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Why power theft is really a behavioural problem

The Star, Malaysia

Why power theft is really a behavioural problem

I REFER to the report "TNB loses nearly RM30mil to crypto-related power theft in Melaka" (*The Star*, Feb 5). What occurred in Melaka has been observed across Malaysia, cutting across residential neighbourhoods, commercial premises and idle industrial sites.

Public discourse on electricity theft often focuses on raids, seizures and power cut-offs. While such measures are necessary, they risk obscuring a deeper and more persistent challenge.

Illegal crypto mining continues not because there is lack of technology or regulation but because of failure in promoting acceptable energy-related behaviour.

As a researcher specialising in this field, I believe electricity theft linked to crypto mining must be understood through how individuals respond to incentives, perceived risks and social norms.

When behavioural considerations are not taken into account, even well-designed energy systems become vulnerable to misuse.

Crypto mining is an energy-intensive activity. Under normal conditions, high electricity costs should act as a natural deterrent. However, once electricity is stolen through illegal connections or meter manipulation, the behavioural calculus changes entirely.

Financial gains accrue to the operator while costs are externalised to the utility provider, neighbouring consumers and, ultimately, the public.

From a behavioural perspective, this is a classic case of moral hazard, where individuals engage in illegal behaviour because they believe the likelihood of detection is low or the consequences are manageable.

More concerning is what happens when such behaviour becomes repetitive. As cases increase and operations remain hidden for extended periods, electricity theft risks being perceived not as a serious offence but as an acceptable shortcut in an impersonal energy system.

Electricity theft is not a victimless crime, nor is it confined to corporate losses. First, public safety is directly at risk. Illegal wiring and continuous electrical overloads significantly increase the likelihood of fires and electrocution, particularly in densely populated residential areas. Many electrical fires are linked to unsafe wiring practices and excessive loads – conditions commonly associated with unauthorised mining operations.

Second, crypto mining facilities draw large, uninterrupted power loads that strain local distribution networks, leading to voltage fluctuations or repeated disruptions for nearby households and small businesses.

Third, losses from power theft increase enforcement, monitoring and maintenance expenses. Over time, these pressures reduce overall system efficiency and sustainability with costs ultimately borne by law-abiding consumers. This is a clear example of how individual non-compliance generates collective harm.

Members of the public are not expected to investigate or point fingers. However, basic awareness can help prevent serious safety incidents. Common indicators associated with illegal crypto

Targeting power thieves: A Tenaga Nasional officer surveys equipment used for crypto-related electricity theft. Illegal use of power for crypto mining continues because of failure in promoting acceptable energy-related behaviour. — Filepic by AZMAN GHANI/The Star

mining include:

1. Constant mechanical noise, such as loud fans or server-like humming, operating day and night;

2. Premises that appear unoccupied but show continuous lighting or ventilation;

3. Unusual heat build-up or persistent electronic or burning smells;

4. Excessive ventilation installations inconsistent with the apparent use of the property; and

5. Frequent, localised power disturbances without clear explanation.

A single sign does not confirm wrongdoing. However, multiple indicators occurring together warrant caution and responsible reporting.

Responsible behaviour involves documenting objective observations, reporting concerns through official channels and contacting emergency services immediately if there are signs of fire or imminent danger. This is not about policing neighbours; it is about protecting community safety and ensuring fairness in the use of shared energy resources.

Behavioural research consistently shows that lasting compliance depends on two conditions: a high perceived likelihood of detection and clear social norms that define unacceptable behaviour.

Policy responses should therefore extend beyond enforcement to include behavioural design – clearer risk signalling, targeted public communication and stronger reinforcement of the concept of electricity as a shared and finite resource.

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