

Compliance Plan for Counties – 2018

| Registry Notification of Metering Records | | | |
|---|--|-----------------|------------------------|
| Non-compliance | Description | | |
| Audit Ref: 3.2 With: Clause 2 of Schedule 11.4 From: 01-Jan-17 To: 28-Nov-17 | 14 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 COUNTIES is often prevented from updating the registry due to late nomination or late updates from traders. The impact on other participants is minor; therefore the audit risk rating is low. | | |
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| Counties Power systems already generates an IRs Pending report to track MEP data failing upload to Registry, and has a process to actively liaise with Retailers to resolve such MEP nomination delays. We will make all efforts to prompt a swifter response going forward. | | N/A | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| Counties Power should not undertake the MEP work prior to the MEP nomination however this would create an unacceptable delay in connecting customers. Counties Power hopes the EA will encourage Retailers to improve general timeliness in this area, else make the registry more flexible for data upload on new connections. | | N/A | |

| Changes to Registry Records | | | |
|---|--|-----------------|------------------------|
| Non-compliance | Description | | |
| <p>Audit Ref: 4.10 With: Clause 3 of Schedule 11.4</p> <p>From: 01-Jan-16 To: 28-Nov-17</p> | <p>Some records updated on the registry later than 10 business days.</p> <p>Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate 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 improve and shorten the notification process for new connections.</p> <p>The late updates for new connections occurred after the trader had populated their records, therefore 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 | Remedial action status |
| Counties Power closely liaises with Retailers to resolve registry records set up issues, but processes can be dependent on their actions in some instances. | | N/A | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| <p>With respect to registry data population in general - Counties Power long term objective is to implement fully electronic field data capture and processing in order to mitigate those inherent delays associated with processing paper based records.</p> <p>This is anticipated follow from wider ERP systems upgrade in 2018, so exact timing is not yet defined.</p> | | TBA | |

| Provision of Registry Information | |
|---|---|
| Non-compliance | Description |
| <p>Audit Ref: 6.2 With: Clause 7 (1), (2) and (3) of Schedule 11.4</p> <p>From: 01-Jan-17 To: 28-Nov-17</p> | <p>Some registry records incomplete or incorrect.</p> <p>Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate 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 are still a small number of areas where improvement can be made. Certification of control devices is an example.</p> <p>Very few of the discrepancies have an impact on participants, customers or settlement. The audit risk rating is low.</p> | | |
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| Counties will endeavour to correct registry records as identified | | 01/05/18 | Identified |
| <p>Regards control devices – there are a number of methods water heating load is controlled on the network (there is not always a specific serialised device installed at the metering installation itself).</p> | | | |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| Counties Power will review the data set and make the corrections, and apply additional validation rules or data entry prompts to ensure required data is not omitted. | | 01/05/18 | |

| 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-Jan-17</p> <p>To: 28-Nov-17</p> | <p>Certification expired for;</p> <ul style="list-style-type: none"> - 1,443 previously interim certified category 1 ICPs - 515 category 1 ICPs - 2 category 2 ICPs - 3 category 3 ICPs <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 |
| The higher category sites above Cat 1 identified during the audit are certified and showing expiry due to historical data entry errors | | [Completed] | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| <p>Counties Power has written to the EA to advise the various difficulty's encountered with respect to the category 1 compliance activity's.</p> <p>The 1,958 outstanding balance of uncertified category 1 ICPs requiring recertification now represents less than 5% of the total population of COUP ICPs, and we understand this is not too far outside the industry norm.</p> <p>Counties power continues to work towards remedying these outstanding expired metering installation with both our Retailers and customers, and expects to have substantially reduced this number by minimum of 50% by the end of 2018.</p> | | [2019] | |

| Timekeeping Requirements | |
|--|--|
| Non-compliance | Description |
| <p>Audit Ref: 7.10</p> <p>With: Clause 23 of schedule 10.7</p> <p>From: 01-Jan-17</p> <p>To: 28-Nov-17</p> | <p>30 timeclocks not checked.</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 progress has been made in removing the timeclocks and there is a plan in place to remove those remaining.</p> <p>It is unlikely that there will be significant time errors which will impact on participants, customers or settlement. The audit risk rating is low.</p> | | |
|---|---|-----------------|------------------------|
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| This small population of remaining meters utilising time based register switching have been scheduled/issued for replacement with smart metering, and are actively being replaced with completion expected within the year. | | 31/07/18 | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| Smart AMI meters with the automatic time sync function will ensure this requirement to monitor / correct internal meter time clocks is ultimately a historical matter. | | N/A | |

| Interim Certification | | | |
|--|--|-----------------|------------------------|
| Non-compliance | Description | | |
| <p>Audit Ref: 7.19</p> <p>With: Clause 18 of Schedule 10.7</p> <p>From: 01-Apr-15</p> <p>To: 28-Nov-17</p> | <p>1,443 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 | Remedial action status |

| | | |
|---|------------------------|------------|
| Counties Power have an ongoing program to replace the outstanding meters at Cat 1 ICPs with expired metering installations. Ongoing progress is being made. Metering Technicians have already physically attended each outstanding site, (typically multiple times) to undertake the meter replacement work, but for miscellaneous reasons (as provided) on the group identified have been unable to. | 2019 | Identified |
| Preventative actions taken to ensure no further issues will occur | Completion date | |
| Counties power have an active ongoing program of work to replace these expired metering installations and reasonable progress continues here. All the required metering equipment is already held in stock, and the required budgets allocated to complete the work. | 2019 | |

| Electronic Interrogation of Metering Installations | | |
|--|--|------------------------|
| Non-compliance | Description | |
| Audit Ref: 10.5 With: Clause 8 of Schedule 10.6 From: 01-Aug-16 To: 23-Jun-17 | Some installations not interrogated within the maximum interrogation cycle. Potential impact: High Actual impact: Medium Audit history: None Controls: Weak Breach risk rating: 6 | |
| Audit risk rating | Rationale for audit risk rating | |
| Medium | I have recorded the controls as weak because reporting is not available with regard to the maximum interrogation cycle The impact on settlement is considered moderate, because some traders will be required to estimate data. The impact on traders and customers is also moderate because some customers will be required to switch retailers if AMI data is not available. The audit risk rating is medium. | |
| Actions taken to resolve the issue | | Remedial action status |
| | Completion date | |

| | | |
|---|--------------------------|------------|
| Metrix has ensured that all customers receive a regular report detailing sites that have not had readings for 30 consecutive days, and has provide clear instructions to all Traders that they must arrange manual readings for these sites. Metrix is also implementing new reporting capabilities, as part of our Meter Data Management System upgrade, which will enable us to build stronger controls around the performance of meters against their maximum interrogation cycle. | Estimated; March 2018 | Identified |
| Preventative actions taken to ensure no further issues will occur | Completion date | |
| When sites are manually read, the maximum interrogation cycle and AMI no comms flag will be updated accordingly. | October 2017 | |