

Compliance plan for Trustpower MEP – 2019

Metering Installation Design & Accuracy		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 4(1) of Schedule 10.7</p> <p>From: 01-Jan-18</p> <p>To: 04-Dec-18</p>	<p>Design report not identified for three installations.</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>I have recorded the controls as strong because the design can be derived from the certification reports but there is room to improve the recording of the design report.</p> <p>There is little impact on other parties; therefore, the audit risk rating is low</p>	
Actions taken to resolve the issue		Completion date
<p>Continue to provide feedback to contractors to remind them of our obligation to identify the design report in the Metering Certification Report.</p> <p>Immediate training of MEP Administrators to identify the design report data as part of the Metering Certification Report, and to seek confirmation from the AMC on processing, where the design report is not supplied.</p>		31/12/2018 Completed
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Investigate and if possible, implement a change so that the design report is a mandatory field.</p> <p>Carry out further training of the MEP administrators to identify the absence of a design report on the metering certification paperwork, and for them to seek confirmation from the AMC on processing.</p>		Ongoing
		Identified

Changes to Registry Records		
Non-compliance	Description	
<p>Audit Ref: 4.10</p> <p>With: Clause 3 of Schedule 11.4</p> <p>From: 01-Jan-18</p> <p>To: 04-Dec-18</p>	<p>Some records updated on the registry later than 10 business days.</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>I have recorded the controls as moderate in this area because there is room for some improvement.</p> <p>The impact on participants, customers or settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>Identified and implemented better reporting and tracking of cause and effect.</p> <p>We continue to focus on the timeliness of new connections and continue to follow up contractors who are not supplying paperwork in a timely manner.</p> <p>For updates there is a significant number where we corrected historic records Or updated certification records with backdated event dates. These are examples of controlled updates to the registry and have zero risk to third parties.</p> <p>Note: We believe the controls are strong, potential impact Low and therefore the Breach risk rating: 1</p>		31/12/2018 Completed
Preventative actions taken to ensure no further issues will occur		Completion date
<p>There are always instances beyond the MEPs control such as late updates to the registry by other participants which prevent the MEP from populating the registry.</p> <p>We will look to better identify instances that are within our control and take appropriate action to influence the behaviours at the cause of late notification or processing.</p> <p>We will continue to strive for continuous improvement.</p>		31/12/2018 Completed
		Identified

Accurate and Complete Records			
Non-compliance	Description		
Audit Ref: 5.1 With: Clause 4(1) of Schedule 10.6 From: 01-Jan-18 To: 04-Dec-18	Some inaccurate certification records. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	I have recorded the controls as moderate because there is room for improvement. There is a minor impact on other participants, therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Corrected known data issues Identified and implemented better reporting and tracking of cause and effect. Note: The identified issues did not all stem from the 40 certification records viewed by the Auditor alone. Incorrect ATH and Incorrect installation certification date were identified by separate reports across our total ICPs. Note: We believe the controls are strong, potential impact Low and therefore the Breach risk rating: 1		20/01/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Continuous monitoring and feedback		Ongoing	

Provision of Registry Information			
Non-compliance	Description		
<p>Audit Ref: 6.2</p> <p>With: Clause 7 (1), (2) and (3) of Schedule 11.4</p> <p>From: 01-Jan-18</p> <p>To: 04-Dec-18</p>	<p>Some registry records incomplete or incorrect.</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>I have recorded the controls are strong in this area. There are still a small number of areas where improvement can be made.</p> <p>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.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Data quality is an area where we have applied attention over the last 12 months and it is pleasing to see our improvements recognized by this audit.</p> <p>We continue to work to correct known data issues, and have identified and implemented better reporting and tracking of cause and effect.</p>		28/01/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Continuous monitoring and work exceptions		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: 01-Dec-17</p> <p>To: 07-Dec-18</p>	<p>Certification expired or cancelled for 584ICPs.</p> <p>Potential impact: High</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>I have recorded the controls as moderate in this area because certification has been expired for a number of years for some ICPs and because some of the expired installations were fully certified at one point.</p> <p>The impact on settlement is recorded as moderate because of the increased likelihood of failure or inaccuracy for metering installations with expired certification, therefore the audit risk rating is medium.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Actively continue to reduce the number of uncertified sites.</p> <p>Trustpower has been dealing with the difficult tail of non-certified installations for a number of years and has progressively made inroads into fixing these metering installations (reduced by 27 % in 11 months - 801 in Jan 2018). However, by the fact that these are the last few hundred ICPS there are significant practical challenges to achieving certification, often involving significant costs that may end up borne by alternate retailers and customers – making progress challenging.</p> <p>We continue to proactively review this group of installations and dispute that, as a population, they represent a moderate risk due to failure or inaccuracy. As a population they represent < 0.03% of NZ ICPS and therefore have a less the minor potential for settlement impact. Where Trustpower is the retailer [69.39%], we have load monitoring in place in terms of regular meter reading and validation processes that give us a level of confidence that the metering is still functioning</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Continue Compliance programs		Ongoing	

Certification Tests			
Non-compliance	Description		
Audit Ref: 7.2 With: Clause 10.38(b) From: 11-Jul-18 To: 14-Dec-18	Raw meter data output tests not conducted for two metering installations. Register advance not conducted for 21 metering installations. Potential impact: Medium 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 an additional step has been put in place to ensure raw meter data output tests are conducted and a reminder has been sent out to technicians. Meters now have at least one decimal place to ensure register advance tests are conducted. There was no impact on settlement; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The new connections have been revisited and load checks completed. Meter readings had also validated register advancement. 21 sites identified as no register advancement: At the time of our AMI Pilot we followed the process: <ul style="list-style-type: none"> A. Meter was measuring Amps and Volts correctly and metrology of meter intact. B. Headend validation to confirm end to end data validation C. Post commissioning register readings to ensure Register advancement via back office. D. Comparison reports on average daily consumption pre versus post commissioning 		30/07/2018 Completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Additional decimal points added to registers to improve register advancement test on commissioning Trustpower as an MEP has no intent to complete further AMI metering installations, requiring a meter advancement test. As a retailer, we have outsourced that responsibility to IntelliHub.		30/07/2018 Completed	

Interim Certification		
Non-compliance	Description	
<p>Audit Ref: 7.19</p> <p>With: Clause 18 of Schedule 10.7</p> <p>From: 01-Dec-17</p> <p>To: 07-Dec-18</p>	<p>496 ICPs with expired interim certification.</p> <p>Potential impact: High</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>I have recorded the controls as moderate in this area because certification has been expired for a number of years for these ICPs.</p> <p>The impact on settlement is recorded as moderate because of the increased likelihood of failure or inaccuracy for metering installations with expired certification, therefore the audit risk rating is medium.</p>	
Actions taken to resolve the issue		Completion date
<p>Actively continue to actively reduce the number of uncertified sites.</p> <p>Trustpower has been dealing with the difficult tail of non-certified installations for a number of years and has progressively made inroads into fixing these metering installations (30% reduction from 706 in 11 months from Jan 2018). However, by the fact that these are the last few hundred ICPS there are significant practical challenges to achieving certification, often involving significant costs that may end up borne by alternate retailers and customers – making progress challenging.</p> <p>We continue to proactively review this group of installations and dispute that as a population they represent a moderate risk due to failure or inaccuracy. As a population they represent < 0.03% of NZ ICPS and therefore have a less the minor potential for settlement impact. Where Trustpower is the retailer [69.39%], we have load monitoring in place in terms of regular meter reading and validation processes that give us a level of confidence that the metering is still functioning</p>		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Continue Compliance programs		Ongoing
		Identified

Category 2 to 5 Inspections		
Non-compliance	Description	
Audit Ref: 8.2 With: Clause 46(1) of schedule 10.7 From: 04-Aug-18 To: 16-Nov-18	Four overdue Category 2 inspections. Potential impact: Medium Actual impact: Unknown Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because there is room for improvement. The impact on settlement and participants is unknown. These installations will be scheduled for recertification. The audit risk rating is low because of the low number of installations.	
Actions taken to resolve the issue		Completion date
Updated registry to reflect that the sites are uncertified		Completed
Preventative actions taken to ensure no further issues will occur		Completion date
Liaise with Retailers in regard to recertification of legacy or AMI upgrade and preferred MEP Schedule sites for recertification accordingly		June 2019
		Identified