

Compliance plan for Genesis – 2018

Relevant information		
Non-compliance	Description	
<p>Audit Ref: 2.1</p> <p>With: Clause 15.2</p> <p>From: 01-Aug-17</p> <p>To: 31-Jul-18</p>	<p>Small number of registry discrepancies.</p> <p>Some late status updates.</p> <p>Some submission related areas where controls require strengthening to ensure compliance.</p> <p>Some corrections not conducted.</p> <p>Potential impact: High</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>The controls are recorded as moderate because the scope of this clause is broad, and most areas have moderate or strong controls.</p> <p>There is a moderate impact on settlement for some discrepancies therefore the audit risk rating is medium.</p>	
Actions taken to resolve the issue		Completion date
<p>The bulk of discrepancies relate to EG1 / PV1 and these will be bulk updated to correct where we can confirm the generation is solar.</p> <p>The late status updates relate to either;</p> <p>Credit disconnections that are updated on the confirmation of the permanent disconnection but backdated to the disconnection date. There is a system change required to enable updating of status at time of disconnection.</p> <p>Determination of change solution is underway with a view to implement at first available window, or</p> <p>Errors in status discovered through business activities such as revenue assurance. Corrections are then made back to the actual change date, resulting in late update but accurate data on Registry. This practice is not intended to change.</p>		<p>31 October 2018</p> <p>30 November 2018</p> <p>Nil</p>
Preventative actions taken to ensure no further issues will occur		Completion date
<p>In addition to above, training to be delivered to staff responsible for entering solar customers of correct Profile code. Ongoing checks to catch any errors in Registry validation activity.</p>		<p>31 October 2018</p>

Electrical Connection of Point of Connection			
Non-compliance	Description		
<p>Audit Ref: 2.11</p> <p>With: Clause 10.32</p> <p>From: 01-Mar-18</p> <p>To: 30-Jun-18</p>	<p>79 reconnections were not certified within five business days for GENE.</p> <p>49 reconnections were not certified within five business days for GEOL.</p> <p>One GENE new connection not certified for two months after electrical connection.</p> <p>One GENH new connection certified two days later than the 5-day threshold.</p> <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>I've rated the controls as moderate because they are strong for new connections but there are no controls in place for ensuring certification occurs at the time of reconnection.</p> <p>Uncertified metering installations are likely to be less accurate than certified metering installations, so there could be a minor impact on settlement. The audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
For reconnections requiring it, re-certification is requested at time of reconnection request. Retailers are at the whims of the certifying agent logistics to visit site and update of Registry. We will take up commercial discussions with field agent to better achieve compliance.		31 October 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Depending on commercial discussions KPI's may be introduced with field agents.		31 October 2018	

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3</p> <p>With: Clause 10 of schedule 11.1</p> <p>From: 01-Mar-18</p> <p>To: 30-Jun-18</p>	<p>Some status updates were not processed within five business days of the event on the Registry.</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 rated as moderate because there is room for improvement with regard to the timeliness of identifying and fixing status discrepancies.</p> <p>The impact on settlement is minor because status discrepancies are identified at the time of submission where there is consumption on inactive ICPs and these are then remedied. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>Refer to 2.1 above.</p> <p>In respect of changes to Inactive-Ready for Decommissioning it appears that in many cases the ICP is initially disconnected for reasons other than de-commissioning (i.e. vacant) and then at a later date a decision when a decision is taken to decommission ICP, the change of Inactive reason code is being back dated to initial disconnection. This practice will cease.</p> <p>The 19 GEOL identified as having incorrect reason code will be corrected.</p>		30 September 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Refer to 2.1 above		
		Identified

Trader responsibility for an ICP		
Non-compliance	Description	
Audit Ref: 3.4 With: Clause 11.18 From: 01-Mar-18 To: 30-Jun-18	5 incorrect MEP nominations. 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 controls are rated as moderate because there is room for improvement with regard to the identification of incorrect nominations. Settlement and billing are still occurring because Genesis has the metering details recorded. The audit risk rating is low.	
Actions taken to resolve the issue		Completion date
The 5 incorrect MEP nominations have been traced to a non performing staff member no longer employed. Importance of correct nominations has been re-iterated with team concerned.		
Preventative actions taken to ensure no further issues will occur		Completion date
In addition, in situations where a MEP change or error is updated in our billing engine but Registry update fails then we have a Registry validation that captures this.		
		Cleared

Non-compliance	Description		
<p>Audit Ref: 3.5</p> <p>With: Clause 9 of schedule 11.1</p> <p>From: 01-Mar-18</p> <p>To: 30-Jun-18</p>	<p>Some late and incorrect status updates.</p> <p>Some late and incorrect MEP nominations.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</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 room for improvement with regard to the identification of incorrect statuses.</p> <p>Settlement is not occurring in some cases until the status is corrected, therefore the audit risk rating is medium.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Where we determine the first date on which there is consumption at a new ICP (from the read date field) we use that as the ACTIVE status date as the site is physically active at the time. This often shows as a discrepancy to Distributor energisation dates as they produce a date based on their field agents documentation.			Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>New connections is an area we are continually trying to improve taking into account the variations of procedure across the different networks. We will highlight outcomes to an automation (business improvement) squad in place to ensure some focus on new connections space.</p> <p>The single incorrect status for GEOL was prior to the migration to Gentrack billing system and was a a single user error. With migration the Gentrack controls that have applied to GENE now apply to GEOL</p>		30 November 2018	

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-Aug-17</p> <p>To: 23-Aug-18</p>	<p>Some incorrect ANZSIC codes.</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>I've rated the controls because it appears there are improvements that can be made to the process for correctly identifying ANZSIC codes.</p> <p>There is no impact on settlement outcomes from incorrect ANZSIC codes but there is a low impact on the Electricity's reporting accuracy, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
For 40 ICPS (of approximately 500,000 Genesis Energy Limited ICPS) with an unknown ANZSIC code, we will correct.		30 September 2018
Preventative actions taken to ensure no further issues will occur		Completion date
We will double check out onboarding processes to ensure process put in place in the past to prevent the use of unknowns (particularly for GENE and GEOL) are not being by passed.		30 September 2018
		Identified

Changes to unmetered load		
Non-compliance	Description	
<p>Audit Ref: 3.7</p> <p>With: Clause 9(1)(f) of Schedule 11.1</p> <p>From: 16-Jun-12</p> <p>To: 17-Aug-17</p>	<p>Incorrect unmetered details for 21 ICPs.</p> <p>Potential impact: Medium</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	
Low	<p>Controls are generally strong in this area. Improvements are now in place to ensure these issues are identified.</p> <p>The impact on settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
As noted in body of audit above, remainder 9 ICPs are under investigation to determine correct load.		31 October 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Continuation of the improved identification of differences in the belief of UM loads at ICPs.		
		Investigating

Management of “active” status		
Non-compliance	Description	
Audit Ref: 3.8 With: Clause 17 of schedule 11.1 From: 01-Mar-18 To: 30-Jun-18	One incorrect status update. 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 rated as moderate because they identify incorrect statuses but there can be some improvement in the timeliness of corrections. Settlement is not occurring in some cases until the status is corrected, but only one example was identified therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Refer 3.5 above.		
Preventative actions taken to ensure no further issues will occur		Completion date
Refer 3.5 above		
		Investigating

Management of “inactive” status		
Non-compliance	Description	
<p>Audit Ref: 3.9</p> <p>With: Clause 19 of schedule 11.1</p> <p>From: 01-Jul-17</p> <p>To: 30-Jun-18</p>	<p>Some incorrect inactive statuses.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</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 room for improvement with regard to the identification of incorrect statuses.</p> <p>Settlement is not occurring in some cases until the status is corrected, therefore the audit risk rating is medium.</p>	
Actions taken to resolve the issue		Completion date
<p>Refer to 2.1 and 3.3 above.</p> <p>The vacant ICPs with consumption will have status corrected back dated to date that first indicates consumption.</p>		30 September 2018
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Vacant consumption process was amended recently to correct status at first indication of consumption. This will be checked to ensure the incorrect status found in audit were prior to change.</p>		30 September 2018
		Identified

Change of MEP		
Non-compliance	Description	
<p>Audit Ref: 3.11</p> <p>With: Clause 10.22(1)(a)(i)</p> <p>From: 01-Mar-18</p> <p>To: 30-Jun-18</p>	<p>Backdated MEP changes.</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>A larger proportion of MEP nominations were processed late this year. Controls are recorded as moderate because there is room for improvements in the timeliness of processing.</p> <p>There is a minor impact on other participants therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
NO immediate actions required as a correct nominations in place albeit late.		
Preventative actions taken to ensure no further issues will occur		Completion date
We will review MEP change nomination process for improvements where possible to resolve the resource tensions that give rise to the late nominations.		1 January 2019
		Investigating

Losing trader response to switch request and event dates - standard switch			
Non-compliance	Description		
<p>Audit Ref: 4.2</p> <p>With: Clause 3 of schedule 11.3</p> <p>From: 01-Mar-18</p> <p>To: 30-Jun-18</p>	<p>Incorrect AN response codes for GEOL.</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		
Low	<p>The controls at the time of the audit are strong, now that all ICPs are in Gentrack, which is correctly configured.</p> <p>There is only a minor impact due to incorrect AN codes. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
No action to correct AN code.			Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
As noted in audit GEOL switching now has same controls in Gentrack as GENE		13 July 2018	

Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 5 of schedule 11.3</p> <p>From: 01-Aug-16</p> <p>To: 31-Jul-17</p>	<p>Incorrect average daily consumption for 1 GENE file and 9 GEOL files</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 recorded as moderate because there is room for improvement even though only a very small number of issues were found.</p> <p>There is a minor impact due to incorrect CS file content codes and late files because the other traders may rely on the average daily consumption for the first bill. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
No action to change data sent in CS files.		
Preventative actions taken to ensure no further issues will occur		Completion date
For the single incorrect GENE ICP we will investigate to determine why it returned a high result. Not that GEOL errors were under previous billing system and will now come under Gentrack controls.		31 October 2018
		Investigating

Retailers must use same reading - standard switch			
Non-compliance	Description		
<p>Audit Ref: 4.4</p> <p>With: Clause 6(1) and 6A Schedule 11.3</p> <p>From: 01-Aug-17</p> <p>To: 31-Jul-18</p>	<p>13 late RR files for GEOL.</p> <p>6 late RR files for GENE.</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		
Low	<p>The controls are strong because the process is sound and potentially incorrect readings are investigated as soon as possible.</p> <p>There is a minor impact on other traders and customers because rebilling has to occur. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
As submission of RR files is confirmation of the investigation and agreement of read amendment, notification of and initiation of read review process (generally by email, telephone) will have occurred within the code timeframes.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No change to procedure anticipated.			

Non-half hour switch event meter reading - standard switch		
Non-compliance	Description	
Audit Ref: 4.5 With: Clause 6(2) and (3) Schedule 11.3 From: 26-Mar-18 To: 08-May-18	3 GEOL RR files incorrectly rejected. 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 for GEOL are strong because the process is sound in most cases. There is a minor impact on settlement, other traders and customers because the other trader is likely to start billing on a different read than GEOL's final read. The audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Re-iteration of clause requiring acceptance of changes less than 200kw when switching from NHH to HHR submitting traders.		30 August 2018
Preventative actions taken to ensure no further issues will occur		Completion date
		Cleared

Losing trader provides information - switch move		
Non-compliance	Description	
Audit Ref: 4.8 With: Clause 10(1) of schedule 11.3 From: 01-Mar-18 To: 30-Jun-18	Incorrect AN response codes for GEOL. Potential impact: None Actual impact: None Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls at the time of the audit are strong, now that all ICPs are in Gentrack, which is correctly configured. There is only a minor impact due to incorrect AN codes. The audit risk rating is low.	
Actions taken to resolve the issue		Completion date
No action to change data in AN files.		
Preventative actions taken to ensure no further issues will occur		Completion date
GEOL switch files now created under Gentrack automation rules.		13 July 2018
		Cleared

Losing trader must provide final information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.10</p> <p>With: Clause 11 of schedule 11.3</p> <p>From: 01-Aug-17</p> <p>To: 31-Jul-18</p>	<p>Incorrect CS content for GEOL.</p> <p>7 late CS files for GEOL.</p> <p>Incorrect CS file content for GENE.</p> <p>189 late CS files for GENE.</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 because improvements are needed to achieve compliance.</p> <p>The impact on other participants is minor. Gaining traders may place reliance on readings labelled as A when they are in fact estimates. Late CS files have a minor impact on other traders. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
No action to be completed on late files. Daily average calculations addressed above.		
Preventative actions taken to ensure no further issues will occur		Completion date
196 late files over the period considering the total number processed indicated true exceptions. We do not anticipate any change to procedure.		
		Identified

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
Audit Ref: 4.11 With: Clause 12 of schedule 11.3 From: 01-Aug-17 To: 31-Jul-18	19 late RR files for GEOL. 42 late RR files for GENE. 2 GEOL RR files incorrectly rejected. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are strong because the process is sound and potentially incorrect readings are investigated as soon as possible. There is a minor impact on other traders and customers because rebilling has to occur. The audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Refer to 4.4 and 4.5 above		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

Gaining trader informs registry of switch request - gaining trader switch			
Non-compliance	Description		
<p>Audit Ref: 4.12</p> <p>With: Clause 14 of schedule 11.3</p> <p>From: 01-Aug-17</p> <p>To: 31-Jul-18</p>	<p>The NT was sent late for ICP 1000015708BP6E8.</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 strong. This was an isolated example.</p> <p>There was no impact on settlement, billing or other participants. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
No action on late NT			Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
An isolated example, no change to procedure anticipated.			

Maintaining shared unmetered load		
Non-compliance	Description	
Audit Ref: 5.1 With: Clause 11.14 From: 19-Dec-14 To: 31-Aug-17	Incorrect shared unmetered load for 4 GEOL ICPs. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are strong now that all ICPs are managed in Gentrack. The impact on settlement is very small so the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
All ICPs correct at time of audit		15 August 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Gentrack Shared UML controls in place now for GEOL.		13 July 2018

Unmetered threshold		
Non-compliance	Description	
<p>Audit Ref: 5.2</p> <p>With: Clause 10.14 (2)(b)</p> <p>From: 01-Aug-17</p> <p>To: 31-Jul-18</p>	<p>Unmetered load over 6,000 kWh per annum.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</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>The controls are recorded as weak because the issues do not appear to have been resolved over an extended period.</p> <p>The impact on settlement is unknown because the load has not been checked but submission is occurring. I have recorded the audit risk rating as low.</p>	
Actions taken to resolve the issue		Completion date
Investigation work and correction (inclusion in DUMML or metering) work continues.		1 March 2019
Preventative actions taken to ensure no further issues will occur		Completion date
A control will be put in place to capture 'new' entries of over 6,000 kWh.		30 September 2018

Unmetered threshold exceeded		
Non-compliance	Description	
Audit Ref: 5.3 With: Clause 10.14 (5) From: 01-Aug-17 To: 31-Jul-18	Unmetered load over 6,000 kWh per annum and not resolved within the allowable timeframes. Potential impact: Medium Actual impact: Unknown Audit history: Multiple times Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as weak because the issues do not appear to have been resolved over an extended period. The impact on settlement is unknown because the load has not been checked. I have recorded the audit risk rating as low.	
Actions taken to resolve the issue		Completion date
Refer 5.2 above		
Preventative actions taken to ensure no further issues will occur		Completion date
		Investigating

Distributed unmetered load		
Non-compliance	Description	
Audit Ref: 5.4 With: Clause 11 Schedule 15.3 From: 01-Aug-17 To: 31-Jul-18	Distributed unmetered databases not accurate. Potential impact: High Actual impact: High Audit history: Multiple times Controls: Weak Breach risk rating: 9	
Audit risk rating	Rationale for audit risk rating	
High	The effectiveness of the controls is recorded as weak because the issues do not appear to have been resolved over an extended period. The impact on settlement is major because the incorrect submission figures are major for some databases.	
Actions taken to resolve the issue		Completion date
Please refer to individual DUML audit responses previously (and ongoing) supplied to Authority.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
		Investigating

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13, Clause 10.24 and 15.13</p> <p>From: Oct-17</p> <p>To: Jan-18</p>	<p>GENE</p> <p>One meter was bridged during the audit period. While meters are bridged energy is not quantified in accordance with the code.</p> <p>27 ICPs without DG quantified.</p> <p>GEOL</p> <p>9 ICPs without DG quantified.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate because improvements can be made with regard to remedial actions when DG is identified. Bridging should occur very rarely as 24-hour 7 day per week arrangements are in place for most soft reconnections. Bridging should only occur where communications do not allow remote reconnection and energy supply is urgently required for health and safety reasons.</p> <p>The impact on settlement is minor therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Profiles to updated for those missing the PV1 code		30 September 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Monthly control to match submission of import volumes with recorded profile codes on Registry.		30 September 2018
		Identified

Derivation of meter readings		
Non-compliance	Description	
<p>Audit Ref: 6.6</p> <p>With: Clause 3(1), 3(2) and 5 Schedule 15.2</p> <p>From: 24-Oct-17</p> <p>To: 14-Jul-18</p>	<p>GENE</p> <p>One customer read was treated as validated, when it had not been validated against at least two actual reads from other sources.</p> <p>GEOL</p> <p>Four customer reads were treated as validated, when they had not been validated against at least two actual reads from other sources.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are considered moderate because most of the customer readings checked were appropriately validated.</p> <p>Customer and photo reads usually only occur where it is not possible for the meter reader to gain access to perform a reading. There is potentially a minor impact on billing and settlement; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Re-iteration of definition of validated reads with staff. Investigation as to circumstances leading to 5 instances being noted as validated.		30 September 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Pending investigation above, 5 instances over period indicates no change to procedure required.		
		Investigating

NHH meter reading application		
Non-compliance	Description	
<p>Audit Ref: 6.7</p> <p>With: Clause 6 Schedule 15.2</p> <p>From: 01-Aug-17</p> <p>To: 31-Jul-18</p>	<p>NHH meter readings not applied at 2400 on the day of the meter reading for NHH to HHR upgrades.</p> <p>Potential impact: None</p> <p>Actual impact: None</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 recorded as strong because the process achieves accuracy.</p> <p>There is no impact on settlement or other participants.</p>	
Actions taken to resolve the issue		Completion date
Registry limitations pushes technical non compliance with code in respect of 24:00, but accuracy of total consumption and ICP days alignment is maintained.		
Preventative actions taken to ensure no further issues will occur		Completion date
Strict alignment to code (removal and start dates on actual date of occurrence) is not possible while Registry restricts to single events per day. If proposed changes to allow intra day events on the Registry then we will adapt our procedure to suit.		
		Investigating

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: 01-Sep-17</p> <p>To: 16-Aug-18</p>	<p>GENE</p> <p>For nine ICPs unread during the period of supply, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>GEOL</p> <p>For six ICPs unread during the period of supply, exceptional circumstances did not apply, and the best endeavours requirement was not met.</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>Controls are moderate as they will ensure that most ICPs will receive a read during the period of supply. Some residual risk remains for ICPs with short periods of supply.</p> <p>The impact on billing and settlement is considered to be minor because a small number of ICPs are affected, and the period of supply is generally short.</p>	
Actions taken to resolve the issue		Completion date
Bringing in of GEOL under same Gentrack controls has also presented opportunity to refine overall process to ensure greater compliance with changes to timing of entry into process and frequency of customer contacts. Also has reiterated with staff concerned to note actions taken in Billing system for evidence of process.		30 September 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Along with process changes noted above, reliance on manual meter reading continues to drop as reminder of legacy meters are displaced with AMI.		Ongoing
		Identified

NHH meters interrogated annually		
Non-compliance	Description	
<p>Audit Ref: 6.9</p> <p>With: Clause 8(1) and (2) Schedule 15.2</p> <p>From: 01-May-18</p> <p>To: 31-May-18</p>	<p>GENE</p> <p>For eight ICPs unread in the 12 months ended May 2018, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>GEOL</p> <p>For eight ICPs unread in the 12 months ended May 2018, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>Unmetered ICPs were included in the meter reading frequency reporting up to May 2018.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The issue relating to unmetered ICPs being included in the report has been cleared.</p> <p>Controls are rated as moderate because there is room to improve the processes for read attainment.</p> <p>The impact is low, because overall read attainment rates are reasonably high.</p>	
Actions taken to resolve the issue		Completion date
Refer 6.8 above		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

NHH meters 90% read rate		
Non-compliance	Description	
<p>Audit Ref: 6.10</p> <p>With: Clause 8(1) and (2) Schedule 15.2</p> <p>From: 01-May-18</p> <p>To: 31-May-18</p>	<p>GENE</p> <p>For three ICPs unread in the four months ended May 2018, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>GEOL</p> <p>For six ICPs unread in the four months ended May 2018, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 because there is room to improve the processes for read attainment.</p> <p>The impact is low, because overall read attainment rates are reasonably high.</p>	
Actions taken to resolve the issue		Completion date
Refer 6.8 above		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

Correction of NHH meter readings			
Non-compliance	Description		
<p>Audit Ref: 8.1</p> <p>With: Clause 19(1) Schedule 15.2</p> <p>From: 01-Sep-17 To: 16-Aug-18</p>	<p>GENE</p> <p>Consumption while inactive is not consistently monitored and corrected. Corrections did not occur for historic bridged meters.</p> <p>GEOL</p> <p>Consumption while inactive is not consistently monitored and corrected. Correction did not occur for one ICP.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</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 overall for corrections, because most issues requiring correction are identified and corrections are processed. Corrections for consumption that has occurred during inactive periods is identified, but investigation and correction does not always occur.</p> <p>The impact is unknown but assessed to be low, based on the low number of ICPs.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>The historical bridged meters consumption has been corrected and volumes included in wash ups.</p> <p>The INACTIVE consumption process breakdown has occurred by staff not adjusting the status until the end of our correction process rather than at time of first indication of consumption as required. An immediate piece of work has been started to identify any ICPs that may have been affected and correct status (back dated to start of consumption)</p>		<p>31 August 2018</p> <p>31 September 2108</p>	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Refinements of the notification process of bridged meters has improved compliance in this area over the period. We note there are proposed changes to Code around correction of bridged meters.</p> <p>The monitoring and correction of INACTIVE status ICPs with consumption has been shifted to a business unit better suited to maintain ongoing.</p>		10 September 2018	

Identification of readings		
Non-compliance	Description	
<p>Audit Ref: 9.1</p> <p>With: Clause 3(3) Schedule 15.2</p> <p>From: 24-Oct-17</p> <p>To: 14-Jul-18</p>	<p>GENE</p> <p>One customer read was treated as validated, when it had not been validated against at least two actual reads from other sources.</p> <p>GEOL</p> <p>Four customer reads were treated as validated, when they had not been validated against at least two actual reads from other sources.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are considered moderate because most of the customer readings checked were appropriately validated.</p> <p>Customer and photo reads usually only occur where it is not possible for the meter reader to gain access to perform a reading. There is potentially a minor impact on billing and settlement; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Refer 6.6 above		
Preventative actions taken to ensure no further issues will occur		Completion date
		Investigating

Electronic meter readings and estimated readings		
Non-compliance	Description	
<p>Audit Ref: 9.6</p> <p>With: Clause 17 Schedule 15.2</p> <p>From: 01-Sep-17 To: 16-Aug-18</p>	<p>GENE and GEOL</p> <p>AMI events for ARC are not all being reviewed and actioned for GENE and GEOL.</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 because the event information is not all reviewed.</p> <p>The impact on settlement is likely to be low because GENE and GEOL are monitoring and actioning selected event information emailed to them by most MEPS. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>Our procedure has not been to review every line of every event log due to physical numbers of entries and that we have internal controls across metering data and billing systems to identify the same issues. Event logs are then used to support/confirm these instances when found.</p> <p>We will add to this procedure a system based check of event log files to cross reference identified instances to ensure no other potential instances are included.</p>		28 February 2019
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
<p>Audit Ref: 11.4</p> <p>With: Clause 15.8</p> <p>From: 01-Sep-17</p> <p>To: 16-Aug-18</p>	<p>GENE</p> <p>HHR aggregates files do not contain electricity supplied information.</p> <p>Initial aggregates submissions for October 2017 did not contain the correct daily aggregation factors for each day for ICPs with aggregation factor changes during the audit period.</p> <p>Some revision submissions did not adjust for changes to ICP status since the previous revision.</p> <p>GENH</p> <p>HHR aggregates files do not contain electricity supplied information.</p> <p>Some HHR aggregates submissions were not zeroed.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The issue relating to content of the aggregates file is an error in the code, GENE and GENH are providing submission information as expected.</p> <p>The impact is assessed to be low. Submission differences will be corrected and washed up.</p>	
Actions taken to resolve the issue		Completion date
Error in October 2017 (initial resumption of file submission leading up to expiry of exemption) has been corrected. Further minor refinements identified have also been completed		30 August 2018
Preventative actions taken to ensure no further issues will occur		Completion date

Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 01-Sep-17</p> <p>To: 16-Aug-18</p>	<p>GENE</p> <p>Solar generation is reported with the EG1 profile, when it should be reported with PV1.</p> <p>Consumption while an ICP is inactive is not always included in reconciliation submissions.</p> <p>GEOL</p> <p>Solar generation is reported with the EG1 profile, when it should be reported with PV1.</p> <p>Consumption while an ICP is inactive is not always included in reconciliation submissions.</p> <p>Incorrect submissions for four ICPs with unmetered load, and two removed meters.</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 as they are sufficient to ensure that most submission information is correct, but there is some room for improvement.</p> <p>The impact is low:</p> <ul style="list-style-type: none"> the incorrect profile has a minor impact on settlement because the times are different the incorrect unmetered load and forward estimate on removed meters will wash out with revision submissions and Gentrack processes will ensure that future initial submissions are correct ICPs with disconnected consumption will be correctly reported for revision submissions if their status is corrected. 	
Actions taken to resolve the issue		Completion date
Refer to applicable report sections noted above		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

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 16 (r14), Jan 17 (r14) and Feb 17 (r14)</p>	<p>GENE</p> <p>Some estimates were not replaced with permanent estimates by revision 14.</p> <p>GEOL</p> <p>Some estimates were not replaced with permanent estimates by revision 14.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: Multiple times</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 room for improvement in the read attainment processes which would reduce the quantity of forward estimate.</p> <p>The audit risk rating is assessed to be medium. Total forward estimate across the three months reviewed was 2,046,939 kWh for GENE and 280,010 kWh for GEOL. The forward estimate may differ from the actual consumption for the affected ICPs.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Estimates not noted as Permanent as the Mth14 revision are because they do not meet the definition of Perinate Estimate. It has always been our view that the true state of volume calculation is displayed.			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
At the Mth7 revision and ICPs with estimates not yet permanent are investigated by the Reconciliation team to determine if any read can be obtained to validate estimates as permanent.t		In place	

Reconciliation participants to prepare information			
Non-compliance	Description		
Audit Ref: 12.9 With: Clause 2 Schedule 15.3 From: 01-Dec-16 To: 16-Aug-18	GENE One category 3 and two category 5 ICPs with NHH submission recorded. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate because these issues were not identified and resolved prior to the audit. The impact on settlement is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Instances will changes to submit as HHR. Meter change instances is reliant on obtaining HHR data from MEP.		30 October 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Historical estimate process			
Non-compliance	Description		
<p>Audit Ref: 12.11</p> <p>With: Clause 4 and 5 of Schedule 15.3</p> <p>From: Sep-17</p> <p>To: Jul-18</p>	<p>Historic estimate proportions are incorrect for GEOL.</p> <p>Total historic estimate is calculated correctly for NSP changes but is not apportioned between the NSPs using the correct historic estimate process.</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	Controls are rated as strong because the issue has been cleared with the migration of the affected ICPs to Gentrack. Revisions will be correct.		
Actions taken to resolve the issue		Completion date	Remedial action status
As above issue cleared.			Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
GEOL submissions now under Gentrack controls.			

Forward estimate process		
Non-compliance	Description	
<p>Audit Ref: 12.12</p> <p>With: Clause 6 Schedule 15.3</p> <p>From:</p> <p>GENE Feb 17 (r3, r7 & r14), Apr 17 (r1, r3, r7 & r14), May 17 (r3, r7 & r14), Jun 17 (r3 & r7), Jul 17 (r3 & r7), Oct 17 (r3 & r7), Nov 17 (r3 & r7), Jan 18 (r1 & r3)</p> <p>GEOL Oct 17 (r3), Nov 17 (r3 & r7)</p>	<p>GENE</p> <p>The accuracy threshold was not met for all months and revisions.</p> <p>GEOL</p> <p>The accuracy threshold was not met for all months and revisions.</p> <p>Potential impact: High</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>Controls are rated as moderate, as there is room for improvement.</p> <p>Initial data is replaced with revised data and washed up. A small number of submissions had differences over the threshold.</p>	
Actions taken to resolve the issue		Completion date
At the time of the initial submission we endeavour to submit as accurately as possible. That the percentage change is reasonably static from Revision 3 onwards (with much of change occurring in Revision 1) indicates that any adjustments identified and required are done as soon in the revision cycle as possible.		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

Historical estimate reporting to RM			
Non-compliance	Description		
<p>Audit Ref: 13.4</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: Dec 16-Jan 17 (r14), Aug-Oct 17 (r7) and Sep-Nov 17 (r3)</p>	<p>GENE</p> <p>Historic estimate thresholds were not met for some revisions.</p> <p>GEOL</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: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate because some improvements can be made to ensure compliance.</p> <p>GENE and GEOL were reasonably close to the target in all cases. The impact is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
This outcome is closely related to provision of permanent estimates discussed in 12.8 above.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	