

Compliance Plan for Smart Net Distributor – 2020

Participants may request distributors to create ICPs			
Non-compliance	Description		
Audit Ref: 3.2 With: Clause 11.5(3) From: 24-Sep-20 To: 25-Sep-20	One ICP created late. 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, as they are sufficient to ensure ICPs are created on time most of the time. The risk is low as only one ICP was affected, and the ICP was created immediately when discovered.		
Actions taken to resolve the issue		Completion date	Remedial action status
The ICP was created immediately once it was realized we had missed the request.		25/9/20	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
This is not a common issue and in this case was caused by human error causing the ICP to be created 1 day late The non-compliance serves as a reminder to make sure to closely monitor requests.		N/A	

Timeliness of Provision of ICP Information to the registry manager		
Non-compliance	Description	
<p>Audit Ref: 3.4</p> <p>With: Clauses 7(2) of Schedule 11.1</p> <p>From: 27-Sep-19</p> <p>To: 03-Oct-19</p>	<p>One ICP not updated to “Ready” prior to electricity being traded.</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 this was a one-off occurrence due to an abnormal process being used.</p> <p>The risk rating is low as only one ICP was affected.</p>	
Actions taken to resolve the issue		Completion date
We created this ICP using a different process (via automated upload to the registry); at the time we didn’t realise that the a number of elements normally loaded didn’t flow through correctly meaning that the ICP was loaded as new. The retailer alerted us to this at the time the site was livened and we corrected the issue.		1/10/19
Preventative actions taken to ensure no further issues will occur		Completion date
We reverted to our previous method of loading ICPs which removed the issue.		1/10/20
		Cleared

Timeliness of Provision of Initial Electrical Connection Date		
Non-compliance	Description	
Audit Ref: 3.5 With: 7(2A) of Schedule 11.1 From: 01-Sep-19 To: 30-Sep-20	48 ICPs Initial electrical connection dates updated late. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as moderate as Smartnet is actively seeking this information but when other participants are slow to provide the information this causes Smartnet to be non-compliant. This has no direct impact on submission but does limit the ability of traders to validate their active dates, hence the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
This is an ongoing issue for us and (we understand) other participants. It is disappointing and frustrating that our level of compliance in this area remains similar (~85%) to the last audit. Our processes as they stand are generally working but clearly are not 100% where other parties are slow to provide details. At this stage we are reviewing how some of the local networks combat the issue but other than measures mentioned in previous audit reports, we unfortunately don't have any specific new actions to report at this time.		ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
As above		ongoing
		Identified

Connection of NSP that is not point of connection to grid		
Non-compliance	Description	
<p>Audit Ref: 3.9</p> <p>With: Clause 10.30</p> <p>From: 08-Jan-20</p> <p>To: 05-Mar-20</p>	<p>The meter installation certification expiry date advised after 42 days for NSP KUA0011.</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 rated as strong, as they are sufficient to ensure updates are on time most of the time.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Despite quite a lot of chasing, we didn't receive the paperwork for this site until 28 Jan for a 7 Nov certification date, at which point the NSP table was uploaded immediately.		28/1/20
Preventative actions taken to ensure no further issues will occur		Completion date
We are well aware of the requirement and will continue to pressure agents to provide paperwork in a timely fashion.		ongoing
		Remedial action status
		Cleared

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 4.1</p> <p>With: 8 Schedule 11.1</p> <p>From: 01-Sep-19</p> <p>To: 30-Sep-20</p>	<p>29 pricing updates, and one network distributed generation update were updated more than three business days after the event date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate as the process is largely manual hence errors can occur, but controls are in place to mitigate risk most of the time.</p> <p>The audit risk rating is low the late changes are small in volume.</p>	
Actions taken to resolve the issue		Completion date
<p>The pricing updates were unfortunately human error – a calendar update was missed for the update and it was done 2 days late; the change occurred effective 1 Jan 2020 so was partially caught up with people being on holiday breaks. This was a mass update of all ICPs on an NSP due to a distributor change and thus manual in nature and the update was made as soon as the omission was discovered/realised.</p> <p>The distributed generation update was updated late as we received late notification of the completion of the installation. The update was made as soon as we received notification.</p>		<p>10/1/2020</p> <p>31/8/2020</p>
Preventative actions taken to ensure no further issues will occur		Completion date

ICP location address		
Non-compliance	Description	
Audit Ref: 4.4 With: Clause 2 Schedule 11.1 From: 01-Sep-19 To: 30-Sep-20	Three ICPs with insufficient information to readily locate. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as strong because they mitigate risk to an acceptable level. This has no direct impact on reconciliation therefore the impact is rated as low.	
Actions taken to resolve the issue		Completion date
These have been updated to show street numbers		17/12/20
Preventative actions taken to ensure no further issues will occur		Completion date
We have changed our reporting to highlight addresses with no street number which is the most common issue		17/12/20
		Cleared

Provision of NSP information		
Non-compliance	Description	
Audit Ref: 6.2 With: Clause 26(1) and (2) Schedule 11.1 From: 18-Aug-19 To: 21-Feb-20	Notification not provided one month prior to creation of one NSP. 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 processes normally ensure that requests are made on time. The risk is low because notifications were provided prior to the NSP being electrically connected.	
Actions taken to resolve the issue		Completion date
In respect of LVF0011 our client was very late in notifying us of the opening date of the property and failed to consider the requirement for a full connection (vs BTS) to commission HVAC prior to opening. Ultimately, we made the call to advise the market on 16/9 that we needed to bring forward the start date of the NSP to 18/9/19 (vs 1/10/19 as originally notified) as to do otherwise would have placed an unreasonable financial burden on the developer and delayed the opening of the property which is a landmark shopping centre in Invercargill.		16/9/20
Preventative actions taken to ensure no further issues will occur		Completion date
This is an unusual situation but we will continue to stress to clients the requirement to provide 1 months notice to the market.		ongoing
		Cleared

Notice of supporting embedded network NSP information		
Non-compliance	Description	
<p>Audit Ref: 6.4</p> <p>With: Clause 26(4) Schedule 11.1</p> <p>From: 18-Aug-19</p> <p>To: 21-Feb-20</p>	<p>Supporting network information not provided one month prior to creation of one NSP.</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, because the processes normally ensure that requests are made on time.</p> <p>The risk is low because notifications were provided prior to the NSPs being electrically connected.</p>	
Actions taken to resolve the issue		Completion date
<p>In respect of LVF0011 our client was very late in notifying us of the opening date of the property and failed to consider the requirement for a full connection (vs BTS) to commission HVAC prior to opening. Ultimately, we made the call to advise the market on 16/9 that we needed to bring forward the start date of the NSP to 18/9/19 (vs 1/10/19 as originally notified) as to do otherwise would have placed an unreasonable financial burden on the developer and delayed the opening of the property which is a landmark shopping centre in Invercargill.</p>		16/9/20
Preventative actions taken to ensure no further issues will occur		Completion date
<p>This is an unusual situation but we will continue to stress to clients the requirement to provide 1 months notice to the market.</p>		ongoing
		Cleared

Responsibility for metering information when creating an NSP that is not a POC to the grid		
Non-compliance	Description	
<p>Audit Ref: 6.9</p> <p>With: Clause 10.25(2)</p> <p>From: 08-Jan-20</p> <p>To: 05-Mar-20</p>	<p>The meter installation certification expiry date advised after 42 days for NSP KUA0011.</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 rated as strong, as they are sufficient to ensure updates are on time most of the time.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
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Preventative actions taken to ensure no further issues will occur		Completion date
We are well aware of the requirement and will continue to pressure agents to provide paperwork in a timely fashion.		ongoing
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