

Compliance plan for Genesis Reconciliation Participant Audit – 2020

Material change audits			
Non-compliance	Description		
Audit Ref: 1.11 With: Clause 16A.11 From: 01-Jul-19 To: 30-Jul-20	Material change audit not conducted for automation new connection process. Potential impact: Medium Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as weak because this development was put into production without undertaking a material audit to confirm Genesis can meet their code obligations. The automation of the new connection process has impacted Genesis' compliance resulting in late updates to the registry and incorrect active dates for some unmetered new connections but the impact on settlement is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis will need to ensure what improvement initiatives will require a materiality audit and if so undertake an audit prior to implementation. The EA needs to understand that this clause will delay all improvements to processes or systems having a material impact on settlement.		09/2021	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will need to revise their program of work to discuss the materiality and whether any process/system change, or improvement will be measured by this code section and how that may impact any current and future improvement initiatives. Compliance to be included in impact assessments for process and system changes.		09/2021	

Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 15.2 From: 01-Jul-19 To: 30-Jul-20	Some inaccurate data is recorded and was not updated as soon as practicable. 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	The controls are recorded as moderate because the scope of this clause is broad, and most areas have moderate or strong controls. The audit risk rating is medium due to the incorrect data being submitted to the market and sent to other traders as part of the switching process.	
Actions taken to resolve the issue		Completion date
Genesis will need to consider the changes required in order to assess materiality to any process change to resolve the issues at hand prior to any solution being implemented. Genesis will need to review system and processes to identify potential gains in timeliness and accuracy of data.		unknown
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis has introduced internal control audits which will help identify areas with potential risk. The internal audit recommendations are currently being actioned with the business owners, Genesis will be considering the actions based on whether it is determined to be a material change and will then need to consider the materiality due to code sections 16A.11 (15.37a).		unknown
		Unknown

Electrical Connection of Point of Connection			
Non-compliance	Description		
<p>Audit Ref: 2.11</p> <p>With: Clause 10.32</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>ICP 1002070461UNAD6 not certified within five business days of electrical connection.</p> <p>232 reconnections were not certified within five business days.</p> <p>GEOL</p> <p>31 reconnections were not certified within five business days.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate as they will ensure compliance most of the time but the process to ensure certified metering is in place at the point of reconnection needs some improvement.</p> <p>Uncertified metering installations may be less accurate than certified metering installations, so there could be a minor impact on settlement. The audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis to implement reporting controls to notify the MEP of their obligation surrounding metering equipment certification. Genesis, however will need to investigate how to notify the MEP within 5 days of reconnecting the meter due to onboarding processes where we have gained the expired metering site from another trader, as this may require a material change audit?		01/03/2021	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will introduce reporting 3 months in advance to notify the MEP of any meter equipment nearing certification expiry.		01/12/2020	

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3</p> <p>With: Clause 10 of schedule 11.1</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>Some status and trader updates were not processed within five business days of the event on the Registry.</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>The controls in rated as moderate as they are generally robust, but the automation of the new connection process has created some gaps in controls.</p> <p>The audit risk rating is assessed to be low as whilst the events are backdated this is done to ensure submission occurs correctly.</p>	
Actions taken to resolve the issue		Completion date
Genesis continues to improve the provision and accuracy of registry data and will review new connections automation and its exception management processes.		Continuous improvements
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis has proactively been rectifying anomalies and the corrections made to the relative systems and/or processes.		Continuous improvements
		Investigating

Trader responsibility for an ICP			
Non-compliance	Description		
<p>Audit Ref: 3.4</p> <p>With: Clause 11.18</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>Six incorrect MEP nominations.</p> <p>GEOL</p> <p>Two incorrect MEP nominations.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate as the controls will mitigate risk most of the time.</p> <p>The audit risk rating is low as settlement and billing are still occurring because Genesis has the metering details recorded.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis has automated the nomination process, however where manual intervention is required then there is always potential risk, with controls in place to help minimise or remove any potential impact.		01/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Automation of nomination process		01/10/2020	

Provision of information to the registry manager		
Non-compliance	Description	
<p>Audit Ref: 3.5</p> <p>With: Clause 9 of schedule 11.1</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>Some late and incorrect status updates.</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>The controls are rated as moderate but there are opportunities for improved controls. Particularly in relation to the reporting on the automated new connection process to identify potential discrepancies.</p> <p>The audit risk rating is low as the number of errors found were small and will be corrected through the revision cycle.</p>	
Actions taken to resolve the issue		Completion date
Genesis has automated the new connection process, however where manual intervention is required then there is always potential risk, with controls in place to help minimise or remove any potential impact.		01/11/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Automation of new connection process, a review of the performance of the automation will need to be conducted to ensure functionality is sound.		01/11/2020
		Investigating

ANZSIC codes		
Non-compliance	Description	
<p>Audit Ref: 3.6</p> <p>With: Clause 9(1)(k) of schedule 11.1</p> <p>From: 31-Jul-19</p> <p>To: 31-Jul-20</p>	<p>A small number of incorrect ANZSIC codes.</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>The controls are rated as strong as these are checked on customer sign up and changes are managed via trader updates as required.</p> <p>There is no impact on settlement outcomes from incorrect ANZSIC codes but there is a low impact on the Electricity Authority's reporting accuracy, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Genesis have strong controls in place to mitigate risk and update registry information as soon as practicable once corrective information has been obtained.		01/10/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Where Genesis receives information pertaining to an update of the ANZSIC code Genesis corrects asap.		01/10/2020
		Identified

Changes to unmetered load		
Non-compliance	Description	
<p>Audit Ref: 3.7</p> <p>With: Clause 9(1)(f) of Schedule 11.1</p> <p>From: 31-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>Three ICPs had incorrect daily unmetered kWh.</p> <p>GENH</p> <p>Missing unmetered details for one ICP.</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>Controls are generally strong in this area.</p> <p>The impact on settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Genesis continues to monitor and where possible provide corrective information to the registry when information is obtain highlights a corrective action.		continuous improvements
Preventative actions taken to ensure no further issues will occur		Completion date
Continues to review UML details to ensure corrective actions are initiated upon the provision of corrective information.		continuous improvements.
		Investigating

Management of “active” status			
Non-compliance	Description		
<p>Audit Ref: 3.8</p> <p>With: Clause 17 of schedule 11.1</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>54 (7+4+5+20+15+3) incorrect first active dates of those ICPs sampled.</p> <p>GEOL</p> <p>Six (2+1+3) incorrect first active dates.</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>The controls are rated as weak as there is no validation between the first active date, the initial electrical connection and the meter certification dates to identify potential incorrect active dates.</p> <p>The audit risk rating is low as the volume of errors found for the sample checked is small in relation to the overall number of electrical connections completed. .</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Review AC-020 reporting frequently to identify variances as they occur.		1/11/2020	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Review processes in current automation to improve compliance, or as an alternative implement regular frequent reporting from the AC-020 as a measuring control		1/2/2021	

Management of “inactive” status		
Non-compliance	Description	
<p>Audit Ref: 3.9</p> <p>With: Clause 19 of schedule 11.1</p> <p>From: 01-Jul-19</p> <p>To: 30-Jul-19</p>	<p>GENE and GEOL</p> <p>Some incorrect inactive statuses.</p> <p>Potential impact: Medium</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>The controls are rated as moderate because there is room for improvement with regard to the identification and correction of incorrect statuses.</p> <p>Settlement is not occurring in some cases until the status is corrected, therefore the audit risk rating is medium.</p>	
Actions taken to resolve the issue		Completion date
Review AC-020 reporting frequently to identify variances as they occur.		1/11/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Review processes in current automation to improve compliance, or as an alternative implement regular frequent reporting from the AC-020 as a measuring control		1/2/2021
		Investigating

Losing trader response to switch request and event dates - standard switch			
Non-compliance	Description		
<p>Audit Ref: 4.2</p> <p>With: Clause 3 of schedule 11.3</p> <p>From: 24-Feb-20</p> <p>To: 28-Feb-20</p>	<p>GENE</p> <p>One incorrect AN code sent of the sample checked.</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>The controls are rated as strong as the process is driven off the ICP attributes based on a hierarchy.</p> <p>The audit risk rating is low to none as there was only one incorrect code identified and this has no direct impact on reconciliation.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis continues to vigorously investigate potentially incorrect reads		Date Continuous Improvement	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will ensure the RR response is accurate which can take longer than the required time frames ?due to factors often outside of Genesis control?.		Date Continuous Improvement	

Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 5 of schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>The average daily consumption calculation is not calculated from the last read period.</p> <p>GENE</p> <p>Four of five ICPs checked with an incorrect average daily consumption read of zero sent were found to be incorrect.</p> <p>Four of ten ICPs checked with incorrect last read labelled as actual but should have been sent as estimates.</p> <p>One of ten ICPs checked where the last read date was the last billed date and the last read date was earlier.</p> <p>GEOL</p> <p>The one ICP with a negative average daily consumption is incorrect as it is not consumption.</p> <p>All five ICPs checked with an incorrect average daily consumption read of zero sent were found to be incorrect.</p> <p>One of ten ICPs checked where the last read date was the last billed date and the last read date was earlier.</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>The controls are recorded as weak as the volume of errors found in the ICPs sample was high indicating that the logic in Gentrack needs to review to improve accuracy.</p> <p>The audit risk rating is low as any variances between gain read and reads sent in the CS file are addressed via the RR process initiated by the gaining trader in most instances.</p>	
Actions taken to resolve the issue		Completion date
Genesis revised the process once the RP audit had identified the non-compliance. The fix was developed but halted implementation due constraints surrounding COVID-19. Genesis has since reassessed the fix and implementation is currently under way.		31/10/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis is currently in the process of implementing a logic fix that will address this issue moving forward		31/10/2020
		Identified

Retailers must use same reading - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.4</p> <p>With: Clause 6(1) and 6A Schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>19 late RR files.</p> <p>GEOL</p> <p>Two RRs not supported by two actual reads.</p> <p>Two late RR files.</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>The controls are strong because the process is sound and potentially incorrect readings are investigated as soon as possible.</p> <p>There is a minor impact on other traders and customers because rebilling has to occur. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Genesis continues to vigorously investigate potentially incorrect reads		Continuous Improvement
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis will ensure the RR response is accurate which can take longer than the required time frames due to factors often outside of Genesis control.		Continuous Improvement
		Identified

Losing trader provides information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.8</p> <p>With: Clause 10(1) of schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>Three incorrect AN response codes sent.</p> <p>907 late CS files.</p> <p>GEOL</p> <p>Event date for one ICP set earlier than the gaining trader's requested date.</p> <p>216 late CS files.</p> <p>GENH</p> <p>One late AN file sent.</p> <p>Seven late CS files sent.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as weak as the process is causing a large number of CS files to be sent late.</p> <p>The audit risk rating is low as the late files are being sent within days of their due date.</p>	
Actions taken to resolve the issue		Completion date
Will need to investigate this thoroughly as a piece of work.		01/06/2021
Preventative actions taken to ensure no further issues will occur		Completion date
The investigation will provide future preventative actions		01/06/2021

Actions taken to resolve the issue	Completion date	Remedial action status
Genesis revised the process once the RP audit had identified the non-compliance. The fix was developed but halted implementation due constraints surrounding COVID-19. Genesis has since reassessed the fix and implementation is currently under way.	31/10/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Participant Comments Genesis is currently in the process of implementing a logic fix that will address this issue moving forward	31/10/2020	

Gaining trader changes to switch meter reading - switch move			
Non-compliance	Description		
<p>Audit Ref: 4.11</p> <p>With: Clause 12 of schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>48 late RR files</p> <p>The agreed switch reading was not applied for settlement for ICP 0000491003WE1BC (04/03/20), because the switch reading included 5 kWh of consumption during an inactive period which was excluded from the historic estimate calculations.</p> <p>GEOL</p> <p>One RR requested as an estimated read when the actual read for the correct event date was ignored.</p> <p>26 late RR files.</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>The controls are moderate as the controls will mitigate risk most of the time but there is still room for errors to occur.</p> <p>There is a minor impact on other traders and customers because rebilling has to occur. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis are currently reviewing the C&I end to end processes in the quest to replace the current billing engine that does not cater for large commercial customers.		01/06/2022	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will be reviewing the C&I processes to remove the manual processing of C&I onboarding and exiting of commercial customers.		01/06/2022	

Losing trader provision of information - gaining trader switch			
Non-compliance	Description		
<p>Audit Ref: 4.13</p> <p>With: Clause 15 of schedule 11.3</p> <p>From: 01-Dec-19</p> <p>To: 04-Mar-20</p>	<p>GENH</p> <p>11 late AN files.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</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	<p>The controls are rated as strong as the team have good visibility of workflow but due to resource constraint these were late.</p> <p>The audit risk rating is low as these they were only a few days late and had no impact on settlement.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis are currently reviewing the C&I end to end processes in the quest to replace the current billing engine that does not cater for large commercial customers.		01/06/2022	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will be reviewing the C&I processes to remove the manual processing of C&I onboarding and exiting of commercial customers.		01/06/2022	

Gaining trader to advise the registry manager - gaining trader switch			
Non-compliance	Description		
<p>Audit Ref: 4.14</p> <p>With: Clause 16 of schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENH</p> <p>21 late CS files.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</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 as the team have good visibility of workflow but due to resource constraint these were late.</p> <p>The audit risk rating is low as these they were only a few days late and had no impact on settlement.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis are currently reviewing the C&I end to end processes in the quest to replace the current billing engine that does not cater for large commercial customers.		01/06/2022	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will be reviewing the C&I processes to remove the manual processing of C&I onboarding and exiting of commercial customers.		01/06/2022	

Withdrawal of switch requests			
Non-compliance	Description		
<p>Audit Ref: 4.15</p> <p>With: Clause 17 & 18 of schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>141 late NW requests.</p> <p>GEOL</p> <p>One incorrectly rejected NW request</p> <p>74 late NW requests.</p> <p>GENH</p> <p>29 late NW request.</p> <p>Eight late AW response.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</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	<p>The controls are recorded as strong as these are managed on a case by case with good controls to ensure that content is accurate and timeliness reporting is in place.</p> <p>There was a minor impact on settlement due to the correction of consumption information. There was also a minor impact on the customer; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Process is to ensure that any impact on the consumer is mitigated, unfortunately this is to the detriment of timeliness, Genesis endeavours to meet all aspects of the NW process but at times there are exceptions that need to be managed.		01/06/2021	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will look into the efficiency of the investigations to try and achieve compliance.		01/06/2021	

Metering information			
Non-compliance	Description		
<p>Audit Ref: 4.16</p> <p>With: Clause 216 of schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>Seven incorrect last reads sent of those sampled.</p> <p>GENE</p> <p>Two incorrect last reads sent of those sampled.</p> <p>Potential impact: Low</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 rated as moderate as the controls will mitigate risk most of the time but there is room for errors to occur.</p> <p>The audit risk rating is low as these are expected to be corrected through the RR process in most cases.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis revised the process once the RP audit had identified the non-compliance. The fix was developed but halted implementation due to constraints surrounding COVID-19. Genesis has since reassessed the fix and implementation is currently under way.		31/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis is currently in the process of implementing a logic fix that will address this issue moving forward		31/10/2020	

Switch saving protection		
Non-compliance	Description	
<p>Audit Ref: 4.17</p> <p>With: clause 11.15AA to 11.15AB</p> <p>From: 31-Mar-20</p> <p>To: 01-Jul-20</p>	<p>GENE</p> <p>Two customers won back post the switch save protection code change.</p> <p>Potential impact: Low</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>No win-back activity is expected to be undertaken post the code change coming into effect but alleged breach 2006GENE1 indicates this may not be the case hence I have rated the controls as moderate.</p> <p>The audit risk rating is low, this is unlikely to be a widespread issue.</p>	
Actions taken to resolve the issue		Completion date
Genesis has already corrected the process to comply with the code		
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis has been breached in relation to these events and have already replied to the breach allegations.		
		Identified

Maintaining shared unmetered load		
Non-compliance	Description	
<p>Audit Ref: 5.1</p> <p>With: Clause 11.14</p> <p>From: 31-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>Two ICPs with the incorrect shared daily unmetered kWh.</p> <p>Missing shared unmetered load for four ICPs.</p> <p>GEOL</p> <p>One ICPs with the incorrect shared daily unmetered kWh.</p> <p>Potential impact: Low</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>Controls are rated as moderate as they will manage risk to an acceptable level most of the time.</p> <p>The impact on settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Genesis to improve current reporting frequency and timeliness.		01/12/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis to review current reporting processes to ensure any corrective actions are managed in a timely manner		01/12/2020
		Investigating

Unmetered threshold			
Non-compliance		Description	
<p>Audit Ref: 5.2</p> <p>With: Clause 10.14 (2)(b)</p> <p>From: 01-Aug-18</p> <p>To: 19-Jun-19</p>		<p>GENE</p> <p>11 ICPs with unmetered load over 6,000 kWh per annum.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</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>The controls are recorded as moderate as Genesis are working with the customers concerned to resolve these, but this is taking longer than expected.</p> <p>The impact on settlement is unknown because the load has not been checked but submission is occurring. I have recorded the audit risk rating as low.</p>	
Actions taken to resolve the issue		Completion date	Remedial action status

<ul style="list-style-type: none"> • 0005000772HBA61 UML threshold has been rectified by the customer but the electrician still has not provided the paperwork supporting this. An example of how the high risk register does not always provide assistance. • 0088051701WM2E0 – ICP is currently an Active vacant consuming. The previous consumer was finaled by a CSR inadvertently, in which Genesis has been unable to resign to date. Genesis are working on a resolution for this site, the distributor has no helpful information pertaining to load details. • 1001–43372UN366 & 0000455891UN0A2 - Genesis finally have managed to contact the director of Nulite signs, Tim agrees with Genesis and would like to find a resolution to the issue. Genesis will be working with the customer to resolve this issue as quickly as possible over the next few months. The customer is reviewing their asset information to provide Genesis with locational details, so Genesis can establish, which gxp allocation is to be provided against and whether DUML can be avoided due to the extensive costs associated. • 0900088512PCB3A & 0000081066CPA8F & 0900088511PC7FA – Manawatu RURAL streetlighting assets. Genesis has completed a desk top audit using google maps and mobile roads to identify any “RURAL” assets. Genesis will be providing the information to NZTA Manawatu and will adjust historical billing and settlements based off this information until NZTA can provide asset information as requested by Genesis/Distributors/Auditors on multiple occasions. Genesis would like to add that CTCT currently only provide settlement for the NZTA Manawatu “URBAN” assets based in the Manawatu district council region only. It does not cater for all other assets across the multiple councils in the Manawatu region for “urban” assets. • 1001101874UN586 – Added to NZTA Genesis are looking at the historical provision of information and have advised auditor to include in the next NZTA Porirua audit. • 0000562361UN29B - Kinleith Mill Genesis are struggling to identify what the load is actually for. Distributor details suggest some 24 hr load which technically requires a separate ICP. Distributor has not been able to supply any further information to assist, Genesis in locating at starting point on what the connection consists of, or is for. • 0000179860TR9B6 – Unfortunately Genesis have yet to get to the bottom of this, The account manager left before Genesis were able to meet with the council and the position is still open. Genesis will re raise this as a priority to establish whether the Wellington airport upgrades have removed or replaced the lig–ting assets. • 1000587024PCA06 - This seems to be a road closure sign, google maps seems to show a light that may work at night, the sign clearly not consuming during the day. There also seems to be a cabinet below sign. Is there metering attached? And the distributors 24 - hour operational time although it may have potential it clearly does not work 24/7 therefore any energy calculation would be over stated based off this information. This may need metering attached if it's not already. 		Investigating
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https://www.google.com/maps/@-40.3691183,175.6579965,3a,61.8y,46.33h,79.77t/data=!3m6!1e1!3m4!1sl-tXSb0zvBVg2zhQ-OnUqQ!2e0!7i16384!8i8192		
Preventative actions taken to ensure no further issues will occur	Completion date	
Genesis continues to investigate these as part of the UML reporting process.		

Unmetered threshold exceeded		
Non-compliance	Description	
Audit Ref: 5.3 With: Clause 10.14 (5) From: 01-Jul-19 To: 31-Jul-20	GENE Unmetered load over 6,000 kWh per annum and not resolved within the allowable timeframes. Potential impact: Medium Actual impact: Unknown Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate as Genesis are working with the customers concerned to resolve these, but this is taking longer than expected. The impact on settlement is unknown because the load has not been checked. I have recorded the audit risk rating as low.	
Actions taken to resolve the issue		Completion date
Genesis to improve current reporting frequency and timeliness.		01/12/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis to review current reporting processes to ensure any corrective actions are managed in a timely manner		01/12/2020

Distributed unmetered load		
Non-compliance	Description	
<p>Audit Ref: 5.4</p> <p>With: Clause 11 Schedule 15.3</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>GENE</p> <p>The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code.</p> <p>Inaccurate submission information for several databases.</p> <p>Six database audits not completed.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 6</p>	
Audit risk rating	Rationale for audit risk rating	
High	<p>The controls are rated as moderate as Genesis are working to resolve the databases not yet audited but as this is reliant on third parties co-operating this is proving challenging. For those databases audited corrections are being made where possible.</p> <p>There is a major impact on settlement outcomes because there are examples of over submission and under submission; therefore, the audit risk rating is high.</p>	
Actions taken to resolve the issue		Completion date
Genesis continues to work with their customers to improve or maintain accuracy level of asset database information pertaining to DUML.		Continuous improvement
Preventative actions taken to ensure no further issues will occur		Completion date
Continue to review and provide exception reporting to the customer to assist in maintaining database information.		Continuous improvement
		Investigating

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13, Clause 10.24 and 15.13</p> <p>From: Aug-19</p> <p>To: Jul-20</p>	<p>GENE</p> <p>23 ICPs were generating or likely to be generating but did not have compliant metering installed, and notification of gifting had not been provided.</p> <p>ICP 0000100101TR513 had wind generation with PV1 profile and was updated to EG1 for submission and on the registry during the audit.</p> <p>41 meters were bridged during the audit period. While meters are bridged energy is not quantified in accordance with the code.</p> <p>GEOL</p> <p>ICP 1001152044CK79A had wind generation with PV1 profile and was updated to EG1 profile during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate for distributed generation. Processes are in place but are not consistently followed through to ensure that compliant metering is installed, or notification of gifting is provided.</p> <p>Controls are rated as moderate for bridging. Bridging should occur very rarely. Process are in place to detect bridged meters and arrange unbridging, but they are not consistently followed through and will not always identify bridged meters promptly.</p> <p>The impact on settlement is minor therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Genesis have a bridge meter process which when processed flows through to settlement. Genesis will be reviewing this process to gain improvements in the identification of bridging events.		continuous improvements
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis will revise current internal processs and contractual arrangements to mitigate the effects of bridged metering.		continuous improvements
		Investigating

Reporting of defective meters			
Non-compliance	Description		
<p>Audit Ref: 6.4</p> <p>With: Clause 10.43(2) and (3)</p> <p>From: 27-Jan-20</p> <p>To: 26-May-20</p>	<p>GENE</p> <p>The MEP was not advised of three bridged meters, and five of the 15 bridged meters checked were not unbridged.</p> <p>Potential impact: Low</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, the MEP is advised of defects except where meters are unbridged by other parties.</p> <p>The audit risk rating is low based on the number of ICPs affected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis have a bridge meter process which when processed flows through to settlement. Genesis will be reviewing this process to gain improvements in the identification of bridging events.		continuous improvements	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis will revise current internal processs and contractual arrangements to mitigate the effects of bridged metering.		continuous improvements	

Derivation of meter readings		
Non-compliance	Description	
<p>Audit Ref: 6.6</p> <p>With: Clause 3(1), 3(2) and 5 Schedule 15.2</p> <p>From: 15-Jul-19</p> <p>To: 30-Jul-20</p>	<p>GENE</p> <p>At least one ICP with signs of tampering or damage, and one ICP with missing or broken seals, and two meter digit discrepancies identified by Wells were not investigated.</p> <p>Customer readings provided by Wells during COVID-19 lockdown were recorded as actual readings.</p> <p>1000517104PC993 had customer readings on 31/07/19 and 18/09/19 which were not validated against a set of readings from another source.</p> <p>GEOL</p> <p>At least one ICP with signs of tampering or damage, and one ICP with missing or broken seals, and one meter digit discrepancy identified by Wells were not investigated.</p> <p>Customer readings provided by Wells during COVID-19 lockdown were recorded as actual readings.</p> <p>0000289010TE558 had a customer reading on 30/08/20 which was not validated against a set of readings from another source.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are considered moderate because they are not sufficient to ensure that all meter condition events identified by Wells are investigated and resolved, and that all customer, web and photo readings are correctly validated before being treated as validated readings.</p> <p>The impact is assessed to be low, based on the exceptions identified.</p>	
Actions taken to resolve the issue		Completion date
Genesis has already corrected the reads obtained during lockdown from OR's to Estimations. Although this would lead to inaccuracies in revisions once reads are able to be obtained through normal cyclic reads the volumes should adjust settlement revisions.		Unknown
Preventative actions taken to ensure no further issues will occur		Completion date
		Investigating

Genesis will need to revise its reporting attributes for the meter conditioning events. But consideration must include what system changes are required which may delay and implementation due to the requirements for audits.	Unknown	
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NHH meter reading application		
Non-compliance	Description	
<p>Audit Ref: 6.7</p> <p>With: Clause 6 Schedule 15.2</p> <p>From: 15-Jul-19</p> <p>To: 30-Jul-20</p>	<p>GENE and GENH</p> <p>NHH meter readings not applied at 2400 on the day of the meter reading for NHH to HHR upgrades and downgrades where the meter is replaced.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are recorded as strong because the process achieves accuracy.</p> <p>There is no impact on settlement or other participants for upgrades and downgrades. There is a minor impact on the customer, other participants and settlement for the incorrectly applied switch event read.</p>	
Actions taken to resolve the issue		Completion date
Genesis to review its current processes to mitigate the minor impact on the provision of the incorrectly supplied switch read event		unknown
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis will take this under review when consultation takes place on the replacement billing engine.		unknown
		Investigating

Interrogate meters once		
Non-compliance	Description	
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: 01-Sep-19</p> <p>To: 31-Mar-20</p>	<p>GENE</p> <p>For at least ten ICPs unread during the period of supply, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>GEOL</p> <p>For at least nine ICPs unread during the period of supply, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>Potential impact: Low</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>Controls are weak as they will ensure that most ICPs will receive a read during the period of supply. Controls over AMI ICPs and account managed ICPs are weaker.</p> <p>The impact on billing and settlement is considered to be minor because a small number of ICPs are affected, and the period of supply is generally short.</p>	
Actions taken to resolve the issue		Completion date
Genesis has engaged Wells for a campaign over October for reads persistently not attained, which will involve weekend and evening visits for meter reads.		1/11/2020
Preventative actions taken to ensure no further issues will occur		Completion date
The campaign with Wells will form a routine part of Genesis measure to attain reads.		Continuous Improvement
		Identified

NHH meters interrogated annually		
Non-compliance	Description	
<p>Audit Ref: 6.9</p> <p>With: Clause 8(1) and (2) Schedule 15.2</p> <p>From: 01-Apr-19</p> <p>To: 31-Mar-20</p>	<p>GENE</p> <p>For at least 11 ICPs unread in the 12 months ended March 2020, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>GEOL</p> <p>For at least four ICPs unread in the 12 months ended March 2020, exceptional circumstances did not apply, and the best endeavours requirement was not met.</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 rated as moderate because there is room to improve the processes for read attainment, particularly for account managed ICPs and AMI ICPs.</p> <p>The impact is low, because overall read attainment rates are reasonably high.</p>	
Actions taken to resolve the issue		Completion date
Genesis has engaged Wells for a campaign over October for reads persistently not attained, which will involve weekend and evening visits for meter reads.		1/11/2020
Preventative actions taken to ensure no further issues will occur		Completion date
The campaign with Wells will form a routine part of Genesis measure to attain reads.		Continuous Improvement
		Identified

NHH meters 90% read rate		
Non-compliance	Description	
<p>Audit Ref: 6.10</p> <p>With: Clause 8(1) and (2) Schedule 15.2</p> <p>From: 01-Dec-19</p> <p>To: 31-Mar-20</p>	<p>GENE</p> <p>For at least ten ICPs unread in the four months ended April 2019, exceptional circumstances did not apply, and the best endeavours requirement was not met.</p> <p>GEOL</p> <p>For at least five ICPs unread in the four months ended March 2020, exceptional circumstances did not apply, and the best endeavours requirement was not met.</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 rated as moderate because there is room to improve the processes for read attainment, particularly for account managed ICPs and AMI ICPs.</p> <p>The impact is low, because overall read attainment rates are reasonably high.</p>	
Actions taken to resolve the issue		Completion date
Genesis will need to review process to look at how the SME sites can be included in this process		ASAP
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis will need to revise the current process to include SME customers in the reporting.		ASAP
		Investigating

Identification of readings		
Non-compliance	Description	
<p>Audit Ref: 9.1</p> <p>With: Clause 3(3) Schedule 15.2</p> <p>From: 01-Jul-19 To: 30-Jul-20</p>	<p>GENE and GEOL</p> <p>Because all meter removal reads are recorded as actual, estimated meter removal readings which capture consumption during stopped, faulty or bridged periods are incorrectly classified as actual readings.</p> <p>Some CS files had estimated readings classified as actual readings.</p> <p>Customer readings provided by Wells during COVID-19 lockdown were recorded as actual readings. 10,500 GENE and 1,800 GEOL readings were affected.</p> <p>GENE</p> <ul style="list-style-type: none"> 0000160951CK1EB had a manually entered actual AMI reading misclassified as a web reading. Both read types are treated as actual validated readings. 1000517104PC993 had customer readings on 31/07/19 and 18/09/19 which were treated as actual validated readings but were not validated against a set of readings from another source. <p>GEOL</p> <ul style="list-style-type: none"> 0000289010TE558 had a customer reading on 30/08/20 which was not validated against a set of readings from another source. <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are assessed to be moderate and the impact is assessed to be low. Most readings were correctly classified.</p> <p>The audit risk rating is assessed to be low as the volume of errors was small overall.</p>	
Actions taken to resolve the issue		Completion date
Genesis will be reviewing this process, however when dealing with faulty/stopped meters the provision of volume during the period of supply can only then be derived from the FSE process, therefore correctly label reads will then also be a contributing factor where the Historical estimation percentage requirements are not meet in section 13.3		01/06/2021
Preventative actions taken to ensure no further issues will occur		Completion date
Review process to assign correct read type when removing faulty/stopped meters.		unknown
		Investigating

Meter data used to derive volume information		
Non-compliance	Description	
<p>Audit Ref: 9.3</p> <p>With: Clause 3(5) of schedule 15.2</p> <p>From: 01-Jul-19</p> <p>To: 30-Jul-20</p>	<p>AMI meter reading data is truncated for import into Gentrack and Derive.</p> <p>Potential impact: Low</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 moderate. Only AMI meters which are settled as NHH are affected by meter readings being truncated in Gentrack and Derive.</p> <p>The impact is assessed to be low. Only NHH settled AMI readings provided with decimal places are affected, and the overall kWh difference is expected to be small.</p>	
Actions taken to resolve the issue		Completion date
Genesis does not believe that the rounding of the reads provided by AMI will have an impact on NHH settlements due to the potential of estimation in any period if a month end read was not provided. Genesis acknowledges that there maybe a >= 0.1 and <1.0-unit impact upon switching or decommissioning of site.		
Preventative actions taken to ensure no further issues will occur		Completion date
N/A		
		Unknown

Calculation of ICP days		
Non-compliance	Description	
<p>Audit Ref: 11.2</p> <p>With: Clause 15.6</p> <p>From: 01-Jul-19</p> <p>To: 30-Jul-20</p>	<p>GENE and GEOL</p> <p>For instances where an ICP is supplied for one day with no consumption, Derive reports zero ICP days.</p> <p>Potential impact: High</p> <p>Actual impact: Low</p> <p>Audit history: None</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. In almost all instances ICP days will be reported correctly.</p> <p>The impact is low because ICPs are usually supplied for more than one day, otherwise a switch withdrawal would be processed. The instances identified had zero consumption and zero ICP days.</p>	
Actions taken to resolve the issue		Completion date
Genesis has already implemented change to the process to ensure that the ICP's with start and end dates being the same during the period of ownership, that the 1 day is accounted for.		14/09/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Genesis has over time improved the accuracy levels of their ICP day reporting to the extent that the minor issues Identified are now noticeable, and have not been identified previously in the RP audits conducted.		14/09/2020
		Identified

Electricity supplied information provision to the reconciliation manager		
Non-compliance	Description	
<p>Audit Ref: 11.3</p> <p>With: Clause 15.7</p> <p>From: May-20</p> <p>To: May-20</p>	<p>GENE</p> <p>GENE submitted as billed consumption late due to a correction. Alleged breach 2004GENE2 was raised by the reconciliation manager.</p> <p>Potential impact: High</p> <p>Actual impact: Low</p> <p>Audit history: None</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. The late submission occurred due to correction.</p> <p>The impact is low because the data was provided in time to be included in the allocation results.</p>	
Actions taken to resolve the issue		Completion date
Genesis received notification from the distribution company due to an initial submission being substantially greater than the NSP recorded volumes, in which Genesis proceeded to rectify their revision volumes, but unfortunately too close to the 4pm deadline and missed the window but wanted to ensure that the submitted volumes were corrected. This is an exception and is not normal practice.		
Preventative actions taken to ensure no further issues will occur		Completion date
Distribution network enquiry triggered investigation into metering configurations due to the distributor challenging reported volumes stating they believed the configurations were transposed.		
		Cleared

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 From: 01-Jul-19 To: 30-Jul-20	GENE, GEOL and GENH HHR aggregates files do not contain electricity supplied information. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The issue relating to content of the aggregates file is an error in the code, Genesis is providing submission information as expected.	
Actions taken to resolve the issue		Completion date
Correct Genesis will not be changing its process.		N/A
Preventative actions taken to ensure no further issues will occur		Completion date
N/A		N/A
		Remedial action status
		Cleared

Creation of submission information			
Non-compliance	Description		
<p>Audit Ref: 12.2</p> <p>With: Clause 15.4</p> <p>From: Jun-19</p> <p>To: Jul-20</p>	<p>GENE</p> <p>There were delays in providing distributed generation submissions for ICPs 0000039785CP0FE, 1000585864PCBEE and 1000587982PCA9F.</p> <p>23 GENE ICPs which are believed to be generating did not have compliant metering installed or notification of gifting provided.</p> <p>GENE ICP 0000100101TR513 had wind generation and was updated from PV1 to EG1 profile for submission during the audit.</p> <p>Some inactive consumption was missing from submissions because corrections had not been processed as soon as practicable.</p> <p>Some consumption during bridged periods was missing from submissions because corrections were not processed as soon as practicable.</p> <p>ICP 0000167710UN91D's meter change was processed effective from 10/06/20 instead of 16/06/20.</p> <p>GENE submitted NSP volumes 43 minutes late for April 2020, due to a data processing error. Alleged breach 2005GENE2 was raised by the reconciliation manager.</p> <p>GENE submitted as billed consumption late due to a correction. Alleged breach 2004GENE2 was raised by the reconciliation manager.</p> <p>GEOL</p> <p>ICP 1001152044CK79A had wind generation and was updated to EG1 profile during the audit.</p> <p>Some inactive consumption was missing from submissions because corrections had not been processed as soon as practicable.</p> <p>GENH</p> <p>ICPs 00000000516NTE49, 00000000544NT6C4 and 0000370001TU645 did not have unmetered load reported.</p> <p>Potential impact: Low</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 rated as moderate overall because processes are in place. Delays in updating systems and processing corrections meant that some submission information was not accurate and complete at the time of submission.</p> <p>The impact is low based on the volume differences identified, and corrected data will be provided through the revision process.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

Genesis will be reviewing the process for efficiency gains, to improve timeliness	01/06/2021	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Preventative actions will be a result of the investigation of these processes	01/06/2021	

Non-compliance	Description		
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 01-Jul-19</p> <p>To: 30-Jul-20</p>	<p>GENE, GEOL and GENH</p> <p>Some submission data was inaccurate and was not corrected at the next available opportunity.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>The controls are rated as moderate as they are sufficient to ensure that most submission information is correct, but there is some room for improvement to the read and billing validation processes which identify and correct errors.</p> <p>The impact is medium based on the volume differences identified, and corrected data will be provided through the revision process.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis will be reviewing its current process, changes may not yet be supported due to the pending billing engine replacement. The reconciliation team continues to support these processes where exceptions are found and corrected.		Unknown	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Comments have been made on these individual instances earlier in the report. Each process will be reviewed over the coming months as Genesis progress down the path of billing engine replacement.		Unknown	

Permanence of meter readings for reconciliation			
Non-compliance	Description		
<p>Audit Ref: 12.8</p> <p>With: Clause 4 Schedule 15.2</p> <p>From: Nov-18 (r14) to Jan 198 (r14)</p>	<p>GENE and GEOL</p> <p>Some estimates were not replaced with permanent estimates by revision 14.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</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>The controls are rated as moderate, because there are processes in place to attain readings by revision 14 and enter permanent estimate readings.</p> <p>The potential impact is rated as low. There was 2,697,823 kWh of forward estimate over three months and the impact is dependent on the accuracy of these estimates. There are sound estimation processes, therefore I have recorded the audit risk rating as medium.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis will make any necessary adjustments in accordance of the permeance of estimated reads requirements.		01/06/2021	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Revise current process to check whether permanent estimates are meeting 12.8 requirements. Also will require a revision of the read attainment processes for sites unable to be read which feeds the permeance process.		01/06/2021	

Non-compliance	Description	
<p>Audit Ref: 12.9</p> <p>With: Clause 2 Schedule 15.3</p> <p>From: 01-Dec-16</p> <p>To: 28-Jul-20</p>	<p>GENE ICP 0001130018PSF65 has meter category 3 and a NHH submission type and profile.</p> <p>GENH ICPs 0000000516NTE49, 0000000544NT6C4, and 0000370001TU645 were not included in submission information because no instruction had been received from the commercial team, resulting in under submission of 1,547 kWh up to 31/07/20.</p> <p>ICP 0000275289HB0B4 (1.5 kWh per day UML) was included in GENE's NHH submissions instead of being submitted with the GENH participant code.</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>Controls are rated as strong, NHH submission type has been applied to ensure that the meter compensation factor is correctly applied.</p> <p>The impact on settlement is minor; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Genesis will continue to review and where possible improve the processes. The implementation of a new billing engine may provide the necessary infrastructure to initiate improvements.		Unknown
Preventative actions taken to ensure no further issues will occur		Completion date
Current processes were implemented to mitigate the risk. Where possible Genesis will make improvements on those processes.		Unknown

Forward estimate process			
Non-compliance	Description		
<p>Audit Ref: 12.12</p> <p>With: Clause 6 Schedule 15.3</p> <p>From:</p> <p>GENE Mar-19 to Aug-19 and Nov-19 to Dec-19</p> <p>GEOL Nov-18 to Dec-18, Jun-19, and Oct-19 to Nov-19</p>	<p>GENE and GEOL</p> <p>The accuracy threshold was not met for some months and revisions, because forward estimate was too high or too low.</p> <p>Potential impact: High</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 rated as moderate. The FDE process will ensure that forward estimate is consistent with the meter's historic consumption but does not take into account seasonality. The FSE process applies the same daily average to each meter register regardless of the number of meter registers installed or customer type and does not take into account seasonality.</p> <p>Initial data is replaced with revised data and washed up. A small number of submissions had differences over the threshold.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis will be revising the read attainment processes to actively seek read data which will ultimately lesson the variance percentages between revisions.		01/06/2021	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
The calculation of volume using seasonal adjustments only caters for historical estimation calculation. The forward estimation process does not as per the code. The systems implemented by Genesis in 2006 were and still are compliant although they are restricted, and seasonality is not currently used to adjust the initial calculation of energy volumes. With the changes coming in Genesis there will be a revision on the current NHH settlement tool which may enable the implementation of such seasonal adjustments to occur in the initial settlement process. Genesis are reviewing the read attainment process(s) to improve initial revision accuracy			

Non-compliance		Description	
Audit Ref: 13.2 With: Clause 9 Schedule 15.3 From: Sep-19 To: Jul-20		GENE and GEOL HHR aggregates submissions are produced with three decimal places. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating		Rationale for audit risk rating	
Low		Controls are rated as moderate. Most submissions are provided with the correct number of decimal places. The impact is low. The affected submissions are accepted by the reconciliation manager portal, and the HHR aggregates file is used to validate the HHR volumes rather than to produce the allocation results.	
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis will review current processes to round to 2 decimals rather the more accurate 3 decimal places.		01/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis has rewritten the extraction code for HHR Aggs.		01/10/2020	

Historical estimate reporting to RM			
Non-compliance	Description		
<p>Audit Ref: 13.3</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: Nov 18-Jan 19 (r14), Jun 19-Aug 19 (r7) and Oct 19-Dec 19 (r3)</p>	<p>GENE and GEOL</p> <p>Historic estimate thresholds were not met for some revisions.</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>The controls are rated as moderate because some improvements can be made to ensure compliance.</p> <p>GENE and GEOL were reasonably close to the target in all cases. The impact is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Genesis will be reviewing the control in order to increase meter read attainment, leading to greater accuracy levels in HE on the affected NSPs		continuous improvements	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Genesis agrees that there is room for improvement in these controls and will be recommending a review be undertaken.		continuous improvements	