

Compliance plan for Meridian Energy 2017

Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: 11.2 & 15.2 From: 01-Aug-16 To: 31-Jul-17	Some errors found in registry data. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as moderate as they identify most of the errors but not all. The audit risk rating is low as only the discrepancies identified will have a minor effect on submission.	
Actions taken to resolve the issue	Completion date	Remedial action status
Actions taken in relation to the specific discrepancies identified above have been recorded in detail in the relevant section of this report.		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
In addition to existing discrepancy reporting processes (which focus primarily on mismatches between our Gentrack Velocity (GTV) system and the Registry), we intend to develop a number of automated reports to run regularly against Registry LIS and EDA files with a view to identifying and resolving issues more quickly.	June 2018	

Metering certification		
Non-compliance	Description	
Audit Ref: 2.10 With: 10.33(2) From: 20-Dec-16 To: 16-May-17	2 ICPs certified later than 5 days after energization. Potential impact: Low Actual impact: None Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The new connection process has good controls to ensure that MEPs are in place for new connections. The audit risk rating is low as only 2 ICPs were found with late certification.	
Actions taken to resolve the issue	Completion date	Remedial action status
0000041040WEA37 – Job details for returned for this ICP indicated the meter had been certified for an interim period which expired on 30/04/017. Our metering team followed up with the MEP soon after this to ensure they returned to fully certify the meter. 0000379392MP880 – There was insufficient load on site when the contractor installed the meter. Our team followed up with the MEP for metering details soon after we were made aware the ICP had been energised.	Complete Complete	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We consider the 2 ICPs identified, over a period of 7mths, are exceptions only and robust processes and controls enable us to identify and investigate instances where metering has not been certified when an ICP is energised. We intend to develop a number of automated reports to run regularly against Registry LIS and EDA files with a view to identifying and addressing issues more quickly. This will include monitoring compliance with this clause to ensure any increase in the number of exceptions can be quickly addressed with the MEP(s) concerned.	Ongoing June 2018	

Changes to registry information		
Non-compliance	Description	
Audit Ref: 3.3 With: 10 Schedule 11.1 From: 01-Jan-17 To: 31-Jul-17	Registry information not updated within 5 business days of the event. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls in this area are robust but late notification from other areas of the business or networks reflects room for improvement. The audit risk rating is low as overall the timeliness to update the registry is high and showing an improved performance year on year, especially with those events that have a direct impact on submission accuracy.	
Actions taken to resolve the issue	Completion date	Remedial action status
The incorrect active status identified for ICP 0007069642RN303 has been corrected in the Registry	Complete	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	

<p><i>Reconnections</i></p> <p>We have identified that a system limitation requiring us to change an ICP status to active before being able to raise a decommission job is resulting in unnecessary backdated active entries on the registry and increases risk of an incorrect status being recorded in the Registry. We will review our process and system functionality with a view to finding an alternate solution to process these decommissions which relate largely to historic earthquake affected ICPs in Orion.</p> <p><i>De-energised Vacant</i></p> <p>We will update our contact centre process to ensure reports of fire affected ICPs are promptly reported through to the correct team for follow up with the customer/network company regarding the ICP connection status.</p> <p><i>Change of MEP</i></p> <p>The auditor has noted some issues arising where MEP switches are raised in bulk as part of our deployment process which has had a further extension to June 2018. We will investigate whether there are improvements that could be made to our follow up processes where any bulk MEP nominations fail due to a later MEP event.</p>	<p>April 2018</p> <p>February 2018</p> <p>April 2018</p>	
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Provision of information to the registry		
Non-compliance	Description	
Audit Ref: 3.5 With: 9 Schedule 11.1 From: 01-Jan-17 To: 31-Jul-17	Registry information not updated within 5 business days of the event. Potential impact: Medium Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The manual work around in place presents a higher risk of error but the reporting in place to identify ICPs that have been missed in the manual process mitigates this risk hence the control rating of moderate. The audit risk rating is low as the impact to the market of the ICPs not being updated within five business days is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
The issues causing paperwork delays following the change of MEP sub-contractor have largely been resolved with our reporting indicating compliance has now returned to previous levels.	Complete	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
We are investigating making a system change to remove the manual step in the new connection workflow. We will re-implement reporting to monitor ICPs with the IE date populated but paperwork not received. This will be included in the enhancements to our Registry discrepancy reporting mentioned in section 2.1 We have revised our HH new connection process to ensure the Registry status is updated as soon as we are aware the ICP is energised.	May 2018 June 2018 Complete	

ANZSIC codes		
Non-compliance	Description	
Audit Ref: 3.6 With: 9 (1(k) Schedule 11.1 From: 01-Aug-16 To: 31-Jul-17	Incorrect ANZSIC code recorded for 2 ICPs. Potential impact: None Actual impact: None Audit history: Multiple Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Reporting is in place to identify discrepancies hence the rating of strong. The audit risk rating is low this has no direct impact on submission accuracy.	
Actions taken to resolve the issue	Completion date	Remedial action status
The incorrect ANZSIC codes identified have been corrected ICPs with a T99 ANZSIC Code as at the date of audit have been reviewed and updated as part of our BAU process	Complete Complete	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Periodic reporting already in place monitors instances of T99 ANZSIC Codes and these are reviewed and updated regularly. We will enhance our existing reporting to identify instances where an incorrect ANZSIC code have been entered. This will be included in enhancements to Registry discrepancy reporting mentioned in section 2.1 .	Ongoing June 2018	

Changes to unmetered load		
Non-compliance	Description	
Audit Ref: 3.7 With: 9 (1)(f) Schedule 11.1 From: 01-Aug-16 To: 31-Jul-17	Some incorrect unmetered loads populated to the registry. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Reporting is in place to identify discrepancies, but discrepancies were found hence the rating of moderate. The audit risk rating is low as the volumes associated with these ICPs is small.	
Actions taken to resolve the issue	Completion date	Remedial action status
ICP 0042429011PC1E4 – Further investigations for this ICP with the network company identified that the ICP was a duplicate and it has since been decommissioned ICP 0000100018WP6F5 – As reported this is a residual load ICP for OTI0111 balancing area which is settled by differencing. Zero UML is correct. We have reviewed and corrected the 6 ICPs where our UML figure was identified as incorrect. We will review the discrepancies identified and correct any UML found to be incorrect.	Complete N/A Complete Feb 2018	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
When ICPs with UML switch to Meridian, a queue is raised in our system so that the UML can be checked for accuracy.	Ongoing	
We have identified that some UML was incorrectly populated as part of the initial energisation process. We are investigating what additional controls can be implemented to prevent this.	March 2018	
We will review the daily UML figure historically used for builders temp supplies in Orion so this is aligned with the distributors UML calculation.	March 2018	
We will liaise with Orion regarding their UML calculation for a number of Arc unmetered controllers as this appears to be inaccurate	Dec 2017	
We will request Vector remove the UML details for the bus shelters that are now metered.	Dec 2017	
We will include monitoring of UML discrepancies in the enhancements to our Registry discrepancy reporting mentioned in section 2.1	June 2018	

Management of “active” status			
Non-compliance		Description	
<p>Audit Ref: 3.8</p> <p>With: 17 Schedule 11.1</p> <p>From: 01-Aug-16</p> <p>To: 31-Jul-17</p>		<p>Three ICPs taken to active for the incorrect date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating		Rationale for audit risk rating	
Low		<p>Controls are rated as moderate as the checks in place identify most, but not all potential errors.</p> <p>The audit risk rating is low as the overall level of level of accuracy is 95% or higher.</p>	
Actions taken to resolve the issue		Completion date	Remedial action status
The incorrect active dates for the 3 ICPs identified have been corrected		Complete	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Existing monitoring does identify some instances of incorrect active dates entered due to human error however this will be refined to identify all instances where our active date does not match the IE and meter certification date. This will be included in the enhancements to our Registry discrepancy reporting mentioned in section 2.1 .		June 2018	
Personnel changes have also been made in this area which we anticipate will reduce the instances of human error when manually entering active dates.		Ongoing	

Management of “inactive” status		
Non-compliance	Description	
Audit Ref: 3.9 With: 19 Schedule 11.1 From: 01-Dec-15 To: 31-Jul-17	One ICP at the incorrect status. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as the processes to manage status are robust. The audit risk rating is low only one ICP was found to be at the incorrect status and this was caused by another trader.	
Actions taken to resolve the issue	Completion date	Remedial action status
We are liaising with the Trader for ICP 0005161533RND06 to ensure the Registry is updated with the unmetered load relevant to 0005906873RN7E2. Previous discussions with this Trader indicated they were billing and settling this load.	Jan 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will re-implement reporting to monitor ICPs with the IE date populated but paperwork not received to ensure ICPs are moved from Inactive-New Connection in Progress as soon as possible. This will be included in the enhancements to our Registry discrepancy reporting mentioned in section 2.1 .	June 2018	

Losing trader must provide final information - standard switch			
Non-compliance		Description	
Audit Ref: 4.3 With: 5 Schedule 11.3 From: 01-Jan-17 To: 31-Jul-17		CS file content incorrect. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Weak Breach risk rating: 6	
Audit risk rating		Rationale for audit risk rating	
Medium		Controls are rated as weak as there were more errors found than found in the last audit, and the billing change that effected the accuracy of the CS file was not identified prior to deployment. The billing change issue did affect a reasonable volume of ICPs hence the audit risk rating of medium.	
Actions taken to resolve the issue		Completion date	Remedial action status
The system change that impacted CS files for transfer switches between 15/4/17 and 3/5/17 was backed out immediately upon discovery of the issue. Switches with impacted CS files were withdrawn so corrected CS files could be supplied.		Complete	Identified
A system fix went into our billing system in April 2017 to correct the previously identified issue of the incorrect last actual read date being included in the CS file. ICP 000000093CP952 was a switch processed before this fix was implemented. ICP 0000000996DEB88 was a backdated switch. The last actual read we obtained was 12/06. The request to switch on 13/05 was received on 14/06 therefore last actual read date provided in the CS file was technically correct		April 2017	Note: the last read date should be the last read during the during the period of supply hence non-compliance
A system fix was implemented on 25 November to resolve the issue with the CS file not picking up the latest actual reading where there is one available after our customers final bill date (ICP 0000001449DEDBC).		Nov 2017	
Preventative actions taken to ensure no further issues will occur		Completion date	

<p>As above – system changes have been implemented to resolve the issues identified with the CS file last actual read dates and switch event meter reads.</p> <p>We will carry out an internal audit on a sample of CS files to ensure the changes are working as intended and the issues are resolved.</p>	April 2018	
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Losing trader must provide final information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.10</p> <p>With: 11 Schedule 11.3</p> <p>From: 01-Jan-17</p> <p>To: 31-Jul-17</p>	<p>CS file content incorrect.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as weak as there were errors found in all CS files checked.</p> <p>The audit risk rating is low as only one out of the five errors found has a direct impact on the accuracy of submission.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>A system fix went into our billing system in April 2017 to correct the previously identified issue of the incorrect last actual read date being included in the CS file. The 3 ICPs where this issue was identified were switches that were processed before this date.</p> <p>A system fix was implemented on 25 November to resolve the issue with the CS file not picking up the latest actual reading where there is one available after our customers final bill date. A read change was completed after the switch for ICP 0000000668CE910.</p> <p>000000592DE68E – A backdated switch request was received on 20/04 for a switch date of 10/04. We had received a vacant property read on 13/04 so the last actual read date provided in the CS file was technically correct although this was after the switch event date.</p>	<p>April 2017</p> <p>Nov 2017</p> <p>N/A</p>	<p>Identified</p> <p>Note: the last read date should be the last read during the during the period of supply hence non-compliance</p>

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

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
Audit Ref: 4.11 With: 12 Schedule 11.3 From: 01-Jan-17 To: 01-May-17	Three read change requests sent without 2 validated meter readings. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as Meridian had two reads but were under the understanding that a photo read could be used as a validated read. This process was changed as soon as they became aware of this. The audit risk rating is low the effect on submission in relation to this is negligible and Meridian no longer accept customer photo reads as actuals.	
Actions taken to resolve the issue	Completion date	Remedial action status
As reported, we have stopped using customer reads when requesting switch event meter read changes.	Complete	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Switch saving protection			
Non-compliance		Description	
Audit Ref: 4.17 With: 11.15AA to 11.15AB From: 14-Jun-17 To: 19-Jun-17		Two switch save protected ICPs saved prior to the switch completing. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating		Rationale for audit risk rating	
Low		Controls are rated as moderate as one trader was missed from the excluded traders. The audit risk rating is low as only two ICPs were affected over a seven month period.	
Actions taken to resolve the issue		Completion date	Remedial action status
A change was made to our customer retention reporting to include ICPs in the process of switching to Trustpower where a contract break fee was applicable, so these customers could be contacted to advise of this. These ICPs were supposed to have been flagged so that only the break fees were discussed however, due to a breakdown in communication, this did not occur resulting in retention conversations occurring with the customers for these ICPs. The switch withdrawals we initiated for the both the ICPs identified were rejected and the switches proceeded to complete.		Complete	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
All switch save protected retailers are now excluded from our customer retention reporting while switches are in progress. Changes to the list of save protected retailers is monitored closely so that updates to reporting are made as required. A more thorough change control process has been implemented for any future changes to our retention reporting.		Complete Ongoing	

Unmetered threshold exceeded		
Non-compliance	Description	
Audit Ref: 5.3 With: 10.14 (5) From: 01-Aug-17 To: 31-Jul-17	Seven ICP with annual consumption over 6,000 kWh. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong any ICPs falling into this category are identified and resolved. This is evident with the year on year reduction of these ICPs. The audit risk rating is low as only seven ICPs exceeds the threshold and these are in the process of being resolved.	
Actions taken to resolve the issue	Completion date	Remedial action status
We will continue to report on and progress resolution of these ICPs. Of the 14 ICPs on last year's report only 2 remain unresolved.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will continue to report on and progress resolution of these ICPs. Of the 14 ICPs on last year's report only 2 remain unresolved.	Ongoing	

Distributed unmetered load		
Non-compliance	Description	
Audit Ref: 5.4 With: 11 Schedule 15.3, Clause 15.37B From: 01-Aug-16 To: 31-Jul-17	Distributed unmetered databases not accurate. Potential impact: High Actual impact: High Audit history: Multiple Controls: Moderate Breach risk rating: 6	
Audit risk rating	Rationale for audit risk rating	
High	Controls are rated as moderate as Meridian are actively working with the DUML databases owner to improve database processes and accuracy but cannot force change with the database owners. The audit risk rating is rated as high as there an estimated under submission of 405,246 kWh for those databases audited under the old regime, where it can be calculated.	
Actions taken to resolve the issue	Completion date	Remedial action status
We are continuing to work with database holders to resolve the issues identified by individual DUML database audits. Specific actions taken will be detailed and submitted in individual DUML audit reports undertaken under the new regime. We have identified the issue related to the estimated under submission (which was for a single database) and are in the process of revising historic submission information to correct this.	May 2018 Dec 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Approval of any customer request for the creation of new DUML will be conditional on evidence that an accurate database with robust maintenance processes exists.	Ongoing	

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13</p> <p>From: entire audit period</p>	<p>While meters were bridged, energy was not metered and quantified according to the code for four ICPs.</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	<p>Controls are rated as strong as they are sufficient to reduce the risk most of the time.</p> <p>Bridging only occurs where a soft reconnection cannot be performed after hours and the customer urgently requires their energy supply for health and safety reasons. Contractors are required to return within one to two business days to unbridge the meters. In all examples reviewed, corrections had been processed.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>The 3 examples identified by the MEP when the meter was replaced were already known to us and were being actively managed as part of our Pre Pay replacement project.</p> <p>We will continue to correct historic consumption where meters are bridged.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>As reported, bridging of meters is only undertaken as a last resort, where it is considered necessary for safety reasons. It is likely there will be need for this practice to continue. We consider that Code changes to improve visibility where meter bypass has occurred would be beneficial to the industry and we understand this is being looked at as part of the Part 10 review.</p>	N/A	

Certification of control devices		
Non-compliance	Description	
<p>Audit Ref: 6.3</p> <p>With: Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3</p> <p>From: entire audit period</p>	<p>Three ICPs had a profile requiring control device certification without a certified control device or an AMI meter installed.</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	<p>Controls are rated as strong as they are sufficient to mitigate the risk most of the time. Only three out of 742 ICPs checked (0.4%) were found to have an incorrect profile, and one of those was corrected prior to the audit.</p> <p>The audit risk rating is low because Meridian has robust controls in place and a very small number of ICPs were affected.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Profiles for the 3 ICPs identified have been corrected to RPS.	Sept 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
An adjustment has been made to our profile selection tool to ensure control device certification status is 'Y' before recommending a control device dependent profile for an ICP.	Oct 2017	

Derivation of meter readings		
Non-compliance	Description	
Audit Ref: 6.6 With: Clause 5 of Schedule 15.2 From: entire audit period	Datacol does not identify and report phase failure to Meridian. Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as Meridian ceased using Datacol as a meter reading provider from 01/10/2017. Wells and Delta do report phase failure to Meridian, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
We now use Wells exclusively for manual NHH data collection.	Oct 2017	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
As above		

Interrogate meters once		
Non-compliance	Description	
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: entire audit period</p>	<p>Some ICPs were not read during the period of supply.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as strong because they will mitigate the risk to an acceptable level, but ICPs may remain unread and the best endeavours requirement may not be met where ICPs are supplied for a short period.</p> <p>The impact is assessed as low because in over half the cases reviewed, exceptional circumstances existed, and/or the best endeavours requirement had been met.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>As reported, we have robust processes in place to identify and take action where actual reads are not being obtained and this will continue to be a priority for us. Despite this there will continue to be ICPs that switch away before the best endeavours requirement can be met due to time restrictions.</p> <p>Of the 4 ICPs identified where best endeavours had not been met, there was only 1 where our no read processes had not been initiated. For the remaining 3 our process had been initiated however the ICPs switched away before further action could be taken.</p>	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As above		

NHH meters 90% read rate		
Non-compliance	Description	
<p>Audit Ref: 6.10</p> <p>With: Clause 9(1) and (2) Schedule 15.2</p> <p>From: entire audit period</p>	<p>For one ICP with no actual read in the previous 12 months, exceptional circumstances could not be confirmed, and there was insufficient evidence that the best endeavours requirement was met.</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	<p>Controls are rated as strong as they mitigate risk to an acceptable level.</p> <p>One case was identified where exceptional circumstances could not be confirmed, as there was insufficient evidence that the best endeavours requirement was met.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>We have been in contact again with our customer for 0000171528TR10F regarding access to the meter. Permanent estimates have been entered at 12 months for this ICP so that any correction to volumes, once a read is obtained, will be included within the wash up period.</p>	Feb 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>As reported, we have robust processes in place to identify and take action where actual reads are not being obtained and this will continue to be a priority for us.</p> <p>In addition we have recently implemented improved reporting, process and KPI's for long term unread ICPs where the customer is account managed. This group of ICPs make up around 1/3 of our occupied long term unread ICPs.</p>	<p>Ongoing</p> <p>Ongoing</p>	

Correction of NHH meter readings			
Non-compliance	Description		
Audit Ref: 8.1 With: Clause 15.2(2) and 15.12 of part 15, 19(1) of Schedule 15.2, 2(1)(b) of schedule 15.3 and 15.2(2) of part 15	<p>Two NHH corrections were not processed:</p> <ul style="list-style-type: none"> • a defective meter on ICP 0000511127NRD5B • an incorrect multiplier on 3407005500CHDOF. <p>Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate as they are sufficient to mitigate the risk most incorrect data most of the time.</p> <p>The audit identified two corrections which had not been processed. The correction for ICP 000511127NRD5B was identified and partially processed, but had been missed due miscommunication between teams. The correction for ICP 3407005500CHDOF involved very low consumption.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Historic correction for the 2 ICPs identified have been entered in our system and volumes will be washed up over the coming 14 months.		Complete	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Our NHH data correction processes have focused on issues where under submission has occurred which has a negative impact on other participants.</p> <p>Our process will be revised to ensure that metering issues resulting in over submission of volumes are also included so corrections to submission information are made.</p>		May 2018	

Identification of readings		
Non-compliance	Description	
Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2 From: 30-Aug-17 To: 14-Sep-17	Two actual readings were labelled as estimates on 14/09/2017 for ICP 0001750534TGF88. One actual reading was not entered. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong because they are sufficient to reduce the risk to an acceptable level, and errors are very unlikely to occur. It appears that this was an isolated incident where normal processes were not followed. The impact was low, one domestic ICP was affected and the read period was only 15 days.	
Actions taken to resolve the issue	Completion date	Remedial action status
We are confirming with our vendor how the system allowed the user to amend the read type in this way as we did not understand this to be possible. Once we understand how this occurred we will review our controls to ensure these are sufficient to either detect or prevent the issue occurring in future. We have carried out additional training with the staff member to ensure they are aware of and follow the correct process going forward.	Feb 2018 March 2018 Complete	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
See above		

NHH metering information data validation		
Non-compliance	Description	
Audit Ref: 9.5 With: Clause 16 Schedule 15.2 From: 01-Aug-16 To: 31-Jul-17	Zero consumption not monitored for all ICPs. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as moderate as they will mitigate risk most of the time but not in all cases of zero consumption occurring. The impact is low as drops in consumption will identify most instances.	
Actions taken to resolve the issue	Completion date	Remedial action status
As reported Meridian’s validation processes check for “unexpected zero consumption” by monitoring and investigating where an ICP that is usually consuming suddenly has low or zero consumption. Processes for specific monitoring of zero consumption on known high risk meters are in place. Some ad-hoc reporting and analysis of ICPs with ongoing zero consumption against other metrics to identify potential issues has also conducted been during the audit period. We will formalise this reporting process so it is carried out on a regular basis.	Ongoing Ongoing April 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
See above		

Electronic meter readings and estimated readings		
Non-compliance	Description	
Audit Ref: 9.6 With: Clause 17 Schedule 15.2 From: entire audit period	AMI event information not adequately obtained and monitored. No AMI event information is received from Arc. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as weak as they are insufficient to mitigate risk of non-compliance. Meridian is monitoring and actioning emailed event information from AMS.	
Actions taken to resolve the issue	Completion date	Remedial action status
We will work with all our MEP's to ensure that they have processes in place to monitor meter event logs (including tamper events) and pass "relevant" events to us for investigation. This is currently in place with AMS and recently has been implemented with Metrix. Where relevant events are passed to us we will ensure appropriate steps are taken to investigate and resolve any metering issues. We understand the above is sufficient for us to meet the requirements of this clause.	Ongoing Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
See above		

Calculation of ICP days		
Non-compliance	Description	
<p>Audit Ref: 11.2</p> <p>With: Clause 15.6 of part 15</p> <p>From: 24-Dec-16</p> <p>To: 06-Apr-17</p>	<p>Four changes from HHR to NHH, and one change from NHH to HHR had incorrect meter installation dates recorded in Velocity, resulting in one ICP day being omitted per ICP.</p> <p>One meter installed for one day was not recorded in Velocity, which resulted in one ICP day not being reported.</p> <p>Potential impact: Low</p> <p>Actual impact: None</p> <p>Audit history: Once previously</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as weak, because all examples identified has been processed incorrectly. The impact is rated as low because the number of ICP days affected is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>We are investigating our processes and system related to upgrades and downgrades of metering to understand how and why the discrepancies outlined have occurred.</p> <p>We will follow up with our agent regarding the alleged missing ICP day, consumption and HH aggregates for ICP 0000504108DECAA. This HH submission information is not supplied from our Velocity system therefore the meter not being installed in our system does not mean volumes, ICP days and HHR aggregates weren't estimated by our agent.</p>	<p>Jan 2018</p> <p>Jan 2018</p>	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
We will revise our upgrade/downgrade process and/or our system once the root cause of the discrepancies are better understood.	May 2018	

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
<p>Audit Ref: 11.4</p> <p>With: Clause 15.8</p> <p>From: entire audit period</p>	<p>HHR aggregates file does not contain electricity supplied information.</p> <p>One meter installed for one day was not recorded in Velocity, which resulted in one day of consumption not being reported.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<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"> the requirement to report electricity supplied information is an error in the code, EMS is providing submission information as expected the under submission of consumption for one day occurred due to a manual processing error for a rare event. 	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>We are following up with our agent regarding the alleged missing ICP day, consumption and HH aggregates for ICP 0000504108DECAA. This HH submission information is not supplied from our Velocity system therefore the meter not being installed in our system does not mean volumes, ICP days and HHR aggregates weren't estimated for that day by our agent.</p> <p>We will ensure submission information for the relevant reconciliation period is corrected if necessary.</p> <p>We understand the discrepancy between the Code and the RM Functional spec in respect of the HHR Aggregates file is a technical issue that is to be corrected as part of the next Code change "omnibus" due for consultation this calendar year.</p>	<p>Jan 2018</p> <p>Jan 2018</p> <p>N/A</p>	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	

Permanence of meter readings for reconciliation		
Non-compliance	Description	
<p>Audit Ref: 12.8</p> <p>With: Clause 4 of Schedule 15.2</p> <p>From: entire audit period</p>	<p>Some estimates not replaced at R14.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>Controls are rated as moderate as they are sufficient to ensure estimates are replaced by revision 14 most of the time, but there is room for improvement.</p> <p>Total forward estimate for the three months reviewed was 3,438,742 kWh – 1,653,127 kWh for December 2015, 849,798 kWh for January 2016 and 935,817 for February 2016.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We have implemented a system change and supporting process to mark estimates as “permanent” where no actual read has been obtained for 12 months and this is being carried out monthly.	April 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will investigate a further system change to so that final switch estimates are treated as permanent estimates where appropriate.	June 2018	

Forward estimate process		
Non-compliance	Description	
Audit Ref: 12.12 With: Clause 6 of Schedule 15.3 From: entire audit period	The accuracy threshold was not met for all months and revisions. Potential impact: Low Actual impact: Low Audit history: Three times previously Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as moderate, as they are sufficient to ensure data is within the accuracy threshold most of the time. Initial data is replaced with revised data, and washed up.	
Actions taken to resolve the issue	Completion date	Remedial action status
We have moved a large number of our irrigation customers to end of month read and billing rounds through the winter period. This should result in less reliance on FE, more accurate initial submissions and less variation between revisions for balancing areas where irrigation volume is significant.	Complete	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
See above		

Compulsory meter reading after profile change		
Non-compliance	Description	
<p>Audit Ref: 12.13</p> <p>With: Clause 7 Schedule 15.3</p> <p>From: entire audit period</p>	<p>Reads or permanent estimates were not applied to the profile change date for four ICPs downgraded from HHR to NHH, and two meters upgraded from NHH to HHR.</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>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate, as they are sufficient to ensure an actual read is entered on the day a profile change takes effect, except where there have been manual processing errors during upgrades to HHR and downgrades to NHH.</p> <p>The audit risk rating is low, as a small number of ICPs are affected.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We are investigating our processes and system related to upgrades and downgrades of metering to understand how and why the discrepancies outlined above have occurred.	Dec 2017	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
We will revise our upgrade/downgrade process and/or system once the root cause of the identified discrepancies is better understood.	May 2018	

Historical estimate reporting to RM		
Non-compliance	Description	
<p>Audit Ref: 13.4</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: entire audit period</p>	<p>Historic estimate thresholds were not met for some revisions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Five times previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate, as they are sufficient to mitigate the risk of not meeting the threshold most of the time, but there is room for improvement.</p> <p>The audit risk rating is low, as Meridian were reasonably close to the target in all cases.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We have implemented a system change and supporting process to mark estimates as “permanent” where no actual read has been obtained for 12 months and this is being carried out monthly. This has resulted in HE being calculated for these ICPs where previously it would have been FE.	April 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will investigate implementation of a further system change so that final switch estimates are treated as permanent estimates, and used to calculate HE, where appropriate.	June 2018	