

Compliance plan for Legacy Metering – 2018

Participants to Provide Accurate Information		
Non-compliance	Description	
<p>Audit Ref: 2.5</p> <p>With: Clause 11.2 and Clause 10.6</p> <p>From: 01-Oct-17</p> <p>To: 03-Jul-18</p>	<p>Invalid alternative certification not corrected since the last audit.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The two installations in question did not have low burden addressed nor was measurement uncertainty calculated. It appears both installations may be over recording although the error is within the allowable 2.5%. I have recorded the impact as minor and the audit risk rating as low.</p>	
Actions taken to resolve the issue		Completion date
<p>Engaged with Test House immediately after the audit to enquire as to the status of change. The response is to the effect that they are still working through the validity of this calculation variant and are not convinced that they are necessarily incorrect. We note Delta have disputed the calculation findings in their own audit report lodged on the EA Website.</p> <p>We have diaried for regular updates from them whilst they work through this. We remain in breach, as with other MEPS as a consequence.</p> <p>We have marked this as “disputed” only as a consequence of this being Delta’s audit position on this point.</p>		On review
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Diaried for regular reviews of the ‘Audit’ page of the EA website to check on audits lodged vs reports we receive from the Test Houses.</p>		Proposed or actual date
		Disputed

Registry Notification of Metering Records		
Non-compliance	Description	
<p>Audit Ref: 3.2</p> <p>With: Clause 2 of Schedule 11.4</p> <p>From: 01-Oct-17</p> <p>To: 31-May-18</p>	<p>145 registry updates later than 15 business days.</p> <p>Potential impact: Medium</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 in place to ensure the timeliness of updates, but LMGL is often prevented from updating the registry due to late nomination or late field notification. LMGL can make improvements to the frequency of notifications to traders when a nomination is required.</p> <p>The impact on other participants is minor; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>LMGL receives reports from ATHs of completed metering work (in some cases). Where ICPs have LMGL meters installed and no nomination has yet occurred LMGL advises the retailer and requests nomination.</p> <p>Where there is a pro-active work order, LMGL requests the nomination upon receipt of the work order if it is not the nominated MEP.</p>		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
<p>LMGL will continue monitoring returns and received work orders and engaging with the retailers where there is no nomination in place.</p>		Ongoing
		Identified

Metering Installation Design & Accuracy			
Non-compliance	Description		
<p>Audit Ref: 4.3</p> <p>With: Clause 4(1) of Schedule 10.7</p> <p>From: 06-Dec-17</p> <p>To: 30-Jun-18</p>	<p>Delta ATH not calculating uncertainty in accordance with the Code.</p> <p>Total uncertainty greater than 0.6% for ICPs 0000004050DE261 and 0000004057DEFAB.</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: 3</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>I have recorded the control effectiveness as weak because this matter has been present and not resolved for several years.</p> <p>The impact is minor; therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Engaged with Test House immediately post the audit to enquire as to the status of change. The response is to the effect that they are still working through the validity of this calculation variant and are not convinced that they are necessarily incorrect. We note Delta have disputed the calculation findings in their own audit report lodged on the EA Website.</p> <p>We have diaried for regular updates from them whilst they work through this. We remain in breach, as with other MEPS as a consequence.</p> <p>We have marked this as “disputed” only as a consequence of this being Delta’s audit position on this point.</p>		10/7/2018	Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Diaried for regular reviews of the ‘Audit’ page of the EA website to check on audits lodged vs reports we receive from the Test Houses.</p>		Ongoing – but from 10/7/2018	

Changes to Registry Records		
Non-compliance	Description	
<p>Audit Ref: 4.10</p> <p>With: Clause 3 of Schedule 11.4</p> <p>From: 01-Oct-17</p> <p>To: 31-May-18</p>	<p>Some records updated on the registry later than 10 business days.</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>I have recorded the controls as strong in this area.</p> <p>The late new connection updates have a minor impact on participants, customers and settlement, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>LMGL have created a 'rolling' 3 month review diary entry to pull an EDA report of those sites that exceeded the time frame. This report will be sent to the 'causative party', normally the Test House, but for a high percentage of the sites in breach it has been one retailer and their approach to site work, nomination and advice to MEPs. This progress report will at least highlight how this affects LMGL and we will request a statement as to how improvements can be made.</p>		Rolling 3 month review and report
Preventative actions taken to ensure no further issues will occur		Completion date
<p>The main issue is notification from traders and ATHs. LMGL continues to monitor as above and ensure that it has processes in place to immediately update metering installation information as soon as it is received. As noted above a rolling diary event for a report has been created.</p>		Rolling 3 month review and report.
		Identified

Responsibility for Metering at ICP		
Non-compliance	Description	
Audit Ref: 4.12 With: Clause 11.18B(3) From: 01-Oct-17 To: 30-Jun-18	Trader not notified to carry out a final interrogation for three ICPs. Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as strong because there are no process changes that would allow LMGL to have knowledge of upcoming decommissioning events in this situation. There is no impact on settlement or participants, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
LMGL is unsure as to how to address the issue as without notification it has no knowledge of the work undertaken.		Proposed or actual date
Preventative actions taken to ensure no further issues will occur		Completion date
LMGL will send reminders to retailers and ATHs that decomm (as with other site updates) are to come through to the MEP so that LMGL can provide readings to the trader.		25/07/2018
		Identified

Provision of Registry Information			
Non-compliance	Description		
<p>Audit Ref: 6.2</p> <p>With: Clause 7 (1), (2) and (3) of Schedule 11.4</p> <p>From: 01-Oct-17</p> <p>To: 31-May-18</p>	<p>Some registry records incomplete or incorrect.</p> <p>Potential impact: Medium</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>I have recorded the controls as strong in this area. LMGL is identifying errors and investigating them as soon as practicable.</p> <p>Very few of the discrepancies have an impact on participants, customers or settlement. The only relevant ones in this regard are tariff related and there were only a small number. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
LMGL has corrected historical errors where found and is working with retailers to ensure that metering data is correct and fit for purpose. A big cause is where we get asked to reverse our updates so a Retailer can nominate another MEP who made a site change pre our work. The Registry records then site with the old incorrect data until the MEP makes their change.		Proposed or actual date	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
LMGL continues to modify and enhance its update processes to ensure that the business rules relating to the data provided to the registry are relevant and highlight (or disallow) errors in the metering data. We have requested a copy of the comparison-audit tool so that we can run our own reports of where discrepancies exist		Proposed or actual date	

Correction of Errors in Registry		
Non-compliance	Description	
<p>Audit Ref: 6.3</p> <p>With: Clause 6 of Schedule 11.4</p> <p>From: 01-Oct-17</p> <p>To: 31-May-18</p>	<p>Registry records not compared to LMGL's records.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: None</p> <p>Controls: None</p> <p>Breach risk rating: 5</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>LMGL does not have a process to compare the registry records against their own records.</p> <p>The impact on settlement and participants is unknown so I have recorded the audit risk rating as low.</p>	
Actions taken to resolve the issue		Completion date
LMGL has established a database of the existing metering installations. This is now compared on a monthly basis with the data from the registry and historical workflow.		10/7/2018
Preventative actions taken to ensure no further issues will occur		Completion date
LMGL has established a database of the existing metering installations. This is now compared on a monthly basis with the data from the registry and historical workflow.		Proposed or actual date
		This matter will be checked during the next audit and can potentially be cleared

Cancellation of Certification			
Non-compliance	Description		
<p>Audit Ref: 6.4</p> <p>With: Clause 20 of Schedule 10.7</p> <p>From: 15-Jun-17</p> <p>To: 30-Jun-18</p>	<p>Certification cancelled for six ICPs and the registry was not updated within 10 business days.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Once</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>I have recorded the controls as weak because the issues identified in the last audit have not been addressed and more issues have arisen.</p> <p>The impact could be moderate due to the unknown accuracy of one ICP and the potential inaccuracy of those ICPs where uncertainty calculations were not conducted or were conducted incorrectly. The installation at ICP 0103992006LCF3F has an error of + 1.21%, which could be closer to zero with appropriate burdening of CTs. The audit risk rating is Medium.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>As advised LMGL cancelled the certification on 0001501996ENB0C. LMGL is actively working with the retailer (GENE) to establish the correct Category / Protection rating for the site. There has been considerable correspondence on this matter between the parties since 2017 when the issue was first identified. Note this is almost complete per the comments in the text above.</p> <p>With regard to the Delta temperature coefficient – LMGL is actively engaging with the Delta testhouse (specifically Bob Jones). At this stage they have advised that in their opinion the certification is still valid. Refer also to the last Audit report and Deltas comments in it on the EA website.</p> <p>With regard to 0000100223UN118 and 0103992006LCF3F, LMGL Immediately engaged with the Vircom-EMS Test House manager who agreed that the certification method should not have been employed. He has commenced a 'revisit Service Request' to solve the issue to get the two sites (which are next to each other) certified. We expect this within the month. This has been diaried.</p>			Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	

<p>LMGL will not recertify ENBOC until the appropriate protection rating or Category have been resolved. LMGL though will re-engage with the Retailer (Genesis) as to their ultimate intention as it is likely that VAMs will now pick up the site with the alteration work completed.</p> <p>LMGL will continue to engage with the Delta regarding the temperature coefficient. Delta have advised that they are working to change their process. This is on 'diary review'.</p> <p>On the Cat2 and above certifications, LMGL will look out for 'technician comments' that may invalidate the certification methods being described in the overall certification report even though the testhouse may supply a signed certificate.</p>		
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Certification and Maintenance		
Non-compliance	Description	
<p>Audit Ref: 7.1</p> <p>With: Clause 10.38 (a), clause 1 and clause 15 of Schedule 10.7</p> <p>From: 01-Oct-17</p> <p>To: 30-Jun-18</p>	<p>Certification expired for 23,226 ICPs.</p> <p>Potential impact: High</p> <p>Actual impact: High</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>Whilst a considerable amount of effort has gone into the certification program the results are not yet available, therefore I have recorded the control effectiveness as weak in this area because certification has been expired for a number of years for some ICPs and because some of the expired installations were fully certified at one point.</p> <p>The accuracy of the installed metering base is unknown until the statistical sampling is complete, however there is an impact on participants whenever one of these ICPs is reconnected; because the trader is then non-compliant for not ensuring certification occurs within five days of electrical connection.</p>	
Actions taken to resolve the issue		Completion date
Of concern is the stat sampling programme of the main population. LMGL is engaging with the EA on the programme – however, damage resulting from poor logistics management is leading to a conclusion to recommence the main stat sampling programme. Considerable engagement, auditing, management meeting, proposals and planning have been undertaken in an effort to resolve this issue.		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

LMGL proposes to recommence the main stat sampling programme with Vircom-EMS undertaking the management tasks and monitoring processes that they have committed to. LMGL has requested a 4-month sampling programme and estimates that approximately 2,000 sites will be required to be selected due to the high numbers of UTIs and asbestos boards.	31 December 2018	
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Insufficient Load for Certification Tests		
Non-compliance	Description	
<p>Audit Ref: 7.7</p> <p>With: Clauses 14(3) and (4) of Schedule 10.7</p> <p>From: 09-Feb-18</p> <p>To: 30-Jun-18</p>	<p>ICP 0000130696ENB89 certified for insufficient load but monitoring not conducted.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: None</p> <p>Controls: None</p> <p>Breach risk rating: 5</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>There is no process in place to identify and monitor ICPs with insufficient load certification.</p> <p>The impact on settlement and participants is unknown, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
The ATH (Vircom) produced signed certification (VC00209) for insufficient load. This should not have been provided in the first place. LMGL has requested that Vircom return to site and certify (with load)		
Preventative actions taken to ensure no further issues will occur		Completion date
LMLG has formally requested of Vircom that they carry a load bank so they can load test Cat2 sites for certification. This appears to be an issue ONLY with Vircom as Delta have load banks for these situations.		
		Identified

Alternative Certification Requirements		
Non-compliance	Description	
<p>Audit Ref: 7.9</p> <p>With: Clauses 32(2), (3) and (4) of Schedule 10.7</p> <p>From: 15-Jun-17</p> <p>To: 30-Jun-18</p>	<p>Invalid alternative certification applied</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	
Low	<p>I have recorded the controls as weak because alternative certification should not have been applied to these installations and the Code clearly only allows one reason for the application of alternative certification.</p> <p>The test results show that the installations are both within 2.5% but one is over recording by 1.21% and this may be closer to zero once the low burden issue is addressed. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Note the comments in the pages above where this 'audit finding' was previously raised.		
Preventative actions taken to ensure no further issues will occur		Completion date
Note the comments in the pages above where this 'audit finding' was previously raised.		
		Remedial action status
		Identified