

Compliance plan for Contact MEP - 2017

Registry Notification of Metering Records		
Non-compliance	Description	
Audit Ref: 3.2 With: Clause 2 of Schedule 11.4 From: 01-Aug-16 To: 23-Jun-17	Eleven registry updates later than 15 business days. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are in place to ensure the timeliness of updates, but Contact is often prevented from updating the registry due to late field notification. The impact on other participants is minor; therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
All records have been populated and updated accordingly to the registry		Completed
Preventative actions taken to ensure no further issues will occur		Completion date
Where CTCT is both the Retailer and MEP we are actively working with our Field Service Providers to produce the meter installation paperwork within their required timeframes, In addition our internal processes are being prioritised to ensure that the metering data and nominations occur on time. CTCT has implemented new controls to pick up any new installations or updates received within our systems to further reduce the delays to update the registry.		Ongoing
		Identified

Metering Installation Design & Accuracy	
Non-compliance	Description
Audit Ref: 4.3 With: Clause 4(1) of Schedule 10.7 From: 01-Sep-16 To: 31-Aug-17	ATHs are not always recording the design report reference, VEMS x 6, DELTA x 1. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating

Low	I have recorded the controls as moderate because there is room to improve the records provided by ATHs. The impact is minor; therefore the audit risk rating is low		
Actions taken to resolve the issue		Completion date	Remedial action status
CTCT has issued a reminder to our ATH's that they need to include the Design Report reference on the certification documentation		Completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Each new certification sheet will be checked for the design reference going forward, any omissions will be followed up accordingly.		Ongoing	

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-Aug-16</p> <p>To: 31-Jul-17</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 update occurred after the trader had populated their records, therefore the impact on participants, customers or settlement is minor, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All records have been updated to the registry accordingly		Completed	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Although CTCT has controls in place for this area of non-compliance, we do believe that there is some additional controls that we can build to strengthen this area. This is currently under investigation.		31/12/2017	

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-Sep-16</p> <p>To: 31-Aug-17</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. There are still a small number of areas where improvement can be made. Certification date accuracy is a good example.</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
Comments have been included in the Table above		
Preventative actions taken to ensure no further issues will occur		Completion date
Comments have been included in the Table above		
		Identified

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-Aug-16</p> <p>To: 31-Jul-17</p>	<p>Discrepancies not resolved within 5 business days.</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 because most discrepancies have been resolved.</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
CTCT has controls in place to manage and action the discrepancies accordingly. Prioritisation is given to discrepancies that could cause an adverse effect to a reconciliation participant	In place	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
CTCT will continue to monitor its controls in this area	In place	

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: 12-Aug-14</p> <p>To: 31-Aug-17</p>	<p>Certification expired for 6,488 ICPs.</p> <p>Potential impact: High</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>I have recorded the controls as moderate 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 impact on settlement is recorded as moderate because of the increased likelihood of failure or inaccuracy for metering installations with expired certification, therefore the audit risk rating is medium.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Issue 1: 6,409 interim certified installations not re-certified, these assets have been sold to LMGL (which was inferred we could do as per our EA settlement agreement conditions) but a retailer has refused to make the update to the registry to nominate LMGL as the new MEP. LMGL have taken on all rights as the MEP (contractually with CTCT) and CTCT remains the MEP on the registry in name only. LMGL will be working to resolve the certification records going forward for these ICPs. CTCT ensures we do not keep any revenue received from the retailer for these ICP's and passes 100% of the lease revenue through to LMGL</p> <p>Issue 2: 7 Expired statistical certification – 2 have been resolved and the registry updated accordingly, the other 5 assets have been sold to TRUS.</p> <p>Issue 3: 5 installations have expired full certification 1 x Resolved and registry updated, 1 x CAT 9 installation – NGCM to update the registry as the new MEP and 3 x installations have been included in our current statistical sampling program due to finalise in December 2017</p> <p>Issue 4: 65 x expired interim certification – these installations are un-metered streetlight sites and only have a dummy metering record in place to support downstream processes.</p>		Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
CTCT has controls in place to monitor and maintain the certification of its assets and has the relevant programs in place to maintain the certification going forward. The main issue for our certification problems relates to assets where we are no longer the equipment owner and have contracted the certification to another MEP.	Ongoing	

Interim Certification		
Non-compliance	Description	
Audit Ref: 7.19 With: Clause 18 of Schedule 10.7 From: 01-Jan-01 To: 30-Jun-17	6,214 ICPs with expired interim certification. Potential impact: High Actual impact: Medium Audit history: Multiple times Controls: Moderate Breach risk rating: 4	
Audit risk rating	Rationale for audit risk rating	
Medium	I have recorded the controls as moderate in this area because certification has been expired for a number of years for these ICPs. The impact on settlement is recorded as moderate because of the increased likelihood of failure or inaccuracy for metering installations with expired certification, therefore the audit risk rating is medium.	
Actions taken to resolve the issue		Completion date
As stated in point 7.1. the Certification and Maintenance (Clause 10.38 (a), clause 1 and clause 15 of Schedule 10.7)		
Preventative actions taken to ensure no further issues will occur		Completion date
As stated in point 7.1. the Certification and Maintenance (Clause 10.38 (a), clause 1 and clause 15 of Schedule 10.7)		

Investigation of Faulty Metering Installations		
Non-compliance	Description	
Audit Ref: 9.1 With: Clause 10.43(4) and (5) From: 21-Jun-16 To: 19-Sep-17	Faulty meters not reported to traders within 20 business days. Potential impact: Medium Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	I have recorded the controls as moderate in this area because there is room to improve the timeliness of notifications. The impact on settlement is recorded as minor because of the low number involved; therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
CTCT has processes in place to notify Traders of faulty assets as part of our field visits.		ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
CTCT is investigating the change to its processes so that we can ensure Traders are made aware within the nominated timeframes of any faulty meters that we identify as part of our field visits.		31/12/2017

Statement of Situation	
Non-compliance	Description
Audit Ref: 9.3 With: Clause 10.46(2) From: 21-Jun-16 To: 19-Sep-17	Statements of situation not notified within three business days. Potential impact: Medium Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating

Low	I have recorded the controls as moderate in this area because there is room to improve the timeliness of notifications. The impact on settlement is recorded as minor because of the low number involved; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
CTCT is changing its procedures to ensure affected participants are notified as part of our processes.		31/12/2017	