

Compliance plan for Simply Energy Limited

Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 11.2 & 15.2 From: 1-Jul-19 To: 24-Jul-20	Some inaccurate data is recorded and was not updated as soon as practicable. At least two examples found where the incorrect reads were used in the switching process resulting in under submission of 1,415 kWh. Some submission data was inaccurate and was not corrected at the next available opportunity. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate whilst they will mitigate risk most of the time there is room for improvement. The audit risk rating is assessed to be low, but I note the errors have the potential to have a medium impact if not addressed.	
Actions taken to resolve the issue		Completion date
A further check of current ICPs, this includes an import of the latest Lis file, is done prior to all revisions taking place to enable 100% of ICPs are included in submission		15/08/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Review of all revision months discrepancies at each washup.		20/10/2020
Remedial action status		
Identified		

Audit trails	
Non-compliance	Description
Audit Ref: 2.4 With: Clause 21 Schedule 15.2 From: 01-Jul-19 To: 24-Jul-20	Salesforce user IDs are shared, and the audit trails do not record the individual user who made the change. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong and the impact as low.</p> <p>Audit trails are available and contain the required information, but the person who processed the change is not identifiable within the audit trail because there is only one operator identifier. A small number of users have access. For the sample of audit trails reviewed, the person responsible for processing the change was identified through supporting information.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy is currently reviewing the costs of increasing numbers of individual users in accessing Sales Force.		30 September 2020	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
There is no further action here.		27 August 2020	

Electrical Connection of Point of Connection	
Non-compliance	Description
<p>Audit Ref: 2.11</p> <p>With: Clause 10.33A</p> <p>From: 20-Feb-19</p> <p>To: 15-Jan-20</p>	<p><i>SIMP</i></p> <p>Four new connections were not certified within five business days of the initial electrical connection.</p> <p>Two reconnections were not certified within five business days of the initial electrical connection.</p> <p><i>SELS</i></p> <p>One new connection was not certified within five business days of the initial electrical connection.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Controls are moderate as the controls will ensure compliance most of the time, but I note that the process to request meter certification or meter replacement for reconnections was not followed as expected in two instances.</p> <p>The audit risk is low as the volume of ICPs affected was small.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
Processes have now been updated to reflect that meter certification is checked when doing all Reconnections.	26/08/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
All processes on Reconnections have been updated.	26/08/2020	

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3 With: Clause 10 Schedule 11.1</p> <p>From: 01-Nov-18 To: 07-June-20</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> • 52 late status updates. • 141 late trader updates. • 14 late ANZSIC code updates. <p><i>SELS</i></p> <ul style="list-style-type: none"> • Two late status updates. • One late trader update. • One late ANZSIC code update. <p><i>SELX</i></p> <ul style="list-style-type: none"> • Four late status updates. • Four late trader updates. • Two late ANZSIC code updates. <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate, the processes are manual and as volume increases the risk of errors being made increases.</p> <p>The audit risk rating is assessed to be low as the overall volume of backdated events was small.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Focus has been on status updates and we will continue to put our attention here to reduce the numbers over 5 business days.	26/08/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Ensuring that updates are more frequent from Metering Contractors for new meter installs.	26/08/2020	

Provision of information to the registry manager			
Non-compliance	Description		
Audit Ref: 3.5 With: Clause 9 Schedule 11.1 From: 01-Jun-19 To: 07-Jun-20	<p><i>SIMP</i></p> <ul style="list-style-type: none"> 90 late updates for new connections. One ICP electrically connected but still at "Ready" on the registry. Two incorrect active dates applied. <p><i>SELS</i></p> <ul style="list-style-type: none"> Two late updates for new connections. <p><i>SELX</i></p> <ul style="list-style-type: none"> Five late updates for new connections. One ICP electrically connected but still at "Ready" on the registry. One incorrect active date applied. <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		
Low	<p>The controls are rated as moderate, the processes are manual and as volume increases the risk of errors being made increases.</p> <p>The audit risk rating is low as the bulk of new connection updates are being made within five business days and the volume of incorrect active statuses/dates was small.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
The review of ICPs at New or Ready is now a monthly process and will help resolve the time delays on the Ready status.		01/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Further focus on new connections to obtain better timings here.		26/08/2020	

ANZSIC codes	
Non-compliance	Description
Audit Ref: 3.6 With: Clause 9 (1(k)) of Schedule 11.1 From: 07-May-19 To: 08-Jun-20	<p><i>SIMP</i> At least three ICPs with the incorrect ANZSIC codes assigned.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>

Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as strong, because they are sufficient to ensure that most ANZSIC codes are recorded correctly.</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	Remedial action status
Enhancement to customer systems to add ANZSIC codes as a required field on sign up.		28 February 2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The enhancement will ensure correct ANZSIC codes are applied at switch request as opposed to receiving incorrect codes from other Traders.		26/08/2020	

Management of “active” status			
Non-compliance	Description		
<p>Audit Ref: 3.8</p> <p>With: Clause 17</p> <p>Schedule 11.1</p> <p>From: 09-Dec-19</p> <p>To: 07-Jun-20</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> One ICP electrically connected but still at the “Ready” status on the registry. Two incorrect active dates applied. <p><i>SELX</i></p> <ul style="list-style-type: none"> One ICP electrically connected but still at the “Ready” status on the registry. One incorrect active date. <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		
Low	<p>The controls are rated as moderate, the processes are manual and as volume increases the risk of errors being made increases.</p> <p>The audit risk rating is low as the volume of ICPs with incorrect active statuses/dates is small.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Monthly reporting of all ICPs at New or Ready has been implemented to identify those ICPs in this status.		01/08/2020	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
This reporting should resolve these issues.	26/08/2020	

Losing trader must provide final information - standard switch			
Non-compliance	Description		
<p>Audit Ref: 4.3</p> <p>With: Clause 5</p> <p>Schedule 11.3</p> <p>From: 01-May-19</p> <p>To: 07-Jun-20</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> Average daily kWh not calculated correctly for manually read ICPs due to the automatic update process failing, and for AMI read sites the calculation is an average across 21 days rather than from one validated read to the next. One transfer CS file of those sampled sent as an estimate but was an actual read. One transfer CS file of those sampled with the incorrect last read date. <p><i>SELX & SELS</i></p> <ul style="list-style-type: none"> Average daily kWh not calculated correctly for manually read ICPs due to the automatic update process failing, and for AMI read sites the calculation is an average across 21 days rather than from one validated read to the next. <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as weak, as the automated update process stopped working in May 2019 and there were no checks in place to identify this.</p> <p>The audit risk rating is assessed to be low but has the potential to be medium given all CS files are affected with an incorrect average daily value sent to the gaining trader which has the potential to incorrectly estimate sites until an actual read can be gained.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
A new process will be deployed by 31 August 2020 that ensures that all AMI Metered ICPs has correct average daily kWh prior to switch out. This has been developed and just needs to be tested before deployed. All other switches are as per current process.		31/08/2020	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Monthly check is in place to confirm the average daily kWh is updating.	26/08/2020	

Gaining trader informs registry of switch request - switch move			
Non-compliance	Description		
Audit Ref: 4.7 With: Clause 9 Schedule 11.3 From: 01-Jul-19 To: 30-Jun-20	SELS All five NTs sampled had an incorrect switch type applied. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong and the impact as low. The audit risk rating is low as these were all internal switches which for ease of processing are sent as MI switches so the event date can be requested.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have updated our processes to ensure the correct switch types are used in future for bulk switching to other Simply codes.		27/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No further action here.		31/08/2020	

Losing trader provides information - switch move			
Non-compliance	Description		
Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3 From: 15-Aug-19 To: 18-Mar-20	SELX Two late CS files. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong and the impact as low.</p> <p>The audit risk rating is low there were only two late CS files across all switches conducted by Simply.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Due to the small number of late CS files no additional checks will be added to the process.		27/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No further action being considered		27/08/2020	

Losing trader must provide final information - switch move	
Non-compliance	Description
<p>Audit Ref: 4.10</p> <p>With: Clause 11</p> <p>Schedule 11.3</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> • Average daily kWh not calculated correctly for manually read ICPs due to the automatic update process failing and for AMI read sites the calculation is an average across 21 days rather than from one validated read to the next. • One switch move CS file with an incorrect last read date. • One switch move CS file with an incorrect switch event read type. <p><i>SELS</i></p> <ul style="list-style-type: none"> • Average daily kWh not calculated correctly for manually read ICPs due to the automatic update process failing and for AMI read sites the calculation is an average across 21 days rather than from one validated read to the next. <p><i>SELX</i></p> <ul style="list-style-type: none"> • Average daily kWh not calculated correctly for manually read ICPs due to the automatic update process failing and for AMI read sites the calculation is an average across 21 days rather than from one validated read to the next. • One switch move CS files with an incorrect last actual read date. • Three switch move CS files with incorrect switch event read type. <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>From: 01-May-19</p> <p>To: 01-Apr-20</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>

Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as weak, as the automated update process to stopped working in May 2019 and there were no checks in place to identify this.</p> <p>The audit risk rating is assessed to be low but has the potential to be medium given all CS files are affected, with an incorrect average daily value sent to the gaining trader which has the potential to incorrectly estimate sites until an actual read can be gained.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
A new process will be deployed by 31 August 2020 that ensures that all AMI Metered ICPs has correct average daily kWh prior to switch out. This has been developed and just needs to be tested before deployed. All other switches are as per current process.		31/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Monthly check to ensure that the system is updating for average daily kWh.		28/08/2020	

Gaining trader changes to switch meter reading - switch move	
Non-compliance	Description
<p>Audit Ref: 4.11</p> <p>With: Clause 6(1) and 6A Schedule 11.3</p> <p>From: 22-May-19</p> <p>To: 06-Jun-20</p>	<p><i>SELS</i></p> <ul style="list-style-type: none"> One switch move RR was not supported by two validated actual readings. <p><i>SELX</i></p> <ul style="list-style-type: none"> For one ICP, the readings in DataHub did not reflect the outcome of the RR process. For one ICP, the readings in Datahub did not reflect the read received in the CS file and no RR was issued. <p>Potential impact: Medium</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
Low	<p>The controls are rated as moderate as the process is manual and the controls in place did not identify this discrepancy.</p> <p>The impact is assessed to be low but has the potential to be medium if controls are not strengthened.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
0000920729TU6DB switch read issue has been resolved and correct values will be submitted in R14 months until they completely wash through. The ICP 0000012112WEA2A, we believe the under submission is with the previous trader as they under estimated the disconnection read and our customer was a new customer to this ICP.	27/08/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Actioning any discrepancies on disconnected sites with switch read variances when ICPs are reconnected.	27/08/2020	

Gaining trader to advise the registry manager - gaining trader switch		
Non-compliance	Description	
Audit Ref: 4.14 With: Clause 16 Schedule 11.3 From: 17-Apr-20 To: 30-Apr-20	<p><i>SIMP</i></p> <ul style="list-style-type: none"> One late CS file. <p>Potential impact: None Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as the Salesforce dashboard is used to manage these and this was missed in this one instance. The audit risk rating is assessed to be none but only low is available as an option	
Actions taken to resolve the issue	Completion date	Remedial action status
The controls are strong so we find no further action required.	27/08/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
No further action.	27/08/2020	

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-Aug-18</p> <p>To: 02-Jul-19</p>	<p><i>SIMP</i> Two late NW files.</p> <p><i>SELX</i> Two late NW files.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong. The sample of late NWs checked found that in all cases the delay was due to an investigation being completed prior to issuing the withdrawal request.</p> <p>The impact is assessed to be low because a small proportion of NWs were issued late.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
No actions have been taken to resolve these issues.		27/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Our process documentation has been updated to second check any late withdrawals.		27/08/2020	

Electricity conveyed & notification by embedded generators	
Non-compliance	Description
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13</p> <p>From: 05-Nov-18</p> <p>To: 24-Jul-20</p>	<p><i>SELS</i></p> <p>Notification of gifting of generation had not been provided for 0001173611PC6E2, and the injection quantities were not quantified in the meantime. Notification of gifting was provided on 24/08/20.</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		
Low	Controls are rated as strong, because processes are in place for distributed generation and very few exceptions were identified. The audit risk rating is low. A small amount of energy is generated and is intended to be gifted.		
Actions taken to resolve the issue		Completion date	Remedial action status
Both ICPs noted above have been notified to the Reconciliation Manager as gifted generation.		27/08/2020	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
There are no further actions here.		27/08/2020	

Collection of information by certified reconciliation participant			
Non-compliance	Description		
Audit Ref: 6.5 With: Clause 2 Schedule 15.2 From: 01-Feb-20 To: 29-Feb-20	<i>SIMP</i> Event log not downloaded for ICP 0000518204NR36D. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
EMS is now receiving event logs for this ICP and have updated their processes.		25/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
There is no further action here.		27/08/2020	

NHH meter reading application		
Non-compliance	Description	
<p>Audit Ref: 6.7</p> <p>With: Clause 6 Schedule 15.2</p> <p>From: 22-May-19</p> <p>To: 06-Jun-20</p>	<p><i>SELX</i></p> <ul style="list-style-type: none"> For one ICP, the readings in DataHub did not reflect the outcome of the RR process. For one ICP, the readings in Datahub did not reflect the read received in the CS file and no RR was issued. <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate as the process is manual and the controls in place did not identify this discrepancy.</p> <p>The impact is assessed to be low but has the potential to be medium if controls are not strengthened.</p>	
Actions taken to resolve the issue		Completion date
0000920729TU6DB switch read issue has been resolved and correct values will be submitted in R14 months until they completely wash through. The ICP 0000012112WEA2A, we believe the under submission is with the previous trader as they under estimated the removal read on disconnection.		27/08/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Tighter processes around switching in disconnected ICPs where the switch in read has been estimated. This would then be used to identify differences between switch read and reconnection reads.		27/08/2020
		Identified

Interrogate meters once		
Non-compliance	Description	
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: 14-Sep-19</p> <p>To: 31-Mar-20</p>	<p><i>SIMP</i></p> <p>For three ICPs unread during the period of supply, the best endeavours requirements were not met, and exceptional circumstances did not exist.</p> <p><i>SELX</i></p> <p>For one ICP unread during the period of supply, the best endeavours requirements were not met, and exceptional circumstances did not exist.</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	
Low	<p>The controls are rated as moderate. There is a process in place, but compliance is not consistently achieved if the period of supply is short, or actual reads fail validation because they are lower than previous estimates.</p> <p>The impact on settlement from an estimate for a short period is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Continued monitoring of ICPs with no reads for some time.		27/08/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Updating processes to ensure ICPs with no reads for some time have the correct focus. The NHH 12 month read report to be referenced for this.		31/08/2020
		Identified

NHH meters interrogated annually		
Non-compliance	Description	
<p>Audit Ref: 6.9</p> <p>With: Clause 9(1) and (2) Schedule 15.2</p> <p>From: 01-Apr-19</p> <p>To: 31-Mar-20</p>	<p>The meter reading frequency reports include some ICPs which have been withdrawn or switched away prior to the period being reported. An IT ticket was raised to investigate and resolve this issue following the audit, and revised reports were provided showing that withdrawn, switched, and decommissioned ICPs are now correctly excluded.</p> <p><i>SIMP</i></p> <p>For at least one ICP unread in the previous 12 months, the best endeavours requirements were not met, and exceptional circumstances did not exist.</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	
Low	<p>The controls are assessed to be strong, now that the meter read frequency reporting issues are resolved. There is a read attainment process in place, but compliance is not always achieved.</p> <p>The impact is assessed to be low. The use of estimates may have a minor impact on settlement. Only NSPs with very small numbers of customers do not achieve 100% read attainment, and overall read attainment is high.</p>	
Actions taken to resolve the issue		Completion date
The incorrect reporting of ICPs in the NHH Read Reports has been resolved.		27/08/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Using the 12 month NHH Read Reports to correctly identify those ICPs without reads for some time.		27/08/2020

NHH meters 90% read rate			
Non-compliance	Description		
<p>Audit Ref: 6.10</p> <p>With: Clause 9(1) and (2) Schedule 15.2</p> <p>From: 01-Dec-19</p> <p>To: 31-Mar-20</p>	<p><i>SIMP</i></p> <p>For at least three ICP unread in the previous four months, the best endeavours requirements were not met, and exceptional circumstances did not exist.</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		
Low	<p>The controls are assessed to be moderate. There is a process in place, but compliance is not consistently achieved within four months.</p> <p>The impact is assessed to be low. The use of estimates may have a minor impact on settlement. Only NSPs with very small numbers of customers do not achieve 90% read attainment, and overall read attainment is high.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Continued monitoring of no read events.		27 August 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The process to obtain no read information assistance from customers is to be more automated in the next few months. This should assist in reducing the numbers of ICPs without reads.		31 October 2020	

HHR interrogation data requirement	
Non-compliance	Description
<p>Audit Ref: 6.13</p> <p>With: Clause 11(2) Schedule 15.2</p> <p>From: 01-Feb-20</p> <p>To: 29-Feb-20</p>	<p><i>SIMP</i></p> <p>Event log not downloaded during interrogation of ICP 0000518204NR36D.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
EMS have updated their process and now keep a schedule of all manual downloads.		26/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
There is no further action here.		27/08/2020	

Identification of readings			
Non-compliance	Description		
<p>Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2</p> <p>From: 01-Jun-19 To: 07-Jun-20</p>	<p><i>SIMP</i> At least two switch event readings were incorrectly classified as estimated or actual.</p> <p><i>SELX</i> At least three switch event readings were incorrectly classified as estimated or actual.</p> <p>Potential impact: Low Actual impact: Low Audit history: Three times Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are assessed to be moderate and the impact is assessed to be low. Most readings were correctly classified.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
The process around how we determine estimates and actuals on all switch losses has been updated to ensure correct going forward.		22/07/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No further action is required.		27/08/2020	

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-Jul-19</p> <p>To: 24-Jul-20</p>	<p>NHH raw meter data received from all MEPs and agents except FCLM and WASN is rounded upon receipt into Datahub and not when volume information is created if it is provided with decimal places.</p> <p>Customer readings are not consistently entered into Datahub with decimal places where this information is provided by the customer.</p> <p>Any NHH data recorded with decimal places in Datahub is rounded to the nearest whole number when exported to EMS' MADRAS for reconciliation.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are considered weak, because all NHH meter information is rounded before it is entered into MADRAS where reconciliation submissions are calculated.</p> <p>The impact is assessed to be low. Only NHH meter readings provided with decimal places are affected. According to the PR255 reports, the highest multiplier for any NHH settled ICP is 100, which could result in a maximum difference of 99 kWh if a read with a multiplier of 100 is truncated.</p>	
Actions taken to resolve the issue		Completion date
Changes to the three read files have been developed and is currently being tested to be deployed. This will mean all read files are treated the same. Decimal reads will also go through to Madras for NHH Reconciliation.		31 August 2020
Preventative actions taken to ensure no further issues will occur		Completion date
No further action is required.		28 August 2020
		Identified

Half hour estimates		
Non-compliance	Description	
<p>Audit Ref: 9.4</p> <p>With: Clause 3(5) of schedule 15.2</p> <p>From: 05-Apr-20</p> <p>To: 05-Apr-20</p>	<p><i>SELS</i></p> <p>HHR estimated data is not replaced with actual data if the actual trading period volumes are lower than the estimated volumes.</p> <p>ICP 0000014504EACAF had actual data for the first four trading periods of 25/06/20 replaced with null values and then estimated, when the MEP provided a partial replacement file. The issue occurred because Datahub imported the whole file including the null periods.</p> <p>Potential impact: High</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>The controls are rated as moderate because there is a process in place but some improvement is required to ensure compliance.</p> <p>The audit risk rating is low. According to the registry list as at 07/06/20 343 active ICPs are settled as HHR. 335 have meter category 1, seven have meter category 2, and one has meter category 3.</p>	
Actions taken to resolve the issue		Completion date
All items of non compliance are currently being investigated.		28 August 2020
Preventative actions taken to ensure no further issues will occur		Completion date
As per above.		28 August 2020

Electronic meter readings and estimated readings			
Non-compliance	Description		
Audit Ref: 9.6 With: Clause 17 Schedule 15.2 From: 01-Feb-20 To: 24-Jul-20	<i>SIMP</i> Event log not downloaded during interrogation of ICP 0000518204NR36D. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
EMS is now keeping a record of the events for this ICP when they are received.		26 August 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No further action is required		26 August 2020	

Calculation of ICP days	
Non-compliance	Description
Audit Ref: 11.2 With: Clause 15.6 From: Nov-19 To: May-20	<i>SIMP</i> Some ICP days were not reported correctly in April and May 2020 because there were delays in updating ICP end dates. Revised data will be provided before r14. <i>SELS</i> Some ICP days were not reported correctly in November 2019 because some end dates were incorrectly updated by the MADRAS workflow. Revised data will be provided before r14, and a system fix is being investigated. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate. Processes are in place to identify start and end date discrepancies, but their manual nature, workloads and other priorities resulted in them not being completed and errors not being detected prior to submission.</p> <p>The impact is assessed to be low because corrected data will be washed up.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Incorrect end dates being applied has been resolved. The April and May 2020 delays were due to a large amount of ICPs switching between two Simply Energy codes.		28 August 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No further changes are required.			

Electricity supplied information provision to the reconciliation manager			
Non-compliance	Description		
<p>Audit Ref: 11.3</p> <p>With: Clause 15.7</p> <p>From: 01-Mar-20</p> <p>To: 30-Jun-20</p>	<p><i>SELS</i></p> <p>The difference between billed and submission volumes is significant from March 2020 onwards, even when the invoice and reconciliation periods are aligned. Simply Energy intends to investigate the reasons for these differences, and submit revised data as required.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate. The files are generated from AXOS, and there are monitoring controls in place, but the reasons for the difference could not be determined.</p> <p>The impact is low, because the AV120 submission is used to check the reasonableness of NHH and HHR volumes submissions and has no impact on reconciliation results.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
This issue is currently under investigation.		30 September 2020	Investigating

Actions taken to resolve the issue	Completion date	Remedial action status
EMS is ensuring the missing ICPs are included in future revisions. A latest Lis file is used for all revisions to ensure completeness of ICPs.	31 August 2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Processes are updated to reflect changes in process.	28 August 2020	

Creation of submission information	
Non-compliance	Description
<p>Audit Ref: 12.2</p> <p>With: Clause 15.4</p> <p>From: Sep-19</p> <p>To: Jul-20</p>	<p><i>SIMP</i></p> <p>NHH ICP 0007165486RN00D switched in effective from 20/04/20 on 22/04/20, but the unmetered load register was not created until June 2020 so the ICP was excluded from the April 2020 r0 and r1 and May 2020 r0.</p> <p>HHR ICPs 0000033673EAA96 and 0158947339LC9D1 were incorrectly excluded from HHR revision submissions produced from June 2020 onwards for SIMP.</p> <p>HHR ICPs 0000009033NT7F6 and 0000033374NT4F6 were excluded from the HHR submissions for April 2020 revision 1 because of a data processing error.</p> <p><i>SELS</i></p> <p>HHR estimates were not entered for SELS ICP 0000004005RJ31F for the last two days of September 2019, resulting in missing HHR data and ICP days for September 2019 r3.</p> <p>Revisions have not been consistently produced for SELS, which can result in switch timing and data changes taking an extended period to wash out. Simply Energy intends to create all revisions from now on.</p> <p><i>SELX</i></p> <p>HHR ICP 0000033673EAA96 was incorrectly excluded from HHR revision submissions produced from June 2020 onwards for SIMP.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Controls are rated as moderate. Processes to ensure submissions are complete and accurate are in place, but their manual nature, workloads and other priorities resulted in them not being completed and errors not being detected prior to submission.</p> <p>The impact is low, revised data will be washed up.</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
There is no further action here.	28 August 2020	

Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7 With: Clause 15.12</p> <p>From: 01-Jul-19 To: 24-Jul-20</p>	<p>Some submission data was inaccurate and was not corrected at the next available opportunity.</p> <p>Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate:</p> <ul style="list-style-type: none"> • historic and forward estimate is correctly identified most of the time, and • submission validation processes are in place, but their manual nature, workloads and other priorities resulted in them not being completed and errors not being detected prior to submission. <p>The impact is assessed to be low:</p> <ul style="list-style-type: none"> • the classification of historic estimate as forward estimate has no impact on settlement because the calculation is correct, and • data will be corrected and washed up. 	
Actions taken to resolve the issue		Completion date
All HHR data is now revised at each washup, this will correct some of the issues identified.		26 August 2020
Preventative actions taken to ensure no further issues will occur		Completion date
The systems issue that causes this is being addressed and will resolve the issue of removing the start reads. This will be completed by 30 Nov 2020.		30 Nov 2020

Permanence of meter readings for reconciliation			
Non-compliance	Description		
<p>Audit Ref: 12.8</p> <p>With: Clause 4 Schedule 15.2</p> <p>From: Dec-18 r14 to Feb-19 r14</p>	<p><i>SIMP and SELX</i></p> <p>Some estimates are not replaced at R14.</p> <p>Potential impact: Medium</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		
Low	<p>The controls are considered moderate because:</p> <ul style="list-style-type: none"> meter reading read attainment is high, most of the forward estimate checked was historic estimate, which was mislabelled as forward estimate because shape files were unavailable for the ICP's profile, and there is a permanent estimate process in place, but permanent estimates are not routinely entered prior to r14. <p>The impact of the non-compliance is dependent on the accuracy of the estimates applied. Checks of the ICPs with missing start readings found the ICP differences were variable, from under submission of 5,947 kWh, 900 kWh, 368.78 kWh and 5.54 kWh to over reporting of 1.59 kWh and 6.82 kWh. The largest differences related to missed opening reads for a meter change and missing estimated switch in reads. The differences were smaller where actual switch in readings were missing. There are sound estimation processes, therefore I have recorded the audit risk rating as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Drive to obtain reads so no ICPs outstanding without reads at 12 months.		Date	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
The systems issue that causes this is being addressed and will resolve the issue of removing the start reads. This will be completed by 30 Nov 2020.		30 November 2020	

Historical estimates and forward estimates			
Non-compliance	Description		
Audit Ref: 12.10 With: Clause 3 Schedule 15.3 From: 01-Jul-19 To: 24-Jul-20	Where SASV profiles are not available, consumption based on validated readings is labelled as forward estimate. Potential impact: None Actual impact: None Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because historic and forward estimate is correctly identified most of the time. There is no impact on settlement because the calculation is correct.		
Actions taken to resolve the issue		Completion date	Remedial action status
Combination of reviewing the current system and focus on read attainment will assist here.		27/08/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Replacement to an ICP based forward estimate and not Trader will allow more accurate estimations.		27/08/2020	

Forward estimate process			
Non-compliance	Description		
Audit Ref: 12.12 With: Clause 6 Schedule 15.3 From: Mar-19 r1, Jul-19 r3, Nov-19 r1 and r3	<i>SIMP</i> The accuracy threshold was not met for all revisions for Mar-19 r1, Jul-19 r3, Nov-19 r1 and r3. Potential impact: Medium Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate. They are sufficient to ensure data is within the accuracy threshold most of the time, but do not always provide a realistic estimate of consumption because a default daily forward estimate is applied. The impact is low, revised data is washed up.		

Actions taken to resolve the issue	Completion date	Remedial action status
The systems issue that causes this is being addressed and will resolve the issue of removing the start reads. This will be completed by 30 Nov 2020.	30 November 2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
This is addressed above.	28 August 2020	

Historical estimate reporting to RM		
Non-compliance	Description	
<p>Audit Ref: 13.3 With: Clause 10 of schedule 15.3</p> <p>From: Dec-18 to Feb-19 (r14), Jul-19 to Sep-19 (r7) and Nov-19 to Jan-20 (r3)</p>	<p><i>SIMP</i> Historic estimate targets were not met for all months and revisions.</p> <p><i>SELX</i> Historic estimate targets were not met for all months and revisions. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are considered moderate because:</p> <ul style="list-style-type: none"> meter reading read attainment is high, and most of the forward estimate checked was historic estimate, which was mislabelled as forward estimate because shape files were unavailable for the ICP's profile. <p>The impact of the non-compliance is dependent on the accuracy of the estimates applied. There are sound estimation processes, therefore I have recorded the audit risk rating as low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Combination of reviewing the current Data Administration system and focus on read attainment will assist here.	27/08/2020	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Replacement to an ICP based forward estimate and not Trader will allow more accurate estimations.	27/08/2020	