

Compliance plan for Wise Pre Pay Energy Limited

Title: Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2 From: 01-Apr-17 To: 04-Jan-18	One ICP was not updated to active from the correct date. Ten ICPs were not updated to inactive from the correct date. Potential impact: Low Actual impact: Low Audit history: Three times previously Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as moderate, as they are sufficient to ensure that most registry data is accurate, most of the time. The impact is low, NHH volumes consider inactive periods so all volume was reported and the net impact on the ICP days submission is zero.	
Actions taken to resolve the issue		Completion date
Changed process to be compliant / we started this process in Nov 17		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Process Change- Now updated as per disconnection and not by customer termination date		Nov 2017

Title: Changes to registry information	
Non-compliance	Description
Audit Ref: 3.3 With: Clause 10 Schedule 11.1 From: 01-Apr-17 To: 04-Jan-18	112 late status updates. Four late MEP nominations. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate because they are adequate to ensure that the registry is updated on time most of the time, but there is room for improvement.</p> <p>The risk is low as most updates were completed on time or soon after they were due.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Inactive Statuses are updated as per disconnection date. MEP Nominations and Decommissions are updated once informed by MEP or Network. Active updates depends on the date of switch and switch details.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Inactive Statuses are updated as per disconnection date. MEP Nominations and Decommissions are updated once informed by MEP or Network. Active updates depends on the date of switch and switch details.		Ongoing	

Title: Management of “active” status	
Non-compliance	Description
<p>Audit Ref: 3.8</p> <p>With: Clause 17 Schedule 11.1</p> <p>From: 06-Jul-17</p> <p>To: 09-Jul-17</p>	<p>One ICP was not updated to active from the correct date.</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, as they are sufficient to ensure that most status changes to active are processed correctly. The manual process can result in some processing errors.</p> <p>The impact is low, only one ICP was affected and the difference was five days. ICP days were under reported by five days. NHH volumes consider inactive periods so all volume was reported.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
Active Updates to the registry are done as per the switching information or date reconnected by WISE	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Active Updates to the registry are done as per the switching information or date reconnected by WISE	Ongoing	

Title: Management of “inactive” status		
Non-compliance	Description	
<p>Audit Ref: 3.9 With: Clause 19 Schedule 11.1</p> <p>From: 01-Apr-17 To: 04-Jan-18</p>	<p>10 ICPs were updated to inactive from the date the customer account was finalised, not the disconnection date.</p> <p>Credit disconnections are only updated to inactive once they have been disconnected for five business days or more.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as weak as they are not sufficient to ensure that disconnections are processed correctly on the registry most of the time.</p> <p>The impact is rated as low, because inactive days are included in reconciliation submissions so no consumption will be missed. ICP days will be over reported by five days. Most of the issues identified occurred early in the audit period.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Process Changed- Registry now updated based on the date of disconnection, regardless of the date of account termination of a customer	Nov 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Process Changed- Registry now updated based on the date of disconnection, regardless of the date of account termination of a customer – we have also implemented a weekly report to show registry mismatch	Ongoing	

Title: Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.2</p> <p>With: Clauses 3 and 4 Schedule 11.3</p> <p>From: 01-Apr-17</p> <p>To: 04-Jan-18</p>	<p>Less than 50% of proposed event dates were within five business days after the NT was received.</p> <p>An incorrect AN response code was applied for one switch.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once 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 overall, as the controls over setting of event dates are not sufficient to ensure that at least 50% of proposed event dates are within five business days of the NT receipt. The controls over AN responses, are moderate. They are sufficient to ensure that the correct code is applied most of the time, but there is room for improvement.</p> <p>The impact is assessed as low:</p> <ul style="list-style-type: none"> over 50% of transfer switches completed had event dates within five business days of the NT receipt information available on the registry confirmed that 0082091325WE6FF had advanced metering, lessening the impact of the incorrect AN response code being applied. 	
Actions taken to resolve the issue		Completion date
Even though the date in AN is for 10 working days, the actual CS was sent in less than 5 working days for close to 66% of switches / also see comments on Participant Response section		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
The AN date is now changed to reflect the less than 5 working days when actual CS might be sent		February 2018
		Identified

Title: Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 5 Schedule 11.3</p> <p>From: 01-Apr-17 To: 04-Jan-18</p>	<p>136 late CS files for transfer switches.</p> <p>If the switch event date is after NT receipt and the customer does not wish to use their credit balance, consumption between the NT date and switch date is estimated as zero, and the switch read is recorded as actual.</p> <p>If an ICP is vacant, the closing read for the last customer is used in the CS.</p> <p>Four CS files with correct readings had estimated readings incorrectly recorded as actual.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Three times 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 they are unlikely to prevent incorrect CS reads from being applied in certain circumstances.</p> <p>The impact is assessed as low. The latest transfer CS was 13 days overdue, and no incorrect readings were identified for transfer CS files, only read type issues.</p>	
Actions taken to resolve the issue		Completion date
The CS files date depends on the customer's request to close account. Also the NT request date and the NT received dates are different which makes for confusion in the actual time taken to process CS / also see comments in Participant Response section		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
The AN files are updated with dates closer to the request date and probable CS date. Customers are contacted ASAP to confirm request.		Feb 2018

Title: Non-half hour switch event meter reading - standard switch			
Non-compliance	Description		
<p>Audit Ref: 4.5</p> <p>With: Clause 6(2) and (3) Schedule 11.3</p> <p>From: May and November 2017</p>	<p>Two read changes issued under clauses 6(2) and (3) of schedule 11.3 were rejected.</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 there is room for improvement.</p> <p>The risk rating is low. WISE received read change requests for 24 ICPs from other retailers in total, rejections were checked and only two were found to be invalidly rejected under this rule. One of the invalidly rejected RR files was later accepted, and the other resulted in a difference of 122 kWh.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Issues occur since customers want to transfer outstanding invoices from previous retailer to us – once switch occurred customer then informs us that they wish to switch out again within a short space of time – leaving Wise with the previous retailers “Bad Debt” and no way of recovering debt		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
We have stopped taking on customers with outstanding invoices from their previous retailers, and are considering implementing an initial short term contractual obligation for customer's to stay with Wise (at least 3 months) to counter this risk to our business.		Jan 2018	

Title: 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-Feb-17</p> <p>To: 08-May-17</p>	<p>An incorrect AN response code was applied for one switch.</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>The controls over AN responses are moderate. They are sufficient to ensure that the correct code is applied most of the time, but there is room for improvement.</p> <p>The impact is assessed as low. Information available on the registry confirmed that 0000151099UN9E8 was not an unmetered supply, lessening the impact of the incorrect AN response code being applied.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff training for more accurate processing of switches		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Staff training for more accurate processing of switches		Ongoing	

Title: Losing trader must provide final information - switch move	
Non-compliance	Description
<p>Audit Ref: 4.10</p> <p>With: Clause 11 Schedule 11.3</p> <p>From: 01-Apr-17</p> <p>To: 04-Jan-18</p>	<p>257 late CS files for switch moves.</p> <p>If an ICP is vacant, the closing read for the last customer is used in the CS.</p> <p>If the switch event date is after NT receipt and the customer does not wish to use their credit balance, consumption between the NT date and switch date is estimated as zero, and the switch read is recorded as actual.</p> <p>One CS with correct readings had estimated readings incorrectly recorded as actual.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>

Audit risk rating	Rationale for audit risk rating		
Medium	<p>Controls are rated as weak, as they are unlikely to prevent incorrect CS reads and late CS files.</p> <p>Incorrect switch reads are only applied in certain circumstances; either where the account has been vacant prior to the switch request, or the switch event date is after NT receipt and the customer does not wish to use their credit balance. The maximum total difference for the errors identified was 515 kWh.</p> <p>Most switch moves files checked contained correct readings. The likely number of switches affected is difficult to quantify without checking each one, as so many variables affect the outcome. I note that vacant sites are usually disconnected the day that they become vacant, and any consumption between the ICP becoming vacant and the switch is likely to have occurred after the gaining retailer completed a reconnection.</p> <p>All but one of WISE's customers are domestic, and all are expected to have relatively low estimated daily consumption.</p> <p>Based on this, I believe the impact is medium there could potentially be a moderate impact on consumers and other participants.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
AN dates were updated to the maximum time it might take for the transfer, however the CS itself was sent on / closer to the date requested on NT / also see comments in Participant Response section		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
AN dates reflect the Dates requested on NT and CS files are sent accordingly		Feb 2018	

Title: Gaining trader changes to switch meter reading - switch move			
Non-compliance	Description		
<p>Audit Ref: 4.11</p> <p>With: Clause 12 Schedule 11.3</p> <p>From: 01-Apr-17</p> <p>To: 04-Jan-18</p>	<p>An accepted read change was not applied in PEBS.</p> <p>Two read change requests were late.</p> <p>Two ICPs had incorrect read types recorded in RR files, and one ICP had an incorrect read type recorded in PEBS.</p> <p>Two changed reads were recorded against an incorrect date in PEBS.</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>The controls are rated as moderate as they are sufficient to ensure that RR files are processed on time and correctly most of the time, but there is room for improvement.</p> <p>The risk rating is low, the difference in consumption for incorrectly processed RR files is -103 kWh.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff training for better processing of Switch Requests		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Staff training for better processing of Switch Requests		Ongoing	

Title: 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: August- September 2017</p>	<p>Three NWs were issued more than two calendar months after the switch event date.</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 as they are sufficient to mitigate risk most of the time. A small proportion of NWS (2%) were late.		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff training to make switch process as accurate as possible		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Staff training to make switch process as accurate as possible		Ongoing	

Title: Metering information			
Non-compliance	Description		
<p>Audit Ref: 4.16</p> <p>With: 21 Schedule 11.3</p> <p>From: 01-Apr-17</p> <p>To: 04-Jan-18</p>	<p>Readings in nine switch move CS files were inconsistent with the AMI read for the switch date, and were not a reasonable estimate of the reading on the event date.</p> <p>Potential impact: Medium</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>Controls are rated as weak, as they are unlikely to prevent incorrect CS and RR reads from being applied in certain circumstances.</p> <p>The impact is assessed as low overall, no incorrect CS reads were identified for transfer switches, and most switch move CS and RR files checked contained correct readings.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff Training to make sure switch details are correct		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Staff Training to make sure switch details are correct		Ongoing	

Title: Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13, 10.24 and 15.13</p> <p>From: June, July and November 2017</p>	<p>Energy is not metered and quantified according to the code where meters are bridged.</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 as they are sufficient to mitigate risk most of the time, but there is room for improvement.</p> <p>Bridging only occurs where a soft reconnection cannot be performed after hours and the customer urgently requires their energy supply for health and safety reasons.</p>	
Actions taken to resolve the issue		Completion date
When the meter is unbridge, it will be registered as a new meter with the current reading value – this process requires some programming and estimated completion date end of March 18		March 2018
Preventative actions taken to ensure no further issues will occur		Completion date
Once development work completed - New process will ensure estimate reading will occur during the bridged period.		March 2018
Remedial action status		
Identified		

Title: 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-Apr-17</p> <p>To: 04-Jan-18</p>	<p>Six ICPs did not have an actual read recorded during the period of supply, and exceptional circumstances did not exist.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</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 they will mitigate the risk most of the time, because only one ICP does not have AMI metering installed. ICPs may remain unread where they are supplied for a short period, and do not have AMI metering.</p> <p>The impact is assessed as low, because in all cases, the ICPs were domestic customers, and consumption was estimated.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
PEBS generate a report Daily and Weekly identifying no Actual Reads / This is generally only evident in legacy meters or no communication from smart meters		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
PEBS generate a report Daily and Weekly identifying no Actual Reads / This is generally only evident in legacy meters or no communication from smart meters		Ongoing	

Title: Correction of NHH meter readings			
Non-compliance	Description		
<p>Audit Ref: 8.1</p> <p>With: Clause 19(1)</p> <p>Schedule 15.2</p> <p>From: June 2017</p> <p>To: November 2017</p>	<p>Three bridged meters have not had corrections processed.</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 rated as moderate as they are sufficient to ensure that corrections are processed most of the time, except where they relate to bridged meters.</p> <p>Bridging only occurs where a soft reconnection cannot be performed after hours and the customer urgently requires their energy supply for health and safety reasons.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>PEBS generate a daily, weekly report monitoring the zero estimates.</p> <p>We are in the process of including the estimate reads for the bridged meters to reflect in the customers reads</p>		March 2018	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
The above report and enhancements will minimize zero estimates.	March 2018	

Title: Identification of readings			
Non-compliance	Description		
Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2 From: entire audit period	Read types were incorrectly recorded in 16 switch files. Potential impact: Medium Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are weak as they are not sufficient to ensure that read types are correctly recorded. The impact is assessed to be low, as in half the cases the read value was correct, lessening the impact of the error.		
Actions taken to resolve the issue		Completion date	Remedial action status
Change in process and staff training / also note additional notes under the Participant Response section		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Staff training		Ongoing	

Title: NHH metering information data validation	
Non-compliance	Description
Audit Ref: 9.5 With: Clause 16 Schedule 15.2 From: 01-Apr-17 To: 04-Jan-18	Where a subsequent read is lower than the switch in reading, the negative consumption is zeroed out. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	Any read differences greater than 200 kWh are expected to be dealt with through the read renegotiation process. Once reads catch up to the switch read, all consumption will be accounted for.		
Actions taken to resolve the issue		Completion date	Remedial action status
We developed a daily report at end of 2017 - PEBS generates this daily report showing differences greater than 70 KWh - Monitoring the daily reading		Dec 2017	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Through monitoring the daily reading and billing, any read differences greater than 200kWh will be dealt with through the read renegotiation process.		Dec 2017	

Title: Electronic meter readings and estimated readings			
Non-compliance	Description		
Audit Ref: 9.6 With: Clause 17 Schedule 15.2 From: 01-Apr-17 To: 04-Jan-18	AMI event information not adequately obtained and monitored. Event reporting is received from AMS and WEL Networks, but is not reviewed. Event reporting is not received from Metrix. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak as they are insufficient to mitigate risk of non-compliance. The audit risk rating is low, as most events affecting meter accuracy would be detected through WISE's other validation processes.		
Actions taken to resolve the issue		Completion date	Remedial action status
The AMI event information will be downloaded and reviewed daily - now implemented		Feb 2018	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Event reporting from AMS and WEL networks will be downloaded and reviewed and request the event reporting from Metrix on a daily basis	Feb 2018	

Title: Calculation of ICP days			
Non-compliance	Description		
Audit Ref: 11.2 With: Clause 15.6 From: 01-Apr-17 To: 04-Jan-18	ICP days are not reported correctly where status updates are not processed with the correct date. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong because the process to generate and aggregate the reports is compliant. The impact is rated as low, ICP days may not be reported correctly where status changes are processed from an incorrect date. The net difference in ICP days is zero for the exceptions identified.		
Actions taken to resolve the issue		Completion date	Remedial action status
Changed our Process Nov 17 to reflect ICP status based on disconnection rather than Account termination		Nov 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Changed our Process Nov 17 to reflect ICP status based on disconnection rather than Account termination		Nov 2017	

Title: Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 01-Apr-17</p> <p>To: 04-Jan-18</p>	<p>If permanent estimate readings do not reflect the best estimate of consumption, historic estimate may not be correct.</p> <p>Where status changes are not processed from the correct date, ICP days may not be reported correctly.</p> <p>Historic estimate for consumption while inactive may not be calculated correctly if actual or permanent estimate reads are not recorded on the disconnection and reconnection date.</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>The controls are rated as moderate, because the calculations are correct, and in most cases the readings and status dates used by the calculations were also correct. The issue relates to the accuracy of some data input into the submission calculations.</p> <p>The overall impact is difficult to quantify, but for the sample checked was found to be low.</p>	
Actions taken to resolve the issue		Completion date
This was identified during audit process and we have recently (Feb 18) added an additional process to ensure that actual or permanent estimated reading is on the disconnection and reconnection date when updating the registry		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
This was identified during audit process and we have recently (Feb 18) added an additional process to ensure that actual or permanent estimated reading is on the disconnection and reconnection date when updating the registry		Ongoing
		Identified