

Compliance plan for Flick Energy Limited

Title: Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2 From: entire audit period	One ICP had an incorrect profile assigned. 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 they are sufficient to mitigate risk most of the time. The exception was an isolated incident, and occurred due to a training issue for a new staff member. The risk rating is low; the meter owner was correctly recorded, and check sum processes were completed.	
Actions taken to resolve the issue	Completion date	Remedial action status
Correct profile has now been assigned and registry updated.	1/11/2017	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
Safety net in place will now be monitored and re-checked by the Field and Switch Team leader to ensure all discrepancies are identified and exceptions followed.	1/11/2017	

Title: Changes to registry information	
Non-compliance	Description
Audit Ref: 3.3 With: Clause 10 Schedule 11.1 From: entire audit period	152 late status updates. 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	<p>The controls are adequate to ensure that the registry is updated on time most of the time, but there is room for improvement.</p> <p>The risk is low as most updates were completed on time or soon after they were due.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Re-training has been provided to staff to ensure compliance is met for status update. Out of the 152 late status updates over half of this was due to timing issue where switches were completed 5 days after the reconnection date.		21/11/2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The daily status report will now be monitored by Field team leader and any discrepancies actioned asap.		14/12/2017	

Title: ANZSIC codes			
Non-compliance	Description		
<p>Audit Ref: 3.6</p> <p>With: Clause 9 (1(k) of Schedule 11.1</p> <p>From: entire audit period</p>	<p>Incorrect ANZSIC codes were recorded on the registry for some business ICPs.</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, and are expected to improve to strong with the implementation of the new procedure to check ANZSIC codes.</p> <p>The audit risk rating is low, because the data has been corrected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
ANZSIC code has been corrected to match price Category code.		1/11/2017	Cleared

Preventative actions taken to ensure no further issues will occur	Completion date	
ANZSIC codes is now being checked during switch request process. A monthly report is also now being run to check ANZSIC codes against price Category code. This will catch any discrepancies which are missed. A safety net check is done weekly to ensure that any 'T944 – unknown codes" are updated.	Ongoing	

Title: Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.2 With: Clauses 3 and 4 Schedule 11.3</p> <p>From: 21-Dec-16 To: 25-Jul-17</p>	<p>Switch event dates were not within 10 business days after receipt of an NT file for five switches due to processing errors.</p> <p>The "AA" (accept and acknowledge) or "OC" (occupied premises) AN response codes were applied for four ICPs with advanced metering installed.</p> <p>Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate, most of the incorrect dates and codes related to period where switching volumes were unusually high, and extra staff were processing switching files. No instances of incorrect event dates were identified after 25/07/2017.</p> <p>The impact is assessed as low, because:</p> <ul style="list-style-type: none"> • all event dates not within 10 business days were either corrected using the withdrawal process, or accepted by the gaining trader • information on the metering type was available on the registry. 	
Actions taken to resolve the issue	Completion date	Remedial action status
Most of the event dates not within 10 business days were corrected using the withdrawal process at the time of switch process. For others the gaining retailers agreed on the event date, so no withdrawal process was required.	25/7/2017	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
Retraining has been provided to staff in regards to the usage of correct AN codes. More checks have been put in place to ensure switch event dates are within regulated timeframes. The team has been advised not to be solely dependent on registry breach report. An internal check has been put in place to ensure that the switch event dates are compliant.	20/11/2017

Title: Losing trader must provide final information - standard switch		
Non-compliance	Description	
Audit Ref: 4.3 With: Clause 5 Schedule 11.3 From: 02-Nov-16 To: 10-Jul-17	<p>Nine late CS files for transfer switches.</p> <p>Incorrect average daily consumption was provided for one ICP.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</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	<p>Controls are rated as weak, due to being based on incorrect assumptions about CS due dates. Controls are expected to improve to moderate/strong once new reporting is established to monitor the timeliness of CS files.</p> <p>The impact is assessed as low, eight files were sent within five business days of the due date, and one file was sent 20 business days late. One average daily consumption was found to be incorrect.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Controls are put in place ensure that regulatory timeframes for CS files are met. Retraining has been provided to staff.	21/11/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
A switch breach history report will be run monthly to check that the regulated switch timeframes are being met. Internal report has been created to check that the switch timeframes are being met. This will be monitored monthly. The average consumption is now being calculated by the system (Deprovisioner) which should now eliminate the use of incorrect daily consumption in the CS file.	Ongoing	

Title: Retailers must use same reading - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.4</p> <p>With: Clause 6(1) and 6A Schedule 11.3</p> <p>From: entire audit period</p>	<p>Three RR files for transfer switches did not contain correct readings.</p> <p>For eight ICPs, the readings recorded in Flick's Data Repository were inconsistent with the readings agreed with the other retailer.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>The controls are rated as moderate, as they are sufficient to ensure that the correct read is applied most of the time. The manual processes to both estimate where the switch read is different to the AMI read, and process RR files can result in data entry errors or missed data.</p> <p>For four of the eight ICPs with inconsistent readings, the other retailer had invalidly rejected Flick's request. For two of those, the read change was re-requested and subsequently accepted by the other retailer.</p> <p>The audit risk rating is medium, the issues could have a moderate impact on settlement outcomes, other participants, and consumers if not addressed.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
An attempt is being made to make corrections to the incorrect reads submitted through the RR process.	Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Retraining has been provided to staff on the RR process. These errors occurred due to RR process being a manual process. The RR is in the process of being automated which should eliminate most of the above errors.	Ongoing	

Title: Non-half hour switch event meter reading - standard switch		
Non-compliance	Description	
Audit Ref: 4.5 With: Clause 6(2) and (3) Schedule 11.3 From: entire audit period	Three RR files issued under clause 6.2 of schedule 11.3 did not contain correct readings. 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	The controls are rated as moderate, as they are sufficient to ensure that the correct read is applied most of the time. The manual processes to both estimate where the switch read is different to the AMI read, and process RR files, can result in data entry errors or missed data. The audit risk rating is low, because small volumes are affected. This rule only applies for a small proportion of switches which meet all the criteria of clause 6.2 of schedule 11.3.	
Actions taken to resolve the issue	Completion date	Remedial action status
The reads for the three ICPs mentioned above are in the process of being corrected.	Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
RR process is currently a manual process which led to this error. Flick is in the process of automating this process which will eliminate this error. Staff has been retrained on RR process.	Ongoing	

Title: Losing trader provides information - switch move	
Non-compliance	Description
Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3 From: 24-Feb-17 To: 08-May-17	Due to processing errors, switch event dates were earlier than the requested date for two switches. The "AA" (accept and acknowledge) AN response code was applied for two ICPs with advanced metering installed. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate. No instances of incorrect event dates were identified after 08/05/2017 for switch moves.</p> <p>The impact is assessed as low, because:</p> <ul style="list-style-type: none"> • the event dates were corrected using the withdrawal process • information on the metering type was available on the registry. 		
Actions taken to resolve the issue		Completion date	Remedial action status
The event dates were corrected for the two ICPs through the withdrawal process.		8/5/2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Re-training has been provided to staff in regards to use of correct AN code. A monthly check is in place to monitor the use of correct AN code. A switch breach history report will be run monthly to check that the regulated switch timeframes are being met. Internal report has been created to check that the switch timeframes are being met. This will be monitored monthly.		Ongoing	

Title: Losing trader determines a different date - switch move			
Non-compliance	Description		
<p>Audit Ref: 4.9</p> <p>With: Clause 10(2) Schedule 11.3</p> <p>From: February 2017</p> <p>To: June 2017</p>	<p>Two ICPs had event dates set earlier than the gaining trader requested date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</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. The incidents were isolated date processing errors, affecting two of the 4083 files sent.</p> <p>The impact is low, in both cases the customer and other retailer accepted the dates.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
An attempt was made to correct the event dates during the switch process but the gaining trader agreed to the date which we had set so no correction was required.		8/5/2017	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
Retraining has been provided to the switch team to ensure correct date is entered.	21/11/2017

Title: Losing trader must provide final information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.10</p> <p>With: Clause 11 Schedule 11.3</p> <p>From: entire audit period</p>	<p>At least one late switch move CS file.</p> <p>Incorrect average daily consumption was provided for one ICP.</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, based on the sample reviewed they appear sufficient to ensure that CS files are sent on time, and average daily consumption is correct most of the time.</p> <p>The impact is assessed as low, the only confirmed late file was sent two business days late, and one average daily consumption was found to be incorrect.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Gaining retailer has been contacted to amend the CS read. The gaining retailer confirmed that meter change was completed just after the gain and correct reading has been used to bill the customer.	13/12/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Internal report has been created to check that the switch timeframes are being met. This will be monitored monthly. The average consumption is now being calculated by the system (Deprovisioner) which should now eliminate the use of incorrect daily consumption in the CS file.	Ongoing	

Title: Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.11</p> <p>With: Clause 12 Schedule 11.3</p> <p>From: entire audit period</p>	<p>One AC file was one day late.</p> <p>One RR file for a switch move did not contain correct readings.</p> <p>For six ICPs, the readings recorded in Flick's Data Repository were inconsistent with the readings agreed with the other retailer.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
Medium	<p>The controls are rated as moderate, as they are sufficient to ensure that the correct read is applied most of the time. The manual processes to both estimate where the switch read is different to the AMI read, and process RR files can result in data entry errors or missed data.</p> <p>For one of the six ICPs with inconsistent readings, the other retailer had invalidly rejected Flick's request. For two of those, the read change was re-requested and subsequently accepted by the other retailer.</p> <p>The audit risk rating is medium, the issues could have a moderate impact on settlement outcomes, other participants, and consumers if not addressed.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
An attempt is being made to correct the RR read which has been previously rejected by other retailers. This was a training issue at our end and retraining has been provided to staff.	12/12/2017	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
RR process is currently a manual process which led to this error. Flick is in the process of automating this process which will eliminate this error. Staff has been retrained on RR process.	Ongoing	

Title: Withdrawal of switch requests		
Non-compliance	Description	
Audit Ref: 4.15 With: Clauses 17 and 18 Schedule 11.3 From: entire audit period	15 switch withdrawal requests were backdated greater than two months from the event date. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as they are sufficient to mitigate risk most of the time. A small proportion of NWs (1%) were late. None of the 12 NWs reviewed had an incorrect response code.	
Actions taken to resolve the issue	Completion date	Remedial action status
All of the backdated withdrawals completed were requested by other retailers due to incorrect properties or customer requested.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
FLCK actions requests for withdrawals as soon as we become aware of situations like incorrect properties. This is something which we cannot totally avoid as we are dependent on customers providing us correct information during sign up. It has been reiterated to staff to check address and metering details before sign up.	14/12/2017	

Title: Maintaining shared unmetered load	
Non-compliance	Description
Audit Ref: 5.1 With: Clause 11.14 From: 13-Mar-17 To: 26-Apr-17	0005039797RN40C had shared unmetered load connected between 13/03/2017 and 26/04/2017, which was not reported by Flick. This resulted in under submission by 3.6 kWh. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as strong, as they prevent shared unmetered ICPs from switching in, and promptly identify added shared unmetered load so that appropriate action can be taken.</p> <p>The impact is very low, and resulted in under reporting by 3.6 kWh.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Retraining has been provided to staff on safety net and staff have been advised to switch out ICPs from the event date of the discrepancy to avoid reconciliation issues.		20/11/2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The operations team leader will now monitor the safety net to ensure compliance		Ongoing	

Title: Electricity conveyed & notification by embedded generators			
Non-compliance	Description		
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13 and clause 15.2</p> <p>From: entire audit period</p>	<p>Energy is not metered and quantified according to the code where meters are bridged.</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 mitigate risk most of the time, but there is room for improvement.</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.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Flick is going to investigate options over the next few months to estimate data for bridged meter where no consumption has been recorded.		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
All bridged meters where consumption is not recorded on the meter is going to be monitored and once process is concluded the loss consumption will be accounted for.		Ongoing	

Title: NHH meter reading application		
Non-compliance	Description	
Audit Ref: 6.7 With: Clause 6 Schedule 15.2 From: entire audit period	Four incorrect RR readings were provided. 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	The controls are rated as moderate, as they are sufficient to ensure that the correct read is applied most of the time. The manual processes to both estimate where the switch read is different to the AMI read, and process RR files, can result in data entry errors or missed data. The audit risk rating is low, because most reads provided are correctly applied.	
Actions taken to resolve the issue	Completion date	Remedial action status
An attempt is being made to make corrections to the incorrect reads submitted through the RR process.	Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
RR process is currently a manual process which led to this error. Flick is in the process of automating this process which will eliminate this error. Staff has been retrained on RR process.	Ongoing	

Title: Correction of HHR metering information	
Non-compliance	Description
Audit Ref: 8.2 With: Clause 19(2) Schedule 15.2 From: entire audit period	There is no procedure to estimate unrecorded consumption during bridged periods. A correction was not processed for the period ICP 1000755980UNFB5's meter was bridged. 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	<p>The controls are rated as moderate, as most corrections are processed appropriately. Improvement is required to ensure that that corrections for unrecorded consumption during bridged periods is captured.</p> <p>The impact is low, because only one meter was affected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Flick is going to investigate options over the next few months to estimate data for bridged meter where no consumption has been recorded.		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
All bridged meters where consumption is not recorded on the meter is going to be monitored and once process are concluded the loss consumption will be accounted for.		Ongoing	

Title: Calculation of ICP days	
Non-compliance	Description
<p>Audit Ref: 11.2 With: Clause 15.6</p> <p>From: entire audit period</p>	<p>Inactive ICP days are included in the AV110 report, if an ICP is inactive and active during the month.</p> <p>AV110 data is not zeroed where Flick has previously submitted ICP days, but there are no ICP days reported in the current revision.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>The controls are sufficient to ensure that ICP days are correctly reported most of the time. Both errors result in over reporting of ICP days in certain circumstances.</p> <p>The audit risk rating is low:</p> <ul style="list-style-type: none"> • If other ICPs are still supplied at an NSP after a backdated switch out or withdrawal occurs, ICP days will be reported for subsequent revisions correctly. • Only 42 ICPs supplied by Flick are inactive. Inactive ICPs are only affected where they are inactive for part of a month. • GR100 ICP comparison reports are reviewed, and discrepancies are investigated.

Actions taken to resolve the issue	Completion date	Remedial action status
A manual process has been put in place for AV110 data to be zeroed where Flick has previously submitted ICP days.	14/12/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Flick is migrating to a new system "Telemetry" which would eliminate inactive ICPs in the AV110 report.	At the latest Mid 2018	

Title: HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 From: entire audit period	HHR aggregates file does not contain electricity supplied information. Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong, and the impact as low, because the requirement to report electricity supplied information is an error in the code, and Flick is providing submission information as expected. In most cases, billed volumes would match reported volumes.	
Actions taken to resolve the issue	Completion date	Remedial action status
Flick is providing submission information as expected.	14/12/2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
The requirement to report electricity supplied information is an error in the code.	14/12/2017	

Title: Accuracy of submission information		
Non-compliance	Description	
<p>Audit Ref: 12.7 With: Clause 15.12</p> <p>From: entire audit period</p>	<p>Some submission information was incorrect, due to a correction not being processed, some volumes not being based on agreed switch readings, and an inaccurate correction for multipliers.</p> <p>Potential impact: Medium</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 that submission data is accurate most of the time.</p> <p>The audit risk rating is low, because submission information can be corrected washed up through the revision process.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
The automating of RR process and setting up a process in place for estimating bridged period consumption should eliminate above errors and will ensure that submission volumes are correct.	Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Retraining has been provided to staff in regards to RR process.	14/12/2017	