procedures you take to protect confidential customer information and the steps you take to defend/enforce this protection?

WHAT IS FINANCIAL THEFT/FRAUD

The definition of fraud can be in part... the intentional use of deceit, scheme, lie, false statement, a trick or some dishonest means to deprive, cause harm to another of his/her money, property or a legal right. It can be failure to advise of changes or errors in a contract, service or hiding, misleading evidence or information for personal gain. To have a true crime you must show criminal intent (mens rea) and claiming ignorance or stupidity of a crime "ain't no excuse!"

"Deceit and fraud shall excuse or benefit no man; they themselves need to be excused" Year B. 14 Henry VIII

Utility financial crime can be all or any combination of ID theft, altered/forged ID documents, forged signatures, using deceased people as current customers, using minors under age 18 for service, issuing bad checks, changing names at the same address to avoid paying bills and theft of service... (ID Theft, Criminal Impersonation, Bad Checks, Forgery and Larceny). There can be multiple victims (including the utility company), multiple complainants and accused. The criminal Statute of Limitations for felonies is generally 5 years and misdemeanors 2 years. The time clock usually starts when you were first reasonably aware that the crime had occurred.

LEVEL OF PROOF NEEDED CONCERNING FRAUD

(SCALE OF JUSTICE)

Lady Justice armed with the scale of justice, sword & wire cutters



There are 2 different areas & levels of proof in an investigation, they are found in administrative and/or criminal investigations. When an employee commits a crime while working on the job, this may set off 2 separate and distinct investigations, a criminal investigation by police and an administrative investigation by company supervisors re violation of company policy and/or ethics.

The burden of proof for civil/administrative/business is "preponderance of evidence, the ever so slight tilt of the justice scale towards guilt" but most would now say the standard level needed is "clear and convincing" proof. Finding clear and convincing fraud may allow you to shut off or deny service, make data changes, corrections, transfer balances and/or demand payments\$\$.

To make a criminal complaint to law enforcement, you need only "reasonable suspicion" a crime has occurred (which may allow more expansion of questioning, gathering and searching

for evidence). For law enforcement to submit an arrest warrant and/or to make an arrest, they need to develop the next higher level of proof which is “probable cause” (gathered relevant facts, evidence... the totality of circumstances). The utility company investigation should be as thorough as possible, gathering as much information as possible before submitting a complaint to the police... unless there are exigent circumstances like safety issues or possible loss/destruction of evidence. Just like the prosecutors, the police like to see a clear cut criminal case with all the evidence presented in a nice neat package. For an investigation, can we expand our area/levels of questioning and demands to what is relevant, reasonable and necessary to thoroughly investigate our suspected fraud issues on a case by case basis? If ID theft is suspected, can you demand multiple identifications, a lease, landlord name and telephone number, perform a neighborhood or apartment canvasses, speak to witnesses, look at names on mailboxes/doors, perform database searches, receive verbal and written signed statements and photograph evidence as examples? Interpretations on your company policy and State laws may guide you on these questions.

The criminal court requires the highest level of proof, “beyond a reasonable doubt” to convict and find an individual guilty of a crime.

WRITTEN REPORTS TO LAW ENFORCEMENT

There are many different ways and procedures to write a criminal report and the following is a sample of what might be done to organize a police report. In general, the more investigation & work you do, the less the police have to do, the more likely they will accept and complete the investigation with an arrest. The investigation report should start from the beginning, be written in chronological order, be factual, relevant and clear (limit utility acronyms or technical terms). Submitting a computer disk copy of the report will make it easier for law enforcement to copy and paste the information into an arrest warrant. The below list is an example of how a report can be presented:

- Face Sheet (Company, Police Department, Case #, Accused Name, Investigator...)
- List of Criminal Charges (can be multiple crimes and multiple counts (Forgery 2nd 53a-139 x2counts))
- General/Executive Summary
- Body or Facts of the Report in Chronological Order
- Index Listing of Supporting Documents... Written Statements, Evidence, Data, Photographs, Bills, Miscellaneous... etc.

A General or Executive Summary is a “quick read” tool used by many busy executives that just want to quickly know what the report is about without having to read/study the whole report. The summary explains the basic case in a paragraph (never larger than one page) and for many, this summary will be the only part of the report read. For those that will take the time to read the full report, the summary helps to preface and prepare the reader about the information that will be presented.

There are many different policies, procedures and State

regulations that utility companies must follow that police & prosecutors are not familiar with and should be explained in the report. It may be helpful and necessary to give a short informational summary (quick in-service training) to explain a specific policy that explains the motivations or how a particular criminal action took advantage of these policies. Hardship, Medical protection and ways customers may extend utility services are examples of abuses we find in our industry that may need to be explained.

EXAMPLES:

HARDSHIP & MEDICAL PROTECTION PROCEDURES

There are mandated protections and regulations that UI must follow due to the State of Connecticut Public Utilities Regulatory Authority (PURA) Regulations which in-part allow for Medical Protection from shut off of utilities (water, gas & electric... can be winter months or all year long, can be the customer or person/family member living at the same address). The intent of this law is to protect individuals from shut off, who have a medical condition and may suffer possible harm without the proper utility service. The utility customer can request medical protection but must submit their doctor’s name address, telephone # and fax number to UI Customer Service. When this information is gathered, UI will fill out the application and fax the forms to the doctor for signature. Once signed and returned/faxed by the doctor, UI must place medical protection on the account which does not allow shut off even if no payments are received for service. The medical protection form allows the physician to pick protection for 1-3 months, 3-6 months-6-9 months, 9-12 months or 1 year protection. This form can be renewed only by a physician/doctor (not a nurse or physician assistant) when expired.

MOTIVATION TO COMMIT CRIME AND INSIGHT OF UI POLICIES

UI Customers involved in fraudulent utility service, ID theft, Criminal Impersonation, name changing and/or Utility Theft of Service/Larceny, False Altered documents are usually motivated to commit these crimes to avoid paying a utility bill and/or when they may have incurred high previous unpaid account balance(s) and do not want to settle these balances. These customers are also aware that they would normally have to pay all or part of these utility bills/balances before obtaining new service and/or continued service (not to get shut off). A technique used to obtain UI service, to continue receiving service and not pay owed balance(s) is to frequently change names (even though no one has moving out) for service at the same location before or just after getting shut off. This pattern of fraudulent behavior may also show that the person makes no/zero or few minimal payments (small payments may extend the current service longer). To receive UI service either by a new, existing or past customer, the person calls by telephone and has to identify themselves usually by their name and valid SS number. In addition, the customer is required to give a contact telephone number and/or use may need to submit additional ID like official Local, State or Federal Government documents. When there is a question about the need for ID

documents, UI may demand faxed information to prove proper ID, giving them 15 days to submit the documents and this may include giving UI service for 15 days. As in most business circumstances, UI customers must be at the age of 18 or older. UI balances \$\$\$ to customers may become large without shut off due to many different types of schemes, manipulations, deceit and “mandated protections “by the State of Connecticut Public Utilities Regulatory Authority (PURA) Regulations allowing for Medical Protection from shut off (can be up to one year long, can be the customer or family member living at the same address) and also for “Hardship” when qualified during the winter months.

When presenting a report to law enforcement, many times they may question how a balance can become so high without a shut off. Explaining the different required polices can keep the focus on the criminal intent by the customer rather than blaming your utility company for the issue. There is no “perfect case” and sometimes blame can be shared to some degree... but there is no excuse for intentional criminal conduct!

The main body of the report can be done in warrant style, which can be easily copied and pasted into the warrant application by the police. Getting a sample of a warrant from the police may help you write it in their preferred style. Again, it should develop a story in chronological order, be factual (not opinions or guesses), be credible, show a crime was committed and with criminal intent.

The warrant usually starts the first paragraph with a biography of the investigator(s) showing their credibility:

That, I the undersigned, (name), have been currently employed for more than 3 years as an Investigator with Revenue Protection/Security for United Illuminating Company (UI), Orange, Connecticut, being a past 11 year Fraud Investigator for The Hartford Life Company and also being a retired 20 year sworn member of the Connecticut State Police/Rank of Captain. That in total, I have experience and formal training in criminal investigations and the following facts & circumstances were written from personal knowledge, database information and statements from prudent & credible witnesses.

The body of the report comes next, explaining any special policy issues, start explaining the facts from the beginning, in chronological order, relevant information and facts.

The End can be a summary of the above facts, to attest to the truthfulness and accuracy of the information:

To summarize, this investigation of criminal conduct focuses on accused Jane Doe, a UI customer with an unpaid UI balance of near \$28,000. Jane Doe fraudulently, intentionally forged her doctor’s signature on UI medical protection forms to gain protection against shut off for non-payment. Jane Doe admitted to giving UI the fax number of Staples Store, admitted to picking up these forms at Staples Stores, filling out the forms, forging her doctor’s signature and sending the signed forms to UI.

The above aforementioned facts, information and documentation show probable cause that Jane Doe purposely,

knowingly and intentionally committed 5 counts of Criminal Impersonation CGS 53a-130 Class A misdemeanor, 5 counts of Identity theft CGS 53a-129d 3rd, Class D Felony, 5 counts of Forgery 2nd CGS 53a-139 Class D Felony when submitting altered fake documents re her doctor’s name, signature and Larceny 1st Degree, CGS 53a-123 Class B Felony for the amount of near \$28,000. It is to be noted that there was NO PAYMENT(s) or PARTIAL PAYMENT(s) to this fraudulent account at this time. I have written the above report and attest that this information is true and accurate to the best of my knowledge.

Signed: _____

If the police choose to move forward with an investigation, they may utilize the information submitted by you and usually perform their own separate interviews and investigation before submitting the warrant application to the prosecutor. The warrant needs to show probable cause an intentional crime or crimes were committed. Your involvement, input or request for additional information may continue during the warrant process, after an arrest is made and during court procedures.

A great deterrent to utility crime can be made by an arrest but can be of a greater value if publicized in the new media. A prepared news release to the news media can be helpful and can send out the message that your company is aggressive against utility theft.

“WE HAVE MET THE ENEMY AND IT IS US” ...Pogo

What is the philosophy of your company concerning fraud... focused or unfocused, liberal or conservative? How aggressive is your company on fraud and what motivations govern your policy interpretations in this matter? Investigations can be time consuming, cause conflict and complaints! Does your company really want to unveil fraud, embarrassed if revealed, believe there is no money\$\$ to be saved or made (who is really paying for this), put it’s head in the sand, overlook fraud to showcase a look of efficiency or look for any way to limit customer complaints? Does anyone have accountability in your company for incorrect data or fraud issues? Does your company reward or punish workers for challenging customers or calls with suspected fraud? Does “doing the right thing” have more disadvantages than advantages to the operation of the company? Remember, when you overlook or do nothing to a customer that has committed fraud, they will tell others and your problem(s) will only escalate, increase numbers of crime, incur more cost\$\$ and can cause a public relations disaster!

An aggressive stance on fraud in your company must start from the top. Without a serious backing of the top managers, serious successful fights against fraud will be limited. Hopefully, your company truly operates in an ethical manner and doing the right thing really means something vs. words or policies locked in the file cabinet

META News

By PAUL UNRUH, META PRESIDENT

What's new in the Midwest? Summer has come and gone. What follows isn't too much fun for most of us that live in these parts, except for the skiers and snowboarders. But rest assured, the warm weather will return one day.



Paul Unruh
META President

In fact, it will be warm in May. By that time, the baseball season (at least in Chicago) will already be over. However, it is always Revenue Protection season, a season that never ends. So please mark your calendars and plan to attend the 2015 META/IURPA conference. The conference will be held May 5th through May 8th at the Chicago Marriott Oak Brook Hotel in Oak Brook, Illinois. Watch your email for upcoming announcements about the agenda and registration details.

The META and IURPA boards look forward to seeing all of you at the meeting. The conference is a great place to network with fellow revenue protection professionals from all over the United States and from other parts of the world. One always comes away from a conference like this with some new knowledge, some new resources and some new friends.

The META Board has also undergone a change since the

Spring IURPA newsletter. Tommie Gray, from Ameren Missouri had to resign his post as META Vice-President. The Board reluctantly accepted Tommie's resignation but is happy to know that he will remain a contributor to META (as he has been over many years) even though he is not able to participate on the board.

Dan Stevens, from Integrys (People's Gas, Chicago) will fill the Vice-President's role. Dan was previously Treasurer of the META Board. Dan is a 30 year employee with People's and has a wide ranging background in gas operations.

Angie (Nan) Vacos, also from Integrys (People's Gas, Chicago) is joining the META board as Treasurer. Nan is also a long term People's employee who works in the field investigating gas theft. The META Board is pleased to add Nan's experience to the mix! Nan has been with People's Gas since 1986 and joined the Revenue Protection Unit at People's in 2004.

Chris Smith, We Energies, Milwaukee remains the META Secretary.

Also, the Board is looking for someone with expertise in website development to help with our internet site. If anyone is interested, please contact any member of the META Board or email Paul.Unruh@ComEd.com



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PASSION FOR THE JOB

By GARY SULLIVAN - DUKE ENERGY FLORIDA REVENUE ASSURANCE

Have you ever stopped to ask yourself why you have chosen your current profession? Certainly there are easier and safer ways to make a living. So was it the salary? Was it the autonomy that comes with working in the field, even in adverse conditions? Perhaps it just looked unique and you decided to give it a shot. For me, it was a variety of factors. I know I like working outside and it looked pretty interesting to me to be the protector of the company cash register so to speak. I will say, however, that I did not fully understand the hold that this position would have on me. I have held several other roles at Duke Energy, and I have never taken as much pride in what I do. Even the satisfaction I received from my time in the Line Department, keeping the lights on, didn't quite scratch that itch. There is a certain amount of euphoria, a natural high almost, that comes with finally closing in on someone you know has been stealing hundreds, sometimes thousands, of dollars from the company. As an avid hunter, that feeling is on par with the anticipation, and ultimate success, of a quality hunt. And come to think of it, this job really is like hunting, isn't it. You know your prey and its habits, you study it endlessly, and you put yourself in the best position to close the deal. I still get butterflies in my stomach when moving in on a target that I know is ripping us off.

I recently had a customer that I was almost certain had bypassed his A/C. I sifted through piles of information before finally deciding to move on him. As a final check I decided to look up the address in Google Earth and it revealed something pretty neat . . . an HVAC company vehicle right there in the driveway. He had no idea, but he was now in my crosshairs and it wasn't too long before that hunt came to a successful end. The end result was the capture of the evidence, the admission of guilt from the customer, and payment in full for one year of bypassed revenue.

This passion for the job is the reason that we work night cases, weekend cases, travel long miles and put in long hours. This passion for the job is the reason that only a select few can perform this job, and perform it well. This passion for the job is the reason our companies entrust us with protecting not only the bottom line, but all of our honest rate-paying customers as well. We should all take pride in the fact that we perform a job that many people don't even know exists but is absolutely critical to the success of our respective utilities. To work in this field is to be cut from a different cloth, and I'm proud to call myself a part of this brotherhood. I'm also extremely lucky to have peers in my department that share this same passion I'm describing. Best wishes to all of you. Stay safe . . . and happy hunting.



Gary Sullivan

2014 INTERNATIONAL JOINT CONFERENCE

In June of 2014, the annual International Revenue Protection Training was held in Orlando, Florida in partnership with SURPA and SCRPA. Almost 100 Attendees and vendors traveled from all parts of the globe to attend the three day conference. The conference provided sessions and keynote speakers to aide Revenue Protection personnel with new knowledge to bring back to their organizations. John Kratzinger, Senior Revenue Protection Specialist from PECO, spoke to professionals about Social Media Interactions with Revenue Protection. Javi Cuebas, Attorney for TECO provided information on Revenue Protection and the updated Laws in Florida. There were opportunities for attendees to receive certification in revenue recovery techniques.

Vendor tables were stationed along the walls of the conference room. Each vendor had information about new Revenue Protection industry products and brochures about their organizations. At the vendor reception, vendors provided presentations on their product with the opportunity for professionals to ask questions. In addition to the informative workshops and vendor reception, attendees were able to network in the evening with other professionals at casino night. There were numerous raffles and prizes given out throughout the week. Please stay tuned for information about the next conference in 2015.

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"FREE ELECTRICITY" EVEN FOR GOATS

BY ITZICK MICHAELI, REVENUE PROTECTION MANAGER, ISRAEL ELECTRIC CORP.

Integrated operation of the Israel Electric Northern District Revenue Protection units and police forces, exposed a large scale electricity theft case, in a village situated on the outskirts of Nazareth. The stolen electricity was feeding more than ten residential homes, goats sheds, a dairy, and an aluminum workshop.



Itzick Michaeli



The operation was executed on June 18, 2014 after performing several preliminary concealed surveillance activities, including the use of check meters. The evidence collected, supported a suspicion of a very large scale theft.

The unconcealed investigations were carried out after thorough preparations and intelligence gathering by Revenue Protection professionals that were assisted by grid engineers, a house connections crew, a member of the Investigations & Intelligence security unit, an underground cables mobile lab technician and a contracted excavation crew that was ready to dig out the bypassed cables.

Fifteen buildings were investigated throughout the operation. These buildings were not registered as Israel Electric customers, and were under suspicion of consuming illegal electricity, accumulating to 180,000 KWH annually.



The operation was performed under the umbrella of a SWAT team that was instructed to force entrance to the premises per court order.

During the operation, a bypass cable connected directly to the grid was exposed. The cable rode down the pole and was then buried in the ground. A few more exposed pirate cables, were connected to the bypass cable, stretching to a quarter of a kilometer distance. The cables fed 12 buildings (mostly residential), and an aluminum workshop. The most interesting pirate connections exposed, were to the two luxurious goat sheds and attached dairy that consumed the free electricity.



One of the buildings was considered to be powered legally from a connection box and IEC meter installed properly in front of the house. A closer check, exposed a meter that was stolen from another consumer in 2006. All the electricity that was consumed since then, was stolen from the utility. The RP professionals, speculate that this case is related to a remarkable 150 stolen meters affair that was resolved and treated in 2006-2007.

By the end of the operation, the bypass cables were disconnected and all the buildings involved were left with no power supply. Both safety threat and theft of electricity were neutralized.

The police detained three people involved and 11 more were summoned to the Fraud Squad offices for questioning.

A few days later, the RP investigators estimated the extent of the illegal usage of electricity to hundreds of thousands KWH and prepared the financial claims from all people involved.

INSTINCT VS INTELLECT

By Cleve L. Freeman, Retired-Souther California Gas Co. - 2001 IURPA Chairperson

I had the distinct honor of giving the keynote address at the 2014 WSUTA conference aboard the nostalgic 'Queen Mary' ship in Long Beach, California. The conference was an absolute success. WSUTA President, Kevin Carney and the WSUTA Board, worked industriously to make this a valuable and informative Revenue Protection (RP) conference. Attendance exceeded 105 participants with 16 Utility Vendor companies represented.



Cleve L. Freeman
2001 IURPA Chairperson

My keynote presentation, 'Instinct vs Intellect,' is relative to the RP industry. Until the 2000's we relied on instincts to create RP programs. Instinct: The ability to form a judgment without using the reasoning process. (Surviving the original RP programs was dependant on instincts.)

In the early days, I recall being chased out of yards, jumping fences and talking my way out of verbal and potentially physical assaults; more encounters than I care to remember. Fortunately, my company's Safety-Staff implemented appropriate guidelines to ensure our safety while conducting field investigations, etc. We had limited training, experience, policies / procedures to assist in preventing, detecting, investigating and billing energy theft. We had to influence a culture change within the company to get a buy-in for our newly created RP department. Imagine this, we used pagers and later our cell phones were the size of carry-on luggage. We used Polaroid cameras vs Digital cameras. Only Polaroid photographs were admissible as evidence in a court of law; digital camera photographic evidence, in the eyes of the judicial system, could be altered and was not admissible evidence.

There was an Industry name change in the 1990's from Energy Theft / Energy Diversion to Revenue Protection, Revenue Assurance or Revenue Security. The RP industry realized energy theft involved more than just diverting energy; it also involved meter tampering, stolen meters, fraud, lost meters and company errors. The need to utilize our instinct is constant, however, with the arrival of 'Smart Metering,' we must make the transition from Instinct to Intellect. (Intellect: Mental Power, Intelligence)

"Experiencing DATA overload from Smart Meters is like trying to get a cup of water from a broken high-pressure water main. It's not about the DATA you are inundated with, it's about how focused you are on interpreting the DATA and utilizing it appropriately."

Why is this new technology so important? We can no longer depend on labor-intensive field observations to detect energy theft. In the 1980's through the 1990's we depended on our instincts to survive in the RP industry. Utilities must rely on their intellect to meet future Smart Metering challenges. We will always need to use our instincts and 'boots on the ground;' and more important than ever, we will need intellectual resources to determine how and where to effectively deploy the 'boots on the ground.'

Remember, a thermometer measures temperature, but a thermostat can actually change the temperature. Like a thermostat, we are agents of change.

As the great Hebrew Scholar Hillel said, "If not now, when and If not you, who?"

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The International Utilities Revenue Protection Association was founded in 1990 to protect member utility companies worldwide from revenue losses associated with unauthorized use of service. In twenty-four years, the organization has grown from a small regional group into an association that includes representatives of more than 400 utility companies around the world.

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