

Compliance plan for Electricity Ashburton Limited – 2020

Requirement to provide complete and accurate information		
Non-compliance	Description	
Audit Ref: 2.1 With: 11.2(1) and 10.6(1) From: 01-Apr-19 To: 05-May-20	Not all practicable steps are taken to ensure that the information provided is complete and accurate. 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 rated as moderate overall, as most information is correct and processes are automated. Discrepancies exist in certain areas – application of event dates (which occurred due to data entry errors), the use of new status, generation capacity, and unmetered load. All of the areas listed above have a minor impact on settlement or participants, therefore the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
Please see relevant section for action to resolve issue.		May 2020
Preventative actions taken to ensure no further issues will occur		Completion date
Please see relevant section for action to resolve issue.		May 2020
		Identified

Requirement to correct errors	
Non-compliance	Description
Audit Ref: 2.2 With: Clause 11.2(2) and 10.6(2) From: 01-Apr-19 To: 05-May-20	Correction of data does not consistently occur as soon as practicable. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate, because significant progress has been made with resolving the outstanding issues during the audit period with 83% of the ICPs investigated and moved off new status in the past year. The issues relating to application of new status and ICPs not recorded on the GIS require site visits to confirm the correct data values.</p> <p>The incorrect statuses may have minor impact on settlement or participants therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Please see 3.13 for action to resolve issue.		May 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Please see 3.13 for action to resolve issue.		May 2020	

Timeliness of Provision of ICP Information to the registry manager			
Non-compliance	Description		
<p>Audit Ref: 3.4</p> <p>With: Clause 7(2) of Schedule 11.1</p> <p>From: 01-Apr-19</p> <p>To: 04-Mar-20</p>	<p>The registry was not updated prior to commencement of trading for 24 ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate overall. The general controls over new connections are strong and have improved now that paperwork is scanned and emailed, instead of hard copies being provided. The controls over ICP splits are weaker, because typically EA Networks has waited for connection paperwork to be provided before updating the initial information on the registry.</p> <p>The audit risk rating is low. All the late data was updated within 13 business days of initial electrical connection and a small number of ICPs were affected.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We have undertaken a review of EA Networks processes to identify how the non-compliance occurred.		May 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Process has been changed during the audit period to improve timeliness of updating the Registry for ICP splits.		May 2020	

Timeliness of Provision of Initial Electrical Connection Date			
Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: 03-May-19 To: 13-Feb-20	Late population of the initial electrical connection date for five ICPs. Potential impact: Low Actual impact: Low Audit history: Three times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong. Improvements were made during the audit period to scan and email paperwork instead of providing hard copies which has improved timeliness. The initial electrical connection date on the registry is used as a source of validation for active and certification dates. There is no impact on settlement but there is a minor impact on participants who use this field in their validation processes. The audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have undertaken a review to identify and understand how the Non-compliance occurred.		May 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Changes made during the audit period and continued focus on improving processes involved, will improve timely updating of initial electrical connection date.		May 2020	

Connection of ICP that is not an NSP	
Non-compliance	Description
Audit Ref: 3.6 With: Clause 11.17 From: 19-Aug-19 To: 02-Sep-19	ICP 0000033944EAFAB did not have a trader recorded on the registry on the date it was electrically connected. Potential impact: Low Actual impact: Low Audit history: Three times Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as strong because one exception was identified, which was backdated at the trader's request.</p> <p>The audit risk rating is low because the proposed trader had requested the connection and accepted responsibility, and the registry was updated within ten business days of initial electrical connection.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Changes made during the audit period and continued focus on improving processes involved, will improve timely updating of initial electrical connection date.		May 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As non-compliance was because of a one-off request by a trader, and the process has been changed prevent this happening again.		May 2020	

Management of "new" status			
Non-compliance	Description		
<p>Audit Ref: 3.13</p> <p>With: Clause 13</p> <p>Schedule 11.1</p> <p>From: 01-May-18</p> <p>To: 05-May-20</p>	<p>57 ICPs are incorrectly recorded with "new" status when they are not new connections in progress.</p> <p>Potential impact: Medium</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 recorded as moderate. Significant improvement has been made during the audit period with 269 ICPs moved to other statuses.</p> <p>There is potentially an small impact on settlement for the five ICPs which do not appear to have an associated active ICP. The impact is expected to be low because it appears likely that the new ICPs may be disconnected or decommissioned along with the associated ICPs. The other 52 ICPs are expected to have their load settled under an active ICP.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
A further review was carried of our process to address this Non-compliance issue.		May 2020	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Resources have been allocated in the coming year to resolve this non-compliance.	May 2020	

Changes to registry information			
Non-compliance	Description		
<p>Audit Ref: 4.1</p> <p>With: Clause 8 Schedule 11.1</p> <p>From: 01-Apr-19</p> <p>To: 05-May-20</p>	<p>53 late address events.</p> <p>Ten late network updates to distributed generation details.</p> <p>72 late network updates to fields other than distributed generation details.</p> <p>26 late pricing events.</p> <p>Four late updates to decommissioned status.</p> <p>One late NSP change.</p> <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>Controls are rated as moderate because are sufficient to ensure that the registry is updated within three business days most of the time. Most of the late updates were corrections or were delayed while EA Networks confirmed that the updates were required.</p> <p>The risk rating is low because there may be a minor impact on other participants. Processing corrections improves compliance with the completeness and accuracy requirements.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
A further review was carried of EA Networks processes to address this Non-compliance issue		May 2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Changes made during the audit period with the addition attention being paid to timeliness of updating information.		May 2020	

Distributors to Provide ICP Information to the Registry manager		
Non-compliance	Description	
<p>Audit Ref: 4.6</p> <p>With: Clause 7(1)(m) & (p) Schedule 11.1</p> <p>From: 01-Apr-19</p> <p>To: 05-May-20</p>	<p>Street number was not recorded in the correct field for the 17 ICPs, which were corrected during the audit.</p> <p>57 ICPs are incorrectly recorded with “new” status when they are not new connections in progress.</p> <p>Three ICPs had incorrect distributed generation capacities recorded, all were corrected during the audit. One ICP had an incorrect distributed generation event date recorded.</p> <p>Three active ICPs created prior to the audit period did not have an initial electrical connection date populated. The registry was updated to the correct date during the audit.</p> <p>Two active ICPs created prior to the audit period had incorrect initial electrical connection dates populated. Both were corrected during the audit.</p> <p>One ICP at ready status had an incorrect initial electrical connection date recorded, and was corrected during the audit.</p> <p>Unmetered load information is not recorded on the registry for six ICPs where EA Networks is aware DUMML exists. As a minimum “DUMML” is expected to be recorded in the distributor unmetered load details.</p> <p>Eight network events had incorrect event dates applied.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as moderate because data validation processes have improved during the audit period, with the addition of monitoring of new and ready and ready for decommissioning ICPs, and update of generation capacities where necessary on receipt of inspection information. Exceptions created during the audit period were resolved during the audit, and a small number of exceptions relating to the previous audit period remain but have no impact on reconciliation. Significant progress has been made with moving the non-traded ICPs to the correct statuses.</p> <p>The audit risk rating is recorded as low because the overall number of variances is low and the impact is negligible.</p>	
Actions taken to resolve the issue		Completion date
A further review was carried of EA Networks processes to address this Non-compliance issue		May 2020
Preventative actions taken to ensure no further issues will occur		Completion date
Changes made during the audit period with the addition more attention being paid to accuracy of updating information.		May 2020
		Identified

Maintenance of price category codes		
Non-compliance	Description	
<p>Audit Ref: 4.12</p> <p>With: Clause 23 Schedule 11.1</p> <p>From: 31-Aug-19</p> <p>To: 23-Sep-19</p>	<p>Price category ISCM was created on the registry on 23/09/19, which was less than two months before the price category came into effect on 01/11/19.</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 are rated as strong overall. The update was delayed by late development of the pricing code. I considered the most recent new pricing code created prior to the audit period (ISCF effective 01/09/17) and found that the price category code was updated on time.</p> <p>The audit risk is rated as low because a small number of ICPs were affected, and the price category was loaded on the registry 39 days before it came into effect. This was the first new price category created since 2017.</p>	
Actions taken to resolve the issue		Completion date
Issues has been identified		May 2020
Preventative actions taken to ensure no further issues will occur		Completion date
More attention will be paid in the timeliness of creation of new Price Categories		May 2020
		Identified