

## Compliance plan for Prime Energy Limited – 2021

Submission of Audit Report			
Non-compliance	Description		
Audit Ref: 1.12 With: Clauses 16A.13  From: 26-Feb-21 To: 11-Mar-21	Audit report not provided to the Authority by the participant by the due date. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The audit risk rating is low as the audit report was completed as quickly as possible once the Christmas period had passed.		
Actions taken to resolve the issue		Completion date	Remedial action status
Due to Covid Lockdown restrictions, Christmas holidays, sick leaves & the short months; we couldn't accommodate the audit any sooner. We notified EA of the delay and were informed that as long as its submitted within a month of the due date, it will be fine and the EA will not take any actions.		N/A	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Hopefully our next audit will be outside the 1 <sup>st</sup> quarter, so we won't have this problem. Online audits are possible but it's not the same; they are boring & tiring. However, in the worst case scenario, we will do an online audit.		N/A	

Relevant information			
Non-compliance	Description		
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2 From: 01-Dec-19 To: 30-Nov-20	A small number of registry discrepancies. A small number of submission inaccuracies. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	Controls are rated as moderate as processes in place identify discrepancies and correct these most of the time. The impact is assessed to be low as the volume of discrepancies and inaccuracies were small.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have already put new measures in place, and these inaccuracies will be washed out as the revisions are done		2020	Identified
Preventative actions taken to ensure no further issue will occur		Completion date	
New checks have already proved to be working. Hopefully, our improvements will reflect in the next audit.		01/2021	

Electrical Connection of Point of Connection		
Non-compliance	Description	
Audit Ref: 2.11 With: 10.33A  From: 26-Aug-20 To: 16-Sep-20	One ICP was reconnected but was not recertified within five business days. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are rated as strong, as Prime has robust controls and this was an exception. The risk is none but low is only option available.	
Actions taken to resolve the issue		Completion date
The Registry was updated as soon as we confirmed the inactive date. Wells could not access/read the meters for 2 months, so we did a site visit ourselves & found the whole building undergoing a refit. All the meters were removed so we notified other retailers & arranged to pickup our meters before they went missing. The MEP picked up the meters from our office & confirmed the last active read & read date. We used this to update the Registry		12/2020
Preventative actions taken to ensure no further issue will occur		Completion date
I don't know if we could have done this any better. I believe that our ability to carry out site visits on short notice is a huge advantage for us. We will continue doing this since the timeframes for the contractors carrying out field visits can take longer than anticipated.		2020
		Cleared

Changes to registry information			
Non-compliance	Description		
Audit Ref: 3.3 With: Clause 10 Schedule 11.1  From: 01-Dec-19 To: 30-Nov-20	Nine late status updates. Six late trader updates. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong as there are robust checks in place to ensure that the registry is updated on time.  The risk is low as most updates were completed on time or soon after they were due.		
Actions taken to resolve the issue		Completion date	Remedial action status
The Registry was updated as soon possible.		2020	Identified
Preventative actions taken to ensure no further issue will occur		Completion date	
The 1 <sup>st</sup> Covid Level 4 lockdown was challenging as we never had our staff setup to work from home. Prime believe in keeping work & family time separate. It was a challenge setting up work from home for our staff & getting our hands on laptops as they were selling out fast, but we got there. So this shouldn't be an issue in the future.		2020	

Provision of information to the registry manager		
Non-compliance	Description	
<p>Audit Ref: 3.5</p> <p>With: Clause 9 Schedule 11.1</p> <p>From: 01-Dec-19</p> <p>To: 30-Nov-20</p>	<p>The registry was not updated within five business days of commencement of trading for four ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Controls are rated as strong as there are good processes in place to manage the new connection process.</p> <p>The risk rating is low, as only four ICPs were updated late.</p>	
Actions taken to resolve the issue		Completion date
Late paperwork couldn't be avoided during the first few weeks of level 4 lockdown. It was challenging for everyone. We updated the Registry as soon as possible.		2020
Preventative actions taken to ensure no further issue will occur		Completion date
As mention earlier, these delays were cause during the Covid lockdown period. We believe we are all setup and can avoid this situation in the future.		2020
		Identified

ANZSIC codes		
Non-compliance	Description	
<p>Audit Ref: 3.6</p> <p>With: Clause 9 (1)(k) of Schedule 11.1</p> <p>From: 01-Dec-19</p> <p>To: 30-Nov-20</p>	<p>Four ANZSIC codes were incorrectly recorded.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Controls are rated as strong. Prime has good knowledge of their customer base and update the ANZSIC codes as required.</p> <p>The audit risk rating is low as this has no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Completion date
All incorrect ANZSIC codes have been updated		03/2021
Preventative actions taken to ensure no further issue will occur		Completion date
We are regularly validating the ANZSIC codes & updating them. We will train or staff to validate this during customer sign ups.		04/2021
		Identified

Management of “active” status		
Non-compliance	Description	
<p>Audit Ref: 3.8</p> <p>With: Clause 9 (1)(f) of Schedule 11.1</p> <p>From: 01-Dec-19</p> <p>To: 30-Nov-20</p>	<p>ICP 1002091475LC7B8 had an incorrect first active date applied and was corrected during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Controls are rated as strong as whilst the process is manual Prime has good controls in place to identify discrepancies and correct these.</p> <p>The audit risk rating is low there was only one day’s reconciliation affected and this will be corrected via the revision process.</p>	
Actions taken to resolve the issue		Completion date
This has been rectified in our system		02/2021
Preventative actions taken to ensure no further issue will occur		Completion date
This was due to a human error. Our staff are well trained & capable, but mistakes do happen. We will validate the new conn start dates more frequently.		03/2021
		Cleared

Management of “inactive” status		
Non-compliance	Description	
<p>Audit Ref: 3.9</p> <p>With: Clause 19</p> <p>Schedule 11.1</p> <p>From: 27-Feb-19</p> <p>To: 17-Jun-19</p>	<p>ICP 0395203449LC28E recorded with the incorrect disconnection date. This was corrected during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Controls are rated as strong as there are robust checks in place to identify discrepancies.</p> <p>The impact is assessed to be low as this affected one ICP.</p>	
Actions taken to resolve the issue		Completion date
Typo error corrected during the audit		02/21
Preventative actions taken to ensure no further issue will occur		Completion date
These checks have been incorporated into our validation process. Please note that even though the site is recorded as inactive, consumption will be reported in the AV-080		03/2021
		Cleared



Inform registry of switch request for ICPs - standard switch		
Non-compliance	Description	
Audit Ref: 4.1 With: Clause 2 Schedule 11.3  From: 16-Dec-19 To: 21-Dec-19	At least one TR switch notified to the registry late. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	Controls are rated as strong as Prime is a small close-knit team who work together. This was a one-off oversight. The impact is assessed to be low as this affected one ICP.	
Actions taken to resolve the issue		Completion date
It was late by 1 day and occurred in Dec 2020		2020
Preventative actions taken to ensure no further issue will occur		Completion date
We have approached a few system developers to automate our switch process, but this was delayed to financial restraints caused by Covid. We have resumed this task & are hoping to automate our switch process before the next audit.		12/2021 – 02/2022
		Identified

Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
Audit Ref: 4.2 With: Clause 3 Schedule 11.3  From: 06-Oct-20 To: 07-Oct-20	One AN file sent one day late. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	Controls are rated as strong as Prime use the switch breach report on a daily basis. The impact is assessed to be low as this affected one ICP.	
Actions taken to resolve the issue		Completion date
This occurred during the initial work from home setup		2020
Preventative actions taken to ensure no further issue will occur		Completion date
Switch breach reports are run daily & switches are responded to accordingly. Hopefully we won't have any more of this non-compliance in the next audit.		2020
		Identified

Losing trader must provide final information - standard switch		
Non-compliance	Description	
Audit Ref: 4.3 With: Clause 5 Schedule 11.3  From: 01-Dec-19 To: 30-Nov-20	One incorrect last actual read sent as an estimate with the incorrect last read date of the five files sampled. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are rated as moderate as these files are created manually so mistakes can occur. The audit risk rating is low as the volume of switches processed by Prime is small.	
Actions taken to resolve the issue		Completion date
Human error. The staff member realised after submitting it, but it was too late		2020
Preventative actions taken to ensure no further issue will occur		Completion date
Hopefully, the switch automation process will eliminate this non-compliance.		12/2021

Losing trader provides information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.8</p> <p>With: Clause 10(1) Schedule 11.3</p> <p>From: 24-Jan-19</p> <p>To: 28-Jan-20</p>	<p>Three AN files sent with an event date earlier than the gaining traders requested date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as strong. Switching is conducted manually selected but as this is a manual the occasional error can occur.</p> <p>The impact is assessed as low as this was a one-off error with no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Completion date
Sometimes retailers would send emails requesting a different switch date to what's in the AN to avoid delays doing NW's & resending NT. We had a customer last years adamant to switch on a certain date but the NT came with incorrect date so under mutual agreement we agreed to backdate the switch.		02/2020
Preventative actions taken to ensure no further issue will occur		Completion date
This was a one off situation to keep the customer happy so it should not happen again.		02/2020
		Identified

Losing trader must provide final information - switch move			
Non-compliance	Description		
<p>Audit Ref: 4.10</p> <p>With: 11 Schedule 11.3</p> <p>From: 13-Jun-20</p> <p>To: 20-Jul-20</p>	<p>One incorrect average daily consumption sent of the sample checked.</p> <p>The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating:2</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>The controls are rated as moderate as these files are created manually so mistakes can occur.</p> <p>The audit risk rating is low as the volume of switches processed by Prime is small.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
This was a cause of multitasking & trying to process bulk switches. The staff member realised the error straight away & notified the gaining retailer about the CS file containing incorrect info. A NW was initiated & CS was process with the correct info.		12/2019	Cleared
Preventative actions taken to ensure no further issue will occur		Completion date	
Since this issue, the staff member double checks the info in the CS file before submitting it. This was a one off error & was promptly fixed.		2019	

Withdrawal of switch requests		
Non-compliance	Description	
<p>Audit Ref: 4.15</p> <p>With: Clauses 17 and 18 Schedule 11.3</p> <p>From: 01-Jan-19</p> <p>To: 18-Jun-19</p>	<p>One late switch withdrawal.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Once previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Prime have robust controls in place. This is an exception and was due to a keying error where the incorrect year was entered for a January switch date. This withdrawal was to correct this.</p> <p>The impact is actually none as this was corrected on the same day but none is not an option.</p>	
Actions taken to resolve the issue		Completion date
We endeavour to correct the errors asap. This NW to correct a previous date entry error		2020
Preventative actions taken to ensure no further issue will occur		Completion date
Extra care is taken when processing switches manually in the Registry		2020
		Identified

Metering information			
Non-compliance	Description		
Audit Ref: 4.16 With: Clause 21 of schedule 11.3  From: 08-Dec-19 To: 08-Dec-20	The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	I have rated the controls as moderate as the process is manual so whilst there are checks in place, human errors will occasionally occur. The audit risk rating is assessed to be low, as the effect on reconciliation will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
N/A		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Staff are taking extra care when processing switches manually in the Registry		2020	

Electricity conveyed & notification by embedded generators			
Non-compliance	Description		
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13</p> <p>From: 16-Jul-20</p> <p>To: 27-Nov-20</p>	<p>While meter was bridged, energy was not metered and quantified according to the code for ICP 0006434266RN50.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>Controls are rated as strong as Prime has robust controls to manage bridging of meters and worked with the MEP to correct this as soon as possible.</p> <p>The audit risk rating is low as a correction for consumption during the bridged period had been processed. This has been reviewed and is compliant.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We had an access issue here & could organize the meter change any sooner. Meter was changed as soon as possible		11/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
This was an exceptional case. Covid made it very challenging for everyone to get through the backlog & in some cases, the contractors couldn't take on any new jobs. This customer was a tough one to deal with but am glad we got to the bottom of it & organized the meter change. We always replace estimated closing with permanent estimated closing read using data from the new meter.		2020	



NHH meter reading application		
Non-compliance	Description	
Audit Ref: 6.7 With: Clause 6 Schedule 15.2  From: 01-Dec-19 To: 30-Nov-209	The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are rated as moderate as these files are created manually so mistakes can occur. The audit risk rating is low as the volume of switches processed by Prime is small.	
Actions taken to resolve the issue		Completion date
It was just 1 ICP and with manual process, errors are bound to happen. In this instance; we notified the other retailer of our error.		2020
Preventative actions taken to ensure no further issue will occur		Completion date
We are pursuing the switch automation process and hoping to implement this by the next audit.		12/2021 – 02/2022

Meter data used to derive volume information		
Non-compliance	Description	
<p>Audit Ref: 9.3</p> <p>With: Clause 3(5) of schedule 15.2</p> <p>From: 01-Dec-19</p> <p>To: 30-Nov-20</p>	<p>Raw meter data is rounded upon receipt and not when volume information is created.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: None</p> <p>Breach risk rating: 5</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>There are no controls to prevent rounding of raw meter data, the system is designed to round as soon as the data arrives.</p> <p>There is very little impact because no metered consumption information is “missing”, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Our system currently stores read with zero decimal places and it isn't capable of half hourly reads. WE are working on this issue.		08/2021
Preventative actions taken to ensure no further issue will occur		Completion date
We are reviewing the read import process & will request that all reads are stored to 3 decimal places. We are also exploring the HHR reads options.		08/2021
		Investigating

Calculation of ICP days		
Non-compliance	Description	
<p>Audit Ref: 11.2</p> <p>With: Clause 15.6</p> <p>From: 01-Nov-19</p> <p>To: 31-Jan-21</p>	<p>The AV110 report includes inactive ICP days.</p> <p>The AV110 calculates the ICP days from the date the ICP was entered into Orion, which may differ from the actual start date.</p> <p>Incorrect ICP days reported for two ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Controls are rated as moderate, the checks in place have improved overall accuracy. The new check submissions against all revisions should move these controls to strong.</p> <p>The impact is rated as low because consumption is reported where an ICP is active in Orion, and Prime's method ensures that if any consumption occurs during an inactive period it will be reported.</p>	
Actions taken to resolve the issue		Completion date
<p>This was zeroed in R14 revision.</p> <p>CIA0111 CIAL EN PRME RPS CIALV1 X N Dec-19 0 0</p>		02/2021
Preventative actions taken to ensure no further issues will occur		Completion date
<p>The change was implemented late last year which will ensure incorrect submissions are zeroed out.</p>		12/2020

Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 01-Dec-19</p> <p>To: 30-Nov-20</p>	<p>Reads sent in the CS file that are different to that recorded in Orion.</p> <p>Volumes not zeroed out for one ICP for the submission months of November and December 2019.</p> <p>Inactive days are included in the AV110 submissions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as strong as the validation processes in place will mitigate risk to an acceptable level.</p> <p>The impact is assessed to be low as effect on reconciliation is expected to be low.</p>	
Actions taken to resolve the issue		Completion date
<p>This was 1 inactive ICP submitted due to the late status update. This was later corrected in the revision file.</p> <p>zero volume was corrected in R14 submission done in 2021</p>		2020 - 2021
Preventative actions taken to ensure no further issue will occur		Completion date
<p>Zeroing volumes have already been implemented to our process &amp; is working well.</p>		2021
		Identified

Historical estimate reporting to RM		
Non-compliance	Description	
<p>Audit Ref: 13.3</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: Mar 20 (r7) and Jun-Aug 20 (r3)</p>	<p>Historic estimate thresholds were not met for some revisions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as strong as the validation processes in place will mitigate risk to an acceptable level.</p> <p>The impact is assessed to be low as effect on reconciliation is expected to be low.</p>	
Actions taken to resolve the issue		Completion date
We are continuously working on improving this process.		2020
Preventative actions taken to ensure no further issue will occur		Completion date
Our R14 & R7 HE is now compliant so we will work towards R3 now. Due to our low ICP count, we only need 1 ICP to make us non-compliant. However, as we roll out more AMI meters, we will hopefully see the end of this issue soon		12/2021
		Identified