

OPERATION KHANYISA

SARPA 2016

24 – 25 August 2016

Customer Compliance Approach

**A new innovative behaviour change approach to
improve revenue recovery**

THE POWER IS IN YOUR HANDS



Electricity Theft: A Global Threat The Context



Electricity is the third most stolen commodity following credit card information and vehicles.

FORMS OF ELECTRICITY THEFT

- Illegal connections & electrifications
- Meter tampering & bypassing
- Illegal prepaid electricity vending
- Infrastructure theft
- Non-payment

FEATURES AMONG TOP 10 CRIMES GLOBALLY



Research

96% Believe electricity theft is wrong

16% Believed they would get caught

14% Believed they would get prosecuted

RESEARCH

A national survey was conducted to determine the level of awareness of, attitudes to and beliefs about electricity theft

96% believe that electricity theft is wrong

74% recognise electricity theft as a problem

However, only...

33% acknowledge electricity theft in their community

13% believe consumers are responsible for doing something about it

16% believe that they would get caught

14% believe that they would get prosecuted

Eskom Response to the challenge

Energy Losses Management Programme (ELP)

1

Audit, measure
and fix customer
installations

2

Ring fence electrical
networks to balance
energy delivered

3

Implement tested
technologies

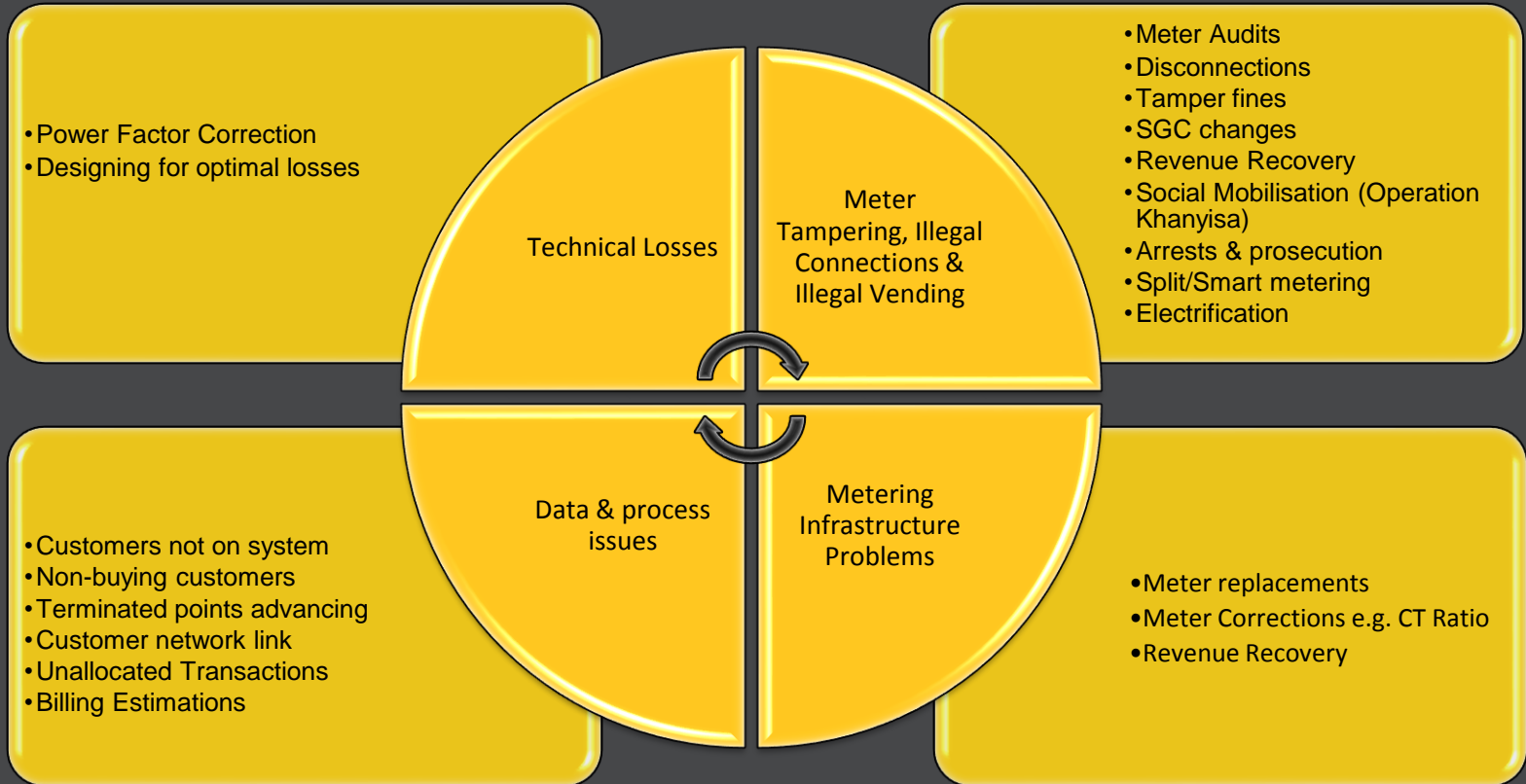
4

Ensure sustainability

5

Communicate to and educate internal & external stakeholders: Operation Khanyisa

Interventions to Combat Energy Losses



Operation Khanyisa Objective

To support Eskom's strategic business imperatives of operational and financial sustainability by influencing the voluntary behaviour of SA consumers to use electricity legally, safely, responsibly and efficiently through:

- Building **awareness** about the problem of electricity theft
- **Educating** and informing South Africans about legal, safe and efficient electricity use
- **Mobilising** South Africans to report and prevent electricity theft
- Building **partnerships** to deal with electricity theft and promote self governance – The Power is in Your Hands

Operation Khanyisa: Customer Compliance Approach

Combine
Auditing &
Investigations

Power of the
Law:
Enforcement &
Engagement

Social
Mobilisation &
Customer
Education

Awareness,
Publicity &
Sustainability

Rattle the market

- Audits, high fines, disconnection, reconnection fees
- Arrests & prosecution; final warning & info gathered
- Revenue recovery - residential & business customers

Shake up the runners

- Info from customers expose runners who are arrested and give leads re syndicates

Arrest the kingpins

- Info from customers & investigations lead to arrest & prosecution of kingpins, syndicates & customers

Personal engagement with customers

- Locally recruited & trained agents conduct premise visits
- Education: consequences, energy efficiency, safe power use, legal power use
- Self-regulation: encourage and empower customers & communities to self-regulate for compliance

Mobilise partners & stakeholders

- Train-the-trainer, empowerment & tool kits
- Advocacy & programmes of action

Capacity building, visibility, sustainability

Phases of Implementation

1 - 3 WKS



**STAKEHOLDER
ENGAGEMENT**

Eskom Dependent:

Statistics on area, buying patterns etc – benchmark info

System in place to track & measure success

Hotspot area

homes in area

Audit team/roll-out schedules

Project team responsibilities

Tamper fines, disconnection fees & reconnection fees agreed

Protection Services support

Availability to meet to ensure no delays

Operation Khanyisa

Investigation team assigned

Mapping of area

Brief Local municipality, Ward councillors and community leaders on CCA programme & request assistance

Request for CV's of potential Field agents

Regular updates & engagement

Assistance in identifying local suppliers

6 WKS

**AUDITS/
INVESTIGATIONS**

Commence Audits
Community media engagement

**LOCAL
RECRUITMENT
& TRAINING**

- Review CV's
- Call for Interviews
- Conduct Interviews with candidates
- Selection workshop with identified Team (Agents & Leaders) (1 day)
- Size of team dependant on #of households per area
- Training workshop (contracts, targets, reporting tools) (2 days)
- Capacity building with Eskom Team and stakeholders
- Toolkit

**CUSTOMER
EDUCATION**

Site activation with inclusion of PR big idea

Door to door customer engagement

On-the-ground 1 day per week team management

Weekly progress telecon meeting with Eskom OU/Teams (Review data collected)

Weekly raw data report provided

Weekly progress management discussion with Eskom

1 WK

RECOGNITION

Recognition Ceremony for community field agents with stakeholders

Certificates presented

Achievements presented

Media invited

Media release issued

ONGOING

SUSTAINED

Continuous audits at intervention sites

SMS campaign

Local media

Paid Media

Eskom customer days

Ward council meetings

Customer Compliance Snapshot across the three provinces

• Meter Audits Conducted-5592

• Customers Disconnected-552

• Fines issued-R 468 000

• Additional Monthly Revenue – R 404,000

• Investigations: residential-11, businesses-50

Arrests – 20, Court Cases – 10, Convictions - 1

• Households Educated-6 333

• Over 100 local youths employed

• 46 Interviews

• 11 Radio stations

• 10 Print Publications



Rammolutsi/Freestate



Freedom Park/Platinum
Village North West



Bolobedu/Ga Kgapane/
Limpopo

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Key Learnings

- Buy-in, support and engagement of all stakeholders (political, community, internal)
- Site selection criteria to include:
 - loss levels
 - measurement data availability
 - Customer affordability
 - Site accessibility
- Careful consideration of timing, duration & momentum of the campaign
- Implementation of all aspects in an integrated fashion to achieve the required behavioural change
- Sustainability of the campaign dependent upon:
 - active monitoring to prevent customer default
 - community ownership of campaign handover
 - Customer education/media presence and visibility

2016/2017 Campaign Approach

- ELP has taken cognisance of the changing media landscape and the power that radio still has in the targeted hotspot areas thus adapting their approach while keeping the messages of Operation Khanyisa top of mind.
- The power of digital platforms has grown exponentially in the last five years, PWC has predicted that by 2017 South African consumers will be spending a total of **R59.6 billion** on internet access (a massive leap from 2014's R19.8 billion). Data shows that on average South African's are spending just over **5 hours** a day accessing the internet from laptops and computers and **3 hours** a day from mobile phones.
- Further in light of budget constraints and importance of cost saving, the Energy Losses Programme(ELP) has decided to eliminate the door to door element of the Operation Khanyisa campaign and instead leverage both **radio** and the **digital** platforms with the intention of receiving the best return on investment while still providing key messages and call to action to all target audiences.

Operation Khanyisa national & provincial media strategy approach and process

STEP 1

- Media Training of internal staff as spokespeople
- Updates on ELP milestones
- Drive content into all media platforms

STEP 2

- Media Round Tables
- Speaking opportunities on radio
- Local stakeholder engagement i.e. SARPA etc.
- Drive content to radio and digital media
- Call to action report electricity theft

STEP 3

- Ongoing updates on Operation Khanyisa, progress
- Ongoing Successes to date on revenue recovery
- Ongoing Updates on ELP milestones
- Constantly driving content to radio and digital media
- Constantly repeat call to action

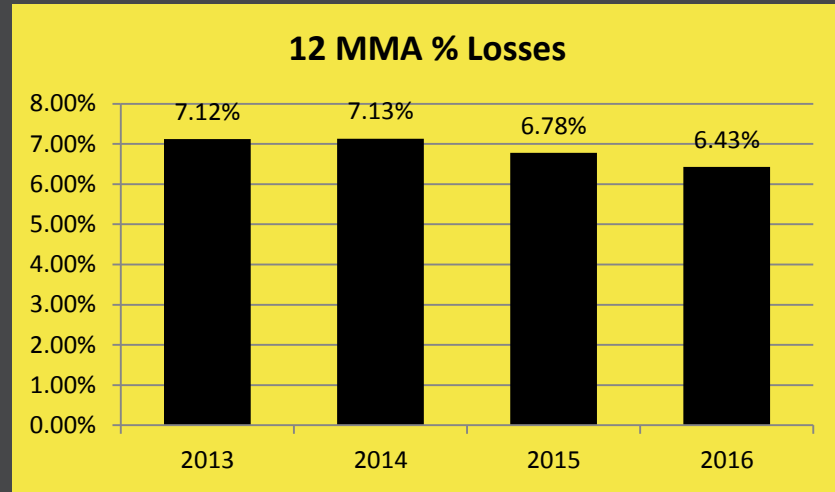
Strategic media partnership with key focus on radio and digital platforms

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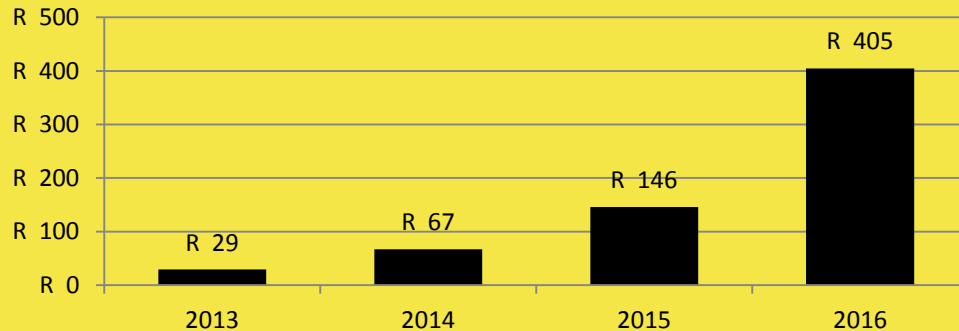


Energy Losses & Revenue Recovery Performance

12MMA Losses have reduced from **7.12%** to **6.43%** (1728 GWh, R1.4bn pa)



Revenue Recovered (Including Tamper Fines) millions



Revenue Recovery of
R 618 million

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THANK YOU

REPORT ELECTRICITY THEFT ANONYMOUSLY TO SMS 32211 (R1/SMS)

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