

Compliance plan for Northpower (MEP) – Aug'19

Non-compliance	Description		
<p>Audit Ref: 4.10</p> <p>With: 3 of Schedule 11.4</p> <p>From: 24-Jan-19</p> <p>To: 25-Jun-19</p>	<p>4.3% of updated entries in the registry are uploaded later than 10BD</p> <p>Potential impact: Low</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>Controls are recorded as strong. The results that Northpower wants to achieve lead to backdated entries. Audit risk rating is recorded as low because there is a minor, practically no, impact on settlement outcomes.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Refer to Northpower's explanation on why these backdated Registry entries can, and will continue to, occur in the <i>Conclusion: Participants Comments</i> section at the end of this audit report.</p> <p>We are looking at implementing a process to investigate and record the reason for each metering data entry that is updated to the Registry outside the 10 business day limit provided for in the Code. This will allow us to focus on those areas where improvements can be made.</p> <p>Often the reason for the late Registry update is due to a third party contractor not providing the inspection and certification reports in a timely manner to allow the Registry metering data to be updated within the 10 business day Code requirement. With a severe shortage of adequately qualified personnel available in the market to complete metering related work, it is a challenge to enforce this deadline whilst retaining resources.</p>		On-going	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
		On-going	

Non-compliance	Description																
Audit Ref: 7.1 With: 10.38a From: 16-Jan-19 To: 30-Jun-19	Certification expired for 961 installations Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 4																
Audit risk rating	Rationale for audit risk rating																
Medium	Controls are recorded as moderate because there is a plan in place, but the implementation is very slow. We assigned the audit risk rating as medium because the number of category 2 and 3 metering installations is steadily increasing, which could have an impact on settlement outcomes.																
Actions taken to resolve the issue		Completion date	Remedial action status														
<ul style="list-style-type: none">Northpower MEP has since 1 January 2019 taken <p>Where a consumer refuses to allow a smart meter to be installed, we are replacing the expired meter with a compliant legacy meter.</p> <p>In addition, we are working with AMS to displace Northpower as MEP and make the meters compliant at our expired Cat 2 and Cat 3 HHR meter sites.</p> <p>Since the early July audit visit we have further reduced the expired meters to 869. We have now replaced or made compliant 399 meters, or 38% of the expired meters we had at the start of the year. Unfortunately a further 233 meters have expired, making the net reduction year to date 177 meters.</p> <div><p>Connected/Expired Northpower Metering Installations</p><table><thead><tr><th>Category</th><th>Value</th></tr></thead><tbody><tr><td>1-Jan-19</td><td>1,046</td></tr><tr><td>Replaced or made compliant</td><td>-399</td></tr><tr><td>Disconnected</td><td>-15</td></tr><tr><td>Newly Expired</td><td>233</td></tr><tr><td>Reconnected</td><td>-4</td></tr><tr><td>19-Aug-19</td><td>869</td></tr></tbody></table></div> <p>There are a further 32 ICPs where we have required the retailer to provide us access, but they have not yet done so.</p>		Category	Value	1-Jan-19	1,046	Replaced or made compliant	-399	Disconnected	-15	Newly Expired	233	Reconnected	-4	19-Aug-19	869	On-going	Identified
Category	Value																
1-Jan-19	1,046																
Replaced or made compliant	-399																
Disconnected	-15																
Newly Expired	233																
Reconnected	-4																
19-Aug-19	869																

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Having implemented processes, arrangements with Metrix, and employing administrative resource, Northpower is now focused on executing these arrangements efficiently to clear the backlog.</p> <p>We are also focusing on identifying further field resource to increase the rate at which metering installations are being made compliant, with an eye on upcoming volumes of meters which will be expiring in 2020. There is currently extremely limited resource available in the market which is appropriately qualified, which is hindering our ability to accelerate making meters compliant.</p>	On-going	

Non-compliance	Description		
<p>Audit Ref: 7.19</p> <p>With: 18 of Schedule 10.7</p> <p>From: 16-Jan-19</p> <p>To: 30-Jun-19</p>	<p>404 ICPs (status “active”) and 147 ICPs (status “inactive”) with expired interim certification</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: 4</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>Controls are recorded as moderate because certification has been expired for a number of years for 404 installations. Northpower is proactively managing the replacement project in partnership with Metrix. The impact on settlement outcomes is recorded as medium because of the increased likelihood of inaccuracy of metering installations.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Meters with expired interim certification are being actively replaced or displaced using the process discussed in our response to Audit Ref 7.1, and the interim certified ICPs identified as non-compliant in that audit finding.		31/12/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
These non-compliances are being actively managed as discussed under Audit Ref 7.1		31/12/2020	