

Compliance plan for Powershop - 2017

Changes to Registry Information		
Non-compliance	Description	
Audit ref: 3.3 With: Clause 10 of schedule 11.1 From/to: 01/07/16 to 30/06/17	Not all status changes made within 5 business days. 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 rated as moderate because some of the status changes were not required; therefore there is room for improvement. There was no effect on settlement; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
All status changes were made on the Registry, just late.	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop is happy that the process improvements made have had a significant (positive) impact on code compliance, and will continue to refine the process to make further improvements.	Ongoing	

Provision of Information	
Non-compliance	Description
Audit ref: 3.5 With: Clause 9 of schedule 11.1 From/to: 01/07/16 to 30/06/17	Some late changes to Active. Some late MEP notifications. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach Risk Rating: 1
Audit Risk Rating	Rationale for audit risk rating

Low	This area has strong controls and the late updates identified relate to exceptional circumstances. The audit risk rating is low, because the impact on settlement is minor.		
Actions taken to resolve the issue		Completion date	Remedial action Status
All changes and notifications were made on the Registry, just late.		June 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Powershop is satisfied that its process improvements have made a significant impact on code compliance and will continue to refine the process in order to make further improvements.		Ongoing	

ANZSIC Codes			
Non-compliance	Description		
Audit ref: 3.6 With: Clause 9(1)(k) of schedule 11.1 From/to: 01/07/16 to 30/06/17	14 of 20 incorrect ANZSIC codes. 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	There is an improvement opportunity for the controls in place to ensure codes are correct. There is no impact on settlement outcomes from incorrect ANZSIC codes but there is a minor impact on the Electricity's reporting accuracy, therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action Status
Powershop has reviewed the incorrect ANZSIC codes.		July 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Regular internal audits of ANZSIC codes used by our business sales team will continue to be carried out.		Ongoing	

Changes to Unmetered Load		
Non-compliance	Description	
Audit ref: 3.7 With: Clause 9(1)(f) of schedule 11.1 From/to: 01/07/16 to 30/06/17	5 ICPs with incorrect unmetered load figures. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach Risk Rating: 2	
Audit Risk Rating	Rationale for audit risk rating	
Low	The controls did not identify that these figures were inaccurate. There is only a minor impact on settlement because submission is occurring when it shouldn't be, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
All identified instances of incorrect UML have been rectified	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop will reiterate the importance of checking for UML when maintaining BTS ICPs.	Ongoing	

Management of Inactive Status		
Non-compliance	Description	
Audit ref: 3.9 With: Clause 19 of schedule 11.1 From/to: 01/07/16 to 30/06/17	Some ICPs have an incorrect inactive status. Potential impact: Medium Actual impact: Low Audit history: None Controls: Moderate Breach Risk Rating: 2	
Audit Risk Rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because it appears there may be room for improvement given that the number has increased since the last audit. There is only a minor effect on settlement because 5,300 kWh is yet to be submitted, therefore the audit risk rating is low.	

Actions taken to resolve the issue	Completion date	Remedial action Status
All identified instances of incorrect status have been rectified	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop will continue to refine its process that identifies and actions these instances	Ongoing	

Losing Retailer Response to Switch Request		
Non-compliance	Description	
Audit Ref: 4.2 With: Clause 3 of schedule 11.3 From/to: 28/04/17 to 01/05/17	1 late AN file. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach Risk Rating: 1	
Audit Risk Rating	Rationale for audit risk rating	
Low	The controls are strong for the management of AN files. There is no impact on settlement or on other participants because only one file was one day late. The audit risk rating is therefore low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The AN file was delivered, just late.	June 2017	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
At this stage Powershop has no plans to implement process changes.	June 2017	

Retailers Must Use Same Reading		
Non-compliance	Description	
Audit Ref: 4.4 With: Clause 6 of schedule 11.3 From/to: 20/09/16 to 12/06/17	3 late RR files. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach Risk Rating: 1	
Audit Risk Rating	Rationale for audit risk rating	
Low	The controls are strong and the three files were only approx. 1 week over the allowable time period. The impact on settlement is minor because the number of ICPs is low; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The RR files were delivered, just late	June 2017	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
At this stage Powershop has no plans to implement process changes.	June 2017	

NHH Switch Event Meter Readings		
Non-compliance	Description	
Audit Ref: 4.5 With: Clause 6(3)(b) of schedule 11.3 From/to: 05/01/17 to 20/02/17	Some RR files rejected which were for AMI sites and contained actual reads. Potential impact: Medium Actual impact: Low Audit history: Once Controls: Weak Breach Risk Rating: 3	
Audit Risk Rating	Rationale for audit risk rating	
Low	Controls do not appear to be adequately identifying instances where RR files should be accepted. There is a minor impact on settlement, other participants and customers. In every case the other trader will be using the actual AMI reading therefore the customer will be over billed or under billed and the submission will be too high or too low.	

Actions taken to resolve the issue	Completion date	Remedial action Status
AMI read changes being received are so low in difference (often under 10kWh) that it has no obvious benefit to Powershop or the customer. Powershop has been developing its system to ensure the switch loss read it sends to "HHR only traders" is an actual but this results in a delay in switch times (but still within the Code required timeframes).	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop will continue to refine its processes in this area	Ongoing	

Losing Trader Must Provide Final Information		
Non-compliance	Description	
Audit Ref: 4.10 With: Clause 11 of schedule 11.3 From/to: 01/07/16 to 30/06/17	10 late CS files. 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 rated as moderate because there is room for improvement. There is no impact on settlement and only a minor impact on other participants because the files were between 1 and 8 days late.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The CS files were delivered, just late	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
At this stage Powershop has no plans to implement process changes.	June 2017	

Gaining Trader Changes to Switch Meter Reading		
Non-compliance	Description	
Audit Ref: 4.11 With: Clause 12 (2B)(b) & (3) of schedule 11.3 From/to: 20/09/16 to 12/06/17	10 late RR files. Some RR files rejected which were for AMI sites and contained actual reads. Potential impact: Medium Actual impact: Low Audit history: Once Controls: Weak Breach Risk Rating: 3	
Audit Risk Rating	Rationale for audit risk rating	
Low	Controls do not appear to be adequately identifying instances where RR files should be accepted. There is a minor impact on settlement, other participants and customers. In every case the other trader will be using the actual AMI reading therefore the customer will be over billed or under billed and the submission will be too high or too low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
RR files are sent by Powershop to make corrections to switch reads (if they are correct) for the benefit of the consumer. Powershop believes that this should be an acceptable exception for lateness.	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
At this stage Powershop has no plans to implement process changes.	June 2017	

Withdrawal of Switch Requests		
Non-compliance	Description	
Audit Ref: 4.15 With: Clause 17 of schedule 11.3 From/to: 01/07/16 to 30/06/17	23 late NW files. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach Risk Rating: 1	
Audit Risk Rating	Rationale for audit risk rating	

Low	The controls are strong for the management of withdrawals. Whilst 23 files were late the issues only become clear after billing had occurred and then an investigation was completed. There was a minor impact on settlement due to the correction of consumption information. There was also only a minor impact on the customer; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The NW files were delivered, just late	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
At this stage Powershop has no plans to implement process changes.	June 2017	

Electricity Conveyed & Notification by Embedded Generators		
Non-compliance	Description	
Audit ref: 6.1 With: Clause 10.12 and 10.24 of part 10 From/to: 01/07/16 to 30/06/17	Meters bridged at 3 ICPs. 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 strong with regard to identification of bridged meters and the subsequent correction of data. There is a minor impact on settlement because estimates are created for the period of the bridge; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The estimated usage during the bridged period has been reconciled.	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop will continue to provide more frequent compliance refresher training for the team to ensure anyone involved in process has complete understanding of Powershop's code obligations.	Ongoing	

Derivation of Meter Readings		
Non-compliance	Description	
Audit Ref: 6.6 With: Clause 5(c) of schedule 15.2 From/to: 01/07/16 to 30/06/17	Phase failure monitoring not conducted by Datacol. 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 rated as moderate because most of the required checks are conducted. There is no evidence of any impact on settlement, therefore the audit risk rating is low	
Actions taken to resolve the issue	Completion date	Remedial action Status
Datacol have advised Powershop that they are meter readers not electricians for phase failure monitoring	June 2017	investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop is reviewing the services that Datacol provide.	July 2017	

Interrogate Meters Once		
Non-compliance	Description	
Audit Ref: 6.8 With: Clauses 7(1) and 7(2) of Schedule 15.2 From/to: 01/07/16 to 30/06/17	No process for getting meter readings during the period of supply. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Weak Breach Risk Rating: 3	
Audit Risk Rating	Rationale for audit risk rating	
Low	The impact on settlement from an estimate for a short period is minor therefore the audit risk rating is low.	

Actions taken to resolve the issue	Completion date	Remedial action Status
Once an ICP has left Powershop there is no way to comply is a read has not yet been obtained.	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop has a "Switched Out ICPs with no Actual Reads" report t but in many cases it is not beneficial for Powershop to pursue. The ongoing AMI deployment is expected to reduce the instances of these.	Ongoing	

Electronic Meter Readings		
Non-compliance	Description	
Audit Ref: 9.6 With: Clause 17 of schedule 15.2 From/to: 01/07/16 to 30/06/17	AMI event information not routinely monitored. No event information from ARC. Potential impact: High Actual impact: Low Audit history: None Controls: Moderate Breach Risk Rating: 2	
Audit Risk Rating	Rationale for audit risk rating	
Low	The controls are considered moderate because there is room for improvement. No examples were found where settlement was affected and the major issues are dealt with, so the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Received event logs have been reviewed and actioned where appropriate	June 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop is engaging with all ARC to ensure the required information is delivered.	Ongoing	

Permanence of Meter Readings		
Non-compliance	Description	
Audit Ref: 12.8 With: Clause 4 of Schedule 15.2 From/to: 01/07/16 to 30/06/17	Some estimates not replaced at R14. Some incorrect labelling of HE as FSE. 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 considered moderate because meter reading processes are strong leading to a very small proportion of FE still existing at 14 months. There is a minor impact on settlement; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Powershop does not believe that all volumes can be made HE. Volumes based on only estimates where no actual meter readings have been obtained cannot be made HE as the absence of actuals meter readings prevents either a "validated meter readings" or "permanent estimate" being used	June 2017	Not planned due to differing interpretation of Code requirements
Preventative actions taken to ensure no further issues will occur	Completion date	
Powershop's smart meter deployment program is expected to reduce the number of instances where a meter reading cannot be obtained with 14 months	Ongoing	

Creation of Submission Information	
Non-compliance	Description
Audit Ref: 12.9 With: Clause 2 of schedule 15.3 From/to: 01/07/16 to 30/06/17	Incorrect submission information. Potential impact: Medium Actual impact: Medium Audit history: None Controls: Moderate Breach Risk Rating: 4
Audit Risk Rating	Rationale for audit risk rating

Medium	There was a moderate effect on settlement; therefore the audit risk rating is medium.		
Actions taken to resolve the issue		Completion date	Remedial action Status
The affected ICPs had their status corrected and the volumes were then included (or will be in the next revision) in submissions		July 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Powershop will improve processes to ensure the correct status of ICPs is always applied		Ongoing	

Historical Estimates			
Non-compliance	Description		
Audit Ref: 12.10 With: Clause 3 of schedule 15.3 From/to: 01/07/16 to 30/06/17	Incorrect labelling of HE as FE. 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 rated as moderate, because there is room for improvement. There is no impact on settlement so the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action Status
Powershop has reviewed the issue to identify corrective actions		July 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Powershop has identified that its system is coded to fall-back to FSE if no profile shape can be found, and then leaves that calculated volume as being labelled FSE. Once the solution (expected to be just relabelling the volume as HE) is properly defined, development will begin to implement it. This work was delayed from the previous year due to the low market impact.		Dec 2017	

HE Reporting to RM		
Non-compliance	Description	
Audit Ref: 13.4 With: Clause 10 of Schedule 15.3 From/to: October and November 2016	Historic estimate targets were not met for all revisions. 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	Strong controls are in place to get actual or customer readings to derive submission information. The impact on settlement is minor; therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
See comments above for Audit Ref :12.8 and 12.10	July 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
See comments above for Audit Ref :12.8 and 12.10	Ongoing	