

## Compliance Plan for Waipa Networks Distributor – August 2020

Requirement to provide complete and accurate information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clauses 11.2(1) and 10.6(1)  From: 01-Aug-19 To: 31-May-20	Registry information not complete and accurate in all instances.  Potential impact: High Actual impact: Medium Audit history: Twice Controls: Weak Breach risk rating: 6	
Audit risk rating	Rationale for audit risk rating	
<b>Medium</b>	Controls are rated as weak as there is no regular process to identify and correct errors.  The risk rating is medium as the corrections not actioned may have a direct impact on reconciliation.	
Actions taken to resolve the issue		Completion date
We have corrected the bulk of ICPs identified during the audit with the only remaining ones awaiting information from Third Parties such as Retailers and DG installers. Our use of the audit compliance report going forward will ensure these are continued to be followed up.		August 2020
Preventative actions taken to ensure no further issues will occur		Completion date
Staff are being trained to run the audit compliance report weekly.		31 August 2020
		Identified

Requirement to correct errors			
Non-compliance	Description		
Audit Ref: 2.2 With: Clauses 11.2(2) and 10.6(2) From: 01-Jan-20 To: 31-May-20	Errors not corrected as soon as practicable. Potential impact: High Actual impact: Medium Audit history: Twice Controls: Weak Breach risk rating: 6		
Audit risk rating	Rationale for audit risk rating		
Medium	Controls are rated as weak as there is no regular process to identify and correct errors. The risk rating is medium as the corrections not actioned may have a direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
Our use of the audit compliance report going forward will ensure errors are corrected as soon as practicable.		31 August 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Our use of the audit compliance report going forward will ensure errors are corrected as soon as practicable.		31 August 2020	

Timeliness of Provision of ICP Information to the registry manager			
Non-compliance	Description		
Audit Ref: 3.4 With: Clauses 7(2) of Schedule 11.1 From: 18-Sep-19 To: 24-Feb-20	Three ICPs not updated to "Ready" prior to electricity being traded. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time but there is room for errors to occur. The risk rating is low as the number of ICPs affected is small.		
Actions taken to resolve the issue		Completion date	Remedial action status
-		-	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We have an IT improvement project underway which will assist in the flow of information from field to administration staff and reduce the likelihood of processing delays.		31 August 2023	

Timeliness of Provision of Initial Electrical Connection Date			
Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of schedule 11.1 From: 01-Aug-19 To: 31-May-20	15 initial electrical connection dates not updated within ten business days. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time but there is room for errors to occur. The risk rating is low this has no direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
IECD have now been populated.		03 August 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Our use of the audit compliance report going forward will ensure system-related errors are corrected as soon as practicable.		31 August 2020	

Monitoring of “new” & “ready” statuses		
Non-compliance	Description	
Audit Ref: 3.14 With: Clause 15 Schedule 11.1  From: 01-Aug-19 To: 31-May-20	Monitoring not conducted of ICPs at “New” or “Ready” status. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as weak as there is no regular monitoring process in place. The risk rating is low as this has no direct impact on reconciliation.	
Actions taken to resolve the issue		Completion date
There were only a handful of ICPs in this category and we have since followed up with the Retailers and made notes.		Completed
Preventative actions taken to ensure no further issues will occur		Completion date
The audit compliance report will be used to ensure these are monitored and notes made accordingly in our system.		31 August 2020

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 4.1</p> <p>With: Clause 8 Schedule 11.1</p> <p>From: 01-Aug-19 To: 31-May-20</p>	<p>Seven address events, one network event, 59 pricing updates, 33 decommission status updates and 47 distributed generation updates were updated more than three business days after the event date.</p> <p>One NSP update backdated more than eight business days.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate as they will mitigate risk most of the time but there is room for errors to occur.</p> <p>The risk rating is low as the volume of ICPs affected are small.</p>	
Actions taken to resolve the issue		Completion date
-		-
Preventative actions taken to ensure no further issues will occur		Completion date
There is no single issue leading to the late updates and these are typically the result of external input, such as information provided by a Retailer or customer. We will continue to update information as it comes to hand.		-
		Identified

Notice of NSP for each ICP			
Non-compliance		Description	
Audit Ref: 4.2 With: Clauses 7(1),(4) and (5) Schedule 11.1  From: 20-Aug-19 To: 28-Apr-20		One ICP with incorrect NSP. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating		Rationale for audit risk rating	
Low		The controls are recorded as strong because they mitigate risk to an acceptable level.  The impact on settlement and participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date	Remedial action status
This has been corrected.		3 August 2020	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Our use of the audit compliance report going forward will ensure errors are corrected as soon as practicable		31 August 2020	

ICP location address			
Non-compliance	Description		
Audit Ref: 4.4 With: Clause 2 Schedule 11.1  From: 01-Apr-99 To: 31-May-20	66 ICPs with addresses that are not readily locatable.  Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time but there is room for errors to occur.  The risk rating is low as this has no direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have updated all but one ICP which requires a site visit to the Kawhia coast to check details. We will check this at our next scheduled work in that area.		-	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We have set up a report set up to check address details and will run this once a month.		31 August 2020	



Distributors to Provide ICP Information to the Registry manager			
Non-compliance	Description		
<p>Audit Ref: 4.6</p> <p>With: Clause 7(1) Schedule 11.1</p>        <p>From: 10-Jul-17</p> <p>To: 31-May-20</p>	<p>Chargeable capacity incorrectly recorded on the registry when it is being derived from the retailer billing files.</p> <p>97 ICPs with distributed generation details incorrect or missing.</p> <p>74 ICPs with the initial electrical connection date missing.</p> <p>1 ICPs with an incorrect initial electrical connection date populated.</p> <p>9 ICPs with unmetered load discrepancies.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</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 there is no regular discrepancy reporting process in place.</p> <p>The risk rating is low as this has no direct impact on reconciliation.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All missing or incorrect IECDs have now been populated. UML discrepancies have been followed up with the Retailer. Missing DG details have been populated, with the remaining being followed up with either the installer or Retailer.		-	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Our use of the audit compliance report going forward will ensure errors are corrected as soon as practicable		31 August 2020	

Provision of information to registry after the trading of electricity at the ICP commences		
Non-compliance	Description	
Audit Ref: 4.7 With: Clause 7(3) Schedule 11.1  From: 03-Jan-20 To: 16-Jan-20	1 late price code update.  Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	Controls are rated as strong as there was only one late update.  The risk rating is low as this has no impact on reconciliation.	
Actions taken to resolve the issue		Completion date
This was an isolated issue.		-
Preventative actions taken to ensure no further issues will occur		Completion date
Our processes with regards to assigning Price Codes are robust and we will continue.		-
		Identified

Management of “decommissioned” status			
Non-compliance	Description		
Audit Ref: 4.11 With: Clause 20 Schedule 11.1  From: 01-Aug-19 To: 31-May-20	No regular process in place for management of decommissioned status. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak as ICPs at the “inactive-ready for decommissioning” are not being monitored.  The risk rating is low as this has no direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
All ICPs identified during the audit have now been decommissioned as required.		Completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The reporting mechanism for this has been replaced with a separate report and this will be run fortnightly.		31 August 2020	

Updating table of loss category codes		
Non-compliance	Description	
Audit Ref: 5.1 With: Clause 21 Schedule 11.1  From: 01-Oct-19 To: 19-Nov-19	Less than two months notice provided of a new loss category.  Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are rated as moderate, as they are sufficient to ensure updates are on time most of the time. The impact on settlement and participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
This related to the setup of a specific direct-billed ICP and was an isolated issue.		-
Preventative actions taken to ensure no further issues will occur		Completion date
Our Network Asset Manager has received a copy of this report so he is aware of the requirements in future.		Completed
		Cleared

Creation of loss factors			
Non-compliance	Description		
Audit Ref: 8.1 With: Clause 11.2 From: 01-Sep-19 To: 31-May-20	Loss factors not accurately calculated for 65 ICPs on the LAKE embedded network.  Potential impact: Medium Actual impact: Medium Audit history: None Controls: Moderate Breach risk rating: 4		
Audit risk rating	Rationale for audit risk rating		
Medium	Controls are rated as moderate as the majority of loss factors are correctly calculated.  The risk rating is medium as there will be unexpectedly high UFE for retailers.		
Actions taken to resolve the issue		Completion date	Remedial action status
Our Network Asset Manager is reviewing Lakewood loss factors as a result of the feedback. We expect this will result in a loss factor equivalent to the WAIP network.		01/09/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
LAKE loss factors will be reviewed and updated in conjunction with the WAIP loss factors going forward.		Ongoing	