

Compliance plan for Contact Energy – 2018

Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2 From: 01-Jul-17 To: 01-May-18	Some incorrect registry information. 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 because there are some improvements that can be made to them. Also, whilst identification of issues is sound, there are some delays in resolving them. The audit risk rating is low, because the impact on submission information and other participants is minor.	
Actions taken to resolve the issue		Remedial action status
		Completion date

<p><u>Active date variance with Initial Energisation Date</u></p> <p>Contact is been improving its reporting capabilities and accuracy around the IED, Status (active) date, and Orb completion date to actively monitor and resolve mismatches between the various systems involve in the new connection process. This can be seen by the further reduction in exceptions during 2018</p> <p><u>ANZSIC code discrepancies</u></p> <p>Contact has raised a system enhancement to eliminate the 'T9' series ANZSIC codes from being populated within our systems as part of a switch gain, to avoid these codes being applied in the future. We are awaiting prioritization of this enhancement.</p> <p>Contact has also implemented reporting and a process to identify all ICP's which has an ANZSIC code miss-match or a 'T9' series ANZSIC code applied at time of switch gain and these are being corrected via a manual correction process.</p> <p><u>UNM non-compliances</u></p> <p>Contact has made steady progress in reducing the UNM mismatches between Distributors and its systems. There were only seven exceptions identified in this audit that largely relate to human error due to new personnel learning this task. Additional training has been provided to reinforce the calculation of UNM load from the information provided on the registry.</p> <p><u>Submission against the RPS profile where the registry has a controlled profile.</u></p> <p>This audit identified only 2 ICPs in their investigations where the MEP has not acknowledged that the load control device is not certified as part of the metering installation certification meaning in most cases the metering event in the registry is incorrect.</p> <p>Contact ensures its submission information is compliant by using the RPS profile code in these instances and contact continues to regularly engage with the respective MEPs to update their registry records to correct reflect the certified status of the load control device</p> <p><u>Active ICPs with a combination of NHH and HHR profiles recorded on the registry.</u></p> <p>A system defect is causing some incorrect profile code population on the registry. Contact has implemented a monthly reconciliation to identify these exceptions to allow a manual correction of these in the interim until the system defect can be resolved.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Resolved</p> <p>Ongoing</p> <p>May 2019</p> <p>Resolved</p>	<p>Identified</p>
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<p><u>Incorrect generation profiles recorded on the registry.</u></p> <p>Further reporting is in the process of being created to ascertain incorrect Generation Profiles recorded in the Electricity Registry. This report will be run on a monthly basis, with the output being worked by Contact Energy's Generation team.</p>	Resolved	
<p><u>Profile recorded on the registry is inconsistent with the submission type.</u></p> <p>Further reporting is in the process of being created to ascertain differences in Profiles and Submission Types. This report will be run on a monthly basis, with the output being worked by Contact Energy's IDM team.</p>		
Preventative actions taken to ensure no further issues will occur	Completion date	
<p><u>Incorrect generation profiles recorded on the registry.</u></p> <p>Further reporting is in the process of being created to ascertain incorrect Generation Profiles recorded in the Electricity Registry. This report will be run on a monthly basis, with the output being worked by Contact Energy's Generation team.</p>	Dec 2018	
<p><u>Profile recorded on the registry is inconsistent with the submission type.</u></p> <p>Further reporting is in the process of being created to ascertain differences in Profiles and Submission Types. This report will be run on a monthly basis, with the output being worked by Contact Energy's IDM team.</p>	Dec 2018	

Electrical Connection of Point of Connection	
Non-compliance	Description
<p>Audit Ref: 2.11</p> <p>With: Clause 10.33A</p> <p>From: 01-Jul-17</p> <p>To: 06-Jun-18</p>	<p>4 ICPs were not certified within five business days of becoming active.</p> <p>54 ICPs were reconnected without having metering certification in place.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating

Low	<p>The controls are rated as strong for new connections because the process has good reporting in place to identify anomalies. There is no process in place to ensure reconnected ICPs have their metering installations certified.</p> <p>There was no impact on settlement because the certification tests confirmed the 4 new connection installations were recording accurately. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Contact has had a number of discussions with the MEP's concerned and is also working with its ATH and Field Service Providers to ensure that ICP's are certified within 5 business days of the ICP being Livened</p> <p>The scenario of reconnecting metering installations with previous interim certification is more complex than a simple case of not arranging for a MEP to certify the metering installation post reconnection.</p> <p>For the majority of ICPs identified by the auditor, Contact and the respective MEP have made multiple attempts to install compliant metering over the past number of years. There have been various reasons why this effort has been unsuccessful such as access issues, proximity of gas metering, wiring / switchboard issues, asbestos present.</p> <p>Where a customer requests a reconnection, Contact has a responsibility to complete this request as efficiently as possible and cannot delay this task in order to negotiate meter access or arrange metering certification to also occur at the same time.</p> <p>Contact is investigating an appropriate process to inform MEP whenever an interim certified ICP has been reconnected and to also request another attempt to certify this metering installation by the MEP.</p>		Ongoing	Choose an item.
Preventative actions taken to ensure no further issues will occur		Completion date	

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-18</p> <p>To: 31-Mar-18</p>	<p>Registry information not provided within 5 business days of change.</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>Status changes can have a minor impact on settlement outcomes if consumption information is provided based on the registry status and then needs to be corrected.</p> <p>Market participants can be affected if a switch out occurs for an ICP with the incorrect status.</p> <p>Customers can be affected if invoicing is based on the incorrect ICP status.</p>	
Actions taken to resolve the issue		Remedial action status
		Completion date

<p>The ICP list of discrepancies are sent to the IDM Team and worked through. The issues relating to human error are fed back and extra training provided in an attempt to reduce errors. Any late notifications from Contractors and Networks are dealt with through contractor performance</p> <p>Contact completes a monthly reconciliation to identify ICP's where the connection status loaded within the Electricity Registry does not match the connection status within SAP. This reconciliation is to identify ICP's which have been disconnected or connected physically at site however the applicable Registry status event has not been created and sent to the Electricity Registry.</p> <p>Contact's system also identifies all ICP's which have been disconnected or connected physically at site, where the status event created and sent to the Electricity Registry has been returned with a negative acknowledgment. SAP raises an exception (BPEM - Business Process Exception Management) for all negative acknowledgements, these BPEMs are investigated daily based on priority (submission impacts and compliance), and corrections are made accordingly.</p> <p>Contact still has a small number of data cleanse tasks to complete, and has undertaken some root cause analysis of the issues that result in late notifications being sent to the Electricity Registry. I.e. Receiving late notification of connection state changing from contractors and Networks, as well as internal data issues. This root cause analysis will allow Contact to undertake discussions with the relevant parties to seek an improvement in these processes.</p> <p>Contact investigates exceptions identified on an individual ICP basis, determining the root cause, so the appropriate conversations with the relevant areas can be undertaken, including additional individual training where necessary, to prevent a further non-compliance from occurring.</p> <p>Where this issue relates to paperwork delays from the field – these instances are addressed via our contractor performance provisions within our respective agreements.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Trader responsibility for an ICP		
Non-compliance	Description	
Audit Ref: 3.4 With: Clause 11.18 From: 20-Jul-16 To: 30-Jun-18	Four incorrect MEP nominations. 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, because some of the ICPs without an MEP have been present for several years. There is no actual impact on settlement because billing and submission is still occurring, so the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
The four incorrect MEP nominations were as a result of human error or where the service provider has selected the incorrect MEP in our service request / workflow management system Contact regularly works with its MEPs to identify errors such as this so that corrections can be made.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

Provision of information to the registry manager		
Non-compliance	Description	
Audit Ref: 3.5 With: Clause 9 Schedule 11.1 From: 01-Jan-18 To: 31-Mar-18	Some late changes to Active. Some late MEP notifications. Some incorrect Active dates. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	

<p>Low</p>	<p>The controls are rated as moderate because there are some improvements that can be made to them, e.g. monitoring of Active date accuracy. Also, whilst identification of issues is sound, there are some delays in resolving them.</p> <p>The audit risk rating is low, because the impact on submission information is low. Late changes to Active can mean submission information is not provided at the earliest opportunity. Billing will also be delayed for some ICPs.</p>	
<p>Actions taken to resolve the issue</p>	<p>Completion date</p>	<p>Remedial action status</p>
<p><u>Late changes to Active / late MEP notifications</u></p> <p>Contact continues to refine its processes and also provide additional training to its personnel to reduce delays in completing its new connection set ups and registry notification. Additionally Contact escalates instance of incorrect or late information from our service providers as part of contractor performance discussions.</p> <p><u>Incorrect Active dates</u></p> <p>Contact is been improving its reporting capabilities and accuracy around the IED, Status (active) date, and Orb completion date to actively monitor and resolve mismatches between the various systems involve in the new connection process. This can be seen by the further reduction in exceptions during 2018</p> <p>Many of the exceptions identified by the auditor relate to metering installations where the meter has been fitted to the distribution board prior to energisation date where energisation is performed by another party – Contact is investigating changes to its service request / workflow management system to allow this differentiation to be better identified as an exception so that these differences can be investigated and resolved in a more timely manner.</p>	<p>Ongoing</p>	<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>Contact is currently bringing in house the initiation tasks relating to new connections. We believe this centralisation of tasks will improve our interactions with distributors around consistency of energisation dates both parties use.</p>	<p>Dec 2018</p>	

ANZSIC codes			
Non-compliance	Description		
<p>Audit Ref: 3.6</p> <p>With: Clause 9 (1(k) of Schedule 11.1</p> <p>From: 22-May-18</p> <p>To: 22-May-18</p>	<p>Some incorrect ANZSIC codes for active ICPs.</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>There is sound reporting in place but it doesn't appear that the discrepancies are being resolved as soon as practicable, and some of the changes do not appear to be correct.</p> <p>There is no impact on settlement outcomes from incorrect ANZSIC codes but there is a low impact on the Electricity's reporting accuracy, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Contact has raised a system enhancement to eliminate the 'T9' series ANZSIC codes from being populated within our systems as part of a switch gain, to avoid these codes being applied in the future. We are awaiting prioritization of this enhancement.</p> <p>Contact has also implemented reporting and a process to identify all ICP's which has an ANZSIC code miss-match or a 'T9' series ANZSIC code applied at time of switch gain and these are being corrected via a manual correction process. Contact uses its customer information and also the companies register to assist in identifying the correct ANZSIC code as part of its manual correction process rather than Google streetview due to the snapshot nature of the Google information.</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Changes to unmetered load			
Non-compliance	Description		
Audit Ref: 3.7 With: Clause 9(1)(f) of Schedule 11.1 From: 22-May-18 To: 22-May-18	Daily unmetered kWh values are blank or incorrect for some ICPs. 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 because there are some improvements that can be made to them, e.g. monthly validation of outstanding discrepancies. Also, whilst identification of issues is sound, there are some delays in resolving them. The audit risk rating is low, because the impact on submission information is minor as only a small number of ICPs are affected.		
Actions taken to resolve the issue		Completion date	Remedial action status
Contact has made steady progress in reducing the UNM mismatches between Distributors and its systems. There were only seven exceptions identified in this audit that largely relate to human error due to new personnel learning this task. Additional training has been provided to reinforce the calculation of UNM load from the information provided on the registry.		Resolved	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Contact will increase its exception reporting frequency to monthly to reduce the delays in resolving exceptions identified.		Sept 2018	

Management of "active" status	
Non-compliance	Description
Audit Ref: 3.8 With: Clause 17 Schedule 11.1 From: 01-Jan-18 To: 31-Mar-18	Some incorrect Active dates. 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	<p>The controls are rated as moderate because there are some improvements that can be made to them, e.g. monitoring of Active date accuracy. Also, whilst identification of issues is sound, there are some delays in resolving them.</p> <p>The audit risk rating is low, because there is either no impact on submission information or a minor impact on submission information related to consumption being apportioned to the incorrect month as a result of incorrect start dates.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Contact is been improving its reporting capabilities and accuracy around the IED, Status (active) date, and Orb completion date to actively monitor and resolve mismatches between the various systems involve in the new connection process. This can be seen by the further reduction in exceptions during 2018</p> <p>Many of the exceptions identified by the auditor relate to metering installations where the meter has been fitted to the distribution board prior to energisation date where energisation is performed by another party – Contact is investigating changes to its service request / workflow management system to allow this differentiation to be better identified as an exception so that these differences can be investigated and resolved in a more timely manner.</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Management of “inactive” status			
Non-compliance	Description		
<p>Audit Ref: 3.9</p> <p>With: Clause 19 of schedule 11.1</p> <p>From: 01-Jul-17</p> <p>To: 30-Jun-18</p>	<p>Incorrect de-energised status for some ICPs.</p> <p>Potential impact: High</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>Strong controls are in place for the identification and management of discrepancies and the historic issues regarding consumption on inactive ICPs are being steadily resolved.</p> <p>There is an impact on the timeliness of settlement, but submission will occur during the revision cycles for all consumption, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

<p>Contact has completed an extensive data cleansing activity identify and ensuring all consumption has been submitted for ICPs incorrectly flagged as inactive.</p> <p>Reporting is in place to identify instances where incorrect status has occurred in order to data correction to occur.</p> <p>Additional training material has been delivered to support personnel in managing the disconnection and reconnection processes.</p> <p>It is expected that the timeliness of correction will improve with these corrective measures in place</p>	Dec 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 5 Schedule 11.3</p> <p>From: 18-Oct-17 To: 27-Feb-18</p>	<p>3 late CS files.</p> <p>Incorrect daily consumption of zero when ICPs switch in and out in a short period.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are recorded as strong because they mitigate risk to an acceptable level.</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

Contact continues to at how to improve the read attainment for newly switch sites to ensure switch read change requests are undertaken in a timelier manner	Ongoing	
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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: 12-Mar-18</p> <p>To: 14-Mar-18</p>	<p>1 late CS file.</p> <p>Incorrect daily consumption of zero when ICPs switch in and out in a short period.</p> <p>Potential impact: Medium</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 because they mitigate risk to an acceptable level.</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><u>1 late CS file.</u></p> <p>In this instance Contact was waiting for an AMI midnight read to be delivered rather than completing the switch on an estimate read as this tends to cause more accuracy and compliance issues later from incorrect customer billing to incorrect settlement.</p> <p><u>Incorrect daily consumption of zero when ICPs switch in and out in a short period</u></p> <p>Contact ICT team is investigating issue with incorrect daily consumption where CTCT has supplied the site for very short period of time</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Mar 2019	
		Completion date	

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.11</p> <p>With: Clause 12 of Schedule 11.3</p> <p>From: 01-May-17</p> <p>To: 30-Apr-18</p>	<p>150 late RR files.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are strong and the main issue leading to late files is lack of meter readings, which is a different process. The impact on settlement is minor because the number of ICPs is low; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>As auditor has noted this non-compliance is due to range of issues relating to backdated switch requests, meter reading delays and negotiation of reads between participants taking a long time to complete.</p> <p>Contact is looking at how we can improve the process with delayed reading which is mainly due to customer access issues.</p> <p>With switches backdated more than 4 months, retailers already miss the RR timeframe due to time period calculated from switch event date rather than switch completion date.</p> <p>Contact believes code should to be amended for the RR timeframe to be calculated from switch completion date in the registry rather than switch event date, or at least recognise the back date switch event dates when considering compliance of this clause.</p> <p>Contact's preference is to maintain accuracy of the Registry switch read process rather than be compliant with switch timeframes which may deliver an adverse outcome for the customer concerned wherever possible</p>		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Contact is reviewing its meter reading set up and attainment processes for recently switched ICPs with known access issues to investigate what improvements can be done to improve reading attainment</p>		Ongoing
		Identified

Gaining trader informs registry of switch request - gaining trader switch			
Non-compliance	Description		
<p>Audit Ref: 4.12</p> <p>With: Clause 14 of Schedule 11.3</p> <p>From: 01-May-18</p> <p>To: 30-Apr-18</p>	<p>1 late NT file.</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, and it was an isolated processing issue leading to one late NT file.</p> <p>The impact on settlement is minor because only one ICP was involved; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>This single instance of a late NT was due to human error in that Contact has implemented a quality assurance step in the initiating switch process. The team member involved was not available to complete this step prior to the switch starting which caused this delay.</p> <p>Additional personnel have been trained in this QA process to ensure this type of delay is avoided in the future</p>		Resolved	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

Gaining trader to advise the registry manager - gaining trader switch			
Non-compliance	Description		
<p>Audit Ref: 4.14</p> <p>With: Clause 16 Schedule 11.3</p> <p>From: Oct 2017 and April 2018</p>	<p>One late CS file.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</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, and it was an isolated processing issue leading to one late CS file.</p> <p>The impact on settlement is minor because only one ICP was involved; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>At the time of this late CS file the HDM team were under resourced due to a number of staff absences. Staffing levels have returned to normal.</p> <p>Only one late CS file occurred in this period and due to the site being a HH settled and billed ICP there was no actual market or customer impact to the month end settlement and billing processes.</p>		Resolved	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

Withdrawal of switch requests			
Non-compliance	Description		
<p>Audit Ref: 4.15</p> <p>With: Clauses 17 and 18 Schedule 11.3</p> <p>From: 01-Jul-17</p> <p>To: 30-Apr-18</p>	<p>68 late NW files.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are strong for the management of withdrawals. Whilst the files were late most relate to wrong properties, which often only become clear after billing has occurred and then an investigation is completed.</p> <p>There was a minor impact on settlement due to the correction of consumption information. There was also a minor impact on the customer; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>As auditor has noted most of these withdrawals were due to wrong premises which normally comes to light after billing has occurred and can also involves lengthy complex investigation.</p> <p>Contact believe we have robust process in place for withdrawals and some of these late withdrawals are difficult to avoid.</p>		Ongoing	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	

Maintaining shared unmetered load		
Non-compliance	Description	
<p>Audit Ref: 5.1</p> <p>With: Clause 11.14</p> <p>From: 22-May-18</p> <p>To: 22-Jun-18</p>	<p>One ICP with incorrect shared unmetered load and one ICP with missing shared unmetered load.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as strong because they mitigate risk to an acceptable level</p> <p>The impact on settlement is only 0.6 kWh per day (under submission), which I consider to be minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>Contact has made steady progress in reducing the UNM mismatches between Distributors and its systems.</p> <p>There was only one exception identified in this audit that was due to human error due to new personnel learning this task. Additional training has been provided to reinforce the calculation of UNM load from the information provided on the registry.</p>		Resolved
Preventative actions taken to ensure no further issues will occur		Completion date
Contact will increase its exception reporting frequency to monthly to reduce the delays in resolving exceptions identified.		Sept 2018

Unmetered threshold		
Non-compliance	Description	
<p>Audit Ref: 5.2</p> <p>With: Clause 10.14 (2)(b)</p> <p>From: 31-Jul-17</p> <p>To: 30-Jun-18</p>	<p>Four standard unmetered ICPs have estimated annual consumption over 6,000 kWh per annum.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are strong with regard to identifying and attempting to resolve the issues associated with these ICPs. Resolution actions have been underway for some time.</p> <p>There is no suggestion that settlement is inaccurate, therefore the impact is considered minor and the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>ICP 0005872540AL7D8 – with the installation of a new more efficient pump the annual KWH for this ICP has been assessed at 3,854 kwh allowing this ICP to remain as UNM.</p> <p>Contact is continuing to engage this the relevant customers for the remaining 3 ICPs</p>		Jun 2019
Preventative actions taken to ensure no further issues will occur		Completion date
<p>There is a monthly report that is run to identify these sites which is reviewed and actioned appropriately</p>		Ongoing
		Identified

Unmetered threshold exceeded			
Non-compliance	Description		
Audit Ref: 5.2 With: Clause 10.14 (5) From: 22-May-18 To: 22-May-18	11 standard unmetered ICPs have estimated annual consumption over 6,000 kWh per annum and were not resolved within 20 business days. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are strong with regard to identifying and attempting to resolve the issues associated with these ICPs. Resolution actions have been underway for some time but were not completed within 20 business days. There is no suggestion that settlement is inaccurate, therefore the impact is considered minor and the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Contact continues to work with these customers to validate the UML details and also to look at what options are available to the customer in order to achieve compliance		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Distributed unmetered load			
Non-compliance	Description		
Audit Ref: 5.4 With: Clause 11 of schedule 15.3 From: 01-Jul-17 To: 31-May-18	Inaccurate submission information for several databases. 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 controls in place mitigate risk most of the time, but errors still occur, therefore the control rating is moderate. There is a major impact on settlement outcomes because there are examples of over submission and under submission; therefore, the audit risk rating is high.		

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Contact continues to commit a significant amount of time and effort to engage with our DUMML customers to address these non-compliances.</p> <p>Under the new audit regime Contact cannot undertake a large proportion of these audits ourselves as we have performed historically. The impact is that we have not been able to develop further relationships at an operational level that has previously assisted in the resolution of some longstanding non-compliances</p> <p>Contact is actively engaging with the DUMML database owners on a regular schedule to address and resolve the non-compliances and where required perform market wash ups to limit the market impact which can be seen by the reduction is assessed submission impact identified by the auditor.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact Energy is working with each council to correct their database, so submission corrections can be applied where possible. New audit schedules have been prepared for a lot of these DUMML owners and audits will continue to happen in a timely manner whilst Contact energy works with these DUMML owners.	Ongoing	

Electricity conveyed & notification by embedded generators	
Non-compliance	Description
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13</p> <p>From: 01-Jul-17</p> <p>To: 20-Jun-18</p>	<p>While meters were bridged, energy was not metered and quantified according to the code.</p> <p>12 ICPs with generation have an incorrect profile used for submission and recorded on the registry.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating

Low	<p>Controls are rated as moderate as they are sufficient to reduce the risk most of the time.</p> <p>The audit risk rating is low:</p> <ul style="list-style-type: none"> Bridging only occurs where a soft reconnection cannot be performed after hours and the customer urgently requires their energy supply for health and safety reasons. Corrections are usually processed as discussed in section 8.1. Correct profiles are applied for reconciliation submissions in most cases. 		
Actions taken to resolve the issue		Completion date	Remedial action status
The issue of bypassing smart meters is a wider issue than those sites identified and resolved by Contact. In order to reduce the number of remotely disconnected meters being bypassed from occurring Contact has incorporated outside business hours arrangements with smart meter providers.		Ongoing	Identified
Contact has update the generation profile code for the 12 ICPs identified in the audit as being incorrect. Contact has reporting in place to identify these exceptions.		Resolved	
Preventative actions taken to ensure no further issues will occur		Completion date	

Derivation of meter readings			
Non-compliance	Description		
<p>Audit Ref: 6.6</p> <p>With: Clause 3(1), 3(2) and 5 Schedule 15.2</p> <p>From: 01-Jul-17</p> <p>To: 20-Jun-18</p>	<p>Datacol does not conduct checks for phase failure.</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 rated as moderate because most manually read ICPs are read by Wells, who do check for phase failure.</p> <p>The impact is assessed to be low; approximately 400 ICPs are read by Datacol and most of those are expected to be non-AMI and phase failure will not be able to be detected by the meter reader.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

Contact has initiated discussions with Datacol regarding including phase failure on 3 phase CT metering installations as part of the on site checks performed by manual meter readers and any exception identified is reported via a meter condition code to Contact for investigation and resolution by way of a metering site visit	TBA	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	

NHH meter reading application			
Non-compliance	Description		
Audit Ref: 6.7 With: Clause 6 Schedule 15.2 From: 01-Jul-17 To: 30-Jun-18	NHH meter readings not applied at 2400 on the day of the meter reading for NHH to HHR upgrades Potential impact: None Actual impact: None 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 the process achieves accuracy. There is no impact on settlement or other participants.		
Actions taken to resolve the issue		Completion date	Remedial action status
Contact energy's systems like other retailers and also the Registry apply meter installations and removals as at the beginning and end of a day – while this view may be appropriate for NHH settled ICPs it does not accurately reflect HH metering and interval data encompassing the true meter change dates and times. Contact approach to managing meter changes around NHH to HHR, while not fully compliant with the rules is what we believe is the most accurate way to ensure all consumption volumes are included in the settlement process. We agree with the auditor's observation that this noncompliance has no impact to other participants. Contact is willing to work with the authority and other participants to find a robust solution to meter changes that also result in settlement methodology changes that is compliant with the code.		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	

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-Jul-17</p> <p>To: 20-May-18</p>	<p>For eight ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as weak as they are not sufficient to ensure the best endeavours requirement is met where the period of supply is less than nine months.</p> <p>The audit risk rating is low, as most of the ICPs without a read during the period of supply appear to have been supplied for a short period.</p>	
Actions taken to resolve the issue		Completion date
<p>Contact has identified a validation as at the time of a switch gain that can identify timeframes since the last actual read from the CS file received that can assist with identifying potential access issues for newly acquired customers.</p> <p>We intend to use this validation to then trigger an OBC/Text/Email to discuss concerns with the customer that may have been historic with the previous retailer.</p> <p>Contact will also reapply the switching H reads had been stopped, based off audit advice, for sites that were in the 365-day meter read compliance process. This could assist these sites with having a 3rd attempt to retrieve an actual read prior to the switch.</p>		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

NHH meters interrogated annually			
Non-compliance	Description		
Audit Ref: 6.9 With: Clause 8(1) and (2) Schedule 15.2 From: 01-Jul-17 To: 20-May-18	For one ICP supplied for over one year, exceptional circumstances did not exist and the best endeavours requirement was not met. Some report accuracy issues were identified and require further investigation. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong because the MRC process is usually sufficient to ensure that the best endeavours requirement is met within one year. The audit risk rating is low, because the process was terminated early for one ICP due to a user error. The read type error was promptly corrected, but as soon as the actual read was entered the process terminated.		
Actions taken to resolve the issue		Completion date	Remedial action status
ICT request has been raised to get the GXP report criteria adjusted to remove the false positives from being included in this report		May 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Correction of NHH meter readings	
Non-compliance	Description
Audit Ref: 8.1 With: Clause 19(1) Schedule 15.2 From: 2015 To: 2018	One correction for addition of a missing register was overwritten. One bridged meter did not have a correction processed. 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 assessed to be strong:</p> <ul style="list-style-type: none"> Contact recognised that additions to reconciliation records could be lost where the reconciliation period consumption was recalculated by SAP. A system change to make these corrections permanent was implemented in May 2018, shortly after the affected correction was processed. The non-compliance is not expected to recur. Most of the corrections for bridged meters reviewed were processed correctly. The correction that was not processed due to a misunderstanding. <p>The audit risk rating is low, because only two ICPs were affected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>The system defect relating to ICP 0000041148NT3EE where the consumption correction was overwritten has been resolved and the correction has now been reapplied.</p> <p>ICP 0000442007UN246 relates to human error – the correction has now been applied</p>		Resolved	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

Electronic meter readings and estimated readings			
Non-compliance	Description		
<p>Audit Ref: 9.6</p> <p>With: Clause 17</p> <p>Schedule 15.2</p> <p>From: 01-Jul-17</p> <p>To: 20-Jun-18</p>	<p>HHR meter event information is not formally reviewed and acted upon.</p> <p>Full NHH meter event information is not reviewed, but events emailed by the MEPs are reviewed and acted upon.</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 because critical events are being monitored.</p> <p>The audit risk rating is low, reliance is placed upon Contact's other validation checks, which are comprehensive.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

<p>Contact has implemented a manual review of its C&I event log reports to ensure its data collectors are identifying critical issues relating to the integrity of the meters.</p> <p>Contact is also looking to formalise its monitoring of smart meter event logs via exception reporting over the next 6 months</p>	<p>Resolved</p> <p>March 2019</p>	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
<p>Audit Ref: 11.4</p> <p>With: Clause 15.8</p> <p>From: 01-Jul-17</p> <p>To: 01-May-18</p>	<p>HHR aggregates file does not contain electricity supplied information.</p> <p>Data for eight ICPs was missing from some volumes files, due to inaccurate profiles and missing loss factors. The data has been corrected and will be washed up.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The issue relating to content of the aggregates file is an error in the code, Contact is providing submission information as expected.</p> <p>The impact of the missing volumes is low, and Contact has acted to correct the data and prevent recurrence of the issues.</p>	
Actions taken to resolve the issue		Remedial action status
ICPs missing from AV090 due to system failing to load pricing event – these relate to incomplete embedded network set ups in Contact systems. Pricing events are validated upto upload into Contacts SAP system and where an embedded network is not set up correctly then the pricing event fails validation and is not loaded against the relevant ICP. This means the loss code for the ICP is set		<p>Resolved</p> <p>Identified</p>

<p>to null in the AV090 process. Contact has improved its monitoring of embedded network set ups and also it's AV090 to AV140 comparison to improve in AV090 submission accuracy.</p> <p>HHR submitted ICP with RPS profile code – these relate to human error when users install meter manually as a result of the automated workflow process failing to complete the meter installation. Contact has improved its monitoring of its AV090 to AV140 comparison to improve in AV090 submission accuracy and identify these exception before submission occurs</p> <p>Incorrectly set settlement relevant flags - these relate to human error when users install meter manually as a result of the automated workflow process failing to complete the meter installation. Contact has improved its monitoring of its AV090 to AV140 comparison to improve in AV090 submission accuracy and identify these exception before submission occurs</p> <p>Three disconnected ICPs excluded from AV090 but included in AV140 with zero consumption -</p> <p>ICP 1000569787PC466 – Registry has now been correctly updated.</p> <p>System defect reset the submission type from HHR to NHH in SAP - the system defect has now been resolved</p>	<p>Resolved</p> <p>Resolved</p> <p>Resolved</p> <p>Resolved</p> <p>Resolved</p>	<p>The issues within Contact's control have all been resolved,</p>
Preventative actions taken to ensure no further issues will occur	Completion date	

Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 01-Jul-17</p> <p>To: 20-Jul-18</p>	<p>Some submission data was inaccurate.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate, as they are sufficient to ensure that most submission information is accurate.</p> <p>The impact on settlement is rated as low because corrections were made or are in progress to be made during the revision process.</p>	
Actions taken to resolve the issue		Remedial action status
		Completion date

<p><u>Consumption on disconnected ICPs</u></p> <p>Contact has reporting in place to identify any instance of this occurring and is resolving these at the earliest opportunity.</p> <p><u>Corrections</u></p> <p>These have now been resolved</p> <p><u>Profiles</u></p> <p>Contact is working with MEP to ensure LCD flags are correctly reflecting that actual certification status of this equipment.</p> <p>Contact has corrected the profile codes for the 12 generation sites where EG1 is the correct code.</p> <p><u>Manual daylight savings adjustment in error</u></p> <p>This issue related to human error and Contact has included additional validation check to ensure it does not happen again.</p> <p><u>HHR clock synchronisation issue</u></p> <p>The MEP has now synchronised this meter and Contact has adjusted the intervals either side of this time sync. Additionally the MEP is going to change the meter here to try and improve the time accuracy of this metering point.</p> <p><u>HHR volumes and aggregates</u></p> <p>Contact has applied additional checks in its AV140 to AV090 to identify these exceptions prior to submission</p> <p><u>Unmetered</u></p> <p>Contact has made steady progress in reducing the UNM mismatches between Distributors and its systems. There was only one exception identified in this audit that was due to human error due to new personnel learning this task. Additional training has been provided to reinforce the calculation of UNM load from the information provided on the registry.</p>	<p>Ongoing</p> <p>Resolved</p> <p>Ongoing</p> <p>Resolved</p> <p>Resolved</p> <p>Resolved</p> <p>Ongoing</p>	Identified
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	

Permanence of meter readings for reconciliation			
Non-compliance	Description		
<p>Audit Ref: 12.8</p> <p>With: Clause 4 Schedule 15.2</p> <p>From: 01-Jul-17 To: 01-May-18</p>	<p>Some estimates were not replaced by revision 14.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate, because there are processes in place to attain readings by revision 14 and enter permanent estimate readings. Contact plans to enter permanent estimates for disconnections and reconnections, which will reduce forward estimate volumes in the future.</p> <p>The potential impact is rated as low. There was 408,434 kWh of forward estimate over three months and the impact is dependent on the accuracy of these estimates. There are sound estimation processes, therefore I have recorded the audit risk rating as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>One scenario that was not included in our 365 no read process relates to disconnection / reconnection estimates where actual reads are unable to be obtained.</p> <p>Contact is working on a system enhancement to apply permanent estimates for disconnections and reconnections where no actual read is returned from this process, which will reduce forward estimate volumes in the future.</p>		May 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Forward estimate process		
Non-compliance	Description	
<p>Audit Ref: 12.12</p> <p>With: Clause 6 Schedule 15.3</p> <p>From: Feb 17, Apr 17, May 17, Jul 17, Oct 17, Nov 17, Dec 17</p>	<p>The accuracy threshold was not met for all months and revisions.</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: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as strong, as they are sufficient to ensure compliance to an acceptable level.</p> <p>Initial data is replaced with revised data and washed up.</p>	
Actions taken to resolve the issue		Completion date
<p>Contacts overall submission accuracy is very good and where we have not been able to meet the accuracy thresholds the market impact is very low base on the consumptions volumes involved.</p> <p>Contact is continually looking as ways to improve its submission accuracy and we are looking at a system enhancement to improve the accuracy of our initial estimation values we apply to new customers where no historical consumption history exists for the ICP.</p> <p>Additionally Contact continue to improve its meter read performance to reduce the reliance on interim estimations within the settlement process.</p>		May 2018
Preventative actions taken to ensure no further issues will occur		Completion date

Historical estimate reporting to RM		
Non-compliance	Description	
<p>Audit Ref: 13.3</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: Oct 16 (r3), Nov 16 (r3 & r14), Dec 16 (r3 & r14), Jan 17 (r7 & r14), Feb 17 (r7), Mar 17 (r7)</p>	<p>Historic estimate thresholds were not met for some revisions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate because in most cases the thresholds were met, and processes are in place to make estimated readings permanent.</p> <p>The audit risk rating is low, because Contact were reasonably close to the target in all cases.</p>	
Actions taken to resolve the issue		Completion date
<p>One scenario that was not included in our 365 no read process relates to disconnection / reconnection estimates where actual reads are unable to be obtained.</p> <p>Contact is working on a system enhancement to apply permanent estimates for disconnections and reconnections where no actual read is returned from this process, which will reduce forward estimate volumes in the future.</p>		May 2019
Preventative actions taken to ensure no further issues will occur		Completion date