

Compliance plan for Trustpower Limited

Relevant information		
Non-compliance	Description	
<p>Audit Ref: 2.1</p> <p>With: Clause 11.2 & 15.2</p> <p>From: 19-Dec-19</p> <p>To: 26-Mar-20</p>	<p>Some inaccurate information is recorded on the registry and/or in GTV.</p> <p>Correction calculated incorrectly resulting in under submission of 398 kWh for ICP 1002064518UN6BF.</p> <p>ICP status not corrected resulting in vacant consumption being pushed to the gaining trader for the incorrect period in some instances e.g. vacant consumption not submitted for ICP 0000113952UN10F resulting in under submission of 184 kWh.</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 most data is recorded accurately and validation processes are in place.</p> <p>The impact on settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
This customer switched out in September 2019. We will ensure that our registry processes are reviewed and amended to ensure instances of recurrence are mitigated.		31 st May 2020
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Update Revenue Team procedures to include the additional step to change the sites to CO upon logging the incremental SR.</p> <p>Additionally, we will create a report that picks up when there is a read after the VAD date – triggering WFA to override the VAD status. With should in theory completely replace the double VAD report we currently have.</p>		<p>Completed</p> <p>31st May 2020</p>
		Identified

Electrical Connection of Point of Connection		
Non-compliance	Description	
<p>Audit Ref: 2.11</p> <p>With: Clause 10.33A</p> <p>From: 02-Nov-18</p> <p>To: 18-Dec-19</p>	<p>101 reconnected ICPs were not certified within five business days of becoming active.</p> <p>129 metered newly connected ICPs were not certified within five business days of becoming active.</p> <p>Four ICPs were not certified on becoming unbridged.</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 recorded as moderate. Reporting is in place to identify metering certification issues, but some ICPs are being excluded from the reports in error.</p> <p>The impact on settlement is recorded as minor because installations with expired or interim certification may be less accurate than certified metering installations.</p>	
Actions taken to resolve the issue		Completion date
<p>Trustpower continues to utilise exception reporting as part of our business as usual processes to identify and resolve livening discrepancies.</p> <p>Existing reporting in place to identify reconnections and un-bridging of metering will be corrected to ensure all ICP's are being included.</p>		Completion by: 22/08/2020
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Although reporting is in place and MEP's are being alerted that recertification should take place this is not currently being actioned in the field.</p> <p>We will continue to engage with 3rd parties i.e. Traders, Distributors and customers to maintain and where possible, improve our performance in this area.</p> <p>We continue to engage with our HHR MEP to reach agreement on having the meters certified on the day of livening, even if there isn't appropriate load on site.</p>		Complete by: 22/08/2020
		Identified

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3</p> <p>With: Clause 10 Schedule 11.1</p> <p>From: 01-Jan-19</p> <p>To: 18-Dec-19</p>	<p>7,896 ICPs did not have trader information updated on the registry within five business days of the event date.</p> <p>397 ICPs were not updated to inactive status on the registry within five business days of the event date.</p> <p>481 ICPs were not updated to active status on the registry within five business days of the event date.</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 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		Remedial action status
Trustpower continues to look for opportunities to refine our reporting and processes to improve our performance in updating registry information within 5 business days. We continue to work with our MEP's and contractors to ensure the timely and accurate return of metering paperwork.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Trustpower will continue its focus on identifying and resolving Registry discrepancies to ensure the integrity of our data. We will also continue to engage with 3rd parties i.e. Traders, Distributors and customers to maintain and where possible, improve our performance in this area.		Ongoing

Trader responsibility for an ICP		
Non-compliance	Description	
<p>Audit Ref: 3.4</p> <p>With: Clause 11.18</p> <p>From: 20-Dec-19</p> <p>To: 21-Jan-20</p>	<p>An incorrect MEP nomination for SMCO was raised for 0001090826TG113, and later replaced with a correct nomination for NGCM, therefore there was no MEP as required by this clause. The incorrect nomination remained in place on the registry from 20/12/19 until 21/01/20.</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 strong, MEP nominations are usually accurate and on time.</p> <p>There is now no impact; the incorrect MEP nomination was replaced from the original event date.</p>	
Actions taken to resolve the issue		Completion date
Further training has been provided to the team and documentation has been corrected.		Completed
Preventative actions taken to ensure no further issues will occur		Completion date
This occurred on just one occasion so we believe that the training provided will help prevent this from happening in the future.		Completed
Remedial action status		
Identified		

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: 12-Feb-19</p> <p>To: 26-Mar-20</p>	<p>487 late updates to active status for new connections.</p> <p>ICP 0000519838BU421 has active status recorded from 25/03/19 but should have active status recorded from 21/03/19.</p> <p>Seven new ICPs has incorrect active status dates, which were corrected during the audit.</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 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 based on the number of genuine exceptions identified; therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Trustpower continues to look for opportunities to refine our reporting and processes to improve our performance in updating New Connection registry information within 5 business days.</p> <p>We actively look for trends with status breaches and we are pleased to see results improving now at 92.60%.</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Status date correction process - An additional process step will be introduced when the New Connections Team are making these corrections where an escalation will be sent to WFA for registry reversals and corrections will be done to match GTV.</p> <p>New Reporting will be set up to identify anomalies should this step be overlooked.</p>		Complete by: 22/08/2020	

ANZSIC codes	
Non-compliance	Description
<p>Audit Ref: 3.6</p> <p>With: 9 (1(k) Schedule 11.1</p> <p>From: 19-Dec-19</p> <p>To: 03-Apr-20</p>	<p>ICP 0007171910RN50C has a residential ANZSIC code (000000) but relates to a residential property operator supply and is expected to have ANZSIC code L671100. ICP 0000010776NT35F had ANZSIC code M69 (Professional Scientific and Technical Services) but is expected to have ANZSIC code D281100 (Water Supply). The code has not been updated because the ICP has since switched out.</p> <p>Potential impact: None</p> <p>Actual impact: None</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>Controls are strong. There are preventative controls are in place to ensure that ANZSIC codes are initially recorded accurately, and monitoring controls to detect invalid ANZSIC codes and discrepancies.</p> <p>The audit risk rating is low this has no direct impact on submission accuracy.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
As has been indicated we have strong controls in place to ensure accurate ANZSIC codes are recorded however from time to time user errors will occur.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will continue to train and guide our staff to help eliminate user errors.	Ongoing	

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: 19-Dec-19</p> <p>To: 26-Mar-20</p>	<p>Eight ICPs had incorrect daily unmetered kWh recorded on the registry, and were corrected during the audit.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 all discrepancies are identified, and processes are in place to investigate and resolve the discrepancies. The number of discrepancies is reducing over time.</p> <p>The impact on settlement and participants is minor. The net difference in unmetered load across all the affected ICPs was less than 2 kWh per day.</p>		
Actions taken to resolve the issue	Completion date	Remedial action status	
<p>We have incorporated new controls (reporting) following recommendation in the last audit. These new controls will address issues as they arise but given the nature of this non-compliance, we will not eliminate the issue, rather address them as they occur.</p> <p>The new controls have highlighted that there is a lack of original paperwork, and some networks will not update their data.</p>	Completed March 2020	Identified	

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>We will continue to work through the new reporting and correct the unmetered load details currently in existence. This will be an ongoing process due to the lack of data around some sites.</p> <p>We have had a new staff member trained in this area we also discovered we were missing a step when updating the registry, so processes have been updated.</p>	Completed March 2020	

Management of “active” status			
Non-compliance	Description		
<p>Audit Ref: 3.8</p> <p>With: Clause 17 of schedule 11.1</p> <p>From: 12-Feb-19</p> <p>To: 26-Mar-20</p>	<p>Eight new ICPs has incorrect active status dates, seven were corrected during the audit. The other ICP was identified when reviewing ICP Days (section 11.2) is expected to be corrected.</p> <p>ICP 0000519838BU421 which has active status recorded from 25/03/19 but should have active status recorded from 21/03/19.</p> <p>ICP 0003120630WF52D which has active status recorded from 4/10/19 but should have active status recorded from 31/10/19 on the registry.</p> <p>ICP 0002222260WF869 which has an active status recorded from 9/10/18 but was disconnected from 20/11/18-2/12/18 on the registry.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 based on the number of genuine exceptions identified which had not been corrected through Trustpower’s validation processes.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Agreement that current controls in place for status differences between GTV and the registry does not currently include date differences, which is required. We will action appropriately		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Current discrepancy reporting will be enhanced and monitored to include date differences between GTV and the registry for status updates.		22/8/2020	

Management of “inactive” status		
Non-compliance	Description	
Audit Ref: 3.9 With: Clause 19 Schedule 11.1 From: 20-Aug-19 To: 09-Sep-19	Inactive ICP not corrected to active for the period with vacant consumption. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate, because the affected files were generated prior to system changes to improve the accuracy of CS file content. The impact is assessed to be low as this affects only a small number of ICPs.	
Actions taken to resolve the issue		Completion date
Out in place a new control to ensure that reoccurrence is mitigated – ensure training is updated		Completed
Preventative actions taken to ensure no further issues will occur		Completion date
Update Revenue Team procedures to include the additional step to change the sites to CO upon logging the incremental SR. Additionally, we will create a report that picks up when there is a read after the VAD date – triggering WFA to override the VAS status. Which should in theory completely replace the double VAD report we currently have.		Completed 31 st May 2020
		Identified

Inform registry of switch request for ICPs - standard switch	
Non-compliance	Description
Audit Ref: 4.1 With: Clause 2 Schedule 11.3 From: 04-Dec-18 To: 26-Mar-20	Trustpower issues switch move NTs for contract customers which are transferring between retailers at their existing address to ensure that the correct switch event date is applied. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong because most switches are requested with the correct switch event type, and the sample of transfer and switch move NTs checked during the audit were requested with the correct switch type.</p> <p>The audit risk rating is low, because there is no impact on settlement, and the practise helps to ensure ICPs are switched on the correct date which improves the outcome for the customer. There is some impact on market switching statistics. Alleged breach 1809TRUS2 was raised, and the Authority declined to pursue it and no warning was issued.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We agree that the controls for this section are strong - most switches are requested with the correct switch event type, and the sample of transfer and switch move NTs checked during the audit were requested with the correct switch type.</p> <p>We also acknowledge that after the breach 1809TRUS2 we looked at several gaps in our processes and implemented appropriate changes to our controls. The registration process in GTV was tweaked to include a wizard that ensures appropriate questions are asked to determine if a move in or transfer option is needed.</p> <p>We will continue to maintain these strong control measures by reviewing our established reports on a regular monthly basis.</p>		Completed Feb 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We will continue to maintain these strong control measures by reviewing our established reports on a regular monthly basis.		Ongoing	

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: 03-Jan-19</p> <p>To: 30-Oct-19</p>	<p>231 AN files had the AA or AD response code incorrectly applied.</p> <p>One late CS file.</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 over AN responses are strong. They are automated and following improvements during the audit period are sufficient to ensure that the correct codes are applied almost all the time.</p> <p>The impact is assessed as low. The metering information was able to be confirmed from other information on the registry.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We concur that AN response controls are strong. Our AN responses are automated and following improvements after the last audit in 2018, we are confident that the correct codes are applied almost all of the time.</p> <p>To address the late CS file issues a fix was made to our CS error report in April 2020, to highlight more clearly pending breaches. Our monitoring of this new control gave us confidence that it is working as intended - no reported late files in May 2020.</p>		Completed October 2019	Identified
		Completed April 2020	
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>We will ensure ongoing training and understanding of CS rules and our processes.</p> <p>We will continue to maintain these strong control measures by reviewing our established reports on a regular monthly basis.</p>		Ongoing	

Losing trader must provide final information - standard switch	
Non-compliance	Description
<p>Audit Ref: 4.3</p> <p>With: Clause 5</p> <p>Schedule 11.3</p> <p>From: 02-May-19</p> <p>To: 22-Oct-19</p>	<p>The CS files for 0000054440TEFF8 (21/10/19), 0000474134WE8D7 (06/06/19), 0000620699UN1FC (03/07/19) and 0000027439EAEC4 (18/07/19) contained last actual read dates and read types which did not reflect the reading on Trustpower's last day of responsibility.</p> <p>CS average daily consumption of zero was invalidly recorded for 0000001057UHAB8 (16/07/19), 0000517820KE6DF (15/08/19), 0000907499TUAC7 (20/09/19)</p> <p>Incorrect average daily consumption was recorded for 0000670639WE6D6 (20/02/19).</p> <p>Negative CS average daily consumption was invalidly recorded for 0000023424EADB2 (02/05/19).</p> <p>Six transfer CS files were issued late. All the late files were issued within four business days of their due date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 the affected files were generated prior to system changes to improve the accuracy of CS file content.</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>We agree that controls that were in place at the time of this affected file were moderate. Subsequent changes to those controls to improve the accuracy of CS file content are working as intended.</p> <p>Similar issues were brought to our attention at the last audit. Our control fixes in March 2020 address this.</p> <p>Control changes include:</p> <ol style="list-style-type: none"> 1. EPIC CS File 2. Use Actual AMI reads for AMI sites for Switch Losses 3. CS file to display reads as an E if not the same date as the event date. <p>Our internal review of these fixes in April provides us with confidence that the fixes are working effectively and as intended.</p> <p>Negative CS average daily consumption was invalidly recorded for 0000023424EADB2 (02/05/19).</p> <p>We have confirmed with billing team that this occurred due to human error. We will look at the viability of allowing all Team Leaders and other leads the ability to override billing validations where applicable.</p> <p>Six transfer CS files were issued late. All the late files were issued within four business days of their due date.</p> <p>To address the late CS file issues a fix was made to our CS error report in April 2020, to highlight more clearly pending breaches. Our monitoring of this new control gave us confidence that it is working as intended - no reported late files in May 2020.</p>	Completed March 2020	Identified	
Preventative actions taken to ensure no further issues will occur	Completion date		
<p>We will ensure ongoing training and understanding of CS rules and our processes.</p> <p>We will continue to maintain these strong control measures by reviewing our established reports on a regular monthly basis.</p>	Ongoing		

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: 08-Apr-19</p> <p>To: 16-Oct-19</p>	<p>There were nine genuinely late RR files for transfer switches.</p> <p>Six RRs were issued without being supported by two validated actual readings.</p> <p>Four ICPs did not have the agreed switch reading recorded in GTV and six ICPs did not have the agreed switch reading type recorded in GTV.</p> <p>Potential impact: High</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>The controls are rated as weak, because they do not ensure that RR files are supported by two validated actual readings or that GTV consistently reflects the outcome of the RR process.</p> <p>The potential impact is medium based on the kWh differences identified for the sample checked.</p>	
Actions taken to resolve the issue		Remedial action status
<p>After our 2018 audit, a fix was put into GTV where a wizard advises the user is attempting to send a late RR. The fix is working as intended, however we acknowledge that we are still sending late RRs after the 4-month period.</p> <p>Note: Attaining meter reads on some legacy metered sites can be difficult (H&S, customer access etc). Trustpower is currently deploying a plan to install AMI to most customer sites.</p> <p>These breaches have highlighted the need to work together to ensure everyone's end to end processes have better controls in place to fulfil compliance obligations</p> <p>Trustpower will:</p> <ol style="list-style-type: none"> 1.Focus on sites unread within a short time of switching to Trustpower 2.Prioritise sites not likely to be displaced by AMI deployment 3.Deploy AMI on 700 sites unread in 12 months hard to access/unsafe sites 4.Focus on NSP's rather than overall numbers as we have NSP's with small numbers of unread sites 5.A job has been logged for further analytics around customer reads and to investigate technology options. <p>To address the wrong read type and incorrect data being manually added into consumption history, we will create a new control to track all manual changes to ensure they have the</p>		<p>Completed</p> <p>Ongoing</p> <p>31 May 2020</p>

correct read and read type. We will monitor this reporting and ensure compliance where required.		
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>These breaches have highlighted the need strengthen our processes across the areas of switching, billing and meter data management. We are creating a new governance group for these teams and others to corporately strengthen end to end process knowledge and practice. This group will ensure ongoing training and competency and will help gain better understanding of rules and processes that pertain to this code reference.</p> <p>Some of the specific steps we will be taking include:</p> <p>Data Management</p> <p>1 - Review customer reads process across teams and develop reports for visibility of the controls we have in place. Assess volume of customers that should be validated/non validated and investigate a long-term technology solution.</p> <p>2 - Implement a long-term technology solution.</p> <p>Switching and billing</p> <p>To address the wrong read type and incorrect data being manually added into consumption history, a ticket will be logged to track all manual changes have the correct read and read type. Switching and Billing will monitor this reporting.</p>	<p>Ongoing</p> <p>31 August 2020</p> <p>31 May 2021</p> <p>31 May 2020</p>	

Gaining trader informs registry of switch request - switch move	
Non-compliance	Description
<p>Audit Ref: 4.7</p> <p>With: Clause 9</p> <p>Schedule 11.3</p> <p>From: 04-Dec-18</p> <p>To: 26-Mar-20</p>	<p>Trustpower issues switch move NTs for contract customers which are transferring between retailers at their existing address to ensure that the correct switch event date is applied.</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 because most switches are requested with the correct switch event type, and the sample of transfer and switch move NTs checked during the audit were requested with the correct switch type.</p> <p>The audit risk rating is low, because there is no impact on settlement, and the practise helps to ensure ICPs are switched on the correct date which improves the outcome for the customer. There is some impact on market switching statistics.</p> <p>Alleged breach 1809TRUS2 was raised, and the Authority declined to pursue it and no warning was issued.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We agree that the controls that pertain to this section are strong because most switches are requested with the correct switch event type, and the sample of transfer and switch move NTs checked during the audit were requested with the correct switch type.</p> <p>After our alleged breach 1809TRUS2 was recorded, switching built a report that gets auto delivered to the switching help desk advising when bulk transfer switches have been uploaded.</p> <p>The registration process in GTV has been tweaked to include a wizard that ensures appropriate questions are asked to determine if a move in or transfer option is needed.</p> <p>Expectations have now been placed on account managers to advise switching prior to requesting contracted sites so that we can ensure the losing retailer can send transfers on the event date or if a NTMI is needed.</p>		Completed Feb 2019	Identified
		Completed August 2018	
		Ongoing	
Preventative actions taken to ensure no further issues will occur		Completion date	
We believe our controls are efficient to prevent further issues in normal circumstances however ongoing training for new and existing staff is maintained to prevent further issues.		Ongoing	

Losing trader provides information - switch move	
Non-compliance	Description
<p>Audit Ref: 4.8</p> <p>With: Clause 10(1)</p> <p>Schedule 11.3</p> <p>From: 03-Jan-19</p> <p>To: 26-Nov-19</p>	<p>Nine AN files had the AA or AD response code incorrectly applied.</p> <p>One late CS file.</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 over AN responses are strong. They are automated and following improvements during the audit period are sufficient to ensure that the correct codes are applied almost all the time.</p> <p>The impact is assessed as low. The late CS file was one business day late, and metering information was able to be confirmed from other information on the registry where incorrect AN codes were applied.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Switching agrees that the controls around AN responses are strong. Our AN responses are automated and following improvements after the last audit in 2018 we are confident that the correct codes are applied almost all the time.</p> <p>To address the late CS file issues a fix was made to our CS error report in April 2020 to highlight more clearly pending breaches. With no reported late files in May 2020 indicates the reporting is doing as intended.</p>		<p>Completed June 2019</p> <p>Completed March 2020</p>	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>We ensure ongoing training with our team members to gain better understanding of rules and processes that pertain to this code reference.</p> <p>We will continue to maintain these strong control measures by reviewing our established reports on a regular monthly basis.</p>		Ongoing	

Losing trader must provide final information - switch move	
Non-compliance	Description
<p>Audit Ref: 4.10</p> <p>With: Clause 11</p> <p>Schedule 11.3</p> <p>From: 09-May-19</p> <p>To: 15-Nov-19</p>	<p>The CS files for 0000146325UN7C6 (07/09/19), 0001150370WMD0D (19/09/19), 0030126474PCB2A (15/11/19), 0000489012CE2E0 (08/11/19), 0000714936NVC6B (09/05/19) and 0000200599CTE33 (19/07/19) contained last actual read dates and read types which did not reflect the reading on Trustpower's last day of responsibility.</p> <p>CS average daily consumption of zero was invalidly recorded for 1002047549LC3CB (26/06/19).</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 are recorded as moderate, because the affected files were generated prior to system changes to improve the accuracy of CS file content.</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>We agree with the findings that the controls that pertain to this section are moderate, because the affected files were generated prior to system changes to improve the accuracy of CS file content.</p> <p>The CS files contained last actual read dates and read types which did not reflect the reading on Trust power's last day of responsibility.</p> <p>Similar issues were brought to our attention at the last audit in 2018. We feel we have addressed this with fixes that were implemented in March 2020 to fulfil this gap with stronger controls.</p> <p>Fixes in place:</p> <ol style="list-style-type: none"> 1. EPIC CS File 2. Use Actual AMI reads for AMI sites for Switch Losses 3. CS file to display reads as an E if not the same date as the event date. <p>Evidence shows that these fixes are working effectively.</p>		Completed March 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>We feel we have addressed these issues in March 2020 with preventative actions to build stronger controls.</p> <p>We ensure ongoing training with our team members to gain better understanding of rules and processes that pertain to this code reference.</p>		Ongoing	

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: 28-Mar-19</p> <p>To: 06-Jan-20</p>	<p>25 genuinely late RR files for switch moves.</p> <p>Three RRs were issued without being supported by two validated actual readings.</p> <p>One ICP did not have the agreed switch reading recorded in GTV and four ICPs did not have the agreed switch reading type recorded in GTV.</p> <p>One RR was issued in error with the same event reading as the original CS file.</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: 6</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>The controls are rated as weak, because they do not ensure that RR files are supported by two validated actual readings or that GTV consistently reflects the outcome of the RR process.</p> <p>The potential impact is medium based on the kWh differences identified for the sample checked. It is expected that more ICPs will be affected, because the sample was random.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We agree that the controls that we have in place that relate to this section are weak, as we do not ensure that RR files are supported by two validated actual readings or that GTV consistently reflects the outcome of the RR process. There were 25 genuinely late RR files sent for switch moves.</p> <p>A job was logged after our 2018 audit findings for this same section to ensure the correct read type is sent in the RR. A fix was also put into place in GTV where a wizard advises the user is attempting to send a late RR. Both fixes are working as intended however we acknowledge that we are still sending late RRs after the 4-month period.</p> <p>Switching, Billing and Data management are aware of their obligations to use 2 actual meter reads when requesting a RR and to ensure it is completed within a 4-month time frame.</p> <p>Attaining meter reads on some legacy metered sites can be difficult (H&S, customer access issues etc). Trustpower is currently deploying AMI meters, as part of a project to serve most customers.</p> <p>Switching has no control over the processes that Data Management and Billing use to attain actual reads and complete the RR in set time frames. We recognise that there is a need to work together to ensure everyone's end to end processes have better controls in place to fulfil compliance obligations.</p>		May 2021	Identified

<p>Data Management have advised they will:</p> <ul style="list-style-type: none"> • Focus on sites unread within a short time of switching to Trustpower • Prioritise sites not likely to be displaced by AMI deployment • Deploy AMI on 700 sites unread in 12 months hard to access/unsafe sites • Focus on NSP's rather than overall numbers as we have NSP's with small numbers of unread sites • A job has been logged for further analytics around customer reads and to investigate technology options. <p>Switching and billing</p> <p>To address the wrong read type and incorrect data being manually added into consumption history, we will strengthen out controls by tracking manual changes have the correct read and read type. Switching and Billing will monitor this reporting.</p>		
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Data Management</p> <p>1 - Review customer reads process across teams and develop reports for visibility of the controls we have in place. Assess volume of customers that should be validated/non validated and investigate a long-term technology solution.</p> <p>2 - Implement a long-term technology solution.</p>	<p>August 2020</p> <p>May 2021</p>	
<p>Switching and billing</p> <p>To address the wrong read type and incorrect data being manually added into consumption history, a ticket will be logged to track all manual changes have the correct read and read type. Switching and Billing will monitor this reporting.</p>	May 2021	
<p>All teams:</p> <p>We ensure ongoing training with our team members to gain better understanding of rules and processes that pertain to this code reference.</p>	Ongoing	

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: 04-Apr-19</p> <p>To: 27-Nov-19</p>	<p>32 late withdrawals on the event detail report.</p> <p>At least two genuine late withdrawals (NA breach type) on the switch breach report.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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>Switching accepts that the moderate control rating given here is a fair assessment of our processes addressing this section.</p> <p>After our last audit in 2018, a wizard was implemented into GTV that populates, advising the user if they are attempting to send a late NW.</p> <p>We acknowledge that sending a late NW is non-compliant however we act in the interest of our customer and if we find that they have been registered into the wrong site we will endeavour to correct that wrong.</p> <p>Switching ensure that all late NW's have a validated reason before sending.</p> <p>An email with our findings is sent to the alt retailer advising of our findings and asking for confirmation that the late NW will be accepted. Several retailers have advised that they will not prompt their own investigation until our NW has been received. Once sent, they often reject so that they have time to investigate, meaning we can often send 2 NW's for one ICP.</p> <p>We have a report that advises of all late NW's that have been sent. These are checked purely to ensure valid reasons for sending late NW and not as a pre-emptive measure.</p> <p>To address the reason why we are sending late NWs we have targeted the registration process. Ensuring the right property is requested at the time of sign up is the key. We spend time with our new CEA's training them on using the registry and confirming serial numbers to get the installation details right the first time every time.</p>		<p>Completed 2019</p> <p>Ongoing</p>	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Switching will continue to monitor that we have valid reasons for sending late NW's after a 2-month period.	Ongoing	

Metering information			
Non-compliance	Description		
<p>Audit Ref: 4.16</p> <p>With: Clause 21</p> <p>Schedule 11.3</p> <p>From: 07-Jun-19</p> <p>To: 15-Nov-19</p>	<p>For ten CS files issued by Trustpower, switch event reads did not reflect the actual reading or best estimate of an actual reading on the event date and the read type was incorrectly recorded.</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 the affected files were generated prior to system changes to improve the accuracy of CS file content.</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>Switching accepts that the moderate control rating given here is a fair assessment of our processes addressing this section.</p> <p>The ten CS files issued by Trustpower, switch event reads did not reflect the actual reading or best estimate of an actual reading on the event date and the read type was incorrectly recorded.</p> <p>These issues were brought to our attention at the last audit in 2018. We feel we have addressed this with fixes that were implemented in March 2020 to fulfil this gap with stronger controls.</p> <p>Fixes in place:</p> <ol style="list-style-type: none"> 1. EPIC CS File 2. Use Actual AMI reads for AMI sites for Switch Losses 3. CS file to display reads as an E if not the same date as the event date <p>Evidence shows that these fixes are working effectively.</p>		Completed 2020	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Fixes are now in place to provide correct CS data in the files. We ensure ongoing training with our team members to gain better understanding of rules and processes that pertain to this code reference.	March 2020 Ongoing	

Distributed unmetered load			
Non-compliance	Description		
Audit Ref: 5.4 With: Clause 11 Schedule 15.3 From: 01-Jun-18 To: 26-Mar-20	Errors found in 12 databases, two databases still to be audited and three audits are overdue. For those completed the specific findings are detailed in the DUMML database audit reports. Potential impact: High Actual impact: High Audit history: Multiple times Controls: Moderate Breach risk rating: 6		
Audit risk rating	Rationale for audit risk rating		
High	The effectiveness of the controls is recorded as moderate as Trustpower actively works with its DUMML customers to provide complete and accurate information. The impact on settlement is major because the incorrect submission figures are major for some databases.		
Actions taken to resolve the issue		Completion date	Remedial action status
In the last 6 months we have established a new governance group to oversee progress on DUMML issues for our business. This group includes senior business representatives with a mix of customer, industry, commercial and compliance experience. We have established a register of audit recommendations and areas of non-compliance – including our actions to remedy, providing greater transparency of progress and areas where attention is required. This is reviewed monthly by the governance group. We have escalated issues that commonly affect NZTA DUMML connections and databases from regions across the country. These issues were escalated to the EA with the intent that the EA would help progress ‘common industry issues’ with a senior representative from NZTA. In specific response to the audits that have been listed as late, or not completed: <u>Databases without audit</u>		See participant comments	Identified

<p>NZ Steel – this is incorrectly recorded as NZTA Steel Lights, these lights are not associated with NZTA</p> <p>The NZ Steel DUML is 20 streetlights connected to The Lines Co network.</p> <p>There is a low risk of change for this small number of DUML and a low risk of causing material impact on submission. We are currently communicating with TLC to investigate having the small number of lights, converted to standard unmetered load, under the 3000kWh threshold.</p> <p>NZTA Otago - (this is incorrectly recorded as NZTA Central Otago – OtagoNet)</p> <p>3 x ICPS, 1 ICP has the majority of lights (~80 lights) and is managed by Waitaki District Council. There is a database of record and Waitaki DC has a good process in place for maintaining accuracy.</p> <p>There are approximately 39 lights spread across the other 2 ICPS (these have been audited previously by our account manager, and by Veritek. Furthermore, an independent field inspection was completed by a consultant on behalf of NZTA, in preparation for an LED roll out. This data has been cross referenced with our light information and gives us confidence that the 39 lights remain and accurate reflection of the DUML. Despite this, there is no official database and as such we have not completed a follow up audit. We intend to explore separating the 1 Waitaki ICP – which is accurate and well maintained, from the other two ICPS.</p> <p><u>Databases with overdue Audit</u></p> <p>NZTA Waikato North, and South and NZTA Taupo. In all cases we intend to have these audits finalised and submitted by 30 June.</p> <p>The main delay in processing NZTA Taupo is our attempt to address the recommendation for NZTA Taupo to complete a full field audit. We have been waiting confirmation from the customer when this will take place and have been advised that this is not in the operational budget for this financial year. We are currently considering our commercial avenues for completing this work on behalf of the customer or ensuring its inclusion in the FY budget starting 1 July 2020.</p> <p>For perspective, the NZTA Taupo database includes 46 lights on the Lines Company network which includes 1 or 2 lights that a field audit would help us confirm responsibility for. It also includes 23 lights on the Unison network which has previously been audited by Veritek and by Trustpower – and we consider to be accurate.</p> <p>NZTA Waikato (North and South)</p> <p>This DUML had a field audit completed by a contractor on behalf of the customer late 2019. The results of the field audit were shared as part of our DUML for this database, prior to confirming how they should be allocated to the multiple DUML ICPS in this region. These ICPS are retailed by multiple retailers.</p>		
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<p>A desktop exercise has been completed to attempt to match the field audit results with our data – but as yet these results have not been confirmed by the customers and not allocated to the RAMM databases. We believe that lights that were deemed to belong to Trustpower DUML ICPS – do in fact belong to alternate retailer databases.</p> <p>As a final observation, we continue to work with both the auditors and the EA to align the naming conventions of the various DUML databases. DUML database names have been a source of considerable confusion – often leading to delays and oversights in audits (2 examples are highlighted as part of this audit)</p>		
Preventative actions taken to ensure no further issues will occur	Completion date	
Continue with regular reviews of the consolidated register of recommendations, actions to address areas of non-compliance, and DUML audit due dates is helping ensure we are able to act on obligations in a timely manner.	Ongoing	

Electricity conveyed & notification by embedded generators	
Non-compliance	Description
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13, Clause 10.24</p> <p>From: 19-Jul-18</p> <p>To: 06-Jan-20</p>	<p>ICP 0000960325TU251 has solar generation and EG1 profile is recorded, instead of PV1.</p> <p>ICP 0002211488TGB0D has wind generation and PV1 profile is recorded, instead of EG1.</p> <p>While meters were bridged, energy was not metered and quantified according to the code for 65 ICPs.</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 strong with regard to identification of bridged meters. Trustpower only initiates bridging themselves in exceptional circumstances to ensure customers have electricity supply.</p> <p>Controls over distributed generation are generally strong, with only two profile discrepancies identified.</p> <p>Submission information is estimated for the bridged period so the impact on submission accuracy is considered low, and the inaccurate profiles for two distributed generation ICPs are expected to have little impact.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Agreement that current controls in place over distributed generation does not currently include discrepancies between the profiles and fuel type.</p> <p>Meters are bridged as we do not have the ability to accept prepay meters. When a customer moves into a property with one, but does not give us any lead time, we are acting in the customer's best interest to ensure that they have power the day they move in as opposed to choosing not to bridge and denying the customer power.</p> <p>After hours reconnection is due to AMI communication errors / issues. We continue to monitor the situation.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Current discrepancy reporting for distributed generation will be enhanced and monitored to include discrepancies between profiles and fuel types.</p> <p>Ongoing monitoring and reconnecting to act in the best interest of the customer and prevent loss of power.</p>	<p>Complete by 22/8/2020</p> <p>Ongoing</p>	

Responsibility for metering at GIP	
Non-compliance	Description
<p>Audit Ref: 6.2</p> <p>With: Clause 10.26 (7)</p> <p>From: 19-Jul-18</p> <p>To: 06-Jan-20</p>	<p>One correct NSP meter certification not provided.</p> <p>Three NSP meter recertifications not provided within ten business days of recertification.</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 moderate as it will mitigate errors most of the time. They are moving the updating of these details to the MEP to carry out this on Trustpower's behalf which should improve accuracy and timeliness.</p> <p>The audit risk rating is low as all GIPs are certified and it is the updating process that has caused this non-compliance.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
Trustpower has sold its MEP business. We are going to switch all of Trustpower Generation Metering and Direct Grid Metering to the MEP, that is the Test house that certifies the metering. We will contractually get them to maintain the NSP table.	1/8/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>This error occurred when a person updating the NSP table incorrectly used the next inspection date rather than the certification expiry date.</p> <p>Trustpower has sold its MEP business. We are going to Switch all of Trustpower Generation Metering and Direct Grid Metering to the MEP, that is the Test house that certifies the metering. We will contractually get them to maintain the NSP table.</p>	1/8/2020	

Derivation of meter readings		
Non-compliance	Description	
<p>Audit Ref: 6.6</p> <p>With: Clause 5(c) of schedule 15.2</p> <p>From: 19-Jul-18</p> <p>To: 06-Jan-20</p>	<p>Customer reads validated against estimated reads in some instances.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 validation process is validating customer reads against validated estimated reads.</p> <p>The audit risk rating is rated as low as the volume of customer reads is low as a percentage of overall reads.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We are currently exploring ways in which our controls can be strengthened – We have requested an internal enhancement that will provide us with a clear understanding of the likely outcome of a long-term technical solution.	Completed 12/5/2020	Investigating

Preventative actions taken to ensure no further issues will occur	Completion date	
1. We will carry out a thorough review of the customer reads process, across Trustpower teams and develop reports for visibility of the controls we have in place. These controls will be regularly monitored and assessed for effectiveness. A	31 August 2020	
2 - Implement a long-term technology solution.	31 May 2021	

NHH meter reading application		
Non-compliance	Description	
<p>Audit Ref: 6.7</p> <p>With: Clause 6</p> <p>Schedule 15.2</p> <p>From: 01-Sep-18</p> <p>To: 06-Jan-20</p>	<p>For ten CS files issued by Trustpower, switch event reads did not reflect the actual reading or best estimate of an actual reading on the event date.</p> <p>Meter readings not applied at the end of the day for NHH to HHR changes and decommissioning events.</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 recorded as moderate, because the affected files were generated prior to system changes to improve the accuracy of CS file content.</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>Switching acknowledges that the controls in place at the time the data was collected that address this section were moderate.</p> <p>Since March 2020 we have several CS file tickets that have addressed all of these non-compliance issues listed in the description above.</p> <p>Fixes in place</p> <p>1 EPIC CS File</p> <p>2 Use Actual AMI reads for AMI sites for Switch Losses (COPS Dev)</p> <p>3 CS file to display reads as an E if not the same date as the event date</p> <p>No breaches have occurred since the fixes have been implemented indicating we should have confidence that these can be minimised.</p>		Completed March 2020
		Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
We are confident that the fixes in place have strong preventative measures to ensure better results.	March 2020	
We ensure ongoing training with our team members to gain better understanding of rules and processes that pertain to this code reference.	Ongoing	

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-18</p> <p>To: 06-Jan-20</p>	<p>Exceptional circumstances not proven for one ICP not read during the period of supply.</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 recorded as strong, as Trustpower have robust processes in place including attempting to get reads as customers switch away.</p> <p>The audit risk rating is low as the number of ICPs not read during the period of supply is low.</p>	
Actions taken to resolve the issue		Completion date
Additional training and guidance given to staff to ensure controls remain strong		31 March 2020
Preventative actions taken to ensure no further issues will occur		Completion date
We will continue to focus on maintaining robust controls in this area.		Ongoing

NHH meters interrogated annually			
Non-compliance	Description		
Audit Ref: 6.9 With: Clause 8(1) and (2) Schedule 15.2 From: 01-Sep-18 To: 06-Jan-20	Exceptional circumstances not proven for one ICP not read annually. 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, as Trustpower have robust processes in place including attempting to get reads as customers switch away. The audit risk rating is low as the percentage of ICPs not read at 12 months is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Additional training and guidance given to staff to ensure controls remain strong		31 March 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We will continue to focus on maintaining robust controls in this area.		Ongoing	

NHH meters 90% read rate			
Non-compliance	Description		
Audit Ref: 6.10 With: Clause 8(1) and (2) Schedule 15.2 From: 01-Sep-18 To: 06-Jan-20	Exceptional circumstances not proven for four NSPs not meeting the 90% read threshold. All NSPs had either one or two ICPs per NSP. 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, as Trustpower have robust processes in place including attempting to get reads as customers switch away. The audit risk rating is low as the NSPs affected contained one or two ICPs.		

Actions taken to resolve the issue	Completion date	Remedial action status
Additional training and guidance given to staff to ensure controls remain strong	31 March 2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will continue to focus on maintaining robust controls in this area.	Ongoing	

Identification of readings	
Non-compliance	Description
<p>Audit Ref: 9.1</p> <p>With: Clause 3(3)</p> <p>Schedule 15.2</p> <p>From: 09-May-19</p> <p>To: 15-Nov-19</p>	<p>Four transfer switch and six switch move CS files contained incorrect read types.</p> <p>Six transfer switch and four switch move ICPs which had RRs issued had incorrect switch event read types recorded in GTV.</p> <p>One customer read was incorrectly recorded as an actual read in GTV.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Controls are rated as weak overall.</p> <ul style="list-style-type: none"> The affected CS files were generated prior to system changes to improve the accuracy of CS file content. The controls over ensuring that GTV accurately reflects the outcome of the RR process are weak. The process is manual and review of a manual sample of ICPs found a significant proportion of errors. Customer reads are entered manually, and the incorrect read type appears to be an isolated manual data processing error. <p>The audit risk rating is low. All the switch event reads are treated as actual or permanent estimate readings in GTV, so there is no impact on submission. The incorrectly classified customer reading could have a minor impact on submission if it was found to be incorrect.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>We acknowledge that the overall controls are weak for this section.</p> <p>As addressed in the description above, two fixes were implemented in March 2020 to help address process inefficiencies with regards to CS file content.</p> <ul style="list-style-type: none"> 1 Use actual AMI reads for AMI sites for switch losses 2 CS file to display reads as an E if not the same date as the event date <p>The results have shown no errors and we feel confident that these fixes will address the issues highlighted.</p> <p>We agree that the controls around RR processes are weak and we will ensure all teams -Switching, Billing and Data Management are focused on making them stronger.</p> <p>To address the wrong read type and incorrect data being manually added into consumption history, we will add a report to identify manual changes have the correct read and read type. Switching and Billing will monitor this reporting.</p>	<p>Completed March 2020</p> <p>31 May 2020</p>	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Ongoing monitoring and correction of manual changes.	31 May 2020	

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-Sep-18</p> <p>To: 06-Jan-20</p>	<p>Raw meter data is rounded upon receipt and not when volume information is created.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: None</p> <p>Breach risk rating: 5</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>There are no controls to prevent rounding of raw meter data, the system is designed to round as soon as the data arrives.</p> <p>There is very little impact because no metered consumption information is “missing”, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
We acknowledge that this is a gap in our current practices. We have initiated an internal technology enhancement to the current system design, in order to prevent rounding of raw meter data.		Completed 13/5/2020
		Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Our planned Meter Data Management initiatives will ensure that controls of raw meter data is rounded up when volume information is created.	31 May 2021	

HHR aggregates information provision to the reconciliation manager			
Non-compliance	Description		
Audit Ref: 11.4 With: Clause 15.8 From: 01-Oct-18 To: 26-Mar-20	HHR aggregates file does not contain electricity supplied information. Potential impact: None Actual impact: None Audit history: Twice Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong as the issue relating to content of the aggregates file is an error in the code, Trustpower are providing submission information as expected. The HHR aggregates file cannot contain electricity supplied information, or other reports relying on the aggregates file will not be accurate, therefore I consider this matter does not have a risk rating.		
Actions taken to resolve the issue		Completion date	Remedial action status
Due to code contradictions we are unable to comply. This is known to our auditors and has been a regular non-compliance in our previous audits and will be until the code is amended.		n/a	Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
We were under the impression that this contradiction is being investigated by the EA as per code Review Programme number 4 -September 2019		n/a	

Creation of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.2</p> <p>With: Clause 15.4</p> <p>From: 19-Dec-19</p> <p>To: 26-Mar-20</p>	<p>Correction calculated incorrectly resulting in under submission of 398 kWh for ICP 1002064518UN6BF, which had a bridged meter.</p> <p>Vacant consumption not submitted for ICP 0000113952UN10F resulting in under submission of 184 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>The controls are moderate, as most data is recorded accurately and validation processes are in place.</p> <p>The impact on settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>As per 2.1 the non-compliance has been corrected</p> <p>Regarding non-compliance regarding ICP 0000113952UN10F please refer to solution provided under clause 3.9</p>		<p>Refer 2.1</p> <p>Refer 3.9</p>
Preventative actions taken to ensure no further issues will occur		Completion date
<p>As per 2.1 additional peer review for bridged meters has been enacted</p> <p>Regarding non-compliance regarding ICP 0000113952UN10F please refer to solution provided under clause 3.9</p>		<p>Refer 2.1</p> <p>Refer 3.9</p>
		Identified

Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 28-Mar-19</p> <p>To: 26-Jan-20</p>	<p>One correction calculated incorrectly resulting in under submission of 398 kWh.</p> <p>One ICP with vacant consumption not submitted resulting in under submission of 184 kWh.</p> <p>One ICP with the incorrect NSP dedication flag recorded.</p> <p>Five out of ten ICPs with accepted RR reads did not have the agreed switch reading recorded in GTV resulting in incorrect submission for these ICPs.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</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 overall. While the controls over ensuring that GTV reflects the correct outcome of the RR process are weaker, the validation controls to ensure that submission data is accurate are moderate and will ensure that most exceptions are identified and resolved.</p> <p>The potential impact is medium based on the kWh differences identified for the sample checked. It is expected that more ICPs will be affected by the RR issues, because the sample was random.</p>	
Actions taken to resolve the issue		Completion date
<p>As per 2.1 the non-compliance regarding the incorrect calculation this was to do with a bridged meter and has been corrected</p> <p>Regarding non-compliance regarding vacant consumption please refer to solution provided under clause 3.9</p> <p>With regards to incorrect NSP dedication flag recorded in GTV we will enhance current discrepancy reporting to include NSP dedication flag discrepancies.</p> <p>Please refer to 4.4 & 4.11 for the accepted RR noncompliance</p>		<p>Refer 2.1</p> <p>Refer 3.9</p> <p>22/8/2020</p> <p>Refer 4.4/4.11</p>
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Regarding the incorrect calculation, as per 2.1 additional peer review for bridged meters has been enacted</p> <p>Regarding non-compliance regarding vacant consumption please refer to solution provided under clause 3.9</p> <p>Incorrect NSP flag – we will monitor for future discrepancies and correct any discrepancies identified through enhanced reporting.</p> <p>Please refer to 4.4 & 4.11 for the accepted RR noncompliance</p>		<p>Refer 2.1</p> <p>Refer 3.9</p> <p>22/8/2020</p> <p>Refer 4.4/4.11</p>

Permanence of meter readings for reconciliation		
Non-compliance	Description	
Audit Ref: 12.8 With: Clause 4 of Schedule 15.2 From: Sep-18 r14	Three forward estimates were not replaced by revision 14 for September 2018. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as the reporting has since been modified to capture all ICPs with FE remaining. The impact is low. Total forward estimate for the three months reviewed was 1,044 kWh.	
Actions taken to resolve the issue		Completion date
Investigations were made in the process for identifying sites requiring permanent estimates. 3 ICP's were identified as having an anomaly due to a previous system change. A coding adjustment was identified as needed to the reports		Completed 30/4/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Coding adjustment has been made to the report & tested successfully – no further action required		Completed 30/4/2020

Historical estimate process	
Non-compliance	Description
Audit Ref: 12.11 With: Clause 4 and 5 Schedule 15.3 From: 19-Jul-18 To: 08-Apr-20	Customer reads and photo reads are used to calculate historic estimates if they are validated against two previous reads regardless of whether they are estimates or actuals. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are recorded as weak as the validation process is validating customer and photo reads against validated estimated reads resulting in these being used in the HE calculations.</p> <p>The audit risk rating is rated as low as the volume of customer and photo reads is low as a percentage of overall reads.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We acknowledge that there is opportunity to strengthen our current controls in respect of this obligation. We have commenced work to establish how we might address this issue with technology enhancements.		Completed 12/5/2020	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>1. Undertake a thorough review of the customer reads process across teams and develop reports for visibility of the controls we have in place. These reports will be monitored to ensure effectiveness. We will be assessing the volume of customers that should be validated/non validated and investigate a long-term technology solution</p> <p>2. Implement a long-term technology solution</p>		<p>31 August 2020</p> <p>31 May 2021</p>	

Forward estimate process	
Non-compliance	Description
<p>Audit Ref: 12.12</p> <p>With: Clause 6 Schedule 15.3</p> <p>From: 01-Jul-18</p> <p>To: 31-Dec-19</p>	<p>Inaccurate FE caused the thresholds not to be met in some instances.</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 as they mitigate risk to an acceptable level.</p> <p>The audit risk rating is low as the Initial data is replaced with revised data and washed up.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>The majority (5 out of 7) of non-compliances were a result of the acquisition of a large customer base (KCE) which coincided with a meter reset program in the same area. As a result, the estimations in these area were not as accurate as we would expect.</p> <p>As read percentages increased the submissions accuracy increased. This also improved our future months submissions.</p>	Completed 30/04/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
A recommendation has been passed on to the Strategy team that any future acquisitions should be scheduled outside of any material changes to customer metering situations.	Completed 30/04/2020	

Compulsory meter reading after profile change			
Non-compliance	Description		
<p>Audit Ref: 12.13</p> <p>With: Clause 7 of schedule 15.3</p> <p>From: 19-Jul-18</p> <p>To: 06-Jan-20</p>	<p>Meter reading not gained for the date of the profile change for five profile changes.</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 as most profile changes occur with a meter change. There is an opportunity to improve the process by making sure a meter read is gained when making profile corrections.</p> <p>The audit risk rating is rated as low as the volume of profile corrections without a meter reading is low.</p>		
Actions taken to resolve the issue	Completion date	Remedial action status	
We endeavour to gain reads before making a profile change however at times estimates have been used.	22/8/2020	Identified	
Preventative actions taken to ensure no further issues will occur	Completion date		
This will be actively monitored to prevent estimates being used in the future.	22/8/2020		

Provision of submission information to the RM		
Non-compliance	Description	
Audit Ref: 13.1 With: Clause 8 schedule 15.3 From: 28-Mar-13 To: 26-Mar-20	One ICP with the incorrect NSP dedication flag recorded. Potential impact: None Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong as the validation processes in place check for that the GTV matches the registry. This appears to be a one-off error. The potential impact is low/none as only one ICP has been affected.	
Actions taken to resolve the issue		Completion date
With regards to incorrect NSP dedication flag recorded in GTV we will enhance current discrepancy reporting to include NSP dedication flag discrepancies.		Complete by: 22/08/2020
Preventative actions taken to ensure no further issues will occur		Completion date
Will monitor for future discrepancies and correct any discrepancies identified through enhanced reporting.		Complete by: 22/08/2020
Remedial action status		
Identified		

Historical estimate reporting to RM		
Non-compliance	Description	
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: Sep-18 r14, Feb-Apr-19 r7, Jun-Aug-19 r3	Historic estimate thresholds were not met for some revisions. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as moderate as the move from inhouse meter reading has resulted in a drop in meter reading attainment resulting in more FE and lower HE attainment. The audit risk rating is low as overall the meter reading attainment levels are high but not as high as they have been previously.	

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Re: R14 noncompliance: Investigations were made in the process for identifying sites requiring permanent estimates. A coding adjustment was identified as needed to the reports</p> <p>Re R7 & R3 noncompliance: We have been monitoring the NSP-level read percentage of our R3 & R7 revisions since the previous audit. We noted that when these percentages were not met they were always on embedded networks with low ICP counts & low consumption levels. These have been passed to our Metering Services team to prioritise read acquisition</p>	Completed 30/4/2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Re R14 noncompliance: Coding adjustment to the report has been made & tested successfully</p> <p>Re R7 & R3 noncompliance: We would like to propose a change to this measure and to include a materiality aspect with similar logic to the Ri-R14 comparison done in section 12.12. Instead of reviewing the percentage of HE we propose measuring the percentage of FE & add a materiality of 10,000 kWh (ie R7: FE to be no more than 10% and 10,000 kWh).</p>	<p>30/4/2020</p> <p>31/12/2020</p>	