

## Compliance Plan for Contact MEP – 2022

Changes to Registry Records		
Non-compliance	Description	
Audit Ref: 4.10 With: Clause 3 of Schedule 11.4 From: 01-Jul-19 To: 30-Sep-20	Three records updated on the registry later than 10 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	
<b>Low</b>	I have recorded the controls as strong as there were only three late updates which related to corrections. Updates occur as soon as errors are found. The impact on participants, customers or settlement is minor, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
All records have been corrected in the registry	Completed	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact has further refined our current process by increasing the frequency of the reports to run fortnightly which will reduce the timeframes associated with correcting any errors. The 3 records that have been identified as non-compliant were remedied very soon after these were identified in our reconciliation process.	Ongoing	

Provision of Registry Information		
Non-compliance	Description	
Audit Ref: 6.2 With: Clause 7 (1), (2) and (3) of Schedule 11.4 From: 01-Jul-19 To: 30-Sep-20	Some registry records incomplete or incorrect. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	I have recorded the controls as strong in this area. Sound validations are in place to ensure data is accurate. Very few of the discrepancies have an impact on participants, customers or settlement. The only relevant ones in this regard are tariff related and there were only a small number. The audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
[Comments have been included against specific items in the Table above]	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
[Comments have been included against specific items in the Table above]	Ongoing	

Correction of Errors in Registry		
Non-compliance	Description	
<p>Audit Ref: 6.3</p> <p>With: Clause 6 of Schedule 11.4</p> <p>From: 31-Dec-21</p> <p>To: 05-May-22</p>	<p>Registry validation not conducted for every month of the audit period.</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	
<b>Low</b>	<p>The controls are recorded as weak because Contact has been unable to run the validation process since November 2021.</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
We acknowledged that registry validation has not been conducted for a couple of months (specifically January and February 2022) due to system upgrade.	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Contact reconciles core metering attributes on a monthly basis using the data in the registry and our records by obtaining a daily snapshot and fortnightly metering details reports from the registry to ensure comparisons and subsequent corrections are meeting the requirement. It is noted that Contact no longer installs new metering equipment, and any replacement equipment becomes a smart meter, therefore any errors in metering data are extremely rare (almost non-existent).</p> <p>We would appreciate these aspects being considered in the rating assessment.</p>	Ongoing	

<b>Cancellation of Certification</b>		
<b>Non-compliance</b>	<b>Description</b>	
<p>Audit Ref: 6.4</p> <p>With: Clause 6 of Schedule 11.4</p> <p>From: 31-Dec-20</p> <p>To: 05-May-22</p>	<p>Certification cancelled, and registry not updated for 5,068 Category 1 ICPs due inspection by statistical sample not being conducted in 2020.</p> <p>Certification cancelled, and registry not updated for four Category 2 ICPs with overdue inspections.</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>	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	<p>I have recorded the controls as weak in this area as the Contact process had not identified ICPs with cancelled certification dating back to 2020.</p> <p>The issues found can all potentially have a low impact on other participants and on settlement. The audit risk rating is low.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
<p>We acknowledge that these installations were not inspected within the given timeframes. We also acknowledge that the certification details of these metering installations weren't updated in the registry.</p> <p>Contact has been engaged in a commercial process to sell our remaining assets, which has, for a number of reasons, taken longer than we expected to conclude. The delay has resulted in the pausing of 2021 compliance and certification programme as the potential purchaser had indicated they would conduct the compliance and certification process to enable a clean transition. The sale is nearing completion and it is still our understanding that the purchaser will complete the compliance and certification work. We have kept (and will continue to keep) the Authority up to date on this process, (our most recent communication was on 5 April 2022) and would appreciate this being considered when performing final recommendations.</p>	Completed	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
<p>As above, if sale proceeds compliance and certification tasks will be included in the new MEP's program of work. If the sale does not proceed, Contact will initiate our next metering compliance and certification program.</p>	Ongoing	

Certification and Maintenance		
Non-compliance	Description	
<p>Audit Ref: 7.1</p> <p>With: Clause 10.38 (a), clause 1 and clause 15 of Schedule 10.7</p> <p>From: 15-Feb-19</p> <p>To: 05-May-22</p>	<p>Certification expired for 848 ICPs and certification cancelled for 5,072 ICPs.</p> <p>Potential impact: High</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	
<b>Low</b>	<p>I have recorded the controls as weak in this area as the Contact process had not identified ICPs with cancelled certification dating back to 2020.</p> <p>The impact on settlement is recorded as low. There is an increased likelihood of failure or inaccuracy for metering installations with expired certification, but the numbers are low, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>In relation to the cancellation of 4 CAT2 metering installations, we acknowledged that these installations were not inspected within the given timeframe. We have updated the certification details of these metering installations in the registry.</p> <p>Contact has been engaged in a commercial process to sell our remaining assets, which has, for a number of reasons, taken longer than we expected to conclude. The delay has resulted in the pausing of 2021 compliance and certification programme as the potential purchaser had indicated they would conduct the compliance and certification process to enable a clean transition. The sale is nearing completion and it is still our understanding that the purchaser will complete the compliance and certification work. We have kept (and will continue to keep) the Authority up to date on this process, (our most recent communication was on 5 April 2022) and would appreciate this being considered when performing final recommendations.</p>	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>As above, if sale proceeds compliance and certification tasks will be included in the new MEP's program of work. If the sale does not proceed, Contact will initiate our next metering compliance and certification program.</p>	Ongoing	

Timekeeping Requirements		
Non-compliance	Description	
<p>Audit Ref: 7.10</p> <p>With: Clause 23 of Schedule 10.7</p> <p>From: 01-Jul-19</p> <p>To: 05-May-22</p>	<p>Seven ICPs with time switches not checked within 12 months.</p> <p>Five ICPs with time errors exceeding an average of two seconds per day over a period of 12 months.</p> <p>79 ICPs where time errors were not corrected.</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	
<b>Low</b>	<p>I have recorded the controls as moderate in this area because Contact has processes to ensure time switches are checked every 12 months but does not have a process to correct the time.</p> <p>The impact is low as the trader is not using the timed registers for submission; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Contact acknowledges that there are 7 ICPs where time keeping checks could not be completed, primarily due to access issues, and 5 ICPs were identified to have time keeping errors that will be investigated further and corrected.</p> <p>Contacts interpretation of the 79 ICPs noted to contain time errors differs to what the audit findings have outlined, based on the Part 10.7 of the Code, clause (23. (b)). We believe that these ICPs do not require correction due to the fact, the time keeping error is not greater than an average of two seconds per day over a period of 12 months for these installations.</p> <p>We haven't heard from Electricity Authority about our interpretation that has been put through our previous MEP Audit. We would appreciate clarification of our interpretation and if our understanding is correct, for the risk rating to be reassessed as appropriate.</p>	Completed	<p>Investigating for 7 ICPs not checked and 5 ICPs with errors exceeding 2 seconds per day.</p> <p>Disputed for 79 ICPs where time errors were not corrected.</p>
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>If sale proceeds time keeping requirement tasks will be included in the new MEP's program of work. If the sale does not proceed, Contact will continue to investigate and correct any time clock errors.</p>	Ongoing	

Statistical Sampling		
Non-compliance	Description	
<p>Audit Ref: 7.13 With: Clause 16(1) of Schedule 10.7</p> <p>From: 12-May-21 To: 05-May-22</p>	<p>Sample not representative of the group of meters certified using the statistical recertification method.</p> <p>Potential impact: Medium Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 6</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Medium</b>	<p>I have rated the controls as weak because the ATH process did not ensure correct selection of samples.</p> <p>The impact could be significant, as it is likely that inaccurate metering installations have been recertified. The audit risk rating is medium.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Contact accepts the findings within the audit and would like to provide some background information relating these findings. We would also like to express at the outset, our disappointment at only recently being made aware (in May 2022) of a significant non-compliance or error by Delta (our ATH) in relation to our 2020 statistical sampling programme of work, despite the ATH, the Authority and the Auditors being aware of and conversing on this topic (to the exclusion of Contact).</p>	Completed	Investigating
<p>Preventative actions taken to ensure no further issues will occur</p>	Completion date	
<p>Since we were only made aware (in May 2022) of the errors in relation to our 2020 statistical sampling programme of work, we are still investigating the error and the presumed breakdown in communication. We have not been able to find copies of a notification of the errors and had we not received confirmation from the ATH [who confirmed that it was all fine?] on [insert date] that our programme of work was successful, we would have taken immediate remedial action. Contact will continue to investigate the errors and failure in communication to Contact and will be in touch with all parties involved to ensure we understand what has occurred, have clear steps to remedy and hopefully avoid a similar poor industry outcome for other parties that may be in a similar situation.</p>	Ongoing	

Category 1 Inspections		
Non-compliance	Description	
<p>Audit Ref: 8.1 With: Clause 45 of Schedule 10.7</p> <p>From: 31-Dec-20 To: 11-Jul-21</p>	<p>Inspection by statistical sampling not conducted in 2020. Inspection report not provided to the Authority for inspections conducted in 2021.</p> <p>Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>I have recorded the controls as moderate as Contact has an inspection regime in place, but this was not conducted in 2020.</p> <p>It is unlikely that the missed inspections will impact on other participants and on settlement. The audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Contact has been engaged in a commercial process to sell our remaining assets, which has, for a number of reasons, taken longer than we expected to conclude. The delay has resulted in the pausing of 2021 compliance and certification programme as the potential purchaser had indicated they would conduct the compliance and certification process to enable a clean transition. The sale is nearing completion and it is still our understanding that the purchaser will complete the compliance and certification work. We have kept (and will continue to keep) the Authority up to date on this process, (our most recent communication was on 5 April 2022) and would appreciate this being considered when performing final recommendations.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>As above, if sale proceeds compliance and certification tasks will be included in the new MEP's program of work. If the sale does not proceed, Contact will initiate our next metering compliance and certification program.</p>	Ongoing	



Category 2 to 5 Inspections			
Non-compliance	Description		
<p>Audit Ref: 8.2</p> <p>With: Clause 46(1) of Schedule 10.7</p> <p>From: 12-Jul-20</p> <p>To: 05-Nov-20</p>	<p>Inspections not conducted for four Category 2 metering installations.</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		
<b>Low</b>	<p>I have recorded the controls as moderate in this area because Contact has not been able to complete inspections within the inspection window.</p> <p>The impact on settlement is recorded as low. There is an increased likelihood of failure or inaccuracy for metering installations which have not been inspected, but the numbers are low, therefore the audit risk rating is low. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Contact Response: We acknowledged that 4 CAT2 metering installations were not inspected within the given timeframe. We have updated the certification details of these metering installations in the registry and cancelled their certification.</p>		Completed	Identified
<p>Preventative actions taken to ensure no further issues will occur</p>		<b>Completion date</b>	
<p>As above, if sale proceeds compliance and certification tasks will be included in the new MEP's program of work. If the sale does not proceed, Contact will initiate our next metering compliance and certification program.</p>		Ongoing	