

Compliance plan for Globug – 2019

Relevant information		
Non-compliance	Description	
Audit Ref: 2.1 With: 10.6,11.2 & 15.2 From: 01-Jul-18 To: 31-May-19	Some registry discrepancies. Potential impact: Medium Actual impact: Low Audit history: Multiple Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong because risks are mitigated to an acceptable level. The audit risk is rated as low as there are only a small number of ICPs with incorrect statuses.	
Actions taken to resolve the issue	Completion date	Remedial action status
1) Registry discrepancies Response: Non compliance accepted and remedial action complete Action: The 3 ICP's with incorrect status has been updated.	01/08/2019	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
On 1 May 2019 GLOBUG changed its business rules to update the status where 'meter creep' created false positive scenario. Status now are being updated to comply with the code.	May 2019	

Electrical Connection of Point of Connection		
Non-compliance	Description	
Audit Ref: 2.11 With: 10.33A From: 01-Jul-18 To: 15-Jul-19	Two ICPs reconnected without metering being certified. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong as Globug has clear instructions to MEPs that certification must occur. 85 of 87 were certified correctly. The audit risk rating is low as this affected two ICPs.	
Actions taken to resolve the issue	Completion date	Remedial action status
Two ICPs reconnected without metering being certified: Response: Non compliance accepted and remedial action under way Action: GB have asked the MEP to recertify these meters asap.	Aug 2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
GB will instruct the MEP of their obligation and Training will be provided so that agent can identify and resolve this with the MEP. A reporting will be put in place to capture these promptly.	Aug 2019	

Changes to registry information			
Non-compliance	Description		
Audit Ref: 3.3 With: 10 Schedule 11.1 From: 01-Jul-18 To: 31-May-19	Registry not updated within 5 business days of the event for some reconnections, disconnections and 4 MEP changes. 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 the process in place to update the registry is generally functioning well and most updates are within the required timeframes. The volume of ICPs affected by the late updates is small therefore the impact is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Registry not updated within 5 business days: Response: Non compliance accepted and remedial action completed Action: MEP changes have now been corrected. These were due to late paperwork and or incorrect MEP details.		Aug 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
GB is investigating the case scenario's further in detail to ensure these are captured and rectified in timely manner to meet the code obligations.		Oct 2019	

Management of "inactive" status			
Non-compliance	Description		
<p>Audit Ref: 3.9</p> <p>With: 19 of schedule 11.1</p> <p>From: 01-Jul-17</p> <p>To: 30-Jun-18</p>	<p>Incorrect status recorded for 3 ICPs.</p> <p>Credit disconnections not updated on the registry or SAP for each full day the ICPs are inactive.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate because they have been improved for identification of status discrepancies. Controls require improvement to ensure all inactive days are recorded.</p> <p>The audit risk is rated as low because there is no impact on settlement but there is an impact on ICP days and an impact on other participants if an ICP switches away at the incorrect status.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>1) Incorrect status recorded for 3 ICPs.</p> <p>Response: Non compliance accepted and remedial action completed</p> <p>Action: The status has been updated.</p>		Aug 2019	Identified
<p>2) Credit disconnections not updated on the registry or SAP for each full day the ICPs are inactive.</p> <p>Response: Non compliance accepted and remedial action on going</p> <p>Action: As GLOBUG credit disconnection volume is high and most are reconnection within a few days , the high volume of traffic this would generate is not justified. Also GLOBUG feel this would expose credit history to a wide variety of people for a vulnerable customer base.</p> <p>GB will investigate this further as to how compliance can be met, however we require EA's assistance due to the product type.</p>		Oct 2019	
Preventative actions taken to ensure no further issues will occur		Completion date	

<p>Incorrect status:</p> <p>On 1 May 2019 GLOBUG changed it's business rules to update the status where 'meter creep' created false positive scenario. Status now are being updated to comply with the code.</p> <p>Credit disconnections not updated:</p> <p>As GLOBUG credit disconnection volume is high and most are reconnection within a few days , the high volume of traffic this would generate is not justified. Also GLOBUG feel this would expose credit history to a wide variety of people for a vulnerable customer base.</p> <p>GB will investigate this further as to how compliance can be met, however we require EA's assistance due to the product type.</p>	<p>Oct 2019</p>	
---	-----------------	--

Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 5 of Schedule 11.3</p> <p>From: 01-Jul-18</p> <p>To: 31-May-19</p>	<p>Calculation methodology for average daily consumption not compliant.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>The controls are rated as strong because the current methodology provides a more accurate indication of average daily consumption.</p> <p>The average daily consumption figures will become less accurate when Globug changes to a compliant methodology. Therefore, I have given the lowest possible rating.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Calculation methodology for average daily consumption not compliant.</p> <p>Response: Non compliance accepted and remedial action completed</p> <p>Action: Change has been made and implemented to use two actual meter reads.</p>	<p>Aug 2019</p>	<p>Cleared</p>
Preventative actions taken to ensure no further issues will occur	Completion date	

Change has been made and implemented to use two actual meter reads.	Aug 2019	
---	----------	--

Losing trader determines a different date - switch move		
Non-compliance	Description	
Audit Ref: 4.9 With: 10(2) Schedule 11.3 From: 10-Jul-18 To: 28-Jul-18	2 ICP switch event dates set earlier than the gaining trader's requested date. Potential impact: None Actual impact: None Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong as risk is mitigated to an acceptable level and the process is now improved. The audit risk rating is low as only two ICPs were found to have an incorrect event date and both were subsequently withdrawn.	
Actions taken to resolve the issue	Completion date	Remedial action status
2 ICP switch event dates set earlier than the gaining trader's requested date. Response: Non compliance accepted and remedial action completed Action: GBUG has reviewed the process and incorporated to send withdrawals before AN files are sent. This has been implemented to ensure no further occurrences.	Aug 2019	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
GBUG has reviewed our process and incorporated to send withdrawals before AN files are sent. This has been implemented to ensure no further occurrences.	Aug 2019	

Losing trader must provide final information - switch move			
Non-compliance	Description		
Audit Ref: 4.10 With: Clause 11 Schedule 11.3 From: 01-Jul-18 To: 16-Jul-19	Calculation methodology for average daily consumption not compliant. Readings for one ICP incorrectly labelled. Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong because the current methodology provides a more accurate indication of average daily consumption. The average daily consumption figures will become less accurate when Globug changes to a compliant methodology. Therefore, I have given the lowest possible rating.		
Actions taken to resolve the issue		Completion date	Remedial action status
1) Calculation methodology for average daily consumption not compliant. Response/Action: Same as above Audit Ref: 4.3 2) Readings for one ICP incorrectly labelled. Response: Non compliance accepted and remedial action completed Action: The issue was caused due to a human error and adequate training has been reiterated with the team.		Aug 2019	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Calculation methodology for average daily consumption not compliant – as above audit ref: 4.3 Readings for one ICP incorrectly labelled - adequate training has been reiterated with the team.		Aug 2019	

Withdrawal of switch requests		
Non-compliance	Description	
Audit Ref: 4.15 With: 17 of Schedule 11.3 From: 01-Jul-18 To: 31-May-18	14 late switch withdrawals. Potential impact: None Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong as risk is mitigated to an acceptable level. I have recorded the audit risk rating as low as these are actioned as soon as possible with the intent that submission is as accurate as possible.	
Actions taken to resolve the issue		Completion date
Response: Non compliance accepted and remedial action on going Action: Globug has strong and robust process around switching. These were legitimate reasons which caused the non compliance and the back dating was carried out in the best interest of the customer. The issue has been raised at the EA forum and we are seeking further assistance from EA as to how we can be compliant where a withdrawal is required but is outside of the allowed timeframe.		Investigating
Preventative actions taken to ensure no further issues will occur		Completion date
Globug has strong and robust process around switching. These were legitimate reasons which caused the non compliance and the back dating was carried out in the best interest of the customer. The issue has been raised at the EA forum and we are seeking further assistance from EA as to how we can be compliant where a withdrawal is required but is outside of the allowed timeframe.		On Going

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
Audit Ref: 6.1 With: Clause 10.13 From: 01-Jul-18 To: 31-May-18	Energy is not metered and quantified according to the code where meters are bridged. 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 moderate as bridging only occurs when a soft reconnection cannot be performed after hours. The volume of bridged meters is small, and all have consumption estimated for the bridged period therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non compliance to be discussed further as the energy is quantified. Action: GB has strong controls in place. GLOBUG will not leave vulnerable customers without power overnight so sometimes has no option but to bridge, in terms of the energy used, we do quantify / estimate all the energy so we believe this should be reviewed before we submit the final report please. We believe that the breach risk rating should be removed from the overall total.	On going	Disputed
Preventative actions taken to ensure no further issues will occur	Completion date	
GB has strong controls in place. GLOBUG will not leave vulnerable customers without power overnight so sometimes has no option but to bridge, in terms of the energy used, we do quantify / estimate all the energy so we believe this should be reviewed before we submit the final report please. We believe that the breach risk rating should be removed form the overall total.	On-going	

Interrogate meters once			
Non-compliance	Description		
<p>Audit Ref: 6.8</p> <p>With: 7(1) & (2) of schedule 15.2</p> <p>From: 01-Jul-18</p> <p>To: 31-May-19</p>	<p>Exceptional circumstances not proven for 8 ICPs not read during period of supply.</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>The controls are rated as moderate as Globug use AMI meters, but where these can't be installed and the ICP isn't switched away these sites remain unread.</p> <p>The audit risk rating is low as the volume of ICPs affected by this is small.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Response: Non compliance accepted and remedial action ongoing</p> <p>Action: GB has reviewed its process and has made changes to ensure the meters are read to comply with the code.</p>		Aug 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
GB has reviewed its process and has made changes to ensure the meters are read to comply with the code.		Aug 2019	

Meter data used to derive volume information			
Non-compliance	Description		
Audit Ref: 9.3 With: Clause 3(5) Schedule 15.2 From: 01-Jul-18 To: 18-Jul-19	Raw meter data is rounded upon receipt and not when volume information is created. Potential impact: Low Actual impact: None Audit history: Once Controls: None Breach risk rating: 5		
Audit risk rating	Rationale for audit risk rating		
Low	There are no controls to prevent rounding of raw meter data, the system is designed to round as soon as the data arrives. There is very little impact because no metered consumption information is "missing", and the unmetered differences are very small, therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Response: Non compliance accepted. Action: Mercury's current system stores the meter reading as whole numbers. In order to comply with the code it will require a massive system change which will be very costly and not very feasible as there is no market impact. An analysis was carried out for a month and the difference was only 1 kwh, which is not material. The breach risk rating is high which needs to be reviewed or not considered from the total rating.		On going	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Mercury's current system stores the meter reading as whole numbers. In order to comply with the code it will require a massive system change which will be very costly and not very feasible as there is no market impact. An analysis was carried out for a month and the difference was only 1 kwh, which is not material. The breach risk rating is high which needs to be reviewed or not considered from the total rating.		On going	

Permanence of meter readings for reconciliation			
Non-compliance	Description		
Audit Ref: 12.8 With: Clause 4 of schedule 15.2 From: 01-Jan-18 To: 31-Jan-18	Estimate not made permanent for one ICP. Potential impact: Medium Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong because they mitigate risk to an acceptable level. The impact on settlement is minor therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Response: Non compliance accepted Action: We have very strong controls in place and one incident was caused due to back dating of a switch. GB always strive to meet the code obligation.		Aug 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We have very strong controls in place and one incident was caused due to back dating of a switch. GB always strive to meet the code obligation		Aug 2019	

Historical estimate reporting to RM			
Non-compliance	Description		
Audit Ref: 13.3 With: Clause 10 of schedule 15.3 From: 01-Jan-18 To: 28-Feb-19	80% HE threshold not met for five NSPs. 100% threshold not met for one NSP. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong because risks are mitigated to an acceptable level. The impact on settlement is minor therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Response: Non compliance accepted and remedial action ongoing Action: GB has strong controls in place and always thrive to meet the code obligations. GB is reviewing its process further to ensure compliance is met.		Sept 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
GB has strong controls in place and always thrive to meet the code obligations. GB is reviewing its process further to ensure compliance is met.		Sept 2019	