

Compliance plan for Arc Innovations

Non-compliance	Description		
Audit Ref: 4.10 With: 3 of Schedule 11.4 From: 15-Aug-16 To: 15-Jul-17	Information updated in the registry later than 10BD Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The impact on settlement is potentially minor, therefore audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Most of the late updates are due to the correction of old records, when an error is found, it is backdated to when the metering was installed or Part 10 go-live in August 2013. Vector will continue to work with field service providers to ensure correct paperwork is received as soon as possible.		Ongoing	Choose an item.
Preventative actions taken to ensure no further issues will occur		Completion date	
As more Arc meters are replaced going forward, the accuracy of the meter data on the Registry, and hence, level of compliance is improving all the time. We will continue to correct information on the Registry when required as this is relied on by other parties and needs to be accurate.		Ongoing	

Non-compliance	Description		
<p>Audit Ref: 6.1</p> <p>With: 1(1) of Schedule 11.4</p> <p>From: 12-Jul-16</p> <p>To: 24-Aug-16</p>	<p>MEP acceptance for one ICP was sent to the registry after 32 BD</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Once previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	settlement is potentially minor, therefore audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
ARCM received only one MEP nomination. This was a one-off and there is a strong process in place to handle the MEP nominations. We will not be taking any further action to address this particular issue as Vector already no longer accept nominations for its Arc legacy meters (ARCM).		In place.	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
ARCM (Legacy) nominations won't be accepted anymore.		Completed	

Non-compliance	Description		
<p>Audit Ref: 6.2</p> <p>With: 7(1) of Schedule 11.4</p> <p>From: 15-Aug-16</p> <p>To: 15-Jul-17</p>	<p>Information for 65 ICPs is missing; some information for metering installations on Scanpower's network is incorrect</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice before</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The impact on settlement is potentially minor, therefore audit risk rating is low. Meters on Scanpower's network will be replaced as part of an upgrade to smart meters</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>53 ICPs are legacy (ARCM), and will be replaced by smart meters in upcoming deployments.</p> <p>The 11 ARCS are set to Category 9 and are either decommissioned or in the process of being decommissioned.</p>		Q1 2018	Choose an item.
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>These are predominantly legacy meters (Arc is no longer installing Legacy meters), plus Arc smart which are mostly replaced with EDM1 meters under the NGCM MEP.</p>		Ongoing	

Non-compliance	Description		
<p>Audit Ref: 6.3</p> <p>With: 6 of Schedule 11.4</p> <p>From: 15-Aug-16</p> <p>To: 15-Jul-17</p>	<p>Currently Arc Innovations does not have a process to comply with this clause, corrections are done as 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		
Low	<p>The impact on settlement is potentially small, therefore audit risk rating is low. In the past Arc Innovations put a lot of work into the clean-up of records in the registry</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Arc only install a very small number of meters and we have cleaned up the data as much as we practically can. Of the 65 meters identified in this audit, the majority are legacy meters on a particular network, and a site visit is required to gather the missing data.</p> <p>Vector will replace the 65 meters with EDMl smart meters, as part of a deployment plan.</p>		Q1 2018	Choose an item.
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>VAMS cleaned up most of the data on the Registry, and we are no longer seeing new discrepancies between Arc systems and the Registry. With these circumstances in mind, we believed there was little value running this process when there is such a small number (which we can account for) and that number is diminishing.</p> <p>65 Meters will be upgraded to smart through deployment.</p>		Q1 2018	

Non-compliance	Description		
<p>Audit Ref: 7.1</p> <p>With: 10.38(a)</p> <p>From: 01-Apr-17</p> <p>To: 31-May-17</p>	<p>Certification expired for 103 metering installation (100 cat 2 and 3 cat 1)</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	This could have an impact on settlement outcomes if discovered that installations record incorrect volumes		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>VAMS have a dedicated person managing these.</p> <p>A number of these ICPs had recently been recertified using the comparative method, however as the Arc systems are fully automated, we identified an issue where a technician was not updating all the component certification details and the site expiry date was being generated from the oldest component. Once this component was updated correctly in our system, the expiry date shifted out. Quite a few have also since been recertified, and the others either have work orders against them, are waiting for recertification, have customer issues, or are irrigation sites.</p> <p>There are 39 irrigation sites that are currently in the off season and are not currently used. Recertification will take place once irrigator power is restored. VAMS communicated this with the Retailer and both agreed this was a good outcome for all parties involved, particularly the customer. VAMS will contact the Retailer next month to start planning recertification.</p>		November 2017	Choose an item.
Preventative actions taken to ensure no further issues will occur		Completion date	

<p>VAMS produce a report looking forward at least 6 months in advance and this is continually managed and updated. We always plan on recertifying ICPs prior to the expiry date but other than the 39 irrigation sites which were intentionally left, there are often other unforeseen issues that cause recertification work to slip. These are managed with urgency on a case by case basis.</p> <p>Vector will change the report to look ahead 12 months to give additional time to ensure ICPS are certified prior to expiry date.</p>	Ongoing	
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Non-compliance	Description		
<p>Audit Ref: 8.2</p> <p>With: 46(1) of Schedule 10.7</p> <p>From: 01-Mar-17</p> <p>To: 31-May-17</p>	<p>100 metering installations category 2 were not inspected.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	This could have an impact on settlement outcomes if discovered that installations record incorrect volumes		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>All Arc Cat 2 meters are certified for 10 years, we do not inspect Cat 2 ICPs, rather we replace with EDM. The number 100 is a direct relation to audit reference 7.1 'Certification expired for 103 metering installation (100 cat 2 and 3 cat 1)'.</p> <p>All 100 Cat 2 meters are currently uncertified and will be recertified in the next couple of months.</p> <p>All Cat 1 meters are inspected using statistical sampling.</p>		November 2017	Choose an item.
Preventative actions taken to ensure no further issues will occur		Completion date	
We do not inspect our Cat 2 metering installations as all Arc Cat 2 are 10 year certified. All meters are upgraded to EDM when expiry date is due. As above, Vector will change the report to look ahead 12 months to give additional time to ensure ICPS are certified prior to expiry date.		N/A	

