

Compliance plan for Simply Energy Limited

Title: Relevant information		
Non-compliance	Description	
<p>Audit Ref: 2.1 With: Clause 15.2</p> <p>From: May-19</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> The profile change for 0000033597EA225 was processed effective from 16/01/19 instead of 15/01/19 and requires correction. Two ICPs had incorrect inactive status reason codes applied. Three ICPs temporarily had incorrect ANZSIC codes assigned. <p><i>SELX</i></p> <ul style="list-style-type: none"> Two ICPs temporarily had incorrect ANZSIC codes assigned. <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are recorded as strong because they are sufficient to ensure that most information is correct, and the errors identified appear to be isolated.</p> <p>The audit risk rating is low because the incorrect data has a low impact, and some of the incorrect data has already been corrected.</p>	
Actions taken to resolve the issue		Completion date
0000033597EA225 has now had the effective date corrected. 0000033281EA605 ICP with wrong status used has been corrected. Incorrect ANZSIC codes have been updated.		14/08/2019
Preventative actions taken to ensure no further issues will occur		Completion date
The numbers of non compliances are small based on the number of changes we do so no updates to processes are being considered.		14/08/2019
Identified		

Title: Audit trails			
Non-compliance		Description	
Audit Ref: 2.4 With: Clause 21 Schedule 15.2 From: 01-Jun-18 To: 29-May-19		EDM's IE2 and DQM audit trails do not record the operator identifier for the person who completed the activity; operator identifiers correspond to a user group not an individual. 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 and the impact as low. Audit trails are available and contain the required information, but the person who processed the change is not identifiable within the audit trail because there is only one operator identifier. A small number of users have access. For the sample of audit trails reviewed, the person responsible for processing the change was identified through supporting information in Fresh Desk.	
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy is working with EDM to understand the impacts of system changes that maybe necessary to be compliant with this clause.		30/09/2019	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
There is nothing further to add here.		26/08/2019	

Title: Retailer responsibility for electricity conveyed - access to metering installations	
Non-compliance	Description
Audit Ref: 2.6 With: Clause 10.7(2),(4),(5) and (6) From: 26-Jun-19 To: 23-Jul-19	SELX Access was unable to be arranged for the MEP to re-certify the meter for ICP 0089251350PC2BF. 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 assessed to be strong. Simply Energy has clauses in their customer contract which require the customer to grant access and has attempted to assist AMS to gain access.</p> <p>The impact is assessed to be low. Uncertified metering installations are likely to be less accurate than certified metering installations, so there could be a minor impact on settlement. Only one ICP is affected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy has continued to work with the end customer and the MEP with the aim of ensuring this ICP has compliant metering.		16/08/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Simply Energy has continued to work with the end customer and the MEP with the aim of ensuring this ICP has compliant metering.		16/08/2019	

Title: Electrical Connection of Point of Connection			
Non-compliance	Description		
<p>Audit Ref: 2.11 With: Clause 10.33A</p> <p>From: 13-Jul-18 To: 22-Feb-19</p>	<p><i>SIMP</i> One new connection was not certified within five business days of electrical connection.</p> <p><i>SELX</i> Nine reconnections were not certified within five business days of electrical connection.</p> <p>Potential impact: Low Actual impact: Low Audit history: Three times Controls: Strong Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are strong because there are processes in place to request meter certification or meter replacement for both new connections and reconnections. Because certification is an MEP responsibility and Simply Energy requires customer consent before replacing a meter, Simply Energy sometimes cannot achieve compliance.</p> <p>Uncertified metering installations are likely to be less accurate than certified metering installations, so there could be a minor impact on settlement. The audit risk rating is recorded as low because the number and proportion of connections affected is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

Simply Energy agrees that there are strong controls in place. The issues were across only a few sites.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy agrees that there are strong controls in place. The issues were across only a few sites.	14/08/2019	

Title: Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3 With: Clause 10 Schedule 11.1</p> <p>From: 19-Jul-18 To: 20-May-19</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> • 73 late status updates. • 54 late MEP nominations. • 20 late trader updates. <p><i>SELX</i></p> <ul style="list-style-type: none"> • Four late status updates. • One late MEP nomination. • 17 late trader updates. <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate, because most status updates and MEP nominations were processed on time and most of the delays were minor. The impact is assessed to be low, and I saw evidence that some of the late updates were to correct information.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We have changed our new connection processes in the past few years and that has seen a significant improvement in MEP Nominations timings.	31/07/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy will investigate the late status updates to understand if we can make further process improvements to our compliance numbers	30/11/2019	

Title: Provision of information to the registry manager			
Non-compliance		Description	
Audit Ref: 3.5 With: Clause 9 Schedule 11.1 From: 15-Aug-18 To: 14-May-19		<i>SIMP</i> <ul style="list-style-type: none"> 46 late updates for new connections. 0009502003LNDB9 had an incorrect status applied and was corrected during the audit. <i>SELX</i> <ul style="list-style-type: none"> One late update for a new connection. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating		Rationale for audit risk rating	
Low		The controls are moderate, and the impact is low. Most status updates were processed on time, but there is some room for improvement. Most of the delays were minor and for valid reasons. The incorrect status update was corrected.	
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy will investigate in detail the 46 late updates.		30/09/2019	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
After this investigation we will determine what changes we can make to our existing processes		30/11/2019	

Title: ANZSIC codes	
Non-compliance	Description
Audit Ref: 3.6 With: Clause 9 (1(k)) of Schedule 11.1 From: 06-May-19 To: 06-May-19	<i>SIMP</i> Three ICPs temporarily had incorrect ANZSIC codes assigned. <i>SELX</i> Two ICPs temporarily had an incorrect ANZSIC code assigned. Potential impact: Low Actual impact: Low Audit history: Once 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 ensure that most ANZSIC codes are recorded correctly. The audit risk rating is low, because the incorrect ANZSIC codes have been corrected and a small number of exceptions were identified.		
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.		23/07/2019	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
We are comfortable with the current controls in place.		14/08/2019	

Title: Management of “active” status			
Non-compliance	Description		
Audit Ref: 3.8 With: Clause 17 Schedule 11.1 From: 08-Mar-19 To: 20-Mar-19	<p><i>SIMP</i> 0009502003LNDB9 had an incorrect status applied and was corrected during the audit.</p> <p>Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong. This appears to be an isolated manual processing error.</p> <p>The impact is low, because one ICP was affected and the records have been corrected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.		31/07/2019	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
We are comfortable with the current controls in place.		14/08/2019	

Title: Management of “inactive” status		
Non-compliance	Description	
Audit Ref: 3.9 With: Clause 19 Schedule 11.1 From: 10-Oct-18 To: 17-Dec-18	<i>SIMP</i> Two ICPs had incorrect inactive status reason codes applied. Potential impact: Low Actual impact: None Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong. The incorrect codes were manually selected when processing the registry updates. All other information relating to the status update was processed correctly. The impact is low. The correct status code was applied, and the status reason does not affect settlement. There could have potentially been an impact on other participants if one of the ICPs had switched to another retailer who attempted to reconnect it.	
Actions taken to resolve the issue	Completion date	Remedial action status
0000033281EA605 has now had the inactive reason updated.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	14/08/2019	

Title: Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
Audit Ref: 4.2 With: Clauses 3 and 4 Schedule 11.3 From: 21-Nov-18 To: 03-May-19	<i>SIMP</i> Less than 50% of AN proposed event dates were within five business days of the NT receipt date. For all ANs which did not have dates within five business days of NT receipt, the proposed event date matched the gaining trader’s requested date. Potential impact: Low 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 and the impact is low, because Simply Energy had applied the gaining trader’s requested date, and all proposed event dates were within ten business days of NT receipt.	

Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.	22/07/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Process in place and reinforced.	22/07/2019	

Title: Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3 With: Clause 5 Schedule 11.3</p> <p>From: 01-Jul-18 To: 23-Jul-19</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> • Three late CS files for transfer switches. • Three transfer CS files with incorrect switch event read types. • Average daily kWh in the CS is not always calculated in accordance with the Registry Functional Specification. <p><i>SELX</i></p> <ul style="list-style-type: none"> • Three transfer CS files with incorrect last actual read dates. • Average daily kWh in the CS is not always calculated in accordance with the Registry Functional Specification. <p>Potential impact: Low Actual impact: Low Audit history: Once Controls: Weak Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as weak, because some file content was incorrect and the process to calculate estimated daily consumption is not consistent with the registry functional specification where the last two validated readings are less than 21 days apart.</p> <p>The audit risk rating is low, and the incorrect data has a low impact. The average daily consumption appeared reasonable. There is no impact on settlement and a minor impact on other participants.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
A new process was implemented in Dec 18, with an error in details which led to this issue occurring. The process was resolved July 19.	22/07/2019	Investigating

Preventative actions taken to ensure no further issues will occur	Completion date
Enhancements to support the reporting of the average daily consumption to be based on the last two actual reads will be investigated.	30/11/2019

Title: Retailers must use same reading - standard switch		
Non-compliance	Description	
Audit Ref: 4.4 With: Clause 6(1) and 6A Schedule 11.3 From: 14-Nov-18 To: 14-Mar-19	<i>SIMP</i> <ul style="list-style-type: none"> One late RR file for a transfer switch. Potential impact: Low 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 as they are sufficient to mitigate the risk of non-compliance most of the time. The impact is assessed to be low, based on the small number of exceptions identified.	
Actions taken to resolve the issue	Completion date	Remedial action status
The reads were reflected accurately in Madras for reconciliation but due to the small volume difference we chose not to re invoice.	14/07/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy are focusing on obtaining reads promptly. With time this will reduce the late RR files.	14/08/2019	

Title: Gaining trader informs registry of switch request - switch move		
Non-compliance	Description	
Audit Ref: 4.7 With: Clause 9 Schedule 11.3 From: 20-Feb-19 To: 04-Jun-19	SELS Five NTs had an incorrect switch type applied. SELX Four NTs had an incorrect switch type applied. Potential impact: Low 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 and the impact as low. The affected ICPs belonged to family and friends of the Simply Energy team and were moving between Simply Energy's codes. There was no impact on the customer or other participants, and Simply Energy applied the switch type to enable a backdated switch without breaching other switching rules.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	14/08/2019	

Title: Losing trader provides information - switch move		
Non-compliance	Description	
Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3 From: 06-Jul-18 To: 06-Jul-18	SELX An incorrect AN response code was provided for one ICP. OC was applied instead of AD. Potential impact: Low 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. The issue occurred early in the audit period and the application of AN codes is now automated. The impact is assessed to be low because only one incorrect AN code was identified.	

Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	31/01/2020	

Title: Losing trader must provide final information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.10 With: Clause 11 Schedule 11.3</p> <p>From: 01-Jul-18 To: 23-Jul-19</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> • Seven late CS files for switch moves. • Three switch move CS files with incorrect last actual read dates. • One switch move CS files with an incorrect switch event read type. • Average daily kWh in the CS is not always calculated in accordance with the Registry Functional Specification. <p><i>SELX</i></p> <ul style="list-style-type: none"> • Three late CS files for switch moves. • Two switch move CS files with incorrect last actual read dates. • One switch move CS files with an incorrect switch event read type. • Average daily kWh in the CS is not always calculated in accordance with the Registry Functional Specification. <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as weak, because some file content was incorrect and the process to calculate estimated daily consumption is not consistent with the registry functional specification where the last two validated readings are less than 21 days apart.</p> <p>The audit risk rating is low, and the incorrect data has a low impact. The average daily consumption appeared reasonable. There is no impact on settlement and a minor impact on other participants.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
A new process was implemented in Dec 18, with an error in details which led to this issue occurring. The process was resolved July 19.	15/07/2019	Investigating

Preventative actions taken to ensure no further issues will occur	Completion date
Enhancements to support the reporting of the average daily consumption to be based on the last two actual reads will be investigated.	30/11/2019

Title: Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.11</p> <p>With: Clause 6(1) and 6A Schedule 11.3</p> <p>From: 09-Oct-18</p> <p>To: 12-Apr-19</p>	<p><i>SIMP</i></p> <ul style="list-style-type: none"> • Four late switch move RR files. • One switch move RR was not supported by two validated actual readings. <p><i>SELX</i></p> <ul style="list-style-type: none"> • One late switch move RR file. • For one ICP, the readings in DataHub did not reflect the outcome of the RR process. <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</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 they are sufficient to mitigate the risk of non-compliance most of the time.</p> <p>The impact is assessed to be low, based on the small number of exceptions identified. The impact of the incorrectly recorded reading is 2 kWh.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy is aware that the controls are noted as moderate but believes it has the controls in place currently to capture the majority of issues. The difference in volume on the one SELX ICP was 2 kWh which was also below the original switch read, as it was so low we chose not to dispute original switch read and therefore the difference was not invoiced nor reconciled.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	14/08/2019	

Title: Gaining trader informs registry of switch request - gaining trader switch		
Non-compliance	Description	
Audit Ref: 4.12 With: Clause 14 Schedule 11.3 From: 18-Jun-18 To: 24-Jul-18	<p><i>SIMP</i> One HH NT was issued 26 business days after pre-conditions were cleared. The initial registry update failed, and the file was resent.</p> <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>The controls are rated as moderate, the file was sent to the registry on time but was not updated, and the failure was not identified promptly through Simply Energy's monitoring processes.</p> <p>The impact is assessed to be low because only one late file was identified.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Process in place and reinforced.	22/7/2019	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
Investigating automation of the Registry Acknowledgement files.	30/11/2019	

Title: Losing trader provision of information - gaining trader switch		
Non-compliance	Description	
Audit Ref: 4.13 With: Clause 15 Schedule 11.3 From: 14-Sep-18 To: 14-Sep-18	<p><i>SIMP</i> One HH AN contained the AD (advanced metering) code but should have contained the AA (accept and acknowledge code).</p> <p>Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as strong. The issue occurred early in the audit period and the application of AN codes is now automated.</p> <p>The impact is assessed to be low because only one incorrect AN code was identified.</p>	

Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	14/08/2019	

Title: Withdrawal of switch requests		
Non-compliance	Description	
Audit Ref: 4.15 With: Clauses 17 and 18 Schedule 11.3 From: 03-Sep-18 To: 15-May-19	<i>SIMP</i> Ten late NW files. <i>SELX</i> Two late NW files. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are strong. The sample of late NWs checked found that in most cases the delay was due to an investigation being completed prior to issuing the withdrawal request. Further training has been provided to prevent invalidly issued for earlier switch events. The impact is assessed to be low because a small proportion of NWs were issued late.	
Actions taken to resolve the issue	Completion date	Remedial action status
Process has been updated to question any withdrawals requested prior to 60 days old.	22/07/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	14/08/2019	

Title: Collection of information by certified reconciliation participant		
Non-compliance	Description	
Audit Ref: 6.5 With: Clause 2 Schedule 15.2 From: 01-Jun-18 To: 29-May-19	FCLM does not usually provide a screen shot confirming time differences for meters which are manually read using MV90. If this information is not provided, EDML is unable compare the system time to the meter time. 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 and the impact as low, because the issue only affects manual downloads for FCLM meters	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy is working with FCLM to understand what changes need to be made to show compliance.	30 September 2019	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
There is nothing further to add here.	26 August 2019	

Title: Derivation of meter readings		
Non-compliance	Description	
Audit Ref: 6.6 With: Clause 3(1), 3(2) and 5 Schedule 15.2 From: 03-Jun-19 To: 03-Jun-19	At least two ICPs had customer readings which were not validated against a set of readings from another source but were treated as validated readings by the reconciliation process. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are assessed to be strong, because the customer and photo read processes have been improved during the audit period. The risk is assessed to be low, as only two exceptions were identified. Simply Energy is carrying out further investigation to determine whether more readings could be affected.	

Actions taken to resolve the issue	Completion date	Remedial action status
The two ICPs are in a remote part of New Zealand and we have no issue with the customer providing the reads required.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will review with Wells if they can provide a meter reader to this area or contract with any independent party for this.	31/10/2019	

Title: Derivation of meter readings		
Non-compliance	Description	
<p>Audit Ref: 6.8 With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: 24-Jul-17 To: 01-Jul-19</p>	<p><i>SIMP</i> For at least three ICPs unread during the period of supply, the best endeavours requirements were not met, and exceptional circumstances did not exist.</p> <p><i>SELX</i> For four ICPs unread during the period of supply, the best endeavours requirements were not met, and exceptional circumstances did not exist.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate. There is a process in place, but compliance is not consistently achieved if the period of supply is short.</p> <p>The impact on settlement from an estimate for a short period is minor, therefore the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We don't believe based on the small number of ICPs impacted that any changes are required.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	14/08/2019	

Title: NHH meters 90% read rate			
Non-compliance		Description	
Audit Ref: 6.10 With: Clause 9(1) and (2) Schedule 15.2 From: 01-Dec-18 To: 31-Mar-19		<i>SELX</i> For at least one ICP unread in the previous four months, the best endeavours requirements were not met, and exceptional circumstances did not exist. 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 assessed to be strong. A process is in place and the best endeavours requirements are usually met within four months. The impact is assessed to be low. The use of estimates may have a minor impact on settlement. Only NSPs with very small numbers of customers do not achieve 90% read attainment, and overall read attainment is high.	
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.		14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We are comfortable with the current controls in place.		14/08/2019	

Title: Correction of HHR metering information	
Non-compliance	Description
Audit Ref: 8.2 With: Clause 19(2) Schedule 15.2 From: 01-May-19 To: 23-Jul-19	<i>SELS</i> Actual HHR data may not be applied for FCLM meters where part of a day of data is provided, and then a replacement file is issued. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate, and the impact as low.</p> <p>Simply Energy has a process to ensure that estimated data is replaced by actual data where a replacement file is issued. The issue affects ICPs where data is initially provided for some trading periods at the beginning of the day, and replacement data is provided only for the missing trading periods at the end of the day. Where a whole day of replacement data is provided the issue does not occur.</p> <p>The impact is low. Simply Energy's estimation process calculates the missing trading periods based on surrounding readings and ensures that the total estimated across the missing periods matches the actual data.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy is currently investigating the various files FCLM can provide to then make the necessary changes to then have compliance on this issue.		22/08/2019	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Once investigation is complete development will commence to resolve this issue.		31/03/2020	

Title: Identification of readings	
Non-compliance	Description
<p>Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2</p> <p>From: 01-Nov-18 To: 03-Jun-19</p>	<p><i>SIMP</i> At least four switch event readings were incorrectly classified as estimated or actual. Two unvalidated customer readings were treated as actual by the historic estimate process.</p> <p><i>SELX</i> At least two actual validated switch event readings were incorrectly classified as estimated.</p> <p>Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>The controls are assessed to be moderate and the impact is assessed to be low. Most readings were correctly classified, and the readings themselves were correct. Simply Energy is carrying out further investigation to determine whether more customer readings could be affected.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
A new process was implemented in Dec 18, with an error in details which led to this issue occurring. The process was resolved July 19.	22/07/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Simply Energy will investigate with Wells if they are able to read the two isolated ICPs.	31/10/2019	

Title: Electronic meter readings and estimated readings		
Non-compliance	Description	
Audit Ref: 9.6 With: Clause 17 Schedule 15.2 From: 01-Jun-18 To: 29-May-19	For EDMl's manual downloads, the meter event information is not imported into IE2 and is not reviewed and sent to the retailer. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as moderate, because in most cases meter event data is reviewed and provided to the participant if any events occur. The impact is assessed to be low, because event information is obtained and reviewed for most downloads.	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy is working with EDMl to obtain the PROFVAL file so that we can use this to further validate the manual downloads.	30 September 2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will be working with EDMl to understand what changes they need to make to be compliant.	30 September 2019	

Title: Buying and selling notifications		
Non-compliance	Description	
Audit Ref: 11.1 With: Clause 15.3 From: 01-Oct-18 To: 28-Feb-19	<p><i>SIMP</i> Three trading notifications were not provided. <i>SELX</i> 17 trading notifications were not provided.</p> <p>Potential impact: None Actual impact: None Audit history: Once Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>It was not possible for Simply Energy to create the required trading notifications using the reconciliation manager portal. There is no impact, the reconciliation manager's system recorded the profiles correctly.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
As per the auditors comment there is currently no process for Simply Energy to use as the process on the reconciliation manager portal does not accommodate this.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
No further action required.	14/08/2019	

Title: HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 From: 01-Jul-18 To: 23-Jul-19	<p>HHR aggregates file does not contain electricity supplied information.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The issue relating to content of the aggregates file is an error in the code, Simply Energy is providing submission information as expected.</p>	

Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy agrees that there is an error in the code and that submission information is being provided as expected..	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	21/08/2019	

Title: Allocation of submission information		
Non-compliance	Description	
Audit Ref: 12.3 With: Clause 15.5 From: Jun-18 To: Nov-18	<p><i>SIMP</i> Zero lines were not inserted for the following AV080 submissions</p> <ul style="list-style-type: none"> • PVG0011 Sep 18 r3, Oct 18 r3, Nov 18 r3 • TPW0011 Jun 18 r7, Jul 18 r 7, Aug 18 r 7, Sep 18 r3, Oct 18 r3, Nov 18 r3 • TDS0011 Jul 18 r 7 • CFM0011 Aug 18 r7 • ROT0111 Aug 18 r7 • PZH0011 Jun 18 r7 • DCQ0011 Jun 18 r7. <p>Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as strong because procedures for zeroing have been improved, and I saw evidence that zeros were added for later revisions using the GR100 ICP comparison review process.</p> <p>The impact is low. Zeros will be added and provided in revision submissions.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Simply Energy agrees that there are strong controls in place.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.	30/11/2019	

Title: Accuracy of submission information			
Non-compliance	Description		
Audit Ref: 12.7 With: Clause 15.12 From: 01-Jul-18 To: 23-Jul-19	Historic estimate may be labelled as forward estimate where SASV are not available. <i>SIMP</i> Zero lines were not inserted for the following AV080 submissions <ul style="list-style-type: none"> • PVG0011 Sep 18 r3, Oct 18 r3, Nov 18 r3 • TPW0011 Jun 18 r7, Jul 18 r 7, Aug 18 r 7, Sep 18 r3, Oct 18 r3, Nov 18 r3 • TDS0011 Jul 18 r 7 • CFM0011 Aug 18 r7 • ROT0111 Aug 18 r7 • PZH0011 Jun 18 r7 • DCQ0011 Jun 18 r7. Two customer readings were treated as validated without being validated against a set of reads from another source. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate: <ul style="list-style-type: none"> • historic and forward estimate is correctly identified most of the time; • procedures for zeroing have been improved, and I saw evidence that zeros were added for later revisions using the GR100 ICP comparison review process; and • customer and photo read processes have been improved during the audit period. The impact is assessed to be low: <ul style="list-style-type: none"> • the classification of historic estimate as forward estimate has no impact on settlement because the calculation is correct; • zeros will be added and provided in revision submissions; and • only two customer read exceptions were identified, Simply Energy is carrying out further investigation to determine whether more readings could be affected. 		
Actions taken to resolve the issue		Completion date	Remedial action status
Simply Energy agrees that there are moderate controls in place. Simply Energy has started reviewing and resolving errors at Revision 7.		31/10/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We are comfortable with the current controls in place.			

Title: Permanence of meter readings for reconciliation		
Non-compliance	Description	
Audit Ref: 12.8 With: Clause 4 Schedule 15.2 From: Nov-17 r14 to Jan-18 r14	Some estimates are not replaced at R14. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are considered moderate because meter reading processes are strong leading to a very small proportion of FE still existing at 14 months. The audit risk rating is low because the use of estimates may have a minor impact on settlement.	
Actions taken to resolve the issue		Completion date
Simply Energy has in the past few months focussed on removing all ICPs with older than 14 month reads to bring the FE down to zero.		14/08/2019
Preventative actions taken to ensure no further issues will occur		Completion date
Simply Energy will continue its focus on sites without reads for over 6 months.		14/08/2019
Remedial action status		
Identified		

Title: Historical estimates and forward estimates		
Non-compliance	Description	
Audit Ref: 12.10 With: Clause 3 Schedule 15.3 From: 01-Jul-18 To: 23-Jul-19	Where SASV profiles are not available, consumption based on validated readings is labelled as forward estimate. Potential impact: None Actual impact: None Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because historic and forward estimate is correctly identified most of the time. There is no impact on settlement because the calculation is correct; therefore, the audit risk rating is low.	

Actions taken to resolve the issue	Completion date	Remedial action status
To completely change this reporting would require significant development, we are not considering making these changes at this time.	14/08/2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
No further action	14/08/2019	

Title: Forward estimate process		
Non-compliance	Description	
<p>Audit Ref: 12.12 With: Clause 6 Schedule 15.3</p> <p>From: Apr-18 (r1, r3, r7), May-18 (r1, r3, r7), Jun-18 (r7), Oct-18 (r1, r3)</p>	<p><i>SIMP</i> The accuracy threshold was not met for all revisions for April 2018, May 2018, June 2018 and October 2018.</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. They are sufficient to ensure data is within the accuracy threshold most of the time, but do not always provide a realistic estimate of consumption because a default daily forward estimate is applied.</p> <p>The impact is low, revised data is washed up.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Energy is focussing a lot more of its efforts on NHH ICPs without reads for six months which will in turn reduce the FE being applied.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We are comfortable with the current controls in place.		

Title: Historical estimate reporting to RM		
Non-compliance	Description	
Audit Ref: 13.3 With: Clause 10 of schedule 15.3 From: Nov-17 to Jan-18 (r14), Jun-18 to Aug-18 (r7) and Sep-18 to Nov- 18 (r3)	<p><i>SIMP</i> Historic estimate targets were not met for all months and revisions. <i>SELX</i> Historic estimate targets were not met for all months and revisions.</p> <p>Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	Strong controls are in place to get actual to derive submission information. The impact on settlement is minor, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Simply Energy agrees that there are strong controls in place.		21/08/2019
Preventative actions taken to ensure no further issues will occur		Completion date
We are comfortable with the current controls in place.		21/08/2019
		Identified