

Compliance plan for SmartCo – 2019

Participants to Provide Accurate Information			
Non-compliance	Description		
<p>Audit Ref: 2.5</p> <p>With: Clause 11.2 and Clause 10.6</p> <p>From: 01-May-18</p> <p>To: 31-Mar-19</p>	<p>Registry not always updated as soon as practicable by SmartCo.</p> <p>Incomplete HHR data provided for 30,000 records during the change to NZST in April 2019. The 2nd interval was incorrectly recorded as zero.</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: 4</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>Controls are recorded as moderate because they mitigate risk most of the time, but some issues still occur.</p> <p>The impact on other participants is minor in relation to registry data, but the impact for missing interval data could be at least 100,000 kWh for the retailer mentioned; therefore, the audit risk rating is medium.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We are working with the Retailer directly surrounding this issue and are investigating with high priority at our end. We have identified that the data is in the head end application and that the issue is downstream, likely in our meter data management system.		30 June 2019	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Once the problem is resolved this will eliminate any further issues.		30 June 2019	

Registry Notification of Metering Records		
Non-compliance	Description	
Audit Ref: 3.2 With: Clause 2 of Schedule 11.4 From: 01-May-17 To: 31-Mar-18	Some registry updates later than 15 business days. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are in place to ensure the timeliness of updates, but SmartCo is often prevented from updating the registry due to late field notification. The impact on other participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
<i>'The registry was updated within 15 business days for 77% of the sample. I checked a sample of 30 late updates and late nomination was the cause in all cases.'</i> SmartCo is complying as much as it can in this instance, however there is still an issue of some retailers not nominating up front, which puts the MEP into a technical breach. AMS, the agent for SmartCo monitors where there is no nomination and chases retailers weekly.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Continue to monitor and chase retailers for nominations where applicable.		Ongoing
		Identified

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: 06-Aug-18</p> <p>To: 19-May-19</p>	<p>Two metering installations with errors greater than 2.5%.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</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	
Medium	<p>I have recorded the controls as strong because the issues were identified immediately.</p> <p>There is a moderate impact on metering installation accuracy; therefore, the audit risk rating is medium.</p>	
Actions taken to resolve the issue		Completion date
Both ICPs should not have been certified, Retailers were notified of the situation at the time and certification was immediately cancelled. Both sites require a shutdown to replace the CT's, this is currently with the Retailers and businesses to arrange a suitable time to return.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Both ICPs were incorrectly certified by the same test house, we have discussed this issue with them and provided further comms to all ATHs to ensure they do not recertify at all. In both cases our back-office processes picked up the errors and corrected the cert dates immediately.		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-May-18</p> <p>To: 31-Mar-19</p>	<p>Some records updated to the registry later than 10 business days.</p> <p>Four incorrect certification dates.</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 as strong because they mitigate risk to an acceptable level.</p> <p>Late updates for new connections can have a minor impact on participants and settlement, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
There are a few ICPs where the certification date was different to the initial energisation date or the retailer's active date. We have been through the photos and are querying the discrepancy with the ATH concerned. This is to ensure that everyones paperwork aligns. These will be corrected once we determine the correct date.		30 June 19
Preventative actions taken to ensure no further issues will occur		Completion date
Add this check to our reconciliation to capture and correct these sooner.		30 June 19
		Investigating

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-May-18</p> <p>To: 31-Mar-19</p>	<p>Some registry records incomplete or incorrect.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</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. There are still a small number of areas where improvement can be made.</p> <p>Some of the discrepancies have a minor impact on participants, customers or settlement. The relevant ones in this regard are tariff related. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
A number of the 52 UN sites with control devices are irrigation sites, these are incorrect and we believe they should be INEMO, these will be updated after we have worked through the rest of the list and confirmed the correct tariff for the others.		30 June 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We continue to monitor discrepancies through the reconciliation process, we will ensure these are captured as part of that.		30 June 2019	

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: 01-May-18</p> <p>To: 31-Mar-19</p>	<p>Discrepancies not resolved within 5 business days.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</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 because they mitigate risk most of the time, but some late updates still occur.</p> <p>Some of the discrepancies have a minor impact on participants, customers or settlement. The relevant ones in this regard are tariff related. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
Our best intentions are to identify discrepancies and resolve them within the required 5 business days, however this does not always happen. Where activities require third party involvement, such as switch reversals or field visits, the 5 business days can be very challenging.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
Continue to identify ways to resolve discrepancies as quickly as possible.		Ongoing
		Identified

Cancellation of Certification		
Non-compliance	Description	
<p>Audit Ref: 6.4</p> <p>With: Clause 20 of Schedule 10.7</p> <p>From: 01-May-18</p> <p>To: 19-May-19</p>	<p>Certification cancelled, and registry not updated within 10 business days for 30 ICPs with low burden.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 most processes are managed with sufficient controls to avoid cancellation of certification.</p> <p>The installations with low burden are all recording within the allowable 2.5% therefore the impact on settlement is minor. The responsibility for SmartCo is to cancel certification on the registry once they know certification is cancelled and the impact of not doing this is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
<p>This particular scenario was discussed in detail at the recent ATH/MEP forum run by the Authority. The outcome from this forum on whether CTs must be burdened during a comparative test was inconclusive. We are currently waiting for the Authority to provide a clear legal interpretation of the code on this subject. In the mean-time we do not believe these metering installations are non-compliant, and therefore, will hold off cancellation of certification until further notice.</p>		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Once we have a definitive decision on the interpretation of the code, we will ensure all test houses meet this going forward.</p>		Ongoing
		Disputed

Certification and Maintenance		
Non-compliance	Description	
<p>Audit Ref: 7.1</p> <p>With: Clause 10.38 (a)</p> <p>From: 01-May-18</p> <p>To: 19-May-19</p>	<p>Certification cancelled for three ICPs.</p> <p>Potential impact: High</p> <p>Actual impact: Medium</p> <p>Audit history: Once</p> <p>Controls: Strong</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>I have recorded the controls as strong in this area because processes are in place to ensure certification is in place and is cancelled when required.</p> <p>The impact on settlement is recorded as moderate because two installations have inaccurate metering installations; therefore, the audit risk rating is medium.</p>	
Actions taken to resolve the issue		Completion date
<p>As discussed in section 4.3, the two ICPs 0003860754TP8CD, and 0000931760NV71C are waiting for the Retailers to provide access to replace the CTs, as this requires a shut down it is taking longer than expected.</p> <p>ICP 0000021432NT37F is currently waiting on customer and retailer to update the switchboard to accept three phase meter. Until this happens this job cannot proceed.</p>		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
<p>Only very difficult jobs remain uncertified and like the three above, they usually require input from the customer, this puts the retailer and MEP in a difficult situation.</p>		Ongoing
		Identified

Electronic Interrogation of Metering Installations		
Non-compliance	Description	
<p>Audit Ref: 10.5</p> <p>With: Clause 8(2) of schedule 10.6</p> <p>From: 01-May-18</p> <p>To: 31-Mar-19</p>	<p>372 metering installations not read within the maximum interrogation cycle.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 to tighten the timeframes for resolution of these matters.</p> <p>The impact on settlement is recorded minor because of the low number involved; therefore, the audit risk rating for most retailers is low. For AMI only retailers, the impact would be greater and the audit risk rating higher. There was only one example for an AMI only retailer.</p>	
Actions taken to resolve the issue		Completion date
The remaining metering installations are currently being reviewed to ensure the communications status is correct, where they are not communicating, they will be set to 'N'. We have already worked through a number of these and this number has reduced from the last audit. A clear timeframe has been set to ensure these are fully corrected within three months.		31 August 2019
Preventative actions taken to ensure no further issues will occur		Completion date
The process for the correct flagging of the AMI communications flag has been tightened up recently, these metering installations are a remanence from the past and once cleaned up, there will not be another backlog.		31 August 2019
		Identified

Time Errors for Metering Installations		
Non-compliance	Description	
<p>Audit Ref: 10.7</p> <p>With: Clause 8(4) of Schedule 10.6</p> <p>From: 01-May-18</p> <p>To: 19-May-19</p>	<p>381 examples of clock errors outside the allowable thresholds.</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 clocks are synchronised during every successful interrogation.</p> <p>The impact is considered minor because most clock errors are small and are corrected within one half hour. The audit risk rating is low.</p>	
Actions taken to resolve the issue		Completion date
The time sync process is fully automated and when the system detects a time drift over an internally set limit but within the allowable limits set out in Table 1 of clause 8(5) of Schedule 10.6, the system corrects it. Sometimes the drift exceeds the allowable limits, in this situation the system corrects the time and sends out an event file to the relevant retailer.		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
The system is designed to capture any drifts before they exceed the allowable limits and for the most part this is the case. Sometimes a meter will drift outside the allowable limits and is immediately corrected and the retailer informed. This process is 99.99% compliant.		Ongoing
		Identified