

Compliance plan for Meridian – 2019

Relevant information		
Non-compliance	Description	
<p>Audit Ref: 2.1 With: 11.2 & 15.2</p> <p>From: 01-Nov-18 To: 24-Oct-19</p>	<p>MERI</p> <p>Some registry information is incorrect.</p> <p>DUML ICPs 0000545297NR91E, 0000500236NR1F1 and 0000500015NRA63 have the unmetered flag incorrectly set to “N” on the registry.</p> <p>12 incorrect statuses/status dates identified in the 2018 audit have not yet been corrected. Most of the affected ICPs have now switched out or been decommissioned.</p> <p>Potential impact: Low 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 they identify most of the errors but not all.</p> <p>The audit risk rating is low as the discrepancies identified will only have a minor effect on submission.</p>	
Actions taken to resolve the issue		Completion date
<p>Actions to resolve issues noted here are included in the relevant sections of this report</p>		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

Retailer responsibility for electricity conveyed - access to metering installations		
Non-compliance	Description	
<p>Audit Ref: 2.6</p> <p>With: Clause 10.7(2),(4),(5) and (6)</p> <p>From: 24-Oct-19</p> <p>To: 24-Oct-19</p>	<p>MERI</p> <p>Meridian has been unable to arrange meter access to 27 ICPs at the request of MEPs as at 24/10/19. Meridian has attempted to gain access to all the affected ICPs and continues to do so.</p> <p>Potential impact: Medium</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>Meridian has strong controls in place and is seeking legal advice from its lawyers and the Authority to further strengthen controls. This is a technical non-compliance because the code specifies that Meridian “must” provide access, rather than use best or reasonable endeavours to provide access. A very small proportion of ICPs are affected.</p> <p>The impact is low, access is generally required to complete meter changes.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
As reported, Meridian is investigating implementation of further process steps to gain access to these ICPs in accordance with our terms and conditions.	Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
In general, we consider our processes and controls in this area are adequate to ensure access is provided when requested the majority of the time. Issues with access are generally related to customer refusal and not straight forward to resolve.		

Electrical Connection of Point of Connection			
Non-compliance	Description		
<p>Audit Ref: 2.11</p> <p>With: Clause 10.33A</p> <p>From: 13-Sep-18</p> <p>To: 13-Sep-19</p>	<p>MERI</p> <p>23 ICPs were certified later than 5 days after electrical connection.</p> <p>100 ICPs which had expired and/or interim certification were reconnected.</p> <p>Potential impact: Low</p> <p>Actual impact: None</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. The new connection process has good controls to ensure that MEPs are in place for new connections. Meridian is strengthening their controls for reconnections to ensure that reconnections requiring certification are identified and recertified by the MEPs.</p> <p>The audit risk rating is low as a small proportion of ICPs were affected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We have good controls in place to ensure meters are certified at the time of initial electrical connection when possible – situations where load is too low to certify are infrequent and processes are in place to ensure certification is completed when it is possible</p> <p>We have clarified internal responsibility for providing the list of reconnected ICPs with uncertified metering to MEPs and have reinstated this process.</p>		<p>Ongoing</p> <p>2 Dec 2019</p>	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Provision of information to the registry manager			
Non-compliance	Description		
<p>Audit Ref: 3.5</p> <p>With: Clause 9 Schedule 11.1</p> <p>From: 01-Nov-18</p> <p>To: 16-Sep-19</p>	<p>MERI</p> <p>448 late updates to active status for new connections.</p> <p>ICP 0007190640RNED6 has been confirmed to be connected from 21/06/19, but the status has not been updated to active yet.</p> <p>15 ICPs had incorrect active dates recorded. Corrections were processed for all affected ICPs except 1002051414LC0BD, 1002054748LCF88 and 0007186223RNCC6.</p> <p>Potential impact: Medium</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, in most cases the registry was updated on time. Where information was late, circumstances beyond Meridian's direct control had contributed to the late update.</p> <p>The audit risk rating is low as the impact to the market of the ICPs not being updated within five business days is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>All incorrect active dates have been identified have been corrected where possible.</p> <p>ICP 0007190640RNED6 – status has been updated to active</p> <p>ICP 1002051414LC0BD – can not be corrected until the network reverse entries from the Registry – we have had no response to our request to date</p> <p>ICP 0007186223RNCC6 – further investigation found our active status date is correct</p>		4 Dec 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>We will continue with our existing controls that ensure Registry information is updated within 5 business days where this is within our control.</p> <p>We intend to utilise information now available in the AC-020 report to more regularly monitor both timeliness and accuracy of Registry information for new connections.</p>		<p>Ongoing</p> <p>31 March 2020</p>	

ANZSIC codes			
Non-compliance	Description		
<p>Audit Ref: 3.6</p> <p>With: 9 (1(k) Schedule 11.1</p> <p>From: 16-Aug-19</p> <p>To: 24-Oct-19</p>	<p>MERI</p> <p>Six ICPs with category 2 meters and residential ANZSIC codes had the incorrect ANZSIC code applied. The ANZSIC codes were corrected during the audit.</p> <p>11 ICPs had an incorrect ANZSIC code assigned. They are all now updated.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Multiple</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are strong. There are preventative controls are in place to ensure that ANZSIC codes are initially recorded accurately, and monitoring controls are periodically used to check and correct ANZSIC codes.</p> <p>The audit risk rating is low this has no direct impact on submission accuracy.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All incorrect ANZSIC codes identified have now been corrected.		Complete	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
We will continue with our current controls which are reported as strong.		Ongoing	

Management of "active" status			
Non-compliance	Description		
Audit Ref: 3.8 With: 17 Schedule 11.1 From: 11-Nov-18 To: 16-Sep-19	<p>MERI</p> <ul style="list-style-type: none"> Five reconnections have incorrect active status dates recorded. 16 new connections had incorrect status dates recorded. 12 ICPs have been corrected, and four require correction. <p>MERX</p> <ul style="list-style-type: none"> One reconnection has an incorrect status date recorded. <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. Preventative controls are in place; status updates are at least partially automated in both Velocity and Flux through the B2B processes. Work queues are created where information is incomplete or requires checking.</p> <p>Controls would improve to strong if new connection dates were checked by comparing them to distributor and MEP date, and active records created to produce service orders were monitored to ensure that they were removed.</p> <p>The audit risk rating is low, as a small number of differences were identified.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All incorrect status dates have been or will be corrected where possible.		15 Dec 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We are in the process of operationalising the AC-020 for both MERI and MERX which includes this comparison for new connections.		31 March 2020	

Management of "inactive" status			
Non-compliance	Description		
<p>Audit Ref: 3.9</p> <p>With: 19 Schedule 11.1</p> <p>From: 11-Nov-18</p> <p>To: 16-Sep-19</p>	<p>MERI</p> <ul style="list-style-type: none"> One update to inactive ready for decommissioning was processed with an incorrect date, and one update to inactive ready for decommissioning which should have been processed as inactive vacant. Both were corrected during the audit. ICP 0006402933RN7AA's inactive record should have been processed with an event date of 22/12/09 instead of 02/12/10. <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. Preventative controls are in place; status updates are at least partially automated in both Velocity and Flux through the B2B processes. Work queues are created where information is incomplete or requires checking.</p> <p>The audit risk rating is low, as a small number of ICPs were affected. There may be a small impact on settlement if the whole read period in which consumption occurred is inactive.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All incorrect status dates have been or will be corrected where possible.		15 Dec 2019	
Preventative actions taken to ensure no further issues will occur		Completion date	
We are in the process of operationalising the AC-020 for both MERI and MERX which includes this comparison for new connections.		31 March 2020	

Inform registry of switch request for ICPs - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.1</p> <p>With: Clause 2 Schedule 11.3</p> <p>From: 14-Feb-19</p> <p>To: 18-Feb-19</p>	<p>MERI</p> <p>ICP 0000010351EA96E had a category three meter and switch type TR was applied instead of HH.</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. The HH switching team are aware of the requirements for HH switches, but occasionally process TR and MI switches for commercial and industrial customers. The wrong switch type was accidentally selected, and all other switches for ICPs with metering category 3 or above had the correct switch type recorded.</p> <p>The impact is low, the switch was completed as required.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
The switch was reissued with the correct switch type	Complete	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
The cause of the error was not systemic and existing controls are considered adequate.		

Losing trader response to switch request and event dates - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.2</p> <p>With: Clauses 3 and 4 Schedule 11.3</p> <p>From: 03-Jan-19</p> <p>To: 03-Jan-19</p>	<p>MERX</p> <p>The AN file for 1001130587UNCD5 was three business days late.</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>The controls over AN responses are strong. They are automated and sufficient to ensure that the correct response code will be applied most of the time.</p> <p>The impact is assessed as low. The AN file was three business days late.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
The AN file was sent as soon as identified	Complete	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We consider that existing controls are robust however we will ensure there is adequate cover to process and manual AN's over the upcoming Christmas period to avoid recurrence of this issue on a potentially larger scale.	31 Dec 2019	

Losing trader must provide final information - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.3</p> <p>With: Clause 5 Schedule 11.3</p> <p>From: 05-Feb-19</p> <p>To: 27-Aug-19</p>	<p>MERI</p> <p>The CS file for ICP 0000402279TP7DB was recorded as one business day late.</p> <p>At least seven CS files had incorrect estimated daily kWh.</p> <p>At least six CS files contained an incorrect switch event read and read type.</p> <p>At least one CS file contained an incorrect switch event read.</p> <p>MERX</p> <p>At least seven CS files had incorrect estimated daily kWh.</p> <p>At least three CS files did not have the correct switch event reading applied. In one case the difference between the correct reading and the reading applied was so small there was no impact.</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. Read and read type errors are likely to occur for MERI where the latest actual read does not occur on the last day of supply, and read type errors are likely to occur for MERX where the last actual read is recorded at 00.00.00.</p> <p>The audit risk rating is low because the kWh differences found are generally small, the issue is present for all CS files and has an impact on other participants.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>MERI</p> <p>We acknowledge the audit findings regarding switch event meter reads, read types and estimated daily consumption contained in CS files.</p> <p>As all ICPs are being transitioned off this platform over the coming months and given the Authority's switch process review that is currently underway, changes will not be made to the Velocity system at this time.</p> <p>MERX</p> <p>We are investigating the audit findings in relation to the use of the switch read from the day before the switch event date to determine whether this is system or process/timing related.</p> <p>We note that the average daily consumption field is one of the issues included in the Authority's Switch Process Review and will await the outcome of that before any changes to Flux logic are considered.</p>	<p>N/A</p> <p>31 Dec 2019</p> <p>N/A</p>	<p>Identified</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>MERX</p> <p>We will implement a system or process change to resolve the switch event meter read issue when the cause of this is confirmed.</p>	30 April 2020	

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: 11-Jan-18</p> <p>To: 19-Aug-19</p>	<p>MERI</p> <p>For five accepted RRs (0002520170AJ3AB 15/07/19, 0004070580WM2EF 08/08/19, 0004983425ALA8A 15/07/19, 0007164762RN91E 24/01/19 and 1000498793PCF91 11/01/19) the read type was recorded as actual when the agreed switch reading was an estimate.</p> <p>The switch event readings for 0000008456TEC2E 22/01/19, 0000029677CH179 29/07/19 and 0005940982RNCE1 18/07/19 did not reflect the outcome of the RR process.</p> <p>MERX</p> <p>For 0006002854RN52B 01/07/19 the read in Flux on the event date did not reflect the outcome of the RR process for one meter register. Meter 208210212/1 showed 49303 estimate in Flux, and the agreed reading was 49304 actual.</p> <p>The RR for 0006788017RNF2D 19/08/19 was not supported by two actual readings. The read type in the RR was incorrectly recorded as actual, when the reading was an estimate.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>
Audit risk rating	Rationale for audit risk rating

<p>Low</p>	<p>The controls are rated as weak, because they are not sufficient to ensure that the agreed switch reading is consistently recorded, particularly where differences are small. It was expected that corrections of ± 1 kWh would not be processed, but I found a larger discrepancy of 10 kWh was also not processed.</p> <p>The impact is low:</p> <ul style="list-style-type: none"> • the difference in read types has no impact on submission. All switch event readings are treated as actual or permanent estimate; • the difference in agreed switch readings resulted in over submission of 12 kWh for MERI and 1 kWh for MERX; • failure to process corrections where the agreed switch reading is within ± 1 kWh of MERI's recorded reading is unlikely to have a significant impact; and • the estimated RR reading for 0006788017RNF2D was calculated from an actual reading. 	
<p>Actions taken to resolve the issue</p>	<p>Completion date</p>	<p>Remedial action status</p>
		<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>MERI</p> <p>We will review the process with staff members to ensure it is clear when a revised switch read should be applied in the system. This is a manual process that can have impacts for customers therefore we consider where differences are negligible (i.e. +/-1kWh) the cost of processing outweighs the benefit.</p> <p>MERX</p> <p>We will review the RR process in Flux with relevant staff members to ensure controls are adequate.</p>	<p>31 March 2020</p> <p>31 March 2020</p>	

Non-half hour switch event meter reading - standard switch		
Non-compliance	Description	
<p>Audit Ref: 4.5</p> <p>With: Clause 6(2) and (3) Schedule 11.3</p> <p>From: 01-Sep-19</p> <p>To: 01-Sep-19</p>	<p>MERX</p> <p>An RR for ICP 0000212760MPDC7 (switch event date 23/08/19) issued under clause 6(2) and (3) of Schedule 11.3 was invalidly rejected.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</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 most RRs issued under clause 6(2) and (3) of Schedule 11.3 were accepted or validly rejected. The RR was invalidly rejected due to a processing error, another similar RR was correctly accepted.</p> <p>The impact is rated as low because one RR was invalidly rejected and the difference in readings was 5 kWh.</p>	
Actions taken to resolve the issue		Completion date
Preventative actions taken to ensure no further issues will occur		Completion date
<p>We consider existing controls and staff understanding in relation to when RR's must be accepted under clause 6(2) and (3) Schedule 11.3 is adequate.</p>		
		Identified

Gaining trader informs registry of switch request - switch move		
Non-compliance	Description	
<p>Audit Ref: Clause 4.7</p> <p>With: Clause 9 Schedule 11.3</p> <p>From: 13-Feb-19</p> <p>To: 15-Aug-19</p>	<p>MERI</p> <ul style="list-style-type: none"> ICPs 0007173962RN394, 0122019044LC168, 1001150580CK73A and 1001300918LC300 were requested as switch moves although the customer was not moving in from the switch event date, because a certain switch date was required by the customer. ICP 0004560540TCE54's NT was not sent within two business days of pre-conditions being cleared. <p>MERX</p> <ul style="list-style-type: none"> ICPs 0007179906RN32E and 0007187575RNBE3 were requested as switch moves although the customer was not moving in from the switch event date. NTs were sent more than two business days after pre-conditions were cleared for ICPs 0007179906RN32E, 0007187575RNBE3 and 0247536180LCEAO. <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as weak. Although automation ensures that the correct switch type is applied and files are on time in most cases, a high proportion of the samples checked for MERI and MERX were non-compliant.</p> <p>The audit risk rating is low, because there is no impact on settlement, and it helps to ensure ICPs are switched on the correct date which improves the outcome for the customer. There is some impact on market switching statistics.</p>	
Actions taken to resolve the issue		Completion date
NT files have been sent in all cases.		
Preventative actions taken to ensure no further issues will occur		Completion date
		Identified

<p>The issue identified is widely used as a workaround to ensure, where required by customer contracts (or in some cases losing trader systems) NHH ICPs are switched as at a particular contracted date.</p> <p>It is Meridian's general practice to only use this work around where necessary to ensure customers are not unduly impacted by limitations with the TR switching process or Trader systems and we will review the ICPs identified to ensure this was the case.</p> <p>We understand this issue has been identified in the Switch Process Review work that is in progress.</p> <p>MERX</p> <p>We will review the late issuing of NT's to ensure there are no systemic issues that require additional controls.</p> <p>As reported, there was a valid reason for requesting a switch move for ICP 0007187575RNBE3 and further review of ICP 0007179906RN32E identified the switch type was correct.</p>	<p>28 Feb 2020</p> <p>28 Feb 2020</p>	
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Losing trader provides information - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.8</p> <p>With: Clause 10(1) Schedule 11.3</p> <p>From: 03-Jan-19</p> <p>To: 11-Sep-19</p>	<p>MERI</p> <p>The AN file for 0000027328WE348 was one business day late.</p> <p>The ANs for 0000404696MP91D and 0208099496LC406 had a proposed event date before the gaining trader's proposed event date.</p> <p>MERX</p> <p>The AN file for 0000125771TR8A5 was one business day late.</p> <p>The AN for 0005781574RNE73 had a proposed event date before the gaining trader's proposed event date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls over AN responses are strong. They are automated and sufficient to ensure that the correct response code will be applied most of the time.</p> <p>The impact is assessed as low. Both late files were one business day late, and switches for ICPs with early proposed event dates were completed or withdrawn and reprocessed as required.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
All issues were resolved at the time		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will continue with existing controls	Ongoing	

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: 11-May-19</p> <p>To: 30-Aug-19</p>	<p>MERI</p> <p>At least seven CS files had incorrect estimated daily kWh.</p> <p>At least five CS files contained an incorrect switch event read and read type.</p> <p>At least four CS file contained an incorrect switch event read.</p> <p>MERX</p> <p>At least six CS files had incorrect estimated daily kWh.</p> <p>At least four CS files did not have the correct switch event reading applied. In one case the difference between the correct reading and the reading applied was so small there was no impact.</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. Read and read type errors are likely to occur for MERI where the latest actual read does not occur on the last day of supply and read type errors are likely to occur for MERX where the last actual read is recorded at 00.00.00.</p> <p>The audit risk rating is low because the kWh differences found are generally small, the issue is present for all CS files and has an impact on other participants.</p>	
Actions taken to resolve the issue		Completion date
<p>MERI</p> <p>We acknowledge the audit findings regarding switch event meter reads, read types and estimated daily consumption contained in CS files.</p> <p>As all ICPs are being transitioned off this platform over the coming months and given the Authority's switch process review that is currently underway, changes will not be made to the Velocity system at this time.</p> <p>MERX</p> <p>We are investigating the audit findings in relation to the use of the switch read from the day before the switch event date to determine whether this is system or process/timing related.</p> <p>We note that the average daily consumption field is one of the issues included in the Authority's Switch Process Review and will await the outcome of that before any changes to Flux logic are considered.</p>		<p>31 Dec 2019</p> <p>N/A</p>
Preventative actions taken to ensure no further issues will occur		Completion date

<p>MERX</p> <p>We will implement a system or process change to resolve the switch event meter read issue when the cause of this is confirmed.</p>	<p>30 April 2020</p>	
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<p align="center">Gaining trader changes to switch meter reading - switch move</p>		
<p>Non-compliance</p>	<p>Description</p>	
<p>Audit Ref: 4.11</p> <p>With: Clause 12 Schedule 11.3</p> <p>From: 15-Feb-19</p> <p>To: 14-Aug-19</p>	<p>MERI</p> <p>For five accepted RRs (0000206150CA6CB 15/02/19, 0000220358TP425 01/07/19, 0000221094MP014 01/03/19, 0000484681CEDE1 12/07/19 and 0000610961UNDDC 09/05/19) the read type was recorded as actual when the agreed switch reading was an estimate.</p> <p>MERX</p> <p>ICP 0007162236RN0D9 14/08/19 had an incorrect read type recorded in Flux. The agreed reading was actual but was recorded in Flux as an estimate.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
<p>Audit risk rating</p>	<p>Rationale for audit risk rating</p>	
<p>Low</p>	<p>The controls are rated as weak, because they are not sufficient to ensure that the agreed switch reading is consistently recorded, particularly where differences are small. No read discrepancies were found in the sample checked, but it is likely that they exist.</p> <p>The impact is low. The difference in read types has no impact on submission. All switch event readings are treated as actual or permanent estimate.</p>	
<p>Actions taken to resolve the issue</p>	<p>Completion date</p>	<p>Remedial action status</p>
		<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	

<p>MERI</p> <p>We will review the process with staff members to ensure it is clear when a revised switch read should be applied in the system. This is a manual process that can have impacts for customers therefore we consider were differences are negligible (i.e. +/-1kWh) the cost of processing outweighs the benefit.</p>	31 March 2020	
<p>MERX</p> <p>We will review the RR process in Flux with relevant staff members to ensure controls are adequate.</p>	31 March 2020	

Withdrawal of switch requests		
Non-compliance	Description	
<p>Audit Ref: 4.15</p> <p>With: Clauses 17 and 18 Schedule 11.3</p> <p>From: 01-Jan-19</p> <p>To: 12-Sep-19</p>	<p>MERI</p> <p>At least five NWs were issued in error where a new customer application for an existing Meridian ICP was cancelled.</p> <p>152 NWs were issued late.</p> <p>MERX</p> <p>Three NWs had an incorrect withdrawal reason code applied.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>Controls are rated as moderate, as they are sufficient to ensure that most NWs contain correct codes and are sent on time. The incorrect NW codes and invalid withdrawals were data processing errors.</p> <p>The impact is low, the affected NWs were rejected and resent with the correct codes where required, and a small percentage of withdrawals were issued late.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

We consider that our process and controls related to switch withdrawals work well in most instances;		
We will clarify with relevant staff members the correct use of withdrawal reason codes.	28 Feb 2020	
We will review in more detail the withdrawals noted as issued in error to see if further training is required.	28 Feb 2020	

Metering information		
Non-compliance	Description	
Audit Ref: 4.16 With: Clause 21 Schedule 11.3 From: 11-May-19 To: 30-Aug-19	<p>MERI 16 CS files contained an incorrect switch event read.</p> <p>MERX Seven CS files contained an incorrect switch event read. In two cases the difference between the correct reading and the reading applied was so small there was no impact. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as weak. Read errors are likely to occur for MERI where the latest actual read does not occur on the last day of supply, and for MERX where the last actual read is recorded at 00.00.00.</p> <p>The audit risk rating is low as the kWh differences found are generally small.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>MERI As all ICPs are being transitioned off this platform over the coming months and given the Authority's switch process review that is currently underway, changes will not be made to the Velocity system at this time.</p> <p>MERX We are investigating the audit findings in relation to the use of the switch read from the day before the switch event date to determine whether this is system or process/timing related.</p>	31 Dec 2019	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

<p>MERX</p> <p>We will implement a system or process change to resolve the switch event meter read issue when the cause of this is confirmed.</p>	<p>30 April 2020</p>	
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Unmetered threshold		
Non-compliance	Description	
<p>Audit Ref: 5.2 With: Clause 10.14 (2)(b) From: 01-Nov-18 To: 24-Oct-19</p>	<p>Four unmetered ICPs have estimated daily kWh of 3,000-6,000 kWh but have not been confirmed to have an approved load type.</p> <p>Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>Controls are rated as moderate. Although a small number of ICPs are affected, some have been supplied for several years.</p> <p>The impact is assessed to be low, because there are a small number of ICPs affected and consumption is below 6,000 kWh per annum per ICP.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Actions are in progress as recorded in the table above.</p>	<p>Ongoing</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur	Completion date	

Unmetered threshold exceeded			
Non-compliance	Description		
Audit Ref: 5.3 With: 10.14 (5) From: 01-Nov-18 To: 24-Oct-19	Six standard unmetered ICP with annual consumption over 6,000 kWh. 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 are rated as moderate because most ICPs falling into this category are identified and resolved. This is evident with the year on year reduction of these ICPs. However, some ICPs in this category have been supplied for several years. The audit risk rating is low as only six ICPs exceed 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 work to resolve these unmetered loads		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Distributed unmetered load		
Non-compliance	Description	
Audit Ref: 5.4 With: Clause 11 Schedule 15.3, Clause 15.37B & 16A.26 From: 01-Nov-18 To: 24-Oct-19	26 of 29 distributed unmetered databases not compliant. Two distributed unmetered databases not yet audited. Potential impact: High Actual impact: High Audit history: Multiple Controls: Moderate Breach risk rating: 6	
Audit risk rating	Rationale for audit risk rating	
High	The effectiveness of the controls is recorded as moderate as Meridian are working to resolve the issues found. The impact on settlement is major because the incorrect submission figures are major for some databases.	
Actions taken to resolve the issue	Completion date	Remedial action status
Actions being taken to address issues with DUML databases are detailed in individual DUML audit reports We are working to establish useable DUML databases for NZTA - Kaitoke and Northland. This has been difficult due to reliance on other parties.	30 April 2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Electricity conveyed & notification by embedded generators			
Non-compliance	Description		
<p>Audit Ref: 6.1</p> <p>With: Clause 10.13, 10.24 and 15.13</p> <p>From: 01-Nov-18</p> <p>To: 24-Aug-19</p>	<p>MERI</p> <p>Electricity not quantified from the time generation is installed for 36 ICPs.</p> <p>While meters were bridged, energy was not metered and quantified according to the code for 10 ICPs.</p> <p>ICP 0000840407WE388 is calculated by subtraction without an exemption being in place.</p> <p>MERX</p> <p>8 ICPs with solar installed but not being quantified due to import/export metering not being installed</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
As reported meters are bridged when necessary and this will continue to be the case.			Identified
We will review the DG ICPs identified that do not have IMP/EXP metering to confirm whether this needs to be installed (i.e. if exporting)		28 Feb 2020	
We will complete an exemption application for ICP 0000840407WE388		28 Feb 2020	
Preventative actions taken to ensure no further issues will occur		Completion date	
We will continue with existing controls to ensure unmetered consumption that occurs when a meter is bridged is accounted for in the settlement process.		Ongoing	

Responsibility for metering at GIP		
Non-compliance	Description	
Audit Ref: 6.2 With: Clause 10.26 (6), (7) and (8) From: 12-Feb-19 To: 05-Mar-19	One certification update made late for Manapouri. Potential impact: None Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. There is no direct impact; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
The certification date was notified to the RM as soon as the issue was identified.		
Preventative actions taken to ensure no further issues will occur		Completion date
The late notification was an oversight by the staff member responsible not a systemic issue.		N/A
		Cleared

Certification of control devices		
Non-compliance	Description	
Audit Ref: 6.3 With: Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3 From: 01-Nov-18 To: 24-Oct-19	MERI Two ICPs had a profile requiring control device certification without a certified control device or an AMI meter installed. Potential impact: Low Actual impact: Low Audit history: Twice 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 the risk most of the time. The audit risk rating is low because Meridian has robust controls in place and a very small number of ICPs were affected.	
Actions taken to resolve the issue		Completion date
We will manually update profiles for the two ICPs identified. Issues obtaining a reading for these ICPs was delaying correction via our automated processes.		31 Dec 2019
Preventative actions taken to ensure no further issues will occur		Completion date
Existing controls will continue		Ongoing
		Identified

Derivation of meter readings		
Non-compliance	Description	
<p>Audit Ref: 6.6</p> <p>With: Clause 5 of Schedule 15.2</p> <p>From: 01-Nov-18</p> <p>To: 24-Oct-19</p>	<p>MERI</p> <p>Customer reads are treated as actual reads when they are not validated against a set of actual meter reads from another source in some instances.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three 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 recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The audit risk impact is low as the volume of reads affected by this is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>We had implemented a small system change so customer reads and photo reads were treated as estimates rather than actual reads however found this impacted how reads appeared on a customer's bill therefore the change was revoked.</p> <p>The issue will be resolved when ICPs are migrated to Flux which treats customer reads as unverified unless a person manually validates them against another set of reads and applies a different status.</p>	Dec 2020	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

NHH meter reading application			
Non-compliance	Description		
<p>Audit Ref: 6.7</p> <p>With: Clause 6 Schedule 15.2</p> <p>From: 01-Nov-18</p> <p>To: 31-Oct-19</p>	<p>MERX</p> <p>MERX switch event meter readings supplied for the incorrect date.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</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>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We have manually updated profiles for the seven ICPs identified. Issues obtaining a reading were delaying the correction of these.		31 Dec 2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We will implement a system or process change to resolve the switch event meter read issue when the cause of this is confirmed.		30 April 2020	

Interrogate meters once			
Non-compliance	Description		
Audit Ref: 6.8 With: Clause 7(1) and (2) Schedule 15.2 From: 01-Oct-18 To: 24-Oct-19	MERI Some ICPs were not read during the period of supply. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	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. 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.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Strong controls are in place and we will continue with these.		Ongoing	

Correction of NHH meter readings		
Non-compliance	Description	
<p>Audit Ref: 8.1</p> <p>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> <p>From: 09-Aug-18</p> <p>To: 14-Aug-18</p>	<p>MERI</p> <p>Corrections not apportioned to the correct months for at least two ICPs.</p> <p>Some of the corrected consumption for ICP 1926004000CH077 is outside the 14-month window.</p> <p>Metering not yet replaced, therefore correction not made for ICP 0000931760NV71C where the metering is under recording by 18%.</p> <p>Correction not yet made for ICP 0005170923RN2E6, which was over recording by 32.39%. Metering was replaced on 12/03/19.</p> <p>MERX</p> <p>The correction is not for the correct period for ICP 0005758831RN460.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 mitigate the risk of incorrect data most of the time, but there is room for improvement.</p> <p>The impact is moderate because some kWhs were not submitted or the apportionment was incorrect.</p>	
Actions taken to resolve the issue		Completion date
Consumption for 2 ICPs identified has now been spread and will be apportioned the via wash up process.		Complete
A correction has been made for ICP 0005170923RN2E6 and will be submitted via the wash up process.		Complete
We will follow the MEP up re the CT replacement for ICP 0000931760NV7C		31 Dec 2019
Preventative actions taken to ensure no further issues will occur		Completion date
We will clarify with relevant staff members the correct process to ensure historic consumption adjustments are apportioned correctly for both MERI and MERX.		28 Feb 2020
Remedial action status		
Identified		

Identification of readings		
Non-compliance	Description	
<p>Audit Ref: 9.1</p> <p>With: Clause 3(3)</p> <p>Schedule 15.2</p> <p>From: 15-Feb-19</p> <p>To: 14-Aug-19</p>	<p>Customer reads are treated as actual reads when not validated against a set of validated actual reads from another source in some instances.</p> <p>MERI</p> <ul style="list-style-type: none"> 0000206150CA6CB 15/02/19, 0000220358TP425 01/07/19, 0000221094MP014 01/03/19, 0000484681CEDE1 12/07/19 and 0000610961UNDDC 09/05/19 have estimated agreed switch move readings recorded as actuals. 0002520170AJ3AB 15/07/19, 0004070580WM2EF 08/08/19, 0004983425ALA8A 15/07/19, 0007164762RN91E 24/01/19 and 1000498793PCF91 11/01/19 have estimated agreed transfer switch readings recorded as actuals. <p>MERX</p> <ul style="list-style-type: none"> 0006788017RNF2D 19/08/19 has an estimated agreed transfer switch reading recorded as actual. 0007162236RN0D9 14/08/19 has an estimated agreed switch move reading recorded as actual. <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</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 because they do not adequately manage the risk of incorrect identification of readings.</p> <p>The audit risk impact is low as the volume of reads affected by this is low.</p>	
Actions taken to resolve the issue		Completion date
N/A		
Preventative actions taken to ensure no further issues will occur		Completion date
<p>MERI</p> <p>We acknowledge the audit findings in this section.</p> <p>Relatively significant system change is required to resolve these issues in Velocity. As the impact of the issue is very low and all ICPs will be transferred to Flux changes will not be made to the Velocity system at this time.</p> <p>MERX</p> <p>We will review the RR process in Flux to confirm that revised reads that are estimates are able to be recorded as such.</p>		Feb 2020
		Identified

Meter data used to derive volume information			
Non-compliance	Description		
Audit Ref: 9.3 With: Clause 3(5) Schedule 15.2 From: 01-Oct-18 To: 24-Oct-19	Raw meter data is truncated upon receipt and not when volume information is created. Potential impact: None Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. 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
The issue will be resolved when all NHH ICPs are transitioned to Flux.		Dec 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As above			

NHH metering information data validation		
Non-compliance	Description	
Audit Ref: 9.5 With: Clause 16 Schedule 15.2 From: 01-Oct-18 To: 24-Oct-19	Zero consumption not monitored for all ICPs. 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	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
We will continue with implementation of refinements to existing zero consumption reporting for ICPs in Velocity.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Reporting to monitor zero consumption will continue as all ICPs are migrated to Flux	Ongoing	

Buying and selling notifications		
Non-compliance	Description	
Audit Ref: 11.1 With: Clause 15.3 From: 01-Oct-18 To: 24-Oct-19	No trading notification was provided for some profiles. Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	There is no impact, Meridian Energy confirmed that the reconciliation manager's system recorded the profile correctly, because the allocation data received from the reconciliation manager included this profile.	
Actions taken to resolve the issue		Completion date
N/A – as reported no action can be taken to resolve and no impact		
Preventative actions taken to ensure no further issues will occur		Completion date
Remedial action status		
Cleared		

Calculation of ICP days		
Non-compliance	Description	
<p>Audit Ref: 11.2</p> <p>With: Clause 15.6 of part 15</p> <p>From: 01-Nov-18</p> <p>To: 09-Apr-19</p>	<p>MERI</p> <p>Incorrect ICP days for one inactive ICP.</p> <p>Incorrect ICP days for upgrades and downgrades.</p> <p>Where ICP statuses or status dates are recorded incorrectly, incorrect ICP days may be reported.</p> <p>Potential impact: Low</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 recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact is rated as low because overall the number of ICP days affected is low.</p>	
Actions taken to resolve the issue		Completion date
ICP days discrepancies caused by inaccurate status should be resolved when status corrections are processed (where this is possible).		
Preventative actions taken to ensure no further issues will occur		Completion date
Discrepancies related to the NHH – HH upgrade process are largely process related and will be addressed with the relevant staff members to limit recurrence.		31 Jan 2020
Discrepancies related to the HH-NHH downgrade process are caused by system limitations and will be considered when this process is developed in Flux.		Dec 2020
		Remedial action status
		Identified

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 From: 01-Oct-18 To: 24-Oct-19	HHR aggregates file does not contain electricity supplied information. Potential impact: None Actual impact: None Audit history: Multiple times previously Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The issue relating to content of the aggregates file is an error in the code, Meridian is providing submission information as expected.	
Actions taken to resolve the issue	Completion date	Remedial action status
Meridian will not be taking any action in relation to this technical non compliance. We understand a Code change is progressing.		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Accuracy of submission information		
Non-compliance	Description	
Audit Ref: 12.7 With: Clause 15.12 From: 01-Oct-18 To: 24-Oct-19	Some submission information was inaccurate. Potential impact: Medium Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls over accuracy of submission information are moderate, as there are controls in place to validate submission information and identify and correct errors. The impact is rated as low, most of the issues identified affected low volumes or ICP days and a small number of ICPs.	
Actions taken to resolve the issue	Completion date	Remedial action status
We have commented on specific issues raised in the relevant sections of this report.	Various	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As above		

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: 01-Oct-18</p> <p>To: 24-Oct-19</p>	<p>MERI</p> <p>Some estimates not replaced at R14.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple 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 quantity for the 6-month period evaluated was just under 20GWh, which is higher than in previous years.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
The issues contributing to FE remaining at 14 months will be resolved when all ICPs are transitioned to Flux.		Dec 2020	
Preventative actions taken to ensure no further issues will occur		Completion date	
Flux capability to treat estimates as permanent where long term unread ICPs exist is an issue that is identified as a gap within the project and will be assessed for a solution.		Dec 2020	

Historical estimates and forward estimates		
Non-compliance	Description	
Audit Ref: 12.10 With: Clause 3 of schedule 15.3 From: 01-Nov-18 To: 24-Oct-19	Incorrect labelling of HE as FE. 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 recorded as moderate because they mitigate risk most of the time but there is room for improvement. There is no impact on settlement, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Preventative actions taken to ensure no further issues will occur		Completion date
We will investigate system treatment of meter removal reads to determine why these were not treated as actual reads when calculating submission information. If a systemic issue exists this will be resolved. We understand the incorrect labelling of calculated volumes as FE rather than HE where no shape file exists has no impact on the volumes or the market. The issue has been included as a capability gap within the project and will be assessed for a solution.		28 Feb 2020
		Identified

Forward estimate process			
Non-compliance	Description		
Audit Ref: 12.12 With: Clause 6 of Schedule 15.3 From: 01-Oct-18 To: 24-Oct-19	MERI The accuracy threshold was not met for some months and revisions. Potential impact: Low Actual impact: Low Audit history: Multiple 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
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We will continue with our current controls in this area.		Ongoing	

Historical estimate reporting to RM			
Non-compliance	Description		
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: 01-Oct-18 To: 24-Oct-19	MERI Historic estimate thresholds were not met for some revisions. 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	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. The audit risk rating is low, as Meridian were reasonably close to the target in all cases.		
Actions taken to resolve the issue		Completion date	Remedial action status
The issues contributing to FE remaining at 14 months will be resolved when all ICPs are transitioned to Flux.		Dec 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	