

## Compliance plan for MercuryNZ MEP – 2019

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: 25-Mar-18</p> <p>To: 06-May-19</p>	<p>Certification cancelled for eight Mercury installations.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Once</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>I have recorded the controls as strong because inspections are conducted at least once and often twice during each 3-year certification period.</p> <p>There is no impact on settlement or other participants, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
This issue has arisen from interpretation of the EIPC not from changes in systems and processes in place. We believe that review of the EIPC currently being carried out will resolve the issue.		2019
Preventative actions taken to ensure no further issues will occur		Completion date
<p>If the EIPC review resolves the issue no changes to systems or processes will be required.</p> <p>If the EIPC review does not resolve the problem Mercury systems and processes.</p>		2019
		Identified

Category 2 to 5 Inspections		
Non-compliance	Description	
Audit Ref: 8.2 With: Clause 46(1) of Schedule 10.7 From: 25-Mar-18 To: 06-May-19	Eight Mercury metering installations not inspected within the required window. Potential impact: None Actual impact: None Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	I have recorded the controls as strong because inspections are conducted at least once and often twice during each 3-year certification period. There is no impact on settlement or other participants, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
This issue has arisen from interpretation of the EIPC not from changes in systems and processes in place. We believe that review of the EIPC currently being carried out will resolve the issue.		2019
Preventative actions taken to ensure no further issues will occur		Completion date
If the EIPC review resolves the issue no changes to systems or processes will be required. If the EIPC review does not resolve the problem Mercury systems and processes.		2019
		Identified

Statement of Situation		
Non-compliance	Description	
Audit Ref: 9.3 With: Clause10.46(2) From: 14-Jan-19 To: 06-May-19	Statement of situation not provided to Authority. 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 recorded as strong because they mitigate risk most of the time but there is room for improvement. The impact participants is minor; therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Better process structure would prevent overlooking the required statement to the authority		30/9/2019
Preventative actions taken to ensure no further issues will occur		Completion date
A report template will be developed including process to advise the authority (and all other interested parties).		30/9/2019
		Identified