

## Compliance plan for NZTA Taupo DUML April 2022

DUML Audit		
Non-compliance	Description	
Audit Ref: 1.10 With: Clause 16A.26  From: 05-Sep-19 To: 31-Mar-22	Audit report not submitted within the required timeframe resulting in under submission of volume due to the under submission that will not be corrected as it is outside the 14-month revision cycle.  Potential impact: High Actual impact: High Audit history: None Controls: Moderate Breach risk rating: 6	
Audit risk rating	Rationale for audit risk rating	
<b>High</b>	The controls are rated as moderate, CNIR are generally good at managing DUML audits but this one was not identified and progressed as expected.  The impact is assessed to be high based due to the under submission that will not be corrected as it is outside the 14-month revision cycle.	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>In the case of this audit, we were aware – based on a prior audit of this DUML, that there were alleged large discrepancies between load recorded in the DUML database, and load that a sample field audit indicated was, actually connected under the ICP.</p> <p>That resulted in a recommendation to perform a full field audit.</p> <p>Despite multiple attempts to engage with the customer around a field audit and receive the results of the full field audit once completed – Manawa Energy (nee Trustpower) did struggle to access the data updates we required.</p> <p>As the most material issue affecting this DUML, we persisted in trying to get results of the field audit supplied – prior to reauditing the database.</p> <p>In addition, through the period of late 2021 and early 2022 – we lost key personal who had knowledge and relationship with the history of this DUML.</p> <p>These factors contributed to the late conducting of this one particular DUML audit. However, as demonstrated through management of our other DUML databases – we do not believe this is a systemic issue.</p>	Complete	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
We maintain oversight of the audit periods relating to each of the DUML audits we manage and conduct audits with our audit partner Veritek to have these completed in a timely manner.	N/A

Deriving submission information	
Non-compliance	Description
<p>Audit Ref: 2.1 With: Clause 11(1) of Schedule 15.3</p>          <p>From: 01-Nov-18 To: 31-Mar-22</p>	<p>DUML database has not been up to date resulting in an estimated under submission of 312,844 kWh that will not be corrected as this is outside of the 14-month revision cycle.</p> <p>51 duplicated lights incorrectly included in the 14-month revisions being processed.</p> <p>The database accuracy is not within the allowable +/-5% threshold resulting in an estimated over submission of 10,426 kWh per annum.</p> <p>209 NZTA lights in the Ruapehu DC &amp; Taupo DC areas that are being reconciled by both the council and NZTA databases resulting in potentially 36.63 kW or 156,434 kWh per annum of load being submitted twice.</p> <p>The data used for submission does not track changes at a daily basis and is provided as a snapshot.</p> <p>Potential impact: High Actual impact: High Audit history: Twice previously Controls: Weak Breach risk rating: 9</p>
Audit risk rating	Rationale for audit risk rating
<b>High</b>	<p>The controls are rated as weak as the issues identified in the 2018 audit were not followed through resulting in incorrect submission.</p> <p>The impact is assessed to be high based on based on the potential kWh submission impact described above.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Manawa Energy has a number of DUML customers and receives data from several DUML databases.</p> <p>The outcome of the previous audit of the Taupo database – where there was a suggestion that actual light volumes were higher than being reported in the database resulted in a puzzling finding. We acted upon advice from the agent that a full field audit would be undertaken to validate this, however this never eventuated.</p> <p>We have had another instance where the suggestion that actual volumes vs reported volumes are materially different and we have taken every endeavour to identify the correct volume, given the amount of conflicting information from various sources. We acted on the advice suggesting field volumes were inaccurately recorded – only to unwind this action much later to restore the volume back to numbers closer to what we were originally reporting.</p> <p>For that reason – it is our strong preference, that when material discrepancies are reported we get the best information we can (preferably as a result of a full field audit) to validate the findings.</p> <p>As mentioned above – in the case of the Taupo field audit – this data was not forthcoming despite repeated attempts to collect it, including from multiple parties.</p> <p>We have now received updated data and will correct our submissions based on this information.</p>	N/A	Identified
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p>As Manawa Energy is no longer the retailer to this customer, there is no further action in regards to this DUML.</p>	N/A	

Database accuracy			
Non-compliance	Description		
<p>Audit Ref: 3.1</p> <p>With: Clause 15.2 and 15.37B(b)</p> <p>From: 01-Nov-18</p> <p>To: 31-Mar-22</p>	<p>The database accuracy is not within the allowable +/-5% threshold resulting in an estimated over submission of 10,426 kWh per annum.</p> <p>209 NZTA lights in the Ruapehu DC &amp; Taupo DC areas that are being reconciled by both the council and NZTA databases resulting in potentially 36.63 kW or 156,434 kWh per annum of load being submitted twice.</p> <p>25 lamps were found to have the incorrect ballast recorded the impact of this is included in the database inaccuracy recorded above.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Twice previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 9</p>		
Audit risk rating	Rationale for audit risk rating		
High	<p>The controls are rated as weak as changes made in the field are updated in the database but database updates are not being sent to CNIR.</p> <p>The impact is assessed to be high based on based on the potential kWh submission impact described above.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
As Manawa Energy is no longer the retailer to this customer, there is no further action in regards to this DUML.		N/A	Unknown
Preventative actions taken to ensure no further issues will occur		Completion date	
As Manawa Energy is no longer the retailer to this customer, there is no further action in regards to this DUML.		N/A	

Volume information accuracy	
Non-compliance	Description
<p>Audit Ref: 3.2</p> <p>With: Clause 15.2 and 15.37B(c)</p> <p>From: 01-Nov-18</p> <p>To: 31-Mar-22</p>	<p>DUML database has not been up to date resulting in an estimated under submission of 312,844 kWh that will not be corrected as this is outside of the 14-month revision cycle.</p> <p>51 duplicated lights incorrectly included in the 14-month revisions being processed.</p> <p>The database accuracy is not within the allowable +/-5% threshold resulting in an estimated over submission of 10,426 kWh per annum.</p> <p>209 NZTA lights in the Ruapehu DC &amp; Taupo DC areas that are being reconciled by both the council and NZTA databases resulting in potentially 36.63 kW or 156,434 kWh per annum of load being submitted twice.</p> <p>The data used for submission does not track changes at a daily basis and is provided as a snapshot.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Twice previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 9</p>
Audit risk rating	Rationale for audit risk rating
<b>High</b>	<p>The controls are rated as weak as the issues identified in the 2018 audit were not followed through resulting in incorrect submission.</p> <p>The impact is assessed to be high based on based on the potential kWh submission impact described above.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Manawa Energy have corrected the inaccurate data in respect to the duplication of lights as identified by the auditors and completed the associated 14-month revisions. As Manawa Energy is no longer the retailer to this customer, the recommendation to liaise with local council and NZTA is not feasible.</p>	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>As Manawa Energy is no longer the retailer to this customer, there is no further action in regards to this DUML.</p>	N/A	