

## Compliance plan for Vector Distributor– 2020

Material Changes		
Non-compliance	Description	
<p>Audit Ref: 1.12</p> <p>With: Clause 16A.11</p> <p>From: 01-Sep-19</p> <p>To: 22-Aug-20</p>	<p>Material change audit not conducted for automation of the new connection and registry update processes.</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	
<b>Low</b>	<p>The controls are recorded as weak because this development was put into production without undertaking a material audit to confirm Vector can meet their code obligations.</p> <p>The automation of these processes has largely worked as expected but one minor error was found in relation to the creation of LE ICPs therefore the audit risk rating is assessed to be low.</p>	
Actions taken to resolve the issue		Completion date
All LE ICPs have had the Dedicated NSP flag updated to Y.		24/09/2020
Preventative actions taken to ensure no further issues will occur		Completion date
The automation of the ICP creation has now been updated with an additional validation rule. Where an ICP is created for an embedded gateway, the NSP flag will always be set to Y upon creation.		14/09/2020
The requirement for a material change audit to be conducted has been recorded and will be undertaken for any future material changes.		29/09/2020
		Identified

Requirement to provide complete and accurate information			
Non-compliance		Description	
Audit Ref: 2.1  With: 11.2(1) & 10.6(1)      From: 01-Sep-19  To: 22-Aug-20		Registry information not complete and accurate: <ul style="list-style-type: none"><li>• missing initial electrical connection dates;</li><li>• incorrect event dates for some updates;</li><li>• unmetered load details missing from eight ICPs electrically connected during the audit period, and</li><li>• LE ICPs created with the incorrect NSP dedication flag of “N”.</li></ul> Some 2019 audit discrepancies not corrected during the audit period.  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		The controls are rated as moderate overall but some opportunities for further improvements are in progress which will strengthen controls once in place.  The audit risk rating is low as the incorrect information has a small or no effect on reconciliation.	
Actions taken to resolve the issue		Completion date	Remedial action status
Missing IECD: please refer comments in section 3.5  Incorrect event dates: refer to comments in section 4.6  Missing UML: refer to comments in section 3.3  LE ICPs: refer to comments in section 1.12			
Preventative actions taken to ensure no further issues will occur		Completion date	
As above			

Requirement to correct errors		
Non-compliance	Description	
Audit Ref: 2.2 With: 11.2(2)  From: 01-Sep-19 To: 22-Aug-20	Errors not corrected as soon as practicable. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are rated as moderate as the checks in place identify most potential discrepancies but not all.  The audit risk rating is low as the incorrect initial electrical connection dates are not used directly in the reconciliation process.	
Actions taken to resolve the issue		Completion date
The issues identified in the 2019 audit have now been corrected where found to be incorrect		15/10/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Vector have already updated the majority of data errors identified in this audit and will be completing a double check of each ICP identified to ensure none have been missed.		30/10/2020
		Identified

Participants may request distributors to create ICPs		
Non-compliance	Description	
<p>Audit Ref: 3.2</p> <p>With: 11.5(3)</p> <p>From: 24-Sep-19</p> <p>To: 09-Dec-19</p>	<p>No notification of delay to ICP creation for three ICPs requested by traders.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as strong as the process is driven to create ICPs in three business days. The applicant was notified in all instances.</p> <p>The audit risk rating is assessed to be low to none as notifications were provided to the applicant in the first instance.</p>	
Actions taken to resolve the issue		Completion date
For all new ICP applications received from a trader, Vector will ensure we notify both the trader and customer where we are unable to issue the ICP within 3 business days with details of the reason.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
When ICP requests are received via email from any party (including embedded network owners and traders), Vector are notifying the requestor that all ICP applications must be logged through our website. This ensures that all necessary information required to process the application is received first time and enables jobs to be tracked and easily monitored for compliance.		Ongoing
		Identified

Provision of ICP information to the registry			
Non-compliance	Description		
<p>Audit Ref: 3.3 With: 11.7</p> <p>From: 29-Aug-13 To: 22-Aug-20</p>	<p>9,058 ICPs with no initial electrical connection date populated since this requirement came into effect.</p> <p>Eight ICPs with unmetered load created during the audit period but where Vector has no unmetered load recorded.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: Once previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Medium</b>	<p>Controls are rated as weak as the process in place to capture the initial electrical connection date is not independent of the trader and the capturing of unmetered load details is weak.</p> <p>The audit risk rating is medium due to the volume of ICPs with no initial electrical connection date populated since this requirement came into effect, preventing validation of the first active date to be confirmed.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Six ICPs where unmetered load was not recorded have been updated. Vector are in contact with the retailer for the remaining two ICPs to obtain the UML details.		23/10/2020	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Vector's Retailer Authorisation to work on Assets Agreement is currently under review. Vector is considering changing the process and warrant the livening Agent directly and this is currently in a Management of Change process review.</p> <p>Vector agree with the recommendation to obtain the necessary UML details upon application and will review our application form accordingly.</p>		<p>Process to be confirmed by 17/12/2020 to include in DDA</p> <p>TBA – needs assessment</p>	

Timeliness of Provision of ICP Information to the registry manager			
Non-compliance	Description		
<p>Audit Ref: 3.4</p> <p>With: 7(2) of Schedule 11.1</p> <p>From: 03-Oct-19</p> <p>To: 07-Jul-20</p>	<p>59 VECT ICPs not updated on the registry prior to commencement of trading.</p> <p>Five UNET ICPs not updated on the registry prior to commencement of trading.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>The controls are rated as moderate as there can be incidents that require Vector to create backdated ICPs in rare instances.</p> <p>The audit risk rating is assessed to be low especially when the 49 BCPL corrections are excluded.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All noted issues were corrected at the time they were identified.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Vector's automation of ICPs updates has validation built in to prevent events earlier than the ICP creation date. This has helped resolve the issue where human error resulted in ICPs not flowing to the registry.		July 2020	

Timeliness of provision of Initial Electrical Connection Date		
Non-compliance	Description	
<p>Audit Ref: 3.5</p> <p>With: 7(2A) of Schedule 11.1</p> <p>From: 01-Sep-19</p> <p>To: 22-Aug-20</p>	<p>29,428 late initial electrical connection dates for VECT.</p> <p>20,749 late initial electrical connection dates for UNET.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</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	
<b>Low</b>	<p>The controls are rated as weak as Vector is still reliant on the trader to provide this data. This is being reviewed with the intention that the livening agent will provide this information directly to Vector. The audit risk rating is low as this has no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Completion date
Vector are continuing to work with traders and livening agents to obtain and populate the missing energisation dates.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Vector's Retailer Authorisation to work on Assets Agreement is currently under review. Vector is considering changing the process and warrant the livening Agent directly and this is currently in a Management of Change process review.		17/12/2020
The automation of ICP updates will now ensure the initial energisation dates are populated with the correct effective date.		July 2020
		Investigating

Connection of ICP that is not an NSP			
Non-compliance	Description		
Audit Ref: 3.6 With: 11.17  From: 03-Oct-19 To: 08-Jul-20	Nine late proposed trader updates for VECT. One late proposed trader update for UNET. Potential impact: Low Actual impact: None Audit history: Three times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as moderate as there can be incidents that require Vector to backdate create ICPs in rare instances. The audit risk rating is volume of ICPs affected is very small.		
Actions taken to resolve the issue		Completion date	Remedial action status
ICPs were corrected and backdated at the time.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Vector's automation of ICPs updates has validation built in to prevent events earlier than the ICP creation date. This has helped resolve the issue where the date error resulted in ICPs not flowing to the registry. The remaining issues caused by human error will be monitored to determine if any further checks can be put in place to help prevent these.		July 2020  Ongoing	

Connection of ICP that is not an NSP		
Non-compliance	Description	
<p>Audit Ref: 3.7</p> <p>With: 10.31</p> <p>From: 11-May-20</p> <p>To: 25-Aug-20</p>	<p>A proposed trader is not recorded for UNET ICPs 1002080470UN9A2 and 1002092185UNA5E, which are at the "Ready" status.</p> <p>Potential impact: Low</p> <p>Actual impact: None</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as moderate as the new connection process requires a proposed trader to be populated before the update will flow to the registry.</p> <p>The audit risk rating is assessed to be low to none as there were only two ICPs affected.</p>	
Actions taken to resolve the issue		Completion date
Both ICPs have now been corrected and set to decommissioned setup in error.		15/10/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Vector will generate a report to identify where an ICP has reverted to a ready status without a proposed trader recorded.		Estimated Dec 2020
		Identified

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 4.1</p> <p>With: clause 8 schedule 11.1</p> <p>From: 01-Sep-19</p> <p>To: 22-Aug-20</p>	<p>Registry event updates backdated greater than three days.</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	
<b>Medium</b>	<p>The controls are rated as moderate as the checks in place will mitigate risk most of the time.</p> <p>The audit risk rating is assessed to be medium due to the number of backdated pricing events found in this audit as this will have a direct impact on participants.</p>	
Actions taken to resolve the issue		Completion date
Please refer to preventative actions below		
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Address:</p> <p>The issue with backdating of bulk GPS updates is currently being investigated by our IT team. No further bulk GPS updates will be carried out until the issue has been resolved.</p> <p>Network:</p> <p>The issue of VE being added to the UML is also being investigated to determine cause.</p> <p>The majority of late network backdates were due to population of missing IECD. Please refer comments in section 3.5</p> <p>Pricing:</p> <p>Vector have changed our rules for updating the price plan after energisation data is received. We will now only back date as far as a year or to the latest price plan change event (which ever is the most recent).</p> <p>Decommission: refer to comments in section 4.11</p>		<p>Estimated Oct/Nov 2020</p> <p>July 2020</p>
		Investigating

Non-compliance		Description	
Audit Ref: 4.2 With: Clause 7(1)(b) Schedule 11.1  From: 01-Sep-19 To: 22-Aug-20		35 of the 80 ICPs sampled mapped to the incorrect NSP. Potential impact: Low Actual impact: None Audit history: Once previously Controls: Strong Breach risk rating: 1	
Audit risk rating		Rationale for audit risk rating	
<b>Low</b>		Controls are rated as strong as the mapping for new ICPs is robust and historic ICPs that are potentially mis-mapped are continually being worked through.  The risk rating is low as Vector has one balancing area per network and therefore an incorrect NSP has no direct impact on reconciliation.	
Actions taken to resolve the issue		Completion date	Remedial action status
To mitigate the number of errors, the EA "Registry Audit Comparison Report – NSP Discrepancies" report is run for VECT and UNET on a monthly basis and the remediation's required are completed.  There are other reports set up by Vector that show ICPs on Pending Transformers. These reports are run on a weekly basis and the remediations required are completed		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As above		Ongoing	

ICP location address		
Non-compliance	Description	
<p>Audit Ref: 4.4</p> <p>With: Clause 2 Schedule 11.1</p> <p>From: 01-Sep-19</p> <p>To: 22-Aug-20</p>	<p>1,655 ICPs with addresses that are not readily locatable.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>Controls are rated as moderate as they will mitigate risk most of the time but there is room for errors to occur.</p> <p>The risk rating is low as this has no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Completion date
Vector continue to work on identifying and correcting historical address information on our ICPs and are obtaining assistance from traders where necessary. This is an ongoing project.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Vector run the Registry Audit Compliance report on a monthly basis to identify address issues for correction. This will be used to identify any human errors for correction.		Ongoing
		Identified

Distributor to provide ICP information to the registry.			
Non-compliance	Description		
<p>Audit Ref: 4.6</p> <p>With: Clause 7(1) Schedule 11.1</p> <p>From: 01-Sep-19</p> <p>To: 22-Aug-20</p>	<p>Distributed generation details incorrect for a small number of ICPs.</p> <p>A small number of ICPs with an incorrect initial electrical connection date populated.</p> <p>Three incorrect unmetered load details.</p> <p>One "GN" ICP with an incorrect dedication flag of "Y".</p> <p>48 LE ICPs with the incorrect NSP dedication flag of "N".</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>Controls are rated as moderate and continue to be improved.</p> <p>The audit risk rating is assessed to be low as the discrepancies have only a minor impact to the market.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Issues identified with the distributed generation details have been corrected.</p> <p>Vector have contacted the livening agent or traders to investigate the ICPs with incorrect initial electrical connection dates. These will be updated once correct details are confirmed.</p> <p>All LE ICPs have had the Dedicated NSP flag updated to Y.</p>		<p>15/10/2020</p> <p>Investigating</p> <p>24/09/2020</p>	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Vector will continue to run the Registry Audit Compliance report to identify potential incorrect initial electrical connection dates and follow up these discrepancies with the traders.</p> <p>LE ICPs: refer to comments in section 1.12</p>		Ongoing	

GPS coordinates		
Non-compliance	Description	
<p>Audit Ref: 4.8</p> <p>With: Clause 7(8) and (9) Schedule 11.1</p> <p>From: 31-Jul-20</p> <p>To: 31-Jul-20</p>	<p>Six ICPs with the incorrect GPS co-ordinates.</p> <p>Potential impact: Low</p> <p>Actual impact: None</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as moderate as the population controls are robust but not all processes are in place to manage the accuracy of GPS co-ordinates.</p> <p>The audit risk rating is assessed to be low as there were only six ICPs found with the incorrect co-ordinates recorded.</p>	
Actions taken to resolve the issue		Completion date
Three of the six ICPs that had not had the coordinates updated when the addresses were changed have been remediated and the remaining three that had been populated with the incorrect coordinates provided by Corelogic have had the coordinates updated to align with our GIS record.		28/09/2020
Preventative actions taken to ensure no further issues will occur		Completion date
<p>At the point an address is being changed the old coordinates will be removed if the new address is in a different physical location.</p> <p>Following on, Vector will investigate the address change process to enable the updated coordinates to be entered at the point the data is changed.</p> <p>As an initial measure, exception reporting and validation will be investigated to capture coordinate errors (as there are instances where the source data from Corelogic has been identified as incorrect) and, also to ensure there is a process for reviewing valid ICPs that are missing coordinates (excluding streetlights, traffic lights, bus stops etc).</p>		<p>Ongoing</p> <p>Investigation required</p> <p>Investigation required</p>

Management of “Ready” status		
Non-compliance	Description	
<p>Audit Ref: 4.9</p> <p>With: Clause 14 Schedule 11.1</p> <p>From: 11-May-20</p> <p>To: 25-Aug-20</p>	<p>UNET ICPs 1002080470UN9A2 and 1002092185UNA5E are incorrectly recorded at the “ready” status without a proposed trader. These should be “decommissioned -set up in error”.</p> <p>Potential impact: Low</p> <p>Actual impact: None</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as moderate as the new connection process requires a proposed trader to be populated before the update will flow to the registry.</p> <p>The audit risk rating is assessed to be low to none as there were only two ICPs affected.</p>	
Actions taken to resolve the issue		Completion date
Refer comments in section 3.7		
Preventative actions taken to ensure no further issues will occur		Completion date
Refer comments in section 3.7		
		Identified

Management of “decommissioned” status		
Non-compliance	Description	
<p>Audit Ref: 4.11</p> <p>With: clause 20 schedule 11.1</p> <p>From: 01-Sep-19</p> <p>To: 31-Aug-20</p>	<p>ICPs decommissioned but not updated to decommissioned on the registry.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as moderate as they are still hindered by traders not actioning tasks in Siebel which prevents Vector from completing.</p> <p>The audit risk rating is low this has no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Completion date
ICPs not decommissioned due to human error and ICPs where later events prevented update have now all been fixed.		15/10/2020
Preventative actions taken to ensure no further issues will occur		Completion date
The automation of the ICP updates is expected to prevent the human errors from occurring.		July 2020
Vector continue to follow up with traders where ICPs are set to a ready to decommission status where decommission requests have not been logged.		Ongoing
Vector continue to run the status comparison reports to pick up where later registry events have prevented updates.		

Notification of transfer of ICPs		
Non-compliance	Description	
<p>Audit Ref: 6.7</p> <p>With: clause 4 &amp; 10 schedule 11.2</p> <p>From: 01-May-19</p> <p>To: 08-Apr-20</p>	<p>Three ICPs with no permission from the Electricity Authority to backdate the transfer request.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are rated as strong as the processes in place are identifying these ICPs and corrections are processed. The new connection process also has robust controls to ensure that ICPs are allocated to the correct transformer and therefore the correct NSP and network. The volume found to be incorrect indicate that these are exceptions and mostly historical.</p> <p>The audit risk rating is low as there only a small; number of ICPs affected which will have a minor effect on reconciliation.</p>	
Actions taken to resolve the issue		Completion date
n/a		
Preventative actions taken to ensure no further issues will occur		Completion date
Vector will update our procedures to obtain approval from EA for backdating of any ICPs transfers.		
		Identified