

Compliance plan for Northpower (MEP) - 2019

Non-compliance	Description		
<p>Audit Ref: 4.10</p> <p>With: 3 of Schedule 11.4</p> <p>From: 01-Mar-18</p> <p>To: 15-Jan-19</p>	<p>39.5% of update entries in registry are uploaded later than 10BD</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		
Low	<p>Controls are recorded as moderate. The results that Northpower want to achieve lead to backdated entries. The Gentrack design used by Northpower requires extra vigilance from Northpower to remove not relevant entries prior to part 10. Audit risk rating is recorded as low because there is a minor, practically no, impact on settlement outcomes.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Refer to Northpower's explanation on why these backdated Registry entries can, and will continue to, occur in the <i>Conclusion: Participants Comments</i> section at the end of this audit report.</p> <p>Where AccuCal is used for metering installation inspections or recertification there is often a delay in AccuCal providing the inspection and certification reports. Therefore, the update of registry metering data can occur outside the 10 business day Code requirement.</p>		On-going	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Refer to Northpower's explanation on why these backdated Registry entries can, and will continue to, occur in the <i>Conclusion: Participants Comments</i> section at the end of this audit report.</p>		On-going	

Non-compliance	Description		
<p>Audit Ref: 6.4</p> <p>With: 20(2) of Schedule 10.7</p> <p>From: 01-Mar-18</p> <p>To: 15-Jan-19</p>	<p>Registry records were not updated to reflect cancelled certification for some installations</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 4</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are recorded as weak for this clause. This non-compliance is linked to section 8.2. The impact on settlement outcomes is recorded is minor and audit risk rating as low. It is a concern that this non-compliance has been identified before and no action was taken to address it.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Refer to comments for non-compliance 8.2 in this document			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Refer to comments for non-compliance 8.2 in this document			

Non-compliance	Description		
<p>Audit Ref: 7.1</p> <p>With:</p> <p>From: 01-Mar-18</p> <p>To: 15-Jan-19</p>	<p>Certification expired for 1,066 installations</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>Controls are recorded as weak because there is a plan in place, but the implementation is very slow. We assigned audit risk rating as medium because the number of category 2 and 3 metering installations is steadily increasing, which could have an impact on settlement outcomes.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>After last year's MEP audit Northpower entered into an arrangement with Metrix whereby those category 1 ICPs with interim certification or expired certification would have the existing Northpower legacy meters replaced with Metrix advanced meters. After the meter change the now certified ICP would pass to Metrix as the new MEP.</p> <p>Although this arrangement has not worked as envisaged Northpower has managed to reduce the number of ICPs with either interim or expired certification from 1,501 to 1,066 (from the Alert File counts) over the past year. All category 4 and 5 ICPs with expired certification had also been completed by the date of this MEP audit.</p>		On-going	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>The new management in the Northpower MEP team have made the reduction of this backlog of expired ICPs a priority task. Refer further comments in the <i>Conclusion: Participants Comments</i> section at the end of this audit report.</p> <p>A weekly analysis of the Registry Alert File is completed to help monitor the progress of the meter deployment. Regular conference calls with Metrix, and/or the contractors, will possibly be introduced in the next couple of months depending on progress with the meter replacements.</p>		On-going	

Non-compliance	Description
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Audit Ref: 7.19 With: 18 of Schedule 10.7 From: 01-Mar-18 To: 15-Jan-19	548 ICPs (status “active”) and 145 ICPs (status “inactive”) with expired interim certification Potential impact: Medium Actual impact: Medium Audit history: Multiple times Controls: Weak Breach risk rating: 6		
Audit risk rating	Rationale for audit risk rating		
Medium	Controls are recorded as weak because certification has been expired for a number of years for 693 installations. The impact on settlement outcomes is recorded as medium because of the increased likelihood of inaccuracy of metering installations.		
Actions taken to resolve the issue		Completion date	Remedial action status
Refer to the comments for non-compliance 7.1 earlier in this audit report along with the further comments in the Conclusion: Participants Comments section at the end of this audit report.		On-going	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Refer to the comments for non-compliance 7.1 earlier in this audit report along with the further comments in the Conclusion: Participants Comments section at the end of this audit report.		On-going	

Non-compliance	Description		
<p>Audit Ref: 8.2</p> <p>With: 46(1) of Schedule 10.7</p> <p>From: 08-Mar-18</p> <p>To: 15-Jan-19</p>	<p>No inspection conducted for 7 category 3 metering installations and 112 category 2 metering installations</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>Controls are recorded as weak because this non-compliance was identified a few times already. Northpower does not follow its process for metering installations category 2. The impact on settlement outcomes is minor but it can potentially increase. Audit risk rating is recorded as medium as it should be addresses within the next 6-12 months. Since the last audit the number of non-compliant cat 3 installations decreased from 11 to 7 and a cat 5 metering installation was certified but the number of cat 2 installations has increased. The impact on settlement outcomes is minor but it can potentially increase. Audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>In the past Northpower had concentrated limited field resources on the recertification of category 1 metering installations to reduce this large non-compliance issue. The new Northpower MEP management has recognised that those category 2 to 5 ICPs also require resolution.</p> <p>The category 4 and 5 ICPs that previously had expired certification were resolved using AccuCal. A list of category 3 (HV) to 5 ICPs where certification is due to expire in the coming 12 months along with those ICPs which will require mid-life inspections has been supplied to AccuCal so that the necessary site visits can be planned.</p> <p>In many cases the inspections or recertification of these metering installations has to be co-ordinated with planned shutdowns at the ICPs for off-season maintenance.</p>		On-going	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

<p>A rolling 12 monthly window report will be implemented for the category 3 (HV) to 5 ICPs so that regular follow-up with AccuCal can be made. Although the annual “forward looking recertification and inspections” report provided to AccuCal will be used for planning the coming year’s work schedule, the new rolling 12 monthly report will be used to ensure no ICPs are missed for inspections or recertification.</p> <p>Refer to further comments in the <i>Conclusion: Participants Comments</i> section at the end of this audit report.</p>	On-going	
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Non-compliance	Description		
<p>Audit Ref: 8.4</p> <p>With: 48(5) of Schedule 10.7</p> <p>From: 08-Mar-18</p> <p>To: 15-Jan-19</p>	<p>No remedy work was undertaken after installations with removed seals identified</p> <p>Potential impact: Low</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		
Medium	<p>Controls are recorded as weak. There is no process in place for a situation where missing seals are noted during annual inspections of metering installations category 1. Audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>In the past Northpower Contracting Division has taken responsibility for management of broken seals found during either the annual category 1 inspection project or while completing the day-to-day BAU metering work for Northpower MEP.</p> <p>With the impending quite major changes in the work being carried out by Northpower Contracting for Northpower MEP it appears that the process for managing broken seals has been dropped.</p>		30/04/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Northpower MEP has identified this as an issue for which we will need to take control. We will document a new process whereby any identified cases of broken meter seals (at any Northpower Network ICP) will be reported to the Northpower MEP staff.</p> <p>In those cases where the broken seals are at an ICP managed by another MEP, the retailer and MEP will be advised so they can take corrective action. If the broken seals are at an ICP managed by Northpower MEP then the appropriate action as required by the Code will be taken.</p> <p>The aim of the new documented process is for it to be seamlessly transferrable between Northpower Contracting or any third party contractors that may become warranted to work on metering at ICPs on the Northpower Network.</p>		30/04/2019	