

Compliance plan for Globug RP – 2020

Material Change Audits		
Non-compliance	Description	
Audit Ref: 1.11 With: Clause 16A.11 From: 01-Dec-19 To: 14-Aug-20	Material change audit not conducted for switching automation or EDM implementation. 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 there doesn't appear to be a check in place to ensure material change audits are conducted. The automation of switching caused some compliance issues but the impact on settlement and participants is minor due to the small quantity of kWh; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Remedial action status

<p>Prior to the implementation of each of these changes, Globug considered whether a material change audit was warranted. Globug determined this was not required for the reasons below:</p> <p>Switching automation The automation of some of our switch processes was simply a duplication of our existing manual processes. This automation did not create any new non-compliance issues that did not already exist prior to its implementation. The same meter readings used in the new automated process, were the same meter readings used when this was a manual process. For this reason, we did not view this to be a material change and did not request for a material change audit.</p> <p>EDM implementation This implementation is a change to our data storage for meter reads. In EDM, we are now receiving IHUB estimates as well as creating estimates within EDM. Our market reporting and reconciliation values are derived from and validated within SAP. This process has not changed, and all meter readings are still required to pass SAP validation. For this reason, we did not view this to be a material change and did not request for a material change audit.</p> <p>Globug acknowledges the importance of material change audits and we will review our processes to ensure our view/interpretation aligns with the code requirements.</p> <p>This could include consultation with Veritek/EA where there is uncertainty.</p>	<p>N/A</p> <p>Ongoing</p>	<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>As above.</p>	<p>N/A</p>	

Relevant information			
Non-compliance	Description		
<p>Audit Ref: 2.1</p> <p>With: 10.6,11.2 & 15.2</p> <p>From: 01-Jul-18</p> <p>To: 31-May-19</p>	<p>Some registry discrepancies.</p> <p>Credit disconnections not updated to the registry unless the duration is longer than one week.</p> <p>Consumption apportioned incorrectly for eight disconnected ICPs.</p> <p>Switch event meter readings incorrect in many CS files.</p> <p>Consumption not submitted for one day of ownership for cancelled switches.</p> <p>Unmetered load not submitted for one ICP.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</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 impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

<p>Credit disconnections not updated to the registry unless the duration is longer than one week.</p> <p>Globug will review our reporting capabilities & what process changes are required to support full registry updates for credit disconnections. This will require daily registry files and we do not currently have an immediate fix to support this.</p> <p>Consumption apportioned incorrectly for eight disconnected ICPs.</p> <p>We will review our disconnection process to ensure disconnection reads are captured correctly.</p> <p>Switch event meter readings incorrect in many CS files.</p> <p>A process change is in progress to begin using our daily register reads for switching which will allow the latest available read to be utilised. We are currently in the testing phase and believe full compliance will be achieved following the implementation of this change.</p> <p>Consumption not submitted for one day of ownership for cancelled switches.</p> <p>Due to the nature of these switches (non-AMI), the single day consumption is likely to be estimated. Globug will review our processes to ensure consumption is captured and submitted.</p> <p>Any progressions from audit ref 6.8 will be considered here.</p> <p>Unmetered load not submitted for one ICP.</p> <p>The unmetered load has since been corrected and will be reflected through washup submissions. This was missed due to human error.</p>	Feb21	Investigating
	Ongoing	
	Dec20	
	Dec20	
	Aug20	
Preventative actions taken to ensure no further issues will occur	Completion date	

<p>Credit disconnections not updated to the registry unless the duration is longer than one week.</p> <p>We will immediately investigate the viability of sending a daily registry report and amending the surrounding processes to be compliant.</p> <p>Consumption apportioned incorrectly for eight disconnected ICPs.</p> <p>As above.</p> <p>Switch event meter readings incorrect in many CS files.</p> <p>As above.</p> <p>Consumption not submitted for one day of ownership for cancelled switches.</p> <p>As above.</p> <p>Unmetered load not submitted for one ICP.</p> <p>Monthly reporting is in place to capture ICPs with unmetered load from which SAP/the registry are updated as required. The two ICPs mentioned were missed due to human error. Staff have reviewed these scenarios and further training will be provided where necessary, to prevent further issues.</p>	<p>Feb 21</p> <p>Ongoing</p> <p>Dec20</p> <p>Dec20</p> <p>Aug20</p>	
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Electrical Connection of Point of Connection		
Non-compliance	Description	
Audit Ref: 2.11 With: 10.33A From: 01-Jul-19 To: 31-Jul-20	20 ICPs reconnected without metering being certified. Potential impact: Low Actual impact: Low Audit history: Once Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as weak because there is no request issued to recertify installations at the time of reconnection. The audit risk rating is low because although there is a higher possibility of inaccurate metering, there were only 20 examples.	
Actions taken to resolve the issue		Completion date
8 ICPs have since been recertified 3 have switched out and the remaining 9 were unable to be completed due to access issues, We will continue to work with the MEPs to ensure the remainder are resolved.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Globug has reporting available to assist with this and we will be looking at how we can incorporate this into our existing processes. We will liaise with MEPs to ensure our processes are aligned to prevent reconnection on uncertified meters.		Feb21
		Identified

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3</p> <p>With: 10 Schedule 11.1</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>Registry not updated within 5 business days of the event for some reconnections, disconnections and MEP changes.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</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 process in place to update the registry ensures most updates are on time, but there is an issue with the automation implemented in 2019.</p> <p>The volume of ICPs affected by the late updates is small therefore the impact is low.</p>	
Actions taken to resolve the issue		Completion date
We will be reviewing the current automated process to determine the cause of the missing ICPs from the automated files. We will also be looking at increasing the frequency of our registry files. This work has been initiated by Globug and is now sitting with the IT team for review.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Once the underlying cause of the automated file issue has been identified, we will work towards implementing a fix to ensure all applicable IPCs are included and updated in a timely manner.		Ongoing
		Identified

Management of “inactive” status		
Non-compliance	Description	
<p>Audit Ref: 3.9</p> <p>With: 19 of schedule 11.1</p> <p>From: 01-Jul-19</p> <p>To: 31-Jul-20</p>	<p>Credit disconnections not updated on the registry or SAP for each full day the ICPs are inactive.</p> <p>Potential impact: Medium</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>The controls are rated as moderate because they have been improved for identification of status discrepancies. Controls require improvement to ensure all inactive days are recorded.</p> <p>The audit risk is rated as low because there is no impact on settlement but there is an impact on ICP days and an impact on other participants if an ICP switches away at the incorrect status.</p>	
Actions taken to resolve the issue		Completion date
Globug will review reporting capabilities & what process changes are required to support full registry updates for credit disconnections. This will require daily registry files and we do not currently have an immediate fix to support this.		Feb21
Preventative actions taken to ensure no further issues will occur		Completion date
We will immediately investigate the viability of sending a daily registry report and amending the surrounding processes to be compliant.		Feb21
		Investigating

Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.2</p> <p>With: Clauses 3 and 4 Schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 16-Jun-20</p>	<p>Incorrect AN code for six ICPs.</p> <p>Potential impact: None</p> <p>Actual impact: None</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>There is no impact on settlement or other participants; therefore. the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
This process has now been automated and the automation is working as expected. The GBUG switch team now only deal with the few exceptions that fail automatic creation. We have identified that further staff training is required to ensure correct AN codes are selected when manual file creation is required.		Oct 20
Preventative actions taken to ensure no further issues will occur		Completion date
Refresher training will be provided to the GBUG switching team to ensure complete understanding of the AN codes to prevent future errors.		Oct 20
		Identified

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: 16-Jun-20</p>	<p>2 late CS files.</p> <p>Incorrect switch event meter reading for 4 of 5 CS files.</p> <p>Potential impact: Low</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 for switch event meter reading accuracy are weak because the system is designed to send incorrect readings. Overall, I have rated the controls for the management of CS files as moderate because for other fields the controls are strong.</p> <p>The incorrect switch event meter readings have a minor impact on settlement and other participants because one day of consumption is apportioned to the gaining trader not Globug.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>2 late CS files.</p> <p>Globug has strong processes in place to ensure timely CS files and we will continue with our effective management of this.</p> <p>Incorrect switch event meter reading for 4 of 5 CS files.</p> <p>A process change is in progress to begin using our daily register reads for switching which will allow the latest available read to be utilised. We are currently in the testing phase and believe full compliance will be achieved following the implementation of this change.</p>		Dec 20	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As above.			

Losing trader provides information - switch move		
Non-compliance	Description	
Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3 From: 01-Jul-19 To: 16-Jun-20	12 incorrect AN response codes. Potential impact: None Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. There is no impact on settlement or other traders; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
This process has now been automated and the automation is working as expected. The GBUG switch team only deal with the few exceptions that fail automatic creation. We have identified that further staff training is required to ensure correct AN codes are selected when manual file creation is required.		Oct 20
Preventative actions taken to ensure no further issues will occur		Completion date
Refresher training will be provided to the GBUG switching team to ensure complete understanding of the AN codes to prevent future errors.		Oct 20
		Identified

Losing trader must provide final information - switch move			
Non-compliance	Description		
<p>Audit Ref: 4.10</p> <p>With: Clause 11 Schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 16-Jun-20</p>	<p>Incorrect switch event meter reading for 3 of 5 CS files.</p> <p>Incorrect switch event estimates for 18 ICPs.</p> <p>Potential impact: Low</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 for switch event meter reading accuracy are weak because the system is designed to send incorrect readings. Overall, I have rated the controls for the management of CS files as moderate because for other fields the controls are strong.</p> <p>The incorrect switch event meter readings have a minor impact on settlement and other participants because one day of consumption is apportioned to the gaining trader not Globug.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Incorrect switch event meter reading for 3 of 5 CS files.</p> <p>A process change is in progress to begin using our daily register reads for switching which will allow the latest available read to be utilised. We are currently in the testing phase and believe full compliance will be achieved following the implementation of this change.</p>		Dec 20	Identified
<p>Incorrect switch event estimates for 18 ICPs.</p> <p>Due to the nature of these switches (non-AMI), the single day consumption is likely to be estimated. Globug will review our processes to ensure consumption is captured and submitted.</p> <p>Any progressions from audit ref 6.8 will be considered here.</p>		Feb 21	
Preventative actions taken to ensure no further issues will occur		Completion date	
As above.			

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
Audit Ref: 4.11 With: Clause 12 Schedule 11.3 From: 01-Jul-19 To: 16-Jun-20	6 late RR files. Potential impact: Low Actual impact: Low 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 they mitigate risk to an acceptable level. The impact on settlement and participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
4 of the 6 late RR files were delayed due to the period of time before an actual read was received and then further delay to confirm customer move in details. 2 of the 6 late RR files were driven by requests from other retailers after the site had switched from GBUG. Though some late RR files can be unavoidable, Globug has strong processes in place to ensure timely RR files in normal circumstances and we will continue with our effective management of this.		N/A
Preventative actions taken to ensure no further issues will occur		Completion date
N/A		N/A
		Identified

Withdrawal of switch requests		
Non-compliance	Description	
<p>Audit Ref: 4.15</p> <p>With: 17 of Schedule 11.3</p> <p>From: 01-Jul-19</p> <p>To: 16-Jun-20</p>	<p>7 late AW files.</p> <p>38 late NW files.</p> <p>2 incorrect NW rejections.</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 rated as strong as risk is mitigated to an acceptable level.</p> <p>I have recorded the audit risk rating as low as these are actioned as soon as possible with the intent that submission is as accurate as possible.</p>	
Actions taken to resolve the issue		Completion date
<p>7 late AW files.</p> <p>All 7 files were a single day late and due to an oversight from staff managing the breach report during a very busy work period. We have strong processes in place to avoid these breaches in normal circumstances.</p> <p>38 late NW files.</p> <p>12 NWWP</p> <p>25 NWCE or NWCX</p> <p>1 NWUA</p> <p>Globug has strong processes in place to avoid most late NW files though we acknowledge this can be unavoidable in certain circumstances. The 38 late withdrawals were completed in the best interest of the customer.</p> <p>2 incorrect NW rejections.</p> <p>The two rejections were sent in error and were later rectified.</p>		N/A
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Globug has strong switching processes in place that in most circumstances will avoid withdrawal breaches. We note 100% compliance here is difficult to achieve as withdrawals after the 2-month period are often necessary. We will continue our effective management of these processes.</p>		N/A
		Remedial action status
		Identified

Maintaining shared unmetered load		
Non-compliance	Description	
Audit Ref: 5.1 With: Clause 11.14 From: 14-Nov-19 To: 28-Jul-20	Registry not updated with shared unmetered load details for two ICPs. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
The unmetered load has since been corrected and will be reflected through washup submissions.		Aug20
Preventative actions taken to ensure no further issues will occur		Completion date
Monthly reporting is in place to capture ICPs with unmetered load from which SAP/the registry are updated as required. The two ICPs mentioned were missed due to human error. Staff have reviewed these scenarios and further training will be provided where necessary, to prevent further issues.		Aug20
		Cleared

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
Audit Ref: 6.1 With: Clause 10.13 From: 01-Jul-19 To: 16-Jun-20	Energy is not metered and quantified according to the code where meters are bridged. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are moderate as bridging only occurs when a soft reconnection cannot be performed after hours. The volume of bridged meters is small, and all have consumption estimated for the bridged period therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Globug will continue to bridge meters on an as need basis in the best interest of our customers. In some cases, bridging is unavoidable which in turn means compliance is unattainable. We have strong processes in place to ensure all consumption is quantified and reported in a timely manner. Globug would support a code change to cater for situations where bridging is unavoidable.		N/A
Preventative actions taken to ensure no further issues will occur		Completion date
N/A		N/A
		Identified

Interrogate meters once		
Non-compliance	Description	
<p>Audit Ref: 6.8</p> <p>With: 7(1) & (2) of schedule 15.2</p> <p>From: 01-Jul-19</p> <p>To: 16-Jun-20</p>	<p>Exceptional circumstances not proven for 20 ICPs not read during period of supply.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</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 Globug use AMI meters, but where these can't be installed and the ICP isn't switched away these sites remain unread.</p> <p>The audit risk rating is low as the volume of ICPs affected by this is small.</p>	
Actions taken to resolve the issue		Completion date
Due to the nature of Globug, there will often be periods of short supply where AMI metering installation is not possible and ICPs are to be switched out. We recognise that 100% compliance here is unlikely though we will explore the recommendations of retrieving meter reads during site visits to improve read attainment.		Dec20
Preventative actions taken to ensure no further issues will occur		Completion date
As above.		Dec20
		Identified

Meter data used to derive volume information		
Non-compliance	Description	
Audit Ref: 9.3 With: Clause 3(5) Schedule 15.2 From: 01-Jul-19 To: 16-Jun-20	Raw meter data is rounded upon receipt and not when volume information is created. Potential impact: Low Actual impact: None Audit history: Twice Controls: None Breach risk rating: 5	
Audit risk rating	Rationale for audit risk rating	
Low	There are no controls to prevent rounding of raw meter data, the system is designed to round as soon as the data arrives. There is very little impact because no metered consumption information is “missing”, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
The market impact from this perceived non-compliance is virtually zero and the high breach risk rating here does not justly reflect this. A quick fix here is not possible as significant system changes and extensive testing will be required. We understand the requirement to comply with all aspects of the code and though we do not currently have any feasible options to pursue, investigation and planning in this area will continue until a we find a workable solution.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
As above.		
		Investigating

Creation of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.2</p> <p>With: Clause 15.4</p> <p>From: 01-Jul-19</p> <p>To: 16-Jun-20</p>	<p>Consumption information not submitted for one day for ICPs where Globug cannot supply and which then switch to Mercury.</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 because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>Due to the nature of these switches (non-AMI), the single day consumption is likely to be estimated. Globug will review our processes to ensure consumption is captured and submitted.</p> <p>Any progressions from audit ref 6.8 will be considered here.</p>		Feb21
Preventative actions taken to ensure no further issues will occur		Completion date
As above.		
		Investigating

Historical estimate reporting to RM		
Non-compliance	Description	
Audit Ref: 13.3 With: Clause 10 of schedule 15.3 From: 01-Feb-19 To: 31-Mar-19	80% HE threshold not met for two NSPs. 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	The controls are rated as strong because risks are mitigated to an acceptable level. The impact on settlement is minor therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Our current processes in place are effective. The effect of small numbers of ICPs on each GXP for a retailer of GBUG's size, means a single ICP being estimated can cause an outside effect on our HE% numbers. Given that this is the case here and that we are within thresholds for the R7 and R14 revisions, it is further evidence that we have good processes in place. We will continue with our strong processes.		NA
Preventative actions taken to ensure no further issues will occur		Completion date
As above.		NA
		Identified