

Compliance plan for Switch Utilities (2022)

Relevant information			
Non-compliance	Description		
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2 From: 01-Aug-21 To: 19-Aug-22	Some inaccurate information is recorded on the registry and in submissions. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 6		
Audit risk rating	Rationale for audit risk rating		
High	Controls are rated as moderate as they are sufficient to mitigate risk most of the time, but there is room for improvement particularly for corrections. The audit risk rating is high based on the kWh differences to be resolved. A plan is in place to resolve the issues, including processing out of market settlement for the largest differences.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have commented on each item in the relevant sections of this report.		Material Change Audit Supplied	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Electrical Connection of Point of Connection	
Non-compliance	Description
Audit Ref: 2.11 With: Clause 10.33A From: 16-Jun-21 To: 29-Jun-22	38 late certifications for reconnected meters. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>Controls are rated as strong, because meter certification is an MEP responsibility and Switch Utilities sometimes cannot achieve compliance.</p> <p>The impact is assessed to be low because a small number and proportion of meters were not certified within the timeframes. Uncertified metering installations are likely to be less accurate than certified metering installations, so there could be a minor impact on settlement.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We have included a control interface for these sites to our energy platform which flags any site being gained which had expired certification; so that the provisioning team can identify if we have reconnected the site and send recertification requests for sites where required.</p> <p>We will focus on ensuring that this report is being appropriately monitored and cleared to improve compliance moving forward.</p>		On-going	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Changes to registry information	
Non-compliance	Description
<p>Audit Ref: 3.3</p> <p>With: Clause 10 Schedule 11.1</p> <p>From: 05-Jul-21</p> <p>To: 08-Jul-22</p>	<p>234 late status updates to active.</p> <p>15 late status updates to inactive.</p> <p>107 late trader updates.</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
<p>Low</p>	<p>The controls are rated as moderate because they are adequate to ensure that the registry is updated on time most of the time, but there is room for improvement.</p> <p>The risk is low as most updates were completed on time or soon after they were due unless they were backdated corrections.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>We have worked through the past 12 months to improve our compliance in this area, which is reflected in the increased percentage on time including through the addition of additional staff in the provisioning team; particularly the 67% to 80% on reconnection which is the highest volume activity.</p> <p>We accept that further work is required in this space, and we will continue to develop processes and controls to continue to increase our compliance in this space.</p>	On-going	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

ANZSIC codes		
Non-compliance	Description	
<p>Audit Ref: 3.6</p> <p>With: Clause 9 (1(k) of Schedule 11.1</p> <p>From: 14-Dec-16</p> <p>To: 19-Aug-22</p>	<p>One ICP had an incorrect ANZSIC code, which was corrected during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are strong because robust validation processes are in place. The ICP with an incorrect ANZSIC code was a commercial ICP with a commercial code and had not switched in during the audit period.</p> <p>There is no impact on other participants or settlement, but there is a minor impact on the Authority because this information is used for reporting. The ANZSIC code has been corrected.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>We have developed additional controls since the last audit to assist with the improvement of our compliance for new customers; and will continue to monitor and review the codes for our existing base.</p>	Monitoring	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	

Management of "active" status		
Non-compliance	Description	
<p>Audit Ref: 3.8</p> <p>With: Clause 17 Schedule 11.1</p> <p>From: 03-Aug-21</p> <p>To: 04-Aug-21</p>	<p>0000336235WTAE5 had an incorrect reconnection date and was corrected during the audit.</p> <p>Potential impact: Low</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>The controls are rated as moderate because they are adequate to ensure that the registry is updated correctly almost all the time.</p> <p>The impact is low because there is one day difference, and no under submission.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>We have noted the auditors advice relating to the presence of boundary readings which can impact settlement. To assist in resolving this issue:</p> <ol style="list-style-type: none"> 1. The new Reconciliation platform is designed in a way that volumes will be allocated to active days; whether or not there is boundary readings, in the scenarios where this is possible (we hold the ICP on either side of a disconnection period); 2. Increased diligence on the inactive with consumption reports we have developed; <p>A new proposed development on the Registry Update interface to require a user to enter an actual reading; or a permanent estimate; along with a reason message if an actual reading cannot be supplied.</p>	Completed	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	

Management of “inactive” status		
Non-compliance	Description	
Audit Ref: 3.9 With: Clause 19 Schedule 11.1 From: 22-Jan-22 To: 23-Feb-22	Three ICPs had incorrect status event dates which were corrected during the audit. Potential impact: Low Actual impact: Low Audit history: Three times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because they are sufficient to ensure that correct dates are applied most of the time. The audit risk rating is low because the originally entered dates were within three days of the correct date, and the errors were corrected. Revised submission information will be provided.	
Actions taken to resolve the issue	Completion date	Remedial action status
We will continue to further improve the methods used by the Inactive with Consumption report to improve the reliability of this report with respect to “false positives” We have noted the auditors feedback regarding boundary readings and our new reconciliation platform has improved handling for this scenario as noted in 3.8 to reduce the dependence on boundary readings in most circumstances.	Completed – ref Material Change Audit	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	

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: 10-Sep-21 To: 10-Jun-22	One ICP with unmetered load had the AA (acknowledge and accept) response code applied instead of MU (unmetered supply). Two late AN files. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate and will improve to strong once the AN code selection logic is updated to apply MU instead of AA for partially unmetered ICPs. Almost all AN files are issued on time.</p> <p>The audit risk rating is low because only two AN files were sent one business day late, and unmetered load information was available to the other retailer on the registry for the two ICPs issued with AA instead of MU.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We have noted the Authority/Auditor feedback relating to the use of the MU code, and will update our system to use the MU code for partially-unmetered ICPs. A work item has been raised with our development team to make this change.		Q4 2022	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	

Losing trader must provide final information - standard switch	
Non-compliance	Description
<p>Audit Ref: 4.3</p> <p>With: Clause 5 of Schedule 11.3</p> <p>From: 18-Aug-21</p> <p>To: 07-Jul-22</p>	<p>One E2 breach.</p> <p>37 CS breaches.</p> <p>Seven transfer CS files had incorrect last actual read dates.</p> <p>One transfer CS had an incorrect read type.</p> <p>One transfer CS had an incorrect average daily kWh.</p> <p>Potential impact: Medium</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 recorded as moderate because most CS content was correct, including all critical fields used for customer billing and settlement.</p> <ul style="list-style-type: none"> • The last actual read date field is used for determining how accurate estimates may be, by allowing the gaining trader to determine the period since a reading was last received. • The average daily kWh is used to give an indication of average daily consumption, and may be used as an input into calculating forward estimate by the gaining trader where readings are not received post switch in.

	<ul style="list-style-type: none"> • All switch event readings are treated as permanent by the reconciliation process, regardless of whether they are classified as actual or estimated. • Most CS files were issued on time, and monitoring and timeliness of files have improved since the breaches occurred. <p>The audit risk rating is low, based on the fields affected and the potential impact that they have on customers, participants, and settlement.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We have identified the code responsible for the faulty outcomes with respect to the last actual reading date and this defect fix is included within our material change audit; along with the reconciliation system replacement.	Material change audit underway with Auditor	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>We noted the auditor's commentary through the audit relating to other late files, which predominantly related to delays when an escalation to Technology team did not have a timely resolution.</p> <p>As we already monitor the breach report, we believe improvement in compliance can be achieved by escalating errors earlier. We have also added an additional resource into the Energy Platform Team (Technology) to assist with managing any escalations for switching related errors.</p> <p>We are further considering what other system related developments could be added, to improve the automated handling of unusual edge/case scenarios or other control reporting.</p>		

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: 03-Nov-21</p> <p>To: 13-Jun-22</p>	<p>Three RR breaches.</p> <p>Two AC breaches.</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	The controls are recorded as moderate because most files are issued on time. The impact is low because a small number of files were late, and the delays were minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We have continued to develop our read attainment processes over the last audit period, including adding additional staff member to focus on this process. We will focus on additional activity to improve early-ownership read attainment for legacy sites to reduce the frequency of delayed RRs.</p> <p>We have improved our monitoring for registry breaches, and expect to see continued improvement in this area.</p>		Completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

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: 09-Aug-21</p> <p>To: 05-Jul-22</p>	<p>29 T2 breaches for switch moves.</p> <p>Three AN breaches for switch moves.</p> <p>Six ICPs with unmetered load had the AA (acknowledge and accept) response code applied instead of MU (unmetered supply).</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>The controls are rated as moderate and will improve to strong once the AN code selection logic is updated to apply MU instead of AA for partially unmetered ICPs. Most AN and CS files are issued on time.</p> <p>The audit risk rating is low because the late AN and CS files were generally issued close to the due date, and unmetered load information was available to the other retailer on the registry for the three ICPs issued with AA instead of MU.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
The MU code selection will be addressed through material change as noted in other sections.		Q4 2022 including	Identified

We have reinforced to the relevant teams the importance of clearing exceptions early to avoid late-resolved CS file generation and will continue to monitor internally our compliance on file timing.	material change audit	
Preventative actions taken to ensure no further issues will occur	Completion date	

 Losing trader must provide final information - switch move		
Non-compliance	Description	
Audit Ref: 4.10 With: Clause 11 of Schedule 11.3 From: 19-Aug-21 To: 01-Jul-22	17 switch move CS files had incorrect last actual read dates. Three switch move CS files had an incorrect average daily kWh. 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 recorded as moderate because most CS content was correct, including all critical fields used for customer billing and settlement. <ul style="list-style-type: none"> • The last actual read date field is used for determining how accurate estimates may be, by allowing the gaining trader to determine the period since a reading was last received. • The average daily kWh is used to give an indication of average daily consumption, and may be used as an input into calculating forward estimate by the gaining trader where readings are not received post switch in. The audit risk rating is low, based on the fields affected and the potential impact that they have on customers, participants, and settlement.	
Actions taken to resolve the issue	Completion date	Remedial action status
We are addressing the issue relating to defective last actual reading dates in the material change audit which is currently underway. A work item has been raised which will support avoiding defective average daily consumptions due to mis-readings where the validation error needs to be addressed.	Material change audit underway with Auditor.	Identified

Preventative actions taken to ensure no further issues will occur	Completion date

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
Audit Ref: 4.11 With: Clause 12 of Schedule 11.3 From: 14-Dec-21 To: 07-Jul-22	20 RR breaches. Two AC breaches. 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 recorded as moderate because most files are issued on time, and the incorrectly applied reading was an isolated incident. The impact on settlement and participants is minor and the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Refer to commentary under 4.4		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Losing trader provision of information - gaining trader switch	
Non-compliance	Description
Audit Ref: 4.13 With: Clause 15 Schedule 11.3 From: 01-Mar-22 To: 01-Mar-22	0140244034LC7F1 (AN-7299952 1 March 2022) had the AA response code applied but should have had AD. 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 strong, users are aware of the rules for selecting an AN response code, but an incorrect code was applied accidentally. The impact is low because one ICP was affected, and metering information was available on the registry.		
Actions taken to resolve the issue		Completion date	Remedial action status
This error was made due to human error on selection; and given we have very few half hourly sites it is unlikely to recur.		No further action required	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Withdrawal of switch requests			
Non-compliance	Description		
Audit Ref: 4.15 With: Clauses 17 and 18 of Schedule 11.3 From: 05-Nov-21 To: 08-Jul-22	0006101178RN4E5 NW-1043185 and 0000111978UND8B NW-1055376 had the DF (date failed) advisory code applied instead of CE (customer error). Eight SR breaches. 65 NA breaches. Two AW breaches. 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 recorded as moderate because they ensure that correct advisory codes are applied most of the time, and most withdrawals and responses are issued on time. The audit risk rating is low because the impact on settlement and participants is minor. Withdrawals are issued as soon as possible once Switch Utilities confirms that a withdrawal is required and has agreement from the other trader.		
Actions taken to resolve the issue		Completion date	Remedial action status
We accept that there is opportunity for improvement on the speed at which withdrawals are processed, especially in the case of back-dated move switches where due to the event date reference in the code any withdrawal will result in a non-compliance as soon as the switch completes.		Under Review	Investigating

We have noted the auditors feedback on improvements to the sign up form, and we will consider how best to apply this feedback in future revisions of the website.		
Preventative actions taken to ensure no further issues will occur	Completion date	

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
Audit Ref: 6.1 With: Clause 10.13, Clause 10.24 and 15.13 From: 21-May-21 To: 22-Aug-22	26 bridged meters were identified during the audit period. Energy was not quantified in accordance with the code during the bridged periods. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as strong because energy was quantified through the correction process, although it was not measured by the meter as required by the code. The impact on settlement and participants is estimated to be low because consumption was appropriately estimated.	
Actions taken to resolve the issue	Completion date	Remedial action status
We note that our process now complies to the maximum extent possible where there is bridged meters by estimating in all cases. We will consider whether there is any process changes which could be made to avoid bridging meters as part of a reconnection through consultation with MEPs. To our knowledge no bridged sites had missing permanent estimates.	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Interrogate meters once		
Non-compliance	Description	
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) of Schedule 15.2</p> <p>From: 01-May-21</p> <p>To: 15-Jul-21</p>	<p>The best endeavours requirements were not met for four ICPs unread during the period of supply where the period of supply was 30-40 days.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are now recorded as strong, the non-compliances occurred prior to having a dedicated staff member working to resolve read attainment issues every day. It is expected that the best endeavours requirements will usually be met in the future unless the period of supply is very short.</p> <p>The impact is assessed to be low because the ICPs were supplied for 30-40 days.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We have focused significantly on improving our compliance since the last audit, including the allocation of a dedicated resource to management of read attainment.	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
There are a small number of sites with very short periods of ownership where readings were not able to be obtained. To assist in improving this compliance, we have implemented a switching validation which triggers an alert when a switch loss is received on a site not having had a reading, so that the matter can be investigated, and an attempt to obtain a reading can be made if necessary (and if not timely, once the reading is obtained we can share it with the new supplier to enable early identification of any issue that might impact the transfer reading and allow for an RR to be processed).	Completed	

Identification of readings			
Non-compliance		Description	
Audit Ref: 9.1 With: Clause 5 of Schedule 11.3 From: 18-Aug-21 To: 18-Aug-21		One transfer CS had an incorrect read type. Potential impact: Medium Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating		Rationale for audit risk rating	
Low		The controls are recorded as strong because most readings were correctly classified. The audit risk rating is low, because the reading was correct, and all switch event readings are treated as permanent by the reconciliation process.	
Actions taken to resolve the issue		Completion date	Remedial action status
We believe this was a one-off exception.		Resolved	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Electronic meter readings and estimated readings			
Non-compliance		Description	
Audit Ref: 9.6 With: Clause 17 Schedule 15.2 From: 01-Oct-20 To: 19-Aug-22		Not all events in the event log are reviewed. 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 recorded as strong because they mitigate risk to an acceptable level. The only relevant event not reviewed is the tamper event and there is checking of low consumption to identify potential tampering. The audit risk rating is low because the impact on settlement and participants is expected to be minor.	

Actions taken to resolve the issue	Completion date	Remedial action status
We have noted the auditors feedback and a development item has been raised to further enhance event log monitoring controls	TBC	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	

Calculation of ICP days		
Non-compliance	Description	
Audit Ref: 11.2 With: Clause 15.6 From: 01-Feb-20 To: 31-May-22	Where default forward estimate is applied, an ICP day is not reported for the first day of supply. One ICP was excluded from ICP days submissions because it had the pre-pay meter flag set to Y and the NHH flag, HHR flag and AMI flag were all set to N. 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 recorded as moderate because they mitigate risk of incorrect ICP days being reported most of the time. The impact is low. ICP days differences caused by default forward estimate will wash out once readings are received unless they are supplied for only one day. The omission of ICPs with only pre-pay metering has only affected one ICP, and pre-pay meters are now not accepted by the application process.	
Actions taken to resolve the issue	Completion date	Remedial action status
Resolved as part of material change audit submitted in parallel with this report.	Resolved	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Creation of submission information		
Non-compliance	Description	
Audit Ref: 12.2 With: Clause 15.4 From: 29-Feb-20 To: 30-Apr-22	At least ten ICPs had one ICP and one day of volume omitted from ICP days and NHH volumes submissions because they were supplied for one day. ICP 1001147153CK638 was excluded from ICP days and NHH volumes submissions causing under submission of 168 kWh and 356 ICP days. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are moderate as the issue only affects ICPs supplied for one day, or which have switched in until they receive a subsequent reading. Approximately 94% of Switch Utilities' ICPs have AMI metering and read attainment is high. Only one ICP with a pre-pay meter has ever been supplied. The audit risk rating is low, because revised submission data will be washed up once readings are entered except for ICPs which are supplied for only one day. Few ICPs have a one-day period of supply.	
Actions taken to resolve the issue	Completion date	Remedial action status
Resolved as part of material change audit submitted in parallel with this report.	Resolved	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-Jul-18 To: 01-Sep-21	Some incorrect submission data was identified. Some incorrect submission data identified in the previous audit is still to be resolved through out of market settlement. Potential impact: High Actual impact: High Audit history: Multiple times Controls: Moderate Breach risk rating: 6

Audit risk rating	Rationale for audit risk rating		
High	<p>The controls are rated as moderate overall and there have been improvements to validation and correction processes. Implementation of the new reconciliation system is expected to improve the controls to strong.</p> <p>The audit risk rating is high based on the kWh differences to be resolved. A plan is in place to resolve the issues, including processing out of market settlement for the largest differences.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Switch Utilities will perform an off-market settlement including interest payment calculated in the same manager as clearing manager interest payments under Part 14 of the Code for the identified discrepancies; for both the matters identified in the previous audit relating to historic periods; and the shaping related issue impacting some sites with unusual shape profiles where the washup relates to periods prior to the 14 month revision window.</p>		Q4 2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>The development for the full replacement of our legacy non-half hourly reconciliation platform is complete. A material change audit is submitted with this report which confirms the new system meets our obligations.</p> <p>As part of our testing, we have covered all the scenarios the auditor has identified including the HE methodology, sites with pre-payment flags, sites held for a single day, sites without boundary readings across a disconnected period.</p> <p>The testing also includes ensuring that settlement occurs correctly for those sites with highly unusual usage profiles.</p> <p>The new platform also has significantly improved validation and controls relating to revision-to-revision comparisons, current to prior month comparisons, including materiality analysis from the highest levels of aggregation down to the channel level.</p>		Completed	

Historical estimate process		
Non-compliance	Description	
Audit Ref: 12.11 With: Clauses 4 and 5 Schedule 15.3 From: 01-Aug-21 To: 19-Aug-22	DART's historic estimate calculation does not follow the method prescribed in the code. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 6	
Audit risk rating	Rationale for audit risk rating	
Medium	Controls are rated as weak as they do not ensure that historic estimate is calculated as prescribed by the Code. The impact is assessed as medium. In most cases DART's result is within ± 1 kWh of the Code method and results will be identical if there are end of month readings covering the whole reconciliation period. Small differences can occur because DART profiles the read-to-read volume for each day individually by applying (the day's shape value)/(average shape value for the period) and applying the compensation factor to the sum of the daily values. Some rounding occurs in the calculation of each day's data because of the large number of decimal places produced by applying averages, which is then magnified if the compensation factor is more than one. The maximum difference identified in the historic estimate checks was 13 kWh for an ICP with a compensation factor of 100. The highest multiplier identified for a NHH settled ICP was 100.	
Actions taken to resolve the issue	Completion date	Remedial action status
A material change audit is submitted with this report for the new platform which resolves these issues.	Resolved	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	

Historical estimate reporting to RM	
Non-compliance	Description
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: Sep 21 to Nov 21 r7 and Dec 21 to Feb 22 r3	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	<p>The controls are recorded as moderate overall, based on my assessment of the read attainment processes (sections 6.8-6.10) and permanent estimate process (section 12.8).</p> <p>The impact is low due to the high percentage of HE.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>We have been working to improve our compliance in this area over the last audit period and as previously noted added additional resource to focus on read attainment. This will remain a focus for us over the next period.</p>		Underway	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	