

Theft / Non-Technical Losses (Water and Electricity)

Full Description

In response, various countries have taken a combination of legal and practical measures to address the problem. Given the essential nature of some utility services and the rampant extent of the problem, traditional courts may be reluctant to enforce the theft of utility services as a common theft offense. Some have enacted legislation specifically recognizing the theft of utility services as a separate criminal offense and in some cases establishing special administrative courts and judicial measures to enforce these new laws. Others have worked actively with consumers and community leaders through town halls and public relations campaigns to address concerns of inadequate service, employ local laborers for improvement projects and improve metering equipment.

Electricity

India and Andhra Pradesh Province

- [Reforming the Power Sector](#) - This note gives a general background of the main initiatives for controlling electricity theft and improving revenue in the Andhra Pradesh region launched in January 2000. These included primarily: the enactment of legislation making electricity theft a separate offence, creating separate enforcement mechanisms, streamlining anticorruption efforts of utilities and reengineering business processes to improve service. Published by Bhavna Bhatia and Mohinder Gulati on September 2004.
- [The Electricity Act of 2003](#) (Federal), as [amended in 2007](#) – Indian federal law which codifies electricity theft as a separate offence. Sections 135 through 139 illustrate the various electricity theft offenses and Sections 153 to 157 deal with the establishment, by state governments, of "Special Courts" for the administration of prosecutions for these specific offenses. This Act enables officers of the utility company to search for illegal connections, gather evidence and seize instruments and devices used for the illegal connections, so long as it is done in compliance with protections under the criminal code, and prepare a complaint to be given to a magistrate for prosecution. It also makes theft of electricity a cognizable offense punishable by up to three years in prison, which enables the police to make an arrest without a warrant.
- [Andhra Pradesh Electricity Regulatory Commission \(Electricity Supply Code\) Regulation No.5 of 2004](#) - specify conditions for disconnection of service due to non-payment in Section 4.8. and procedures and consequences for tampering, distress or damage to electrical plant, lines or meter under Section 7.
- [General Terms and Conditions of Supply of the Distribution and Retail Supply Licensees within the State of Andhra Pradesh](#) – guidelines proposed by the electricity distribution companies and approved by the regulatory body that specify the procedures to monitor and enforce electricity theft, as described in Clause 10.

South Africa

- [South African Revenue Protection Association \(SARPA\)](#) - In South Africa, utilities involved in the supply of electricity, water, communication and related services as well as contractors, manufacturers, and consultants involved in the field of revenue protection have formed a not-for-profit association dedicated to promoting "the exchange of information and finding of solutions in the field of protecting the income and assets of utilities against pilfering, misallocation and misappropriation". Related papers and presentations on this topic are posted.

Turkey

- [Turkey – Criminal Code \(unofficial English translation\)](#) – Turkey has focused on industrial and large scale consumers. In its Section 184, it provides for a period of imprisonment, from 1 to 5 years, for anyone who illegally constructs or continues to operate a building with an illegal electrical connection

France

- France French had originally sought to rely on the general provisions of the Constitution regarding protection of property but, as the jurisprudence was not clear on the issue, a specific offence was created under the Code Penale – [Article 311-2](#)

Algeria

- [Code Penal Art. 350](#) - A new article 350 was introduced into the Code Penale in 2006 (by loi no.06.23 du 20 decembre 2006) to include fraudulent extraction of water, electricity and gas as theft, punishable from 1 to 5 years in prison and fines from 500 to 20.000 dinars.

Water

- While water is deemed an essential resource, there has been an increasing appreciation of properly treated water as a resource that has both value and cost. In order to ensure a safe water supply and to protect such supply, some countries have enacted provisions prohibiting the tapping of water works and diversion of treated water.

Cambodia

- [Law on Water Resources Management of the Kingdom of Cambodia](#) , enacted on 29 June 2007 – In its Articles 36 – 39, this law outlines penalties for tampering with water works and tapping water resources without a license.
- [Phnom Penh Water Supply Authority: An Exemplary Water Utility in Asia](#). This article briefly describes some of the measures undertaken by the water supply authority of Phnom Pehn, Cambodia, to reduce non-technical losses from over 70% to less than 6%, August 2007.

Colombia

- [Cartagena, Colombia Case Study](#) – Through the creation of a Public-Private Partnership, AGUACAR, the water and sanitation utility in the city of Cartagena, Colombia, significantly reduced nontechnical losses. The initiatives of the company were geared towards engaging the local community. AGUACAR began immediate service to those not connected to the system by establishing a system of water truck deliveries to serve low-income communities and hired local laborers to work on improvement works. The financing for these came in part from a restructuring of the tariff system, to incorporate cross-subsidies, under which more affluent customers helped subsidize the water rates to lower income families.

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