

Compliance plan for CBRE Networks Ltd Distributor (CBRE)– 2021

Requirement to provide complete and accurate information		
Non-compliance	Description	
<p>Audit Ref: 2.1</p> <p>With: Clause 11(2) & 10(6)</p> <p>From: 28-Dec-12</p> <p>To: 01-Feb-21</p>	<p>One ICP electrically connected but ICP was decommissioned set up in error.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
High	<p>Controls in place now are rated as strong, as controls in place are robust and this is highly unlikely to occur now.</p> <p>The audit risk rating is deemed to be high as the volumes that were unreconciled during this period have not been reconciled and will have contributed to higher losses than expected.</p>	
Actions taken to resolve the issue		Completion date
As the MEP and Retailer were unable to locate any install paperwork on this connection when queried back in 2015 following what appears to be a 2012 install, as the MEP was unable to provide any details or did not respond the ICP was incorrectly in 2015 assumed to have been not required and was decommissioned. A new ICP was created for this connection and metering installed in January-2021.		January-2021
Preventative actions taken to ensure no further issues will occur		Completion date
The process we follow for decommissioning ICP's along with monitoring new and ready is via amended process and controls. At the time of this instance Simply Energy was managing by the Embedded Network and the Retail supply of some connections which created some risk in terms of compliance, with the Embedded Network now managed by Tenco the controls here are a lot stronger.		Ongoing
		Identified

Distributors must create ICPs		
Non-compliance	Description	
<p>Audit Ref: 3.1</p> <p>With: Clause 11.4</p> <p>From: 28-Dec-12</p> <p>To: 01-Feb-21</p>	<p>No ICP for a point of connection from 28/12/12 until 1/02/21.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
High	<p>Controls in place now are rated as strong, as controls in place are robust and this is highly unlikely to occur now.</p> <p>The audit risk rating is deemed to be high as the volumes that were unreconciled during this period have not been reconciled and will have contributed to higher UFE than expected.</p>	
Actions taken to resolve the issue		Completion date
As the MEP and Retailer were unable to locate any install paperwork on this connection when queried back in 2015 following what appears to be a 2012 install, as the MEP was unable to provide any details or did not respond the ICP was incorrectly in 2015 assumed to have been not required and was decommissioned. A new ICP was created for this connection and metering installed in January-2021.		January-2021
Preventative actions taken to ensure no further issues will occur		Completion date
The process we follow for decommissioning ICP's along with monitoring new and ready is via amended process and controls. At the time of this instance Simply Energy was managing by the Embedded Network and the Retail supply of some connections which created some risk in terms of compliance, with the Embedded Network now managed by Tenco the controls here are a lot stronger.		Ongoing
		Identified

Timeliness of Provision of Initial Electrical Connection Date			
Non-compliance	Description		
<p>Audit Ref: 3.5</p> <p>With: Clause 7(2) of Schedule 11.1</p> <p>From: 08-Nov-19</p> <p>To: 30-Apr-20</p>	<p>Three ICPs did not have initial electrical connection dates populated within ten business days of initial electrical connection.</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>Controls are rated as strong, as they are sufficient to prevent the late updates most of the time.</p> <p>The audit risk rating is deemed to be low as this has no direct impact on reconciliation.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Our process here was to update the IED based either on a Trader or MEP event triggering us to be aware that an ICP had moved from ready to Active, the non-compliance here was caused by late update by other participants.		During the audit period	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We have altered our process for IED's to seek a copy of all metering certs for new connections on our networks, whilst where we are not involved in the meter install process there is still some risk with late population by the MEP or Trader, we believe that the controls in the space are now stronger.		December-2020	

Management of “decommissioned” status		
Non-compliance	Description	
<p>Audit Ref: 4.11</p> <p>With: Clause 20 of Schedule 11.1</p> <p>From: 28-Dec-12</p> <p>To: 01-Feb-21</p>	<p>One ICP electrically connected but ICP was decommissioned set up in error.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
High	<p>Controls in place now are rated as strong, as controls in place are robust and this is highly unlikely to occur now.</p> <p>The audit risk rating is deemed to be high as the volumes that were unreconciled during this period have not been reconciled and will have contributed to higher losses than expected.</p>	
Actions taken to resolve the issue		Completion date
As the MEP and Retailer were unable to locate any install paperwork on this connection when queried back in 2015 following what appears to be a 2012 install, as the MEP was unable to provide any details or did not respond the ICP was incorrectly in 2015 assumed to have been not required and was decommissioned. A new ICP was created for this connection and metering installed in January-2021.		January-2021
Preventative actions taken to ensure no further issues will occur		Completion date
The process we follow for decommissioning ICP's along with monitoring new and ready is via amended process and controls. At the time of this instance Simply Energy was managing by the Embedded Network and the Retail supply of some connections which created some risk in terms of compliance, with the Embedded Network now managed by Tenco the controls here are a lot stronger.		Ongoing
		Identified

Responsibility for metering information for NSP that is not a POC to the grid			
Non-compliance	Description		
<p>Audit Ref: 6.8</p> <p>With: Clause 10.25(1)</p> <p>From: 15-Jan-21</p> <p>To: 20-Jan-21</p>	<p>One meter recertification not notified to the RM within 20 days of meter recertification.</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>Controls are rated as strong, as they are sufficient to prevent the late updates most of the time.</p> <p>The audit risk rating is deemed to be low as this has no direct impact on reconciliation.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
The updated cert details were lodged with the RM as soon as these were made available to us.		During the audit period	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We have implanted a monthly check with the MEP's to ensure that our records and their records are in synch, this should remove the risk of discrepancy in our systems through the MEP neglected to send us the metering details on time following a recert. We still have some delays and these appear to be an issue in timeliness of data between the Testhouse and the MEP's.		Improving however ongoing	

Creation of loss factors		
Non-compliance	Description	
<p>Audit Ref: 8.1</p> <p>With: Clause 15.2</p> <p>From: 28-Dec-12</p> <p>To: 31-Dec-20</p>	<p>Losses are outside of the expected +/-1% threshold.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
High	<p>Controls are rated as strong, the calculation methodology to determine losses is robust.</p> <p>The audit risk rating is deemed to be high as UFE is higher than expected and the missing ICP volumes will have contributed to this.</p>	
Actions taken to resolve the issue		Completion date
The methodology for setting of loss codes has always been to follow those of the local area network (all be it 1 month behind to ensure compliance with registry updates), this has always been disclosed and accepted.		N/A
Preventative actions taken to ensure no further issues will occur		Completion date
Given the above feedback we are looking to modify our processes to review the rolling average on a 14 month basis at a GXP as opposed to network level to monitor losses and can look to establish losses outside of our normal methodology as required.		March-2021