

Compliance plan for Payless Energy

| Non-compliance | Description | | |
|---|---|---------------------|------------------------|
| Audit Ref: 2.1 With: 11.2 Of Part 11 From: 01-Sep-16 To: 31-Aug-17 | Information in some CS files are incorrect Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2 | | |
| Audit risk rating | Rationale for audit risk rating | | |
| Low | Audit rating risk assigned as low because of small number of ICPs effected. No impact on settlement outcomes. | | |
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| We'll be reviewing our processes with the view of minimizing the distractions and other causes of the possible entry errors. An additional staff training will be developed specifically focusing on the accuracy issues. | | ongoing improvement | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| An additional staff training will be developed specifically focusing on the accuracy issues – and will be taken progressively. | | ongoing improvement | |

| Non-compliance | Description | | |
|--|--|---------------------|------------------------|
| Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 12-Sep-16 To: 29-Jul-17 | Update of the trader's field in the registry was late for 4 ICPs and update of the status field for 11 ICPs Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2 | | |
| Audit risk rating | Rationale for audit risk rating | | |
| Low | Small number of ICPs affected, no impact on market settlement | | |
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| PLEL strictly controls timeframe when new connection (ICP) or new meter is due. (Action taken): When overdue, a reminder is sent to MEP, sometimes many more reminders are needed. | | ongoing improvement | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| Preventing action Reminders are sent. However, it is noted that PLEL is the fourth party in a row to receive install report, after MEP, Contractor and ATH. ATH sends a report to Contractor, then Contractor sends report to MEP, then MEP sends report to PLEL. In some cases, reports come after 3 weeks and a series of our reminders. | | ongoing improvement | |

| Non-compliance | Description | | |
|---|---|-----------------|------------------------|
| Audit Ref: 3.5 With: 9(1)(c) of Schedule 11.1 From: 02-Nov-16 To: 29-Jul-17 | MEP's nomination for 2 ICPs was later than 5 business days of trading, UML information incorrect Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2 | | |
| Audit risk rating | Rationale for audit risk rating | | |
| Low | Small number of ICPs affected, no impact on market settlement | | |
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| <p>2 each ICP, identified as late 23 and 14 days, were late due to the lateness by MEP. PLEL nominated but MEP did not accept/reject MN on time. MEPs are notorious in late responses - prompting by email and telephone calls makes little difference. It is ineffective and a time-consuming burden on retailers. The only logical solution is that the 5 BD should be counted from day that the registry is updated by MEP.</p> <p>ICP 0000504245DE257 – a human error caused that after uploading CSEDA data in to customer's back-file the actual UML flag has not been noticed there and subsequently no action was taken then.</p> | | Ongoing process | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| The UML flag colour has been changed to make it more visible for an operator | | Completed | |

| Non-compliance | Description | |
|---|---|------------------------|
| Audit Ref: 4.3 With: 5 of Schedule 11.3 From: 02-Dec-16 To: 03-Jul-17 | Final switching information for 12 ICPs were send later than 5 business days after the event date. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2 | |
| Audit risk rating | Rationale for audit risk rating | |
| Low | CS file late for a small number ICPs, no impact on market settlement. The latest file was only 5 business days late | |
| Actions taken to resolve the issue | Completion date | Remedial action status |
| <p>For the 3 ICPs (0000006143DEE48, 0000015319DE4D7, 0000488977CE8F6) an actual transfer date was earlier than a proposed date specified in AN file. In all three cases the Accounts team did not realize changes in the proposed switch dates and issued the final invoices according the NT specified dates instead.</p> <p>Causes for lateness in issuing CS have been identified and then discussed with the Switching team with aim of better management of the process.</p> | Oct 2017 | Identified |
| Preventative actions taken to ensure no further issues will occur | Completion date | |
| Ongoing improvements, part of continual improvement plan | October 2017 | |

| Non-compliance | Description | | |
|--|---|------------------------|--|
| Audit Ref: 4.8 With: 10(1) of Schedule 11.3 From: 02-Oct-16 To: 21-Mar-17 | Final switching information for 8 ICPs were send later than 5 business days after the event date; 2 CS files contained incorrect date of actual read. Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2 | | |
| Audit risk rating | Rationale for audit risk rating | | |
| Low | CS file later for a small number ICPs, no impact on market settlement. The latest file was only 7 business days late | | |
| Actions taken to resolve the issue | Completion date | Remedial action status | |
| <p>Payless Energy will record backdated switch from 2 October 2017 onward as these will always appear as technical 5 day breaches. This record can be referenced for future audit purposes.</p> <p>0000007796DE9E3 - human error, the estimate due to "Not Home" was mistaken as actual read.</p> <p>0000036039DE1AC - human error, for some unknown reason 28/12/2016 was entered instead of 25/11/2016, possibly due to some distraction.</p> <p>The human error reasons have been discussed and recommendations issued on importance of double checking before actually pushing the Enter button.</p> | 2 October 2017 and ongoing. | Identified | |
| Preventative actions taken to ensure no further issues will occur | Completion date | | |
| Payless Energy will record any known breach of 5 business day rule and reason, and remedial action to be taken to avoid similar breaches. | 2 October 2017 and ongoing. | | |

| Non-compliance | Description | | |
|--|--|------------------------------|------------------------|
| Audit Ref: 9.3 With: 3(5) of Schedule 15.2 From: 01-Sep-16 To: 31-Aug-17 | Register reads, provided by MEPs, used for derive volume information are truncated or rounded. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3 | | |
| Audit risk rating | Rationale for audit risk rating | | |
| Low | Audit risk rating is assigned as low because of small number of ICPs and because if rounding method is used the end result over all data population is neutral. Most of ICPs traded by Payless Energy are metering installations category 1. | | |
| Actions taken to resolve the issue | | Completion date | Remedial action status |
| Payless Energy will standardise recording of NHH meter reads to a single methodology and record the methodology adopted for future reference. | | 30 November 2017 | Identified |
| Preventative actions taken to ensure no further issues will occur | | Completion date | |
| Payless Energy will refer to the NHH meter reads recording methodology when enhancing or developing systems and when receiving NHH meter reads from any new MEPs or contractors. | | 30 November 2017 and ongoing | |