

## Compliance plan for emhTrade Limited

<b>Title: Relevant information</b>		
<b>Non-compliance</b>	<b>Description</b>	
<p>Audit Ref: 2.1</p> <p>With: Clause 10.6, 11.2, 15.2</p> <p>From: entire audit period</p>	<p>Three instances of incorrect data recorded on the registry.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	<p>Controls are rated as moderate as they are sufficient to mitigate risk most of the time. There is room for errors to occur where the systems match but both are incorrect.</p> <p>The audit risk rating is low, because a very small number of issues were identified, and all have been corrected.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
<p>0130384585LC16E ANZSIC code Changed via the Registry</p> <p>0000234016UNAB0 Profile changed via the Registry</p> <p>0241787076LCED4 Profile changed via the Registry</p> <p>implemented and will reflect in all subsequent reconciliations.</p>	<p>01/11/2017</p> <p>01/11/2017</p> <p>01/11/2017</p>	Cleared
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
<p>Validation of ANZSIC code included in EMHT onboarding procedure.</p> <p>Profile code exceptions to be reported systematically to Administrative Portal for regular checking.</p>	<p>01/11/2017</p> <p>01/12/2017</p>	

<b>Title: ANZSIC codes</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 3.6 With: Clause 9 (1)(k) of Schedule 11.1  From: entire audit period	ICP 0130384585LC16E had a T994 (don't know) ANZSIC code recorded. A backdated correction has now been processed.  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Moderate  Breach risk rating: 2	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	Controls are rated as moderate as they were sufficient to reduce the risk of incorrect ANZSIC codes most of the time; only one of emhTrade's 184 ICPs had an incorrect code, and it was inherited from the previous retailer.  The audit risk rating is low, emhTrade has corrected the ANZSIC code and intends to implement procedures to prevent recurrence of this non-compliance.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
0130384585LC16E ANZSIC code Changed via the EA Registry	01/11/2017	Cleared
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Validation of ANZSIC code included in EMHT onboarding procedures.	01/11/2017	

<b>Title: Losing trader must provide final information - standard switch</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 4.3 With: Clause 5 Schedule 11.3  From: two CS files	Two late CS files.  Potential impact: Low  Actual impact: Low  Audit history: Once previously  Controls: Strong  Breach risk rating: 1	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	Controls are sufficient to reduce the risk of late files most of the time.  The impact is low because only two files were affected, and they were delivered one and two days late respectively.	

<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
EMHT Daily Check procedures explain the differences between the aged Switch breach reported via the registry and the Code. They have been reviewed and understood.	1/11/2017	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Daily process for checking the Switch Breach Report and adjusting dates to the Coded definition for those checks have been implemented. Additional training has been given to operational personnel.	1/11/2017	

<b>Title: Losing trader must provide final information - switch move</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 4.10 With: Clause 11 Schedule 11.3  From: one CS file	One late CS file. Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	Controls are sufficient to reduce the risk of late files most of the time. The impact is low, because one file was one day late.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
Issue recorded and procedure reviewed.	1/11/2017	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Training has been given to operational staff regarding timely contact of customers. Also highlighted in EMHT procedures.	1/11/2017	

<b>Title: Electronic meter readings and estimated readings</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 9.6 With: Clause 17 Schedule 15.2  From: entire audit period	Meter event reports are not routinely reviewed. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	Controls are rated as moderate, because in most cases metering issues will be identified through emhTrade's validation processes and the event logs will be checked.  The risk rating is low, because there is a small risk that an event affecting meter accuracy may not be identified through the validation checks.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
Procedure to monitor Event files regularly implemented - to determine the presence of any material Events that are not currently covered by systematic Meter processing.	1/11/2017	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
EMHT procedures updated in accordance with the above to Monitor Event files and MEP Event emails.	1/11/2017	

<b>Title: HHR aggregates information provision to the reconciliation manager</b>	
<b>Non-compliance</b>	<b>Description</b>
Audit Ref: 11.4 With: Clause 15.8  From: entire audit period	One ICP was missing from the HHR aggregates file for December 2016 revisions one, three and seven due to incorrect treatment of a meter change after the ICP switched out.  HHR aggregates file does not contain electricity supplied information.  Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>Controls are rated as moderate as they are sufficient to reduce the risk of incorrect information most of the time, but there is some room for improvement.</p> <p>The impact is low because</p> <ul style="list-style-type: none"> <li>• the requirement to report electricity supplied information is an error in the code, emhTrade is providing submission information as expected.</li> <li>• Review of ICP missing information only identified one ICP affected by incorrect treatment of a meter change. emhTrade is taking action to prevent recurrence of this issue.</li> </ul>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>System record corrected and tested to ensure correct operation. Reconciliation and reporting routines tested to validate future reconciliations which will correct any missing data.</p> <p>This change has been implemented and will be reflected in all subsequent reconciliations.</p>		1/11/2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Include fix in next system release to ensure any new cases are handled correctly.</p>		01/12/2017	