

Compliance plan for Contact Energy - 2017

Relevant Information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 11.2 of part 11 From/to: 01/07/16 to 30/06/17	Some registry discrepancies. 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 are some improvements that can be made to them. Also, whilst identification of issues is sound, there are some delays in resolving them. The audit risk rating is low, because the impact on submission information and other participants is minor.	
Actions taken to resolve the issue	Completion date	Remedial action Status
<p><u>Active date variance with Initial Energisation</u></p> <p>Contact is investigating its reporting capabilities and accuracy around the IED, Status (active) date, and Orb completion date to actively monitor and resolve mismatches between the various systems involve in the new connection process.</p> <p><u>ANZSIC code discrepancies</u></p> <p>CTCT has implemented reporting and a process to identify all ICP's which has an ANZSIC code miss-match or a 'T9' series ANZSIC code applied at time of switch gain and these are being corrected via a manual correction process.</p> <p>This manual process has resolved the backlog identified in this audit report and an exception list is worked regularly to update the registry within the required timeframes.</p> <p><u>Unmetered and Shared Unmetered load</u></p> <p>The UML errors were due to a combination of failed registry updates and also user errors. A clean up of these exceptions is underway and a more regular reconciliation of Contacts systems to the Registry will be undertaken</p>	July 2017	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>ANZSIC code discrepancies</p> <p>CTCT has raised a system enhancement to eliminate the 'T9' series ANZSIC codes from being populated within our systems as part of a switch gain to avoid these codes being applied in the future.</p> <p>Unmetered load</p> <p>A more regular reconciliation of Contacts systems to the Registry will be undertaken</p>	TBA – system change awaiting prioritisation	

Metering Certification		
Non-compliance	Description	
<p>Audit ref: 2.10</p> <p>With: Clause 10.33(2) of part 10</p> <p>From/to: 25/06/16 to 07/07/16</p>	<p>One metering installation not certified within 5 business days of energisation.</p> <p>Potential impact: Medium</p> <p>Actual impact: None</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 rated as strong because the new connections process has good reporting in place to identify anomalies.</p> <p>There was no impact on settlement because the certification tests confirmed the installation was recording accurately. The audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact has discussed this ICP with the MEP concerned and is also working with its ATH and Field Service Providers to ensure that the ICP is certified within 5 business days of the ICP being Livened	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Regular operational meetings are facilitated with our field service contractors which allows for compliance issues such as this to be discussed in relation to the required timelines required under the code.	Ongoing	

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	Registry information not provided within 5 business days of change. Potential impact: Medium Actual impact: Low Audit history: Multiple Controls: Moderate Breach Risk Rating: 2	
Audit Risk Rating	Rationale for audit risk rating	
Low	Status changes can have a minor impact on settlement outcomes if consumption information is provided based on the registry status and then needs to be corrected. Market participants can be affected if a switch out occurs for an ICP with the incorrect status. Customers can be affected if invoicing is based on the incorrect ICP status.	
Actions taken to resolve the issue	Completion date	Remedial action Status
<p>Contact completes a monthly reconciliation to identify ICP's where the connection status loaded within the Electricity Registry does not match the connection status within SAP. This reconciliation is to identify ICP's which have been disconnected or connected physically at site however the applicable Registry status event has not been created and sent to the Electricity Registry.</p> <p>Contact's system also identifies all ICP's which have been disconnected or connected physically at site, where the status event created and sent to the Electricity Registry has been returned with a negative acknowledgment. SAP raises an exception (BPEM - Business Process Exception Management) for all negative acknowledgements, these BPEMs are investigated daily based on priority (submission impacts and compliance), and corrections are made accordingly.</p> <p>Contact still has a small number of data cleanse tasks to complete, and has undertaken some root cause analysis of the issues that result in late notifications being sent to the Electricity Registry. I.e. Receiving late notification of connection state changing from contractors and Networks, as well as internal data issues. This root cause analysis will allow Contact to undertake discussions with the relevant parties to seek an improvement in these processes.</p> <p>Contact investigates exceptions identified on an individual ICP basis, determining the root cause, so the appropriate conversations with the relevant areas can be undertaken to prevent a further non-compliance from occurring.</p>	Ongoing	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
The disconnection/connection process is reviewed throughout the year via internal audits, with changes being implemented to resolve any reoccurrence of non-compliances and concerns identified.	TBA

Trader responsibility for an ICP		
Non-compliance	Description	
Audit ref: 3.4 With: Clause 11.8 of part 11 From/to: 19/12/13 to 30/06/17	Four incorrect MEP nominations. 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 ICPs without an MEP have been present for several years. There is no actual impact on settlement because billing and submission is still occurring, so the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The four incorrect MEP nominations were as a result of human error. There errors have now been corrected	Resolved	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact is looking into creating a quarterly reconciliation to identify ICP's Contact trade on where no MEP metering asset data has been applied in the Electricity Registry (MN acceptance sent).	TBA	

Provision of Information to the Registry		
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. Some incorrect Active dates. 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 are some improvements that can be made to them, e.g. monitoring of Active date accuracy. Also, whilst identification of issues is sound, there are some delays in resolving them. The audit risk rating is low, because the impact on submission information is low. Late changes to Active can mean submission information is not provided at the earliest opportunity. Billing will also be delayed for some ICPs.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact will review its prioritisation of new connection exceptions in order to reduce the short term impacts to submission information		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

<p>HHR</p> <p>The HDM team actively monitor any ICPs at "Ready" that have an initial energisation date populated by the Distributor. Where this occurs the field contractor is then followed up regarding late paperwork before Contacts systems are population and the ICP is claimed on the Registry and the MEP is nominated</p> <p>NHH</p> <p>Contact is trying to identify solution to the number of automated workflow process failures and also the small number of registry notification failure. Once we have identified a system solution we will prioritise its implementation</p>	<p>Ongoing</p>	
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ANZSIC Codes		
Non-compliance	Description	
<p>Audit ref: 3.6</p> <p>With: Clause 9(1)(k) of schedule 11.1</p> <p>From/to: 01/07/16 to 30/06/17</p>	<p>Some incorrect ANZSIC codes.</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	
<p>Low</p>	<p>By the time of the on-site audit, the controls were strong and the number of incorrect codes was less than 100. There is no impact on settlement outcomes from incorrect ANZSIC codes but there is a low impact on the Electricity's reporting accuracy, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action Status
<p>Contact has implemented weekly and monthly reporting and a process to identify all ICP's which has an ANZSIC code miss-match or a 'T9' series ANZSIC code applied at time of contract move in and these are being corrected via a manual correction process. This manual process has resolved the backlog identified in this audit report and an exception list is worked regularly to update the registry within the required timeframes.</p>	<p>31 July 2017</p>	<p>Identified</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
CTCT has raised a system enhancement) to eliminate the 'T9' series ANZSIC codes from being populated within our systems as part of a switch gain to avoid these codes being applied in the future.	TBA – system change awaiting prioritisation	

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	Daily unmetered kWh figures incorrect for some ICPs. 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 are some improvements that can be made to them, e.g. monthly validation of outstanding discrepancies. Also, whilst identification if issues is sound, there are some delays in resolving them. The audit risk rating is low, because the impact on submission information is minor as only a small number of ICPs are affected.	
Actions taken to resolve the issue	Completion date	Remedial action Status
The UML errors were due to a combination of failed registry updates and also user errors. A clean up of these exceptions is underway and a more regular reconciliation of Contacts systems to the Registry will be undertaken	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
A more regular reconciliation of Contacts systems to the Registry will be undertaken	TBA	

Management of "Active" Status		
Non-compliance	Description	
Audit ref: 3.8 With: Clause 17 of schedule 11.1 From/to: 01/07/16 to 30/06/17	Some incorrect Active dates. 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 are some improvements that can be made to them, e.g. monitoring of Active date accuracy. Also, whilst identification of issues is sound, there are some delays in resolving them. The audit risk rating is low, because there is either no impact on submission information or a minor impact on submission information related to consumption being apportioned to the incorrect month as a result of incorrect start dates.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact will review its prioritisation of new connection exceptions in order to reduce the impacts to submission information	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Regular operational meetings are facilitated with our field service contractors which allows for compliance issues such as this to be discussed in relation to the accuracy and clarity of the meter install date, energisation date and certification date.	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	Incorrect de-energised status for some ICPS. Credit disconnections not recorded immediately in the registry. Potential impact: High Actual impact: Medium Audit history: Multiple times Controls: Moderate Breach Risk Rating: 4	

Audit Risk Rating	Rationale for audit risk rating		
Medium	<p>Contact has strengthened their controls in relation to this issue and I consider the current controls to be moderate.</p> <p>The audit risk rating is medium because there is still up to 300,000 kWh potentially under submitted.</p>		
Actions taken to resolve the issue		Completion date	Remedial action Status
<p>Contact has implemented a reconciliation to identify potential consumption on inactive sites in order to investigate and resolve these as soon as practicable and before the 14 month wash up opportunity where possible.</p> <p>Contact has extended its process documentation and is providing further training for users to eliminate.</p> <p>Further reporting is being developed to identify failed registry status updates so that these are corrected in a more timely manner</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Contact has initiated a review of its processes around credit disconnections to improve registry reporting timeframes		TBA	

Losing Trader Must Provide Final Information			
Non-compliance	Description		
<p>Audit ref: 4.3</p> <p>With: Clause 5 of schedule 11.3</p> <p>From/to: 05/08/16 to 24/02/17</p>	<p>6 late CS files.</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	The controls are strong and only 4 files were genuinely late and only by one day, therefore the impact on settlement outcomes is minor.		
Actions taken to resolve the issue		Completion date	Remedial action Status

These breaches were due to either outstanding customer detail related queries with other retailers or metering related issues. In these cases Contact persisted with completing the switch a day or two late and incur a timing related breach rather than initiate a switch withdraw and the re request the ICP in order to reset the switching timeframe as this results in a negative experience for the customer concerned.		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact intends to review and revise our reporting of TR related switches in progress to better reflect when a withdrawal is required in order to reset the switching timeframe where there are outstanding clarifications required regarding metering set up differences between Contact's systems and the Registry.		

Retailers Must Use Same Reading		
Non-compliance	Description	
Audit ref: 4.4 With: Clause 6 of schedule 11.3 From/to: 18/04/16 to 17/03/17	36 Late RR files. 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	The controls are strong and the main issue leading to late files is lack of meter readings, which is a different process. 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
These primarily relate to access issues of some type which has delayed our ability to identify a switch read issue. In these cases our current preference is to maintain accuracy of the registry switch read to ensure the customer is not adversely impacted rather than be compliant with switch timeframes which would deliver an adverse outcome for the customer concerned wherever possible.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact is looking at how to improve the read attainment for newly switch sites to ensure switch read change requests are undertaken in a timelier manner	TBA	

Gaining Trader Changes to Switch Meter Reading		
Non-compliance	Description	
Audit ref: 4.11 With: Clause 12 of schedule 11.3 From/to: 02/04/16 to 29/03/17	122 Late RR files. 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	The controls are strong and the main issue leading to late files is lack of meter readings, which is a different process. 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
A significant proportion of the MI switch read requests are due to backdated switch requests where a read amendment is required. The majority of the balance relate to access issues of some type. In these cases our current preference is to maintain accuracy of the Registry switch read process rather than be compliant with switch timeframes but deliver an adverse outcome for the customer concerned wherever possible	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact is reviewing its meter reading set up and attainment processes for recently switched ICPs with known access issues to investigate what improvements can be done to improve reading attainment	TBA	

Gaining Trader to Notify Registry		
Non-compliance	Description	
Audit ref: 4.14 With: Clause 16 of schedule 11.3 From/to: 20/03/17	1 Late CS 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 and the file was only 2 days late. There was no impact on settlement; therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
<p>There are strong reporting and controls in place to ensure that all C&I TOU Switch files are processed in required timeframes.</p> <p>This CS file was completed 2 days late due to a team member delays in their investigation/resolution of system error. This is a non-standard error and required actions were not identified and actioned in time to ensure CS files processed within 5 business days.</p>		Identified
Preventative actions taken to ensure no further issues will occur		
<p>Full knowledge/awareness within the team of this type of issue and the required steps to resolve from a switching compliance perspective.</p> <p>This includes the creation and publishing of a new process document and providing the tools for all team members to resolve this issue in a timelier manner when encountered in the future.</p>		TBA

Withdrawal of Switch Requests	
Non-compliance	Description
<p>Audit ref: 4.15</p> <p>With: Clause 17 of schedule 11.3</p> <p>From/to: 01/07/16 to 30/06/17</p>	<p>73 Late NW files.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach Risk Rating: 1</p>
Audit Risk Rating	Rationale for audit risk rating
Low	The controls are strong for the management of withdrawals. Whilst the files were late most relate to wrong properties, which often only become clear after billing has occurred and then an investigation is completed. There was a minor impact on settlement due to the correction of consumption information. There was also a minor impact on the customer; therefore the audit risk rating is low.
Actions taken to resolve the issue	
As the auditor noted most of these relate to wrong property switch which are not generally identified until after the first bill is produced. In order to restore ICPs impacted by wrong property switch, Contact will initiate a NW request	
Completion date	
Identified	

Preventative actions taken to ensure no further issues will occur	Completion date	

Maintaining Shared Unmetered Load		
Non-compliance	Description	
Audit ref: 5.1 With: Clause 11.14 of part 11 From/to: 01/07/16 to 30/06/17	21 incorrect shared unmetered load fields. 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 8 of 14 ICPs with blank unmetered load are still present at the time of the draft report and the 6 that have been corrected took between 6 and 8 weeks to correct. The impact on settlement is only 1.7 kWh per day (under submission), which I consider to be minor, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Unfortunately these discrepancies are due to gaps in training and also some failed trader events. Contact has recently reviewed all our unmetered documentation and setup a shared access folder so all the staff are able to access the required information. We are also in the process of applying evidenced based training alongside the current peer on peer training the staff receive. This will ensure staff have shown they understand the concepts of unmetered calculations before updating live data The UML errors were due to ta combination of failed registry updates and also user errors. A clean up of these exceptions is underway and a more regular reconciliation of Contacts systems to the Registry will be undertaken	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
In addition to provider some refresher training to users, a more regular reconciliation of Contacts systems to the Registry will be undertaken to ensure all UML is accounted for.	Oct 2017	

Unmetered Threshold		
Non-compliance	Description	
Audit ref: 5.2 With: Clause 10.14(2)(b) of part 10 From/to: 01/07/16 to 30/06/17	4 unmetered ICPs with consumption greater than 6,000 kWh per annum. 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	The controls are strong with regard to identifying and attempting to resolve the issues associated with these ICPs. Resolution actions have been underway for some time. There is no suggestion that settlement is inaccurate, therefore the impact is considered minor and the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact is working with these customers to validate the UML details and also to look at what options are available to the customer in order to achieve compliance	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Unmetered Threshold Exceeded		
Non-compliance	Description	
Audit ref: 5.3 With: Clause 10.14(5) of part 10 From/to: 01/07/16 to 30/06/17	4 unmetered ICPs with consumption greater than 6,000 kWh per annum and not resolved within 20 business days. 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	<p>The controls are strong with regard to identifying and attempting to resolve the issues associated with these ICPs. Resolution actions have been underway for some time but were not completed within 20 business days.</p> <p>There is no suggestion that settlement is inaccurate, therefore the impact is considered minor and the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact is working with these customers to validate the UML details and also to look at what options are available to the customer in order to achieve compliance	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Distributed Unmetered Load		
Non-compliance	Description	
<p>Audit ref: 5.4</p> <p>With: Clause 11 of schedule 15.3</p> <p>From/to: 01/07/16 to 30/06/17</p>	<p>Inaccurate submission information for several databases.</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>The controls in place mitigate risk most of the time, but errors still occur, therefore the control rating is moderate.</p> <p>There is a moderate impact on settlement outcomes because there are examples of over submission and under submission; therefore the audit risk rating is medium.</p>	
Actions taken to resolve the issue	Completion date	Remedial action Status
<p>Contact has committed a significant amount of time and effort to engage with our DUML customers to address these non-compliances. By undertaking a large proportion of the audits ourselves we have been able to build appropriate relationships at an operational level that has resulted in the resolution of some longstanding non compliances</p> <p>Contact is actively engaging with the DUML database owners on a regular schedule to address and resolve the non-compliances and where required perform market wash ups to limit the market impact which can be seen by the reduction in assessed submission impact identified by the auditor.</p>	Ongoing	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Contact is actively engaging with DUML owners to ensure as they roll out LED lighting programs that their systems and processes meet the regulatory requirements going forward.	Ongoing	

Electricity Conveyed & Notification by Embedded Generators		
Non-compliance	Description	
Audit ref: 6.1 With: Clause 10.24 of part 10 From/to: 01/07/16 to 30/06/17	Meters bypassed leading to no consumption being recorded for the bypassed period. Potential impact: High Actual impact: Low Audit history: Multiple times Controls: Moderate Breach Risk Rating: 2	
Audit Risk Rating	Rationale for audit risk rating	
Low	The controls in place still allow bridging to occur in some cases, therefore the control rating is moderate. Estimation occurs for the period the bypass is in place, so the impact on settlement is the difference between actual consumption and estimated consumption, which is considered minor, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Preventative actions taken to ensure no further issues will occur	Completion date	Investigating
The issue of bypassing smart meters is a wider issue than those sites identified and resolved by Contact. We will be providing inputs into the Part 10 operational review which has already identify bypassed meters as an industry issue. In the meantime Contact has incorporated outside business hours arrangements with smart meter providers to reduce the number of remotely disconnected meters being bypassed outside business hours.	Ongoing	

Derivation of Meter Readings		
Non-compliance	Description	
Audit ref: 6.6 With: Clause 5 of schedule 15.2 From/to: 01/07/16 to 30/06/17	Phase failure monitoring not in place for all regions. 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 rated as moderate because processes are in place for two of three agents. The impact on settlement is recorded as minor because there were not examples of phase failure found, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
As a meter reading agent Datacol provide services for a small number of embedded networks. Further the number of CT metered sites read by Datacol is extremely small. Contact will initiate discussions with Datacol to identify and return the relevant information back to Contact via a Meter Condition Code in its Meter Read Files for Broken/Missing Seals and also identify and return the relevant information back to Contact via a Meter Condition Code in its Meter Read Files for Phase Failure and then for the code to be interrogated accordingly and passed to a back office team to investigate further		Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
	Ongoing	

Interrogate Meters Once			
Non-compliance	Description		
Audit ref: 6.8 With: Clauses 7(1) & (2) of schedule 15.2 From/to: 01/07/16 to 30/06/17	The requirement to use best endeavours to obtain a read for all ICPs not read during the period of supply was not met. 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	Most ICPs unread during the period of supply were supplied for a relatively short period.		
Actions taken to resolve the issue		Completion date	Remedial action Status
<p>Due to the relatively short period of time we get to complete a switch (5 - 10 days) it becomes difficult to obtain a read within such a short period of time. This is especially true for sites that have already got access issues.</p> <p>We will look further at our high priority final read process to see where further improvements can be made.</p> <p>However a count of 50 ICPs where this requirement was not met and of these 22 were with Contact for less than 30 days indicates our overall performance is strong given the switching volumes Contact has experienced.</p>		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	

NHH Meters Interrogated Annually		
Non-compliance	Description	
<p>Audit ref: 6.9</p> <p>With: Clauses 8(1) & (2) of schedule 15.2</p> <p>From/to: 01/07/16 to 30/06/17</p>	<p>The requirement to use best endeavours to obtain a read for all ICPs annually was not met for 3 of 10 ICPs sampled.</p> <p>NHH pre-pay meters not included in the reporting to the authority.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach Risk Rating: 2</p>	
Audit Risk Rating	Rationale for audit risk rating	
Low	<p>The best endeavours requirement was not met primarily due to a defect in the MRC process, which has now been resolved.</p> <p>Prepay meters normally receive regular readings, so that credit can be managed.</p> <p>The impact on settlement is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action Status
<p>The changes to the automated meter reading Compliance (MRC) process will take time to fully work through the process. We expect improvements to this process will be fully realised over the next year.</p> <p>Contact has raised an internal change request to adjust its systems to include Pre- Paid meters into its meter reading systems. This is a large change system for Contact to undertake due to Contact currently using vend derived reads for its settlement and reconciliation purposes.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact is looking at moving to read pre-Pay meters as part of its normal read rounds – system changes are required to make this happen - a systems change request has been raised to address this issue	TBA	

NHH Meters 90% Read Rate		
Non-compliance	Description	
<p>Audit ref: 6.10</p> <p>With: Clauses 9 of schedule 15.2</p> <p>From/to: 01/07/16 to 30/06/17</p>	<p>The requirement to use best endeavours to obtain a read for 90% of ICPs every four months was not met.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Moderate</p> <p>Breach Risk Rating: 2</p>	
Audit Risk Rating	Rationale for audit risk rating	
Low	Where NSPs have a small numbers of ICPs supplied, the best endeavours requirement will not be met primarily due to the late start of the MRC process. This impacts a small number of ICPs.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact accepts the non-compliance and will work with its meter reading service providers to see how we can address this issue going forward	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Contact recognises that a significant number of the NSPs identified as being noncompliance are associated with embedded networks where access to meter rooms can be problematic. Contact is encouraging distributors for all new embedded networks to ensure that fully functioning AMI meters are installed and certified prior to the creation of new embedded networks.</p> <p>Contact is also reviewing the meter read frequency for NSP's with a small number of ICPs where read attainment is below 90% to increase the opportunities to retrieve a meter read.</p>	Ongoing	

Electronic Meter Readings and Estimated 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 is monitored but further enhancement is required in order to fully achieve compliance 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 moderate because critical events are being monitored. Enhancements are underway in order to be able to evaluate all events. The impact on settlement could be minor, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action Status
A proof of concept monitoring reporting for event logs was implemented in July 2017. This reporting is monitoring the significant events such as phase failure, Reverse rotation (generation sites where metering is not capable of measure export volumes) and clock synchronisation. Contact is trialling further combination of events to capture situations such as bypassed or stopped meters as well as fraud scenarios.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact plans to operationalise this event log monitoring as part of a wider system project which is expected to be completed by the end of the year.	Dec 2017	

HHR Aggregates Information Provision to the Reconciliation Manager	
Non-compliance	Description

Audit ref: 11.4 With: Clause 15.8 of part 15 From/to: 01/07/16 to 30/06/17	HHR aggregates file does not contain electricity supplied information. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong if code is changed Breach Risk Rating: 1	
Audit Risk Rating	Rationale for audit risk rating	
Low	Contact is reporting submission volumes at ICP level as expected by the reconciliation manager.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact plans to work with Traders to propose a change to correct this issue in the Code.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Creation of Submission Information		
Non-compliance	Description	
Audit ref: 12.2 With: Clause 15.4 of part 15 From/to: 13/01/15 to 20/03/17	No submission for some disconnected ICPs where consumption is present. Potential impact: Medium Actual impact: Medium Audit history: Multiple times Controls: Moderate Breach Risk Rating: 4	
Audit Risk Rating	Rationale for audit risk rating	
Medium	There is good reporting in place to identify consumption on disconnected ICPs but the controls related to the resolution of these matters do not have the same strength. There is a moderate impact on settlement because submission information is provided late or in some cases may be outside the 14-month window.	
Actions taken to resolve the issue	Completion date	Remedial action Status

<p>Contact has implemented a reconciliation to identify potential consumption on inactive sites in order to investigate and resolve these as soon as practicable.</p> <p>Contact has extended its process documentation and is providing further training for users to eliminate.</p> <p>Further reporting is being developed to identify failed registry status updates so that these are corrected in a more timely manner</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact will review its process around credit disconnections to improve registry reporting timeframes	TBA	

Permanence of Meter Readings for Reconciliation		
Non-compliance	Description	
<p>Audit ref: 12.8</p> <p>With: Clause 4 of schedule 15.2 and clause 15.2 of part 15</p> <p>From/to: November 2015, December 2015 and January 2016</p>	<p>Some estimates not replaced at R14.</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	A process has been implemented to enter permanent estimates by the time of the 14 month revision, it is expected that the volume of forward estimate at the 14 month revision will reduce over time.	
Actions taken to resolve the issue		Completion date
Contact has implemented a system enhancement that will ensure a permanent estimate read is applied for sites with no actual read for 12 months once best endeavours has been achieved		Ongoing
Preventative actions taken to ensure no further issues will occur		Completion date
A system fix has been implemented to address this issue – but will take 14 months for these improvements to feed into the wash up process.		Ongoing
		Identified

Forward Estimate Process		
Non-compliance	Description	
Audit ref: 12.12 With: Clause 6 of Schedule 15.3 From/to: Sep 15, Oct 15, Nov 15, Jun 16, Sep 16	FE accuracy threshold not met for some balancing areas. Potential impact: Low Actual impact: Low Audit history: Six times Controls: Strong Breach Risk Rating: 1	
Audit Risk Rating	Rationale for audit risk rating	
Low	Initial data is replaced with revised data, and washed up.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact has made steady progress in reducing its submission inaccuracies. Both the number of affected balancing areas and overall percentage variation between revisions has improved from the 2016 audit. Contact is continuing to review its submission accuracy and where necessary transition larger consuming ICPs to monthly read cycles in order to improve submission accuracy.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Contact anticipates that once the nationwide smart meter roll outs are materially complete that the number of occurrences of FE exceeding the current 15% threshold will materially disappear	Ongoing	

Historical Estimate Reporting to RM		
Non-compliance	Description	
Audit ref: 13.4 With: Clause 10 of Schedule 15.3 From/to: Nov-Mar 16, Oct-Dec 16	HE targets were not met for some NSPs. Potential impact: Low Actual impact: Low Audit history: Six times Controls: Moderate Breach Risk Rating: 2	
Audit Risk Rating	Rationale for audit risk rating	
Low	The improved Meter Read Compliance (MRC) process should increase read attainment, and the use of permanent estimate reads where actual reads cannot be obtained.	
Actions taken to resolve the issue	Completion date	Remedial action Status
Contact has implemented a system enhancement that will ensure a permanent estimate read is applied for sites with no actual read for 12 months once best endeavours has been achieved. Over the next 6 – 12 months the system will start applying the permanent estimates reads resulting in consumption information being reported as historic estimates in our final wash up submission.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	