

## Compliance plan for The Lines Company 2017

Requirement to provide complete and accurate information		
Non-compliance	Description	
<p>Audit Ref: 2.1</p> <p>With: 11.2(1)</p> <p>From: 01-Jul-16</p> <p>To: 30-Jun-17</p>	<p>No registry validation in place to ensure information is correct and accurate.</p> <p>Distributed generation recorded on the registry at the point of application and not connection could be misleading to retailers.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>TLC's system does not have a registry validation capability and up until April 2017 the registry acknowledgement files weren't always reaching TLC for correction hence controls are rated as weak.</p> <p>The audit risk is rated as low as despite the current system limitations the errors found were low in volume and TLC are in the process of changing the database.</p>	
Actions taken to resolve the issue		Completion date
New d'base and data management process change		6 months
Preventative actions taken to ensure no further issues will occur		Completion date
As error volume is low and database change close, it is felt that in short term the manual validations (spreadsheet based) are fit for purpose.		Ongoing
		Identified

Requirement to correct errors		
Non-compliance	Description	
Audit Ref: 2.2 With: 11.2(2)  From: 01-Jul-16 To: 31-Mar-17	Errors not fixed as soon as practicable. No registry validation process in place. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	TLC's system does not have a registry validation capability and up until April 2017 the registry acknowledgement files weren't always reaching TLC for correction hence controls are rated as weak.  The audit risk is rated as low as despite the current system limitations the errors found were low in volume and TLC are in the process of changing the database.	
Actions taken to resolve the issue		Remedial action status
Registry validation to be addressed in new D'base processes		6 months
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>
ACK files now coming directly to TLC team.		Ongoing

Participants may request distributors to create ICPs		
Non-compliance	Description	
Audit Ref: 3.2 With: 11.5(3)  From: 01-Jul-16 To: 30-Jun-17	ICPs not created within 3 days of request from retailer. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	I have rated the controls as moderate as the current system requires some manual steps that can be missed, and prior to April 2017 registry acknowledgement files were not always being delivered to TLC to be addressed.  I have rated the audit risk rating as low as only 2 ICPs were found during the audit period.	
Actions taken to resolve the issue		Completion date
Business process is specific to TLC as contracting directly with customer.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Audit recommendation adopted.		Aug 2017

Provision of ICP Information to the registry		
Non-compliance	Description	
Audit Ref: 3.3 With: 11.7  From: 28-Mar-16 To: 31-Mar-17	One ICP sent to the registry with information missing. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	I have rated the controls as strong as this was the only instance of this occurring and as TLC are receiving the registry notification files any further instances will be picked up promptly and corrected.  I have rated the audit risk rating as low as only one ICP was affected.	
Actions taken to resolve the issue		Completion date
New database and automated validation expected to address this risk.		6 months
Preventative actions taken to ensure no further issues will occur		Completion date
Increased vigilance of manual system. As error incidence is low and expected correction with new platform no further action will be taken.		Ongoing
		Identified

Timeliness of Provision of ICP Information to the registry			
Non-compliance	Description		
<p>Audit Ref: 3.4</p> <p>With: 7(2) of Schedule 11.1</p> <p>From: 28-Mar-17</p> <p>To: 26-Jun-17</p>	<p>Two ICPs not populated to registry prior to electricity being traded.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>I have rated the controls as moderate as the current system requires some manual steps that can be missed, and prior to April 2017 the registry acknowledgement files were not always being delivered to TLC to be addressed.</p> <p>I have rated the audit risk rating as low as only 2 ICPs were found during the audit period.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
New database and automated validation expected to address this risk.		6 months	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Increased vigilance of manual system. As error incidence is low and expected correction with new platform no further action will be taken.		Ongoing	

Timeliness of Provision of Initial Energisation Date		
Non-compliance	Description	
Audit Ref: 3.5 With: 7(2A) of Schedule 11.1  From: 23-Jun-16 To: 30-Jun-17	Late population of the initial energisation date. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	I have rated the controls as moderate as FCLM given the new connections on the network so TLC gets these notifications within the required timeframe, but when the paperwork is late back from the field this causes TLC to be late updating the registry. There is no impact on settlement, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
New d'base and processes		6 months
Preventative actions taken to ensure no further issues will occur		Completion date
Majority of these incidents were historical and late updating due to data cleansing in readiness for d'base change. No actions proposed.		Ongoing
		Identified

Connection of ICPs			
Non-compliance	Description		
Audit Ref: 3.6 With: 11.17  From: 28-Mar-17 To: 26-Jun-17	Two ICPs energised before the trader's information was populated to the registry. Potential impact: None Actual impact: None Audit history: Multiple Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	I have rated the controls as moderate as the current system requires some manual steps that can be missed and cause this information to be late to the registry. I have rated the audit risk rating as low as only 2 ICPs were found during the audit period.		
Actions taken to resolve the issue		Completion date	Remedial action status
Investigation into alternative processes to minimise risk and increase controls		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Investigation into alternative processes to minimise risk and increase controls		Ongoing	

Electrical connection of ICPs		
Non-compliance	Description	
Audit Ref: 3.7 With: 10.28(7)  From: 28-Mar-17 To: 26-Jun-17	Two ICPs electrically connected prior to retailer accepting responsibility. Potential impact: None Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	I have rated the controls as moderate as only 2 ICPs were effected indicating that the controls are moderate.  I have rated the audit risk rating as low as only 2 ICPs were found during the audit period.	
Actions taken to resolve the issue		Completion date
Investigation into alternative processes to minimise risk and increase controls		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Increased oversight of manual processes		Ongoing



Electrical connection of ICP that is not an NSP		
Non-compliance	Description	
Audit Ref: 3.8 With: 10.31  From: 28-Mar-17 To: 26-Jun-17	Two ICPs electrically connected prior to retailer accepting responsibility. Potential impact: None Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	I have rated the controls as moderate as only 2 ICPs were effected indicating that the controls are moderate.  I have rated the audit risk rating as low as only 2 ICPs were found during the audit period.	
Actions taken to resolve the issue		Completion date
Investigation into alternative processes to minimise risk and increase controls		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Increased oversight of manual processes		Ongoing

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 4.1</p> <p>With: 8 of Schedule 11.1</p> <p>From: 01-Jul-16</p> <p>To: 30-Jun-17</p>	<p>Registry event updates backdated greater than three days or in the case of 1 ICP an NSP change greater than 23 days.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>I have rated the controls as moderate as the controls in place will mitigate the risk most of the time.</p> <p>There is a potential minor impact on settlement, hence the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
The address detail events are likely to cause ongoing non - compliance. These are corrections and /or additions to our own database and the original cause will be corrected with new system.		On going
Preventative actions taken to ensure no further issues will occur		Completion date
As above – the majority of these events are backdated to date of request or actual event		On going
		Identified

Notice of NSP for each ICP		
Non-compliance	Description	
Audit Ref: 4.2 With: 7(1),(4) and (5) Schedule 11.1  From: 01-Jul-16 To: 30-Jun-17	Two ICPs mapped to the incorrect NSP. 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>	I have rated the controls as moderate as new ICPs have robust controls, but there are no registry validations to check for historical mismatches.  The audit risk is low as I checked all active ICPs and found only two ICPs with mismatched NSPs.	
Actions taken to resolve the issue		Completion date
As noted in Audit commentary – these are historic errors and being corrected as part of data cleanse in readiness for platform change.		6 months
Preventative actions taken to ensure no further issues will occur		Completion date
Current process felt to be sufficiently robust to keep risk minimal.		Ongoing

ICP location address		
Non-compliance	Description	
<p>Audit Ref: 4.4</p> <p>With: 2 Schedule 11.1</p> <p>From: 01-Jul-16</p> <p>To: 30-Jun-17</p>	<p>Some duplicate addresses exist and some addresses do not have street numbers or other information to allow the ICP to be readily located.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</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 with ICPs created during the audit period have addresses that are readily locatable and no duplicated addresses.</p> <p>The audit risk rating is low as the volume of ICPs that are not readily locatable continues to reduce year on year, therefore increasing the ability of the retailer to locate and read these ICPs.</p>	
Actions taken to resolve the issue		Completion date
We continue to work on these issues – both the duplicate address and lack of street number or property name. Extra resources are being allocated to this project as the date of changeover to new system gets closer.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
The use of GPS mapping and rapid rural numbers is being considered for the new system.		Ongoing
		Identified

Distributors to Provide ICP Information to the Registry			
Non-compliance	Description		
<p>Audit Ref: 4.6</p> <p>With: 7(1) of Schedule 11.1</p> <p>From: 01-Jul-16</p> <p>To: 30-Jun-17</p>	<p>Distributed generation recorded on the registry prior to being electrically connected.</p> <p>Incorrect installation type of “L” instead of “B” for 3 ICPs.</p> <p>IED missing for 19 ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>TLC have no process to confirm when distributed generation is installed and no registry discrepancy reporting to identify if initial energisation dates are missing hence the control are weak.</p> <p>The audit risk rating is low as the volume of ICPs with distributed generation is low and will have a minor effect on settlement.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Increased vigilance of dist gen on network and communication strategy to raise awareness in customer base.		On going	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
TLC keeping abreast of industry lead in this area. Intention to utilize current process and resource.		On going	