

Scottish Hydro Electric Power Distribution plc

Scheme In Respect of Unauthorised Electricity Supplies

1. Who We Are

Scottish Hydro Electric Power Distribution plc ('SHEPD') is the licensed electricity distribution business which operates networks in the north Scotland part of Great Britain. The company also owns and operates smaller embedded distribution systems in other parts of Scotland. SHEPD is a member of the SSE plc group of companies.

2. This Scheme

We have developed this Scheme to meet the requirements of paragraph 4(3) of Schedule 6 to the Electricity Act 1989 (the 'Schedule'). Paragraphs 4(1) and 4(2) of the Schedule set out the circumstances to which this Scheme applies.

3. Entitlement to Recover the Value of Electricity Taken

Paragraph 4 of the Schedule entitles SHEPD to recover the Value of electricity taken by any person through a connection to the SHEPD electricity distribution system where:

- (a) the electricity is being conveyed by SHEPD; or
- (b) the electricity has been conveyed by SHEPD to a premises at which connection has been restored in a manner which contravenes paragraph 5(1) of the Schedule and is not being taken under the terms of a contract with an authorised electricity supplier or a contract deemed to have been made with such a supplier by virtue of paragraph 3 of the Schedule or paragraph 23 of Schedule 7 to the Utilities Act 2000.

In this Scheme, 'Value' means the amount which could reasonably be expected to have been payable for the electricity taken, under a deemed electricity supply contract.

4. Calculation of the Quantity of Electricity Taken

To enable the calculation of the Value of electricity taken, SHEPD will estimate the quantity of electricity taken with reference to:

- (a) the consumption reasonably expected from the types of electrical apparatus and appliances connected to the customer's installation;
- (b) the usage of customers with a similar pattern of use (relying, where appropriate, on electricity industry data);
- (c) the length of time that the connection has (in SHEPD's sole opinion) been energised.

5. Calculation of the Value of Electricity Taken

SHEPD will determine the Value of electricity taken with reference to:

- (a) the quantity of electricity calculated in accordance with paragraph 4 above;
- (b) a representative price of electricity during the period established under paragraph 4(c) above (relying, as appropriate, on electricity industry and/or publicly available data) for the customer's type of premises and/or type of installation.

6. Potential Additional Actions

In addition to the rights that SHEPD has under this Scheme, there are additional actions which SHEPD may take. These include but are not limited to:

- (a) disconnecting the connection and recovering the costs incurred by SHEPD in doing so;
- (b) recovering the costs of any damage to SHEPD's electricity distribution system, , plant or equipment;
- (c) recovering the costs of SHEPD's investigations; and
- (d) pursuing actions and/or criminal prosecution for theft of electricity under relevant legislation.