

Compliance plan for Simply Energy - 2017

Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 15.2 From: 01-May-15 To: 31-Aug-15	Electricity supplied files not revised. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because there are still some improvements to make. There is no impact on settlement or other participants therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
A system reporting issue for two months resulted in values incorrectly reported. When the issue was discovered two of the months impacted were the 14 month revisions which were not able to be resolved. All other months impacted have been washed up through the Revision process.	November 2016	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Validation checks are now in place to detect any further errors in reporting.	31 August 2017	

Metering certification		
Non-compliance	Description	
Audit Ref: 2.10 With: Clause 10.33(2) From: 21-Jul-16 To: 11-Aug-16	ICP 0007175577RNDBA was certified more than five business days after the energisation date. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Certification is an MEP responsibility. Simply Energy has processes in place to ensure meters are certified before the ICP becomes active, only one late certification was identified during the audit period.	
Actions taken to resolve the issue	Completion date	Remedial action status
We don't believe on this ICP there was a mis-match as when the site was livened the main switch was turned off. The meter was not actually livened till 11 August, which was the date we claimed ICP and Certification completed. Distributor has not queried this date.	11 Aug 2016	Disputed
Preventative actions taken to ensure no further issues will occur	Completion date	
Due to their being only one occurrence and then we will not be taking any further action.		

Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3</p> <p>With: Clause 10 of schedule 11.1</p> <p>From: 01-Jul-16</p> <p>To: 30-Jun-17</p>	<p>66 status updates were not processed within five business days of the event on the Registry.</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>Most status updates were processed on time. Most of the delays were minor, and I saw evidence that Simply Energy's data review processes were identifying status mismatch for prompt correction.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>SIMP no longer uses the inactive – reconciled elsewhere process so this eliminates one previous issue we had. The Inactive status is reviewed on all new switches once per week to detect any new sites that need to be updated.</p> <p>Our last ICP that had a status delay was December 2016, we believe the validation put in place in 2016 should catch the majority of any further issues going forward.</p>	December 2016	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We believe we have the correct controls in place to detect these historical issues.		

Provision of information to the registry		
Non-compliance	Description	
<p>Audit Ref: 3.5</p> <p>With: Clause 9 of schedule 11.1</p> <p>From: 01-Jul-16</p> <p>To: 30-Jun-17</p>	<p>25 status updates were not processed within five business days of the event on the Registry.</p> <p>One status update did not record the correct energisation date.</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>Most status updates were processed on time, and the majority of exceptions occurred early in the audit period. Most of the delays were minor and for valid reasons. I saw evidence that Simply Energy's data review processes were identifying status mismatches for prompt correction.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
As per auditor comment we have now put the correct validation in place to detect these now.	July 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
No further action necessary.		

Management of “active” status		
Non-compliance	Description	
Audit Ref: 3.8 With: Clause 17 of schedule 11.1 From: 30-Jun-16 To: 01-Jul-17	In some cases, there is more than one customer per ICP. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	This sometimes occurs where there are multiple tenants within the same building. The impact on customers is minor because they cannot switch, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
The ICP with seven customers has since been disbanded and these seven customers all have their own ICPs.	31/07/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy has processes in place to stop new connections that have more than one customer.		

Change of MEP		
Non-compliance	Description	
Audit Ref: 3.11 With: Clause 10.22(1)(a)(i) From: 30-Jun-16 To: 01-Jul-17	Backdated MEP changes and MEP changes requested from incorrect dates. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	A small proportion of MEP nominations were processed late. The nominations were all accepted by the MEPs. 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
Simply Energy is looking at reviewing its processes when sending work orders for meter changes to resolve the incorrect dates being nominated.	31 October 2017	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	

Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
Audit Ref: 4.2 With: Clause 3 of schedule 11.3 From: 05-Aug-16 To: 05-Aug-16	An incorrect AN response code was provided for one ICP with AMI metering. AA was applied instead of AD. Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	There was only one error. Other participants normally confirm AMI metering is in place for the affected ICPs through other registry fields.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy believes due to the low amount of errors that no further action is required.	August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy will monitor the use of codes and if there are further occurrences we will review our processes.	30/11/2017	

Losing trader provides information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.8</p> <p>With: Clause 10(1) of schedule 11.3</p> <p>From: 01-Dec-16</p> <p>To: 01-Dec-16</p>	<p>An incorrect AN response code was provided for one ICP with AMI metering. AA was applied instead of AD.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	There was only one error. Other participants normally confirm AMI metering is in place for the affected ICPs through other registry fields.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy believes due to the low amount of errors that no further action is required.	August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy will monitor the use of codes and if there are further occurrences we will review our processes.	30 November 2017	

Losing trader must provide final information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.10</p> <p>With: Clause 11 of schedule 11.3</p> <p>From: 10-Apr-17</p> <p>To: 10-Apr-17</p>	<p>One CS file did not contain the correct last actual read date.</p> <p>Six late CS files for move in switches</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>All other CS file content reviewed for all switch types was found to be correct. The site had switched on an actual read, which was marked as actual in the file. Incorrect read dates can have a minor impact on other traders when investigating meter readings.</p> <p>There were a small number of late files and the files were delayed for genuine reasons. There is a minor impact on other traders therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy uses its CRM system to note the last actual read date, we believe this error to be a one-off as all other ICPs switched in the period were accurate.	August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy to perform three monthly checks on ensuring it is using the Last Actual Read Date correctly.	30/11/2017	

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
Audit Ref: 4.11 With: Clause 12 of schedule 11.3 From: 02-Feb-17 To: 02-Feb-17	One late RR file for ICP 0242001170WF431. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The read renegotiation request was accepted by the other retailer. There was no impact on settlement or other parties.	
Actions taken to resolve the issue	Completion date	Remedial action status
In the one example of a read change request being older than months this site had an issue in obtaining reads. As there was just the one ICP with issue we do not believe there is any action to be taken here.	August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Ensure all manual read sites have reads within 4 months to eliminate these issues.		

Derivation of meter readings		
Non-compliance	Description	
Audit Ref: 6.6 With: Clause 5 of schedule 15.2 From: 01-Jul-16 To: 30-Jun-17	Checks for phase failure not conducted and recorded for meters read by Datacol. Potential impact: Low Actual impact: Unknown Audit history: None Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	Phase failure is often not indicated on non-AMI meters. It is expected there would be a relatively small number of meters read by Datacol where phase failure is present or visible. There could be a minor impact on settlement so the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy is working with Datacol to come to a satisfactory outcome.	31 October 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
The plan to replace all Legacy meters with Advanced Meter will resolve in time this issue.		

Correction of NHH meter readings		
Non-compliance	Description	
Audit Ref: 8.1 With: Clause 19(1) of schedule 15.2 From: 13-Mar-17 To: 29-May-17	One meter reading correction not conducted accurately. Potential impact: Medium Actual impact: Low 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 the processes are sound and this is an unusual scenario. The consumption information is correct but is apportioned incorrectly leading to a minor impact on settlement. The audit risk rating is considered low.	
Actions taken to resolve the issue	Completion date	Remedial action status
The volumes are now apportioned correctly so that the large increase is not all in one month.	10/09/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
No further action is required in this area.		

Electronic meter readings and estimated readings		
Non-compliance	Description	
Audit Ref: 9.6 With: Clause 17 Schedule 15.2 From: 01-Aug-16 To: 30-Jun-17	Event logs not being routinely managed for all AMI installations. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as weak because there is little monitoring of the receipt or content of event logs. The other validations in place are comprehensive and are likely to identify any consumption related issues, therefore the potential impact on settlement is recorded as minor and the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy will continue requesting Event Logs from Smartco and Arc.	31/12/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy is looking at automating the Event Logs but as each MEP has different formats then this is currently a work in progress.	31 March 2018.	

Calculation of ICP days		
Non-compliance	Description	
Audit Ref: 11.2 With: Clause 15.6 of part 15 From: 01-Nov-15 To: 31-Jan-17	Some HHR ICP days errors. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because there are still some minor improvements to make. The discrepancies were minor and the only impact resulting from ICP days discrepancies is potential scaling. The audit risk rating is considered low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy will work with its HHR Data Administrator to correct the Generation only ICP Days issues.	31 August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Electricity supplied information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.3 With: Clause 15.7 of part 15 From: 01-May-15 To: 31-Mar-16	Some electricity supplied errors. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because there are still some improvements to make, including the frequency of running the checks. There is no impact on settlement or other participants therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
We have recently put in place validation that detects now any issues in the AV-120 reports themselves. This is along with the normal checks between AV-120 and RM Submissions. These are monthly checks prior to submission.	23 August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 of part 15 From: 01-Aug-16 To: 28-Feb-17	Aggregates file contains submission information. Some errors in the aggregates files 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	The controls are recorded as strong because they have been recently improved to include reporting from EMS to check against Simply Energy records to ensure the aggregates file is accurate. There is no impact on settlement because the aggregates file is only used for reporting, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Recent enhancements in the validation between Lis file and HHR Aggregates file will detect ICPs submitted on the wrong code. This has been in place for two months now. We have also talked to our HHR Data Administration around the issue of not submitting volumes on brand new sites.	31 July 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Creation of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.2</p> <p>With: Clause 15.5 of part 15</p> <p>From: 01-Aug-16</p> <p>To: 30-Nov-16</p>	<p>One late submission file sent to RM.</p> <p>One ICP submitted against the incorrect code.</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>The controls are recorded as strong because they have been recently improved to include reporting from EMS to check against Simply Energy records to ensure HHR files are accurate. Madras is checked against Sales Force at a meter level for all revisions to ensure the correct information is present.</p> <p>There is a minor impact on settlement; therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Recent enhancements in the validation between Lis file and HHR Aggregates file will detect ICPs submitted on the wrong code. This has been in place for two months now.	31 July 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Permanence of meter readings for reconciliation		
Non-compliance	Description	
Audit Ref: 12.8 With: Clause 4 of schedule 15.2 From: 01-Sep-15 To: 29-Feb-16	Not all estimates replaced by permanent estimates at R14. 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	The controls are recorded as moderate because there is room to improve the meter reading process prior to R14 to ensure 100% HE. There is only a minor impact on settlement because when estimates are replaced with actuals there will be a difference; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy has reporting in place to identify the ICPs with no reads. Resolving the sites without reads is a monthly focus, some will be replaced by Advanced Meter Installations.	August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Historical estimates and forward estimates		
Non-compliance	Description	
Audit Ref: 12.10 With: Clause 3 of schedule 15.3 From: 01-Aug-16 To: 30-Jun-17	Some historic estimates labelled as forward estimates. Potential impact: None Actual impact: None Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because there could be additional checks in place to identify incorrect scenarios. There is no impact on settlement because the calculation is correct; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy is work with its NHH Data Administrator to use the correct terminology where in the first submission ICPs have read at start and end of the month.	March 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Historical estimate reporting to RM		
Non-compliance	Description	
Audit Ref: 13.3 With: Clause 10 of schedule 15.3 From: 01-Sep-15 To: 30-Nov-16	HE targets not met for some NSPs for some revisions. 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	The controls are recorded as moderate because there could be some improvement made in the meter reading processes to ensure actual readings are available. There is a minor impact on settlement because the actual data is likely to be different to the estimated data; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy has reporting in place to identify the ICPs with no reads. Resolving the sites without reads is a monthly focus, some will be replaced by Advanced Meter Installations.	August 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	