

# Compliance plan for Marlborough DC/ Port & NZTA DUML – November 2018

Deriving submission information			
Non-compliance	Description		
<p>Audit Ref: 2.1 Clause 11(1) of Schedule 15.3</p> <p>From: 06-May-18 To: 23-Oct-18</p>	<p>The variance between the database extract and the monthly report used by Genesis for submission is resulting in an estimated over submission of 22,430 kWh for the month of October due to incorrect logger values and a lamp count difference between the wattage report and the database extract.</p> <p>Ballasts not derived from the database.</p> <p>Festive lighting recorded as connected all year.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Once</p> <p>Controls: Weak</p> <p>Breach risk rating: 9</p>		
Audit risk rating	Rationale for audit risk rating		
<b>High</b>	<p>The controls are rated as moderate because they are sufficient to ensure that lamp information is correctly recorded most of the time, but there are still some errors.</p> <p>The impact is assessed to be high, based on the kWh differences described above.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Genesis use the logger values to do the calculation and produce a TOU file which is loaded into Gentrack as part of the billing process. The logger information (hours) are correct. The issue was when the settlement process was run for this time-based pricing account, the aggregation process used both <u>kWh</u> &amp; <u>KVar</u> values which was the cause of the over submission. This process error was realised when reviewing the sites information for the auditor.</p>		23/11/2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Genesis has corrected an auto process to ensure that kVar data is no longer aggregated as part of the settlement process. This was setup in error and has now been rectified. The data has been historically correct for revision periods. This also was not picked up by the distributor.</p>		23/11/2018	

Database accuracy		
Non-compliance	Description	
Audit Ref: 3.1 With: Clause 15.2 and 15.37B(b)  From: 06-May-18 To: 21-Oct-18	Incorrect ballasts applied in EAM resulting in an estimated annual over submission of 9,978 kWh if these were used for submission.  Festive lighting recorded as connected all year.  Potential impact: Low  Actual impact: Low  Audit history: Once  Controls: Moderate  Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are rated as moderate as the ballasts are not derived from the database but are being added correctly for reconciliation purposes.  The impact is assessed to be low due to the small amount of over submission associated with Christmas lights recorded as connected year round.	
Actions taken to resolve the issue	Completion date	Remedial action status
Audit has found that the "database" has incorrect ballasts populated, however it also states that the information provided to Genesis was correct. Although the database has an over submission estimation based <u>on incorrect ballasts</u> in the database, these are not used, over submission based on ballast is not what is happening in the market. The Christmas lights are not provided in the summaries all year round and are not included in out of season settlements, albeit present in the EAM database. Which also refers to section 2.1/3.2  Genesis will work with Marl Lines to correct the "EAM database"	01/02/2019	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Genesis were under the impression the information provided was a summary from EAM. Genesis has requested a detailed extraction from Marlborough Lines EAM database for review.	01/02/2019	

Volume information accuracy		
Non-compliance	Description	
<p>Audit Ref: 3.2 Clause 15.2 and 15.37B(c)</p> <p>From: 06-May-18 To: 21-Oct-18</p>	<p>The variance between the database extract and the monthly report used by Genesis for submission is resulting in an estimated over submission of 22,430 kWh for the month of October due to incorrect logger values and a lamp count difference between the wattage report and the database extract.</p> <p>Ballasts not derived from the database.</p> <p>Festive lighting recorded as connected all year.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Once</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>	
Audit risk rating	Rationale for audit risk rating	
<b>High</b>	<p>The controls are rated as weak as the logger error was only found as a result of this audit.</p> <p>The impact is assessed to be high, based on the kWh differences described above.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Genesis has corrected an auto process to ensure that kVar data is no longer aggregated as part of the settlement process. This was setup in error and has now been rectified. The data has been historically correct for revision periods. This also was not picked up by the distributor.	23/11/2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Genesis will introduce customer billing v settlement reporting by ICP to capture any potential future errors in setup, for these time-based priced accounts.	01/03/2019	