

# Compliance plan for Mercury NZ Limited Certified Reconciliation Participant Compliance Plan 2024

Relevant information		
Non-compliance	Description	
<p>Audit Ref: 2.1</p> <p>With: Clause 10.6,11.2 &amp; 15.2</p> <p>From: 01-Apr-23</p> <p>To: 29-Apr-24</p>	<p><b>MEEN and TRUS</b></p> <p>Some inaccurate registry and submission data is recorded and was not updated as soon as practicable.</p> <p>Some previous audit corrections not carried out.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Medium</b>	<p>The controls are moderate overall, the system processes to manage registry information and generate submission data are generally accurate, and the issues are mainly caused by data accuracy issues for individual ICPs or isolated scenarios. Mercury is working to investigate issues and improve controls, including improving processes to identify and correct data accuracy errors so that revised submission data can be provided.</p> <p>The impact is medium overall based on the volume differences identified and that some corrections have not yet been completed.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
Corrections have been made where possible and we continue to investigate unresolved instances and will correct if applicable.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>In the last 12 months Mercury has migrated the majority of its ICPs from the MEEN code (SAP) to the TRUS code (GTV). A project is underway to migrate our Commercial/TOU ICPs to a new platform before the end of 2024 and retire SAP in due course. All of our resource is going into the new platforms and we won't be investing in making changes to SAP-related systems or processes at this time.</p> <p>For the TRUS code we will be focusing on several improvements as noted throughout the report. Some specific examples which will improve our submission accuracy are:</p>	Ongoing	

<p>New recommended VEE validations - We are looking to set up 2 new VEE validations - one for Zeros comparison and one for Maximum Value for interval. These will be set up only for ICPs that have TOU billing. By the time TOU billing is happening on a significant enough scale that we are not monitoring each individual ICP. These validations will be set up along with establishing a new business process to deal with them.</p> <p>&gt;80% historic estimates for R3 submissions - We have engaged Gentrack to look at the issue with their continuous estimation process and they have advised some possible solutions. We will be instructing them whether we would like a fix/enhancement to the process or a report, either of these options should mitigate the issue and greatly reduce the portion of historic estimation.</p> <p>End of Month Reads/submission accuracy issues - We are implementing an update to the end of month reads process from end of May, this will import all end of month reads for all consumers who are billed within the first 15 business days of the month - the update is to include all migrated sites in this process. This should greatly increase the accuracy of the estimation and will also reduce the portion of historic estimation.</p>		
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Electrical Connection of Point of Connection	
Non-compliance	Description
<p>Audit Ref: 2.11 With: 10.33A</p> <p>From: 6-Dec-22 To: 13-Dec-23</p>	<p><b>MEEN</b> Up to 22 metered new connections had late meter certification. Up to 91 reconnections of metered ICPs had late meter certification.</p> <p><b>TRUS</b> Up to 262 metered new connections had late meter certification. 109 reconnections of metered ICPs had late meter certification.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple</p> <p>Controls: Strong Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
<p><b>Low</b></p>	<p>The controls are strong, reporting is in place to identify meters which have been initially electrically connected or reconnected without full meter certification and advise the MEP.</p> <p>The audit risk rating is low as a small proportion of ICPs were affected. Uncertified meters may have unidentified accuracy issues, but other validation processes will help to identify these.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>MEEN: The ICPs identified during the audit were fixed.</p> <p>TRUS: Current Reporting identifies both scenarios where a reconnection has taken place on an uncertified ICP and New Connections where the meter certification does not align with other dates e.g. IED &amp; CO date.</p>	<p>April 2024</p> <p>Completed</p>	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>MEEN: Further training to be provided to ensure we are updating our active status from the correct date for new connections.</p> <p>TRUS is comfortable that the current reporting we have in place sufficiently captures all of the scenarios identified during audit and believe this is reflected in the results of the samples that were looked at during Audit.</p>	<p>May 2024</p> <p>Completed</p>	

Meter bridging		
Non-compliance	Description	
<p>Audit Ref: 2.17</p> <p>With: Clause 10.33C and 2A of Schedule 15.2</p> <p>From: 09-Feb-23</p> <p>To: 29-Apr-24</p>	<p><b>TRUS</b></p> <p>Five ICPs which switched out before being unbridged or before a correction was processed did not have consumption estimated during the bridged period. One ICP later had its switch withdrawn.</p> <p>ICP 0007132718RN866 did not have a bridged meter correction processed because the new meter details were not received before the ICP switched out.</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	
<b>Low</b>	The controls are recorded as moderate because TRUS does not usually process corrections where bridged ICPs switch out. The impact is estimated to be low.	
Actions taken to resolve the issue	Completion date	Remedial action status
ICP 0007132718RN866 - Bridged meter was replaced 05/03/23. During the bridged period the main switch was left off, so no consumption was used.	N/A	Identified





Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are strong, and a very small number of exceptions were identified. MEEN’s controls could be improved by reinstating monitoring of rejected MEP nominations, but they do not intend to do this because of the small number of ICPs now supplied.</p> <p>The audit risk rating is low as the as the volume and percentage of invalid MEP nominations was small and the correct MEP was subsequently nominated if required.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>MEEN: No action required.</p> <p>TRUS: Rejected MEP nominations were identified via reporting and corrected on a case by case basis depending on the reason the nomination was rejected.</p>		<p>N/A</p> <p>Completed</p>	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>MEEN: No further actions required; our measures are strong enough to avoid this occurring frequently.</p> <p>TRUS: Reporting continues to be utilised to identify where MEP nominations are rejected. This is used to not only identify when this scenario occurs but also as an opportunity to identify training issues. TRUS is comfortable that all scenarios are being identified which is reflected by all scenarios having been identified and corrected prior to being identified via Audit.</p>		<p>N/A</p> <p>Completed</p>	

Provision of information to the registry manager	
Non-compliance	Description
<p>Audit Ref: 3.5</p> <p>With: Clause 9 of schedule 11.1</p>	<p><b>MEEN</b></p> <p>740 late updates to “active” status for new connections.</p> <p>One late MEP nomination for a new connection.</p> <p>12 new connections had incorrect “active” status dates, and one was corrected during the audit.</p> <p>Two ICPs appeared to have late meter certifications because the “active” status date was incorrectly recorded. They both had their status dates corrected during the audit.</p> <p>Three ICPs connected by MEEN were not updated to “active” status before they switched out.</p> <p><b>TRUS</b></p> <p>937 late updates to “active” status for new connections.</p> <p>59 late MEP nominations for new connections.</p>

<p>From: 05-Jan-23 To: 11-Dec-23</p>	<p>Nine new connections had incorrect “active” status dates, and one was corrected during the audit.</p> <p>Two ICPs appeared to have late meter certifications because the “active” status date was incorrectly recorded. They both had their status dates corrected during the audit.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>Overall, the controls are moderate.</p> <p>For TRUS the controls are strong, robust daily validation processes are in place and most late updates were for reasons not within their direct control.</p> <p>For MEEN the controls are moderate, because validation processes are not consistently identifying missed or incorrect updates, and heavy workloads have led to an increase in late updates and average business days to process updates. Delays in updating the registry due to heavy workloads associated with the migration of ICPs from MEEN to TRUS are not expected to continue now that the migration is complete.</p> <p>The impact is low because most late updates were processed in time for revised submission information to be provided through the revision process.</p>		
Actions taken to resolve the issue	Completion date	Remedial action status	
<p>MEEN: ICPs identified were fixed during audit.</p> <p>TRUS has robust reporting across the New Connections processes. Reports are delivered and worked daily to identify all sites with date mismatches between first active date, IED and meter certification date. A new report has been created to look for where GTV has been updated with Trader details for a New Connection but this has not flowed to the registry. This is currently delivering daily when results appear.</p>	<p>April 2024 Completed</p>	<p>Identified</p>	
Preventative actions taken to ensure no further issues will occur	Completion date		
<p>MEEN: Dates for connection were confirmed by network, this is what we used to update SAP and registry. Further training will be provided to ensure manual checks are completed where statuses are automatically updated to ensure we are picking up where the status date is incorrect.</p> <p>TRUS will continue to utilise exception and discrepancy reporting to identify any gaps in our processes and ensure all updates are made in as timely a fashion as possible. TRUS will continue to engage with third parties where needed to</p>	<p>May 2024 Completed</p>		

minimise impacts from late updates by third parties e.g. MEPs/Networks. Where opportunities for new reporting are identified these will be implemented immediately.		
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ANZSIC codes		
Non-compliance	Description	
<p>Audit Ref: 3.6</p> <p>With: 9 (1(k) of Schedule 11.1</p> <p>From: 09-Dec-23</p> <p>To: 29-Apr-24</p>	<p><b>MEEN</b></p> <p>Eight ICPs with T994 “don’t know” ANZSIC codes, and ten meter category two or three ICPs with residential ANZSIC codes had incorrect ANZSIC codes applied, and were identified and corrected during the audit.</p> <p>Seven of a sample of 40 ICPs sampled (17.5%) had incorrect ANZSIC codes assigned and were corrected during the audit.</p> <p><b>TRUS</b></p> <p>One ICP with a T994 “don’t know” ANZSIC code, and 14 meter category two ICPs with residential ANZSIC codes were corrected during the audit.</p> <p>Three ICPs of the 130 ICPs sampled (2.3%) had incorrect ANZSIC codes applied and were identified and corrected during the audit.</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	
<b>Low</b>	<p>The controls are moderate. For MEEN failure to update ANZSIC codes in SAP for ICPs switching in can result in invalid ANZSIC codes being applied on the registry. For TRUS exceptions are identified, but not always resolved promptly due to workloads.</p> <p>Incorrect ANZSIC codes have no direct impact on reconciliation therefore the audit risk rating is low. There is an impact on reporting by the Electricity Authority.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>MEEN: T994s have decreased dramatically since the last audit and we expect to see these numbers come down further for the MEEN code as the majority of Mercury ICPs have migrated to the TRUS code in the last 12 months. We will continue to monitor and take timely action where updates are required.</p> <p>TRUS: All incorrect ANZSIC codes were corrected during the audit</p>	<p>Ongoing</p> <p>Complete</p>	Cleared



Preventative actions taken to ensure no further issues will occur	Completion date
MEEN: As above TRUS: ANZIC codes were impacted by the migration and there shouldn't be a recurrence.	Ongoing

Changes to unmetered load		
Non-compliance	Description	
<p>Audit Ref: 3.7</p> <p>With: Clause 9(1)(f) of Schedule 11.1</p> <p>From: 01-Apr-23</p> <p>To: 03-Mar-24</p>	<p><b>MEEN</b></p> <p>Three "active" ICPs with unmetered load have no daily unmetered kWh recorded on the registry (0007301973NVCDF, 0004450225ML4AC and 0004450157ML277). Four ICPs were confirmed to have incorrect average daily kWh and were corrected during the audit.</p> <p><b>TRUS</b></p> <p>23 ICPs did not have unmetered load connected but had trader unmetered load details recorded on the registry. 17 were corrected during the audit and six ICPs still have unmetered load recorded. GTV is correct, so submission information is correct.</p> <p>One ICP had its unmetered load details removed as part of a trader update to change a profile. They were correctly reinstated during the audit.</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	
<b>Low</b>	The controls are moderate, because there are good validation processes, but some exceptions were not resolved before being found during the audit. The audit risk rating is low because the impact on settlement is minor, and revised submission information will be washed up.	
Actions taken to resolve the issue		Completion date
MEEN: Registry details have been corrected during the audit.		May 2024
TRUS: We are reviewing the process going forward and will identify and fix where required.		July 2024

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>MEEN: We have given refresher training for DUML/UML ICPs when switching in.</p> <p>TRUS: As above.</p>	<p>May 2024</p> <p>Ongoing</p>	

Management of "active" status	
Non-compliance	Description
<p>Audit Ref: 3.8</p> <p>With: Clause 17 Schedule 11.1</p> <p>From: 07-Nov-22</p> <p>To: 11-Oct-23</p>	<p><b>MEEN</b></p> <p>12 new connections had incorrect "active" status dates, and one was corrected during the audit.</p> <p>Two ICPs appeared to have late meter certifications because the "active" status date was incorrectly recorded. They both had their status dates corrected during the audit.</p> <p>Three ICPs connected by MEEN were not updated to "active" status before they switched out.</p> <p>Seven ICPs had invalid reconnections processed by SAP.</p> <p><b>TRUS</b></p> <p>Nine new connections had incorrect "active" status dates and were corrected during the audit.</p> <p>Two ICPs appeared to have late meter certifications because the "active" status date was incorrectly recorded. They both had their status dates corrected during the audit.</p> <p>One ICP had a reconnection incorrectly processed and was corrected during the audit.</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><b>Low</b></p>	<p>The controls are moderate, because there are good validation processes, but some exceptions were not identified and resolved before being found during the audit.</p> <p>The audit risk rating is low because the impact on settlement is minor, and a small number of ICPs were non-compliant. Late or inaccurate changes to "active" can result in delays in providing submission information and billing the customer, and incorrect "active" dates can have an impact on submission data.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
MEEN: ICPs identified were fixed during audit. TRUS: All ICPs with incorrect status dates have been corrected either prior to or during the audit.	April 2024 Completed	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
MEEN: Dates for connection were confirmed by network, this is what we used to update SAP and registry. Further training will be provided to ensure manual checks are completed where statuses are automatically updated to ensure we are picking up where the status date is incorrect. TRUS will continue to utilise exception and discrepancy reporting to identify any gaps in our processes and ensure all updates are made in as timely a fashion as possible.	May 2024 Completed	

Management of “inactive” status	
Non-compliance	Description
<p>Audit Ref: 3.9</p> <p>With: Clause 19 Schedule 11.1</p> <p>From: 19-Jan-23</p> <p>To: 25-Aug-23</p>	<p><b>MEEN</b></p> <p>ICP 0309892023LCFC2 has been “inactive” since 4 November 2022 but was confirmed to have non-zero HHR consumption reported in May, July and September 2023 indicating that the registry ICP status is incorrect.</p> <p><b>TRUS</b></p> <p>Four out of a sample of 38 “inactive” status updates had an incorrect event date and/or status reason applied. Three have been corrected and ICP 0000206556UNF7C requires the network to reverse a decommissioning event before the incorrect date of 3 <b>February</b> 2022 can be replaced with an “active” status event.</p> <p>ICP 0117471631LCA54 has no meter and should have had 1,9 “inactive - electrically disconnected due to meter disconnected” status applied since 25 July 2023 but remains “active”.</p> <p>ICP 0000769092WAE1B had the 1,7 “electrically disconnected remotely by AMI meter” status reason code applied when there was no AMI meter. The disconnection event was processed in error, and the registry has been corrected to active.</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		
<b>Low</b>	<p>The controls are currently rated as moderate, because there are good validation processes, but some exceptions were not identified and resolved before being found during the audit.</p> <p>The audit risk rating is low because the impact on settlement is minor, and a small number of ICPs were non-compliant.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>MEEN: ICP 0309892023LCFC2 status is now 'ACTIVE' in the Registry.</p> <p>TRUS: ICPs with incorrect status dates have been corrected either prior to or during the audit where possible. ICP 0000206556UNF7C is still waiting for the Network to assist and has been followed up.</p>		<p>Completed</p> <p>Ongoing - dependant on Network assistance.</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>TRUS continues to utilise exception reporting to identify discrepancies where possible. ICPs identified in this report with incorrect status updates where due to human error and have been used as an opportunity to re-train where necessary.</p>		<p>Ongoing</p>	

Inform registry of switch request for ICPs - standard switch	
Non-compliance	Description
<p>Audit Ref: 4.1</p> <p>With: Clause 2 of schedule 11.3</p> <p>From: 01-Apr-23</p> <p>To: 27-Oct-23</p>	<p><b>TRUS</b></p> <p>Two switch moves were requested as transfer switches.</p> <p>Eight NTs were issued more than two business days after pre-conditions were cleared.</p> <p>Switch move was applied for 301,556 ICPs which switched from MEEN to TRUS during the audit period, to ensure that the correct switch event date was applied.</p> <p>Potential impact: Low</p> <p>Actual impact: None</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>

Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>The controls are moderate.</p> <ul style="list-style-type: none"> <li>The issue that related to switch types for migrating ICPs was isolated. Application documentation has been updated and training provided to prevent recurrence of this issue for switches from other traders.</li> <li>Pushing forward expected transfer dates will result in some late NT files.</li> </ul> <p>The impact is low. All NT files were issued within one month of the application, so there was no impact on settlement. The incorrect application of switch type for the ICPs migrated from MEEN to TRUS ensured that the correct switch event dates were applied, and the process ran smoothly.</p>		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
Related agents were advised of issues and given retraining. Investigation was conducted to identify and address systemic causes, resulting in revisions to changes to our online registration process and training for 3rd party vendor.		12 April 2024	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
The correct processes will be reiterated to Service Hub agents. The Energy Provisioning induction for new Service Hub agents has also been revised to address correct processes.		31 May 2024	

Losing trader response to switch request and event dates - standard switch	
Non-compliance	Description
<p>Audit Ref: 4.2</p> <p>With: Clauses 3 &amp; 4 of schedule 11.3</p> <p>From: 25-Jan-23</p> <p>To: 17-Nov-23</p>	<p><b>MEEN</b></p> <p>Eight of the sample of 620 AN files contained incorrect response codes.</p> <p><b>TRUS</b></p> <p>Six ANs had proposed event dates more than ten business days of NT receipt.</p> <p>Five of the sample of 1,543 AN files contained incorrect response codes.</p> <p>Potential impact: Low</p> <p>Actual impact: None</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
<b>Low</b>	The controls are strong overall as the process is automated and most ANs were on time and contained correct content.

	The impact is assessed as low as because the ANs with non-compliant event dates were identified using the holds report and a withdrawal was completed. The incorrect response codes may have a minor impact on the other party.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
<p>MEEN: We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP related systems or processes.</p> <p>TRUS: Training was undertaken to prevent agents from making the same error in the future.</p>	<p>N/A</p> <p>April 2024</p>	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
TRUS: General comms provided to all team members to draw their attention to this type of error.	May 2024	

<b>Losing trader must provide final information - standard switch</b>	
<b>Non-compliance</b>	<b>Description</b>
<p>Audit Ref: 4.3</p> <p>With: Clause 5 of schedule 11.3</p> <p>From: 09-Jan-23</p> <p>To: 5-Dec-23</p>	<p><b>MEEN</b></p> <p>16 CS breaches.</p> <p>Six CS files had average daily kWh of zero incorrectly recorded where there were less than two actual readings available.</p> <p>Nine ICPs had incorrect last actual read dates, due to manual data entry errors when creating the files using the registry user interface.</p> <p><b>TRUS</b></p> <p>29 CS breaches.</p> <p>Four E2 breaches.</p> <p>Six CS files had average daily kWh of zero incorrectly recorded where there were less than two actual readings available.</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>
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>
<b>Low</b>	The controls are moderate. Most switch files were on time and had accurate content. If there are less than two actual reads available, the average daily kWh will inaccurately be recorded as zero.

	The audit risk rating is low because the files were issued in time for revised submission data to be provided through the revision process, and the incorrect read types recorded in SAP have no impact on submission. Inaccurate average daily kWh may have a minor impact on submission if the gaining trader does not receive actual readings in time for submission and relies on the average daily kWh to estimate submission data.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
MEEN: We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.  TRUS: Identified as agent error. Retraining provided to prevent recurrence. Documentation was also reviewed to ensure accuracy.	N/A  April 2024	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
TRUS: Training materials updated and general comms provided to all team members to draw their attention to this type of error.	May 2024	

<b>Retailers must use same reading - standard switch</b>	
<b>Non-compliance</b>	<b>Description</b>
Audit Ref: 4.4  With: Clauses 6(1) and 6A Schedule 11.3  From: 05-Apr-23 To: 05-Dec-23	<b>MEEN</b>  For seven ICPs the switch event read type recorded in SAP did not match the expected read type.  11 RR breaches.  Potential impact: Low  Actual impact: Low  Audit history: Multiple times  Controls: Moderate  Breach risk rating: 2
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>
<b>Low</b>	Controls are moderate. The RR content was correct, most files were on time and read values were correctly recorded, but some read types were incorrectly recorded in SAP due to a combination of occasional data entry errors because SAP is updated manually, and that SAP sometimes defaults the read type back to actual in between the team member changing the data and saving.  The audit risk rating is low because the files were issued in time for revised submission data to be provided through the revision process, and the incorrect read types recorded in SAP have no impact on submission.

Actions taken to resolve the issue	Completion date	Remedial action status
We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As above	N/A	

Gaining trader informs registry of switch request - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.7</p> <p>With: Clause 9 Schedule 11.3</p> <p>From: 01-Apr-23</p> <p>To: 17-Nov-23</p>	<p><b>TRUS</b></p> <p>Nine NTs were issued more than two business days after pre-conditions were cleared.</p> <p>Switch move was applied for 301,556 ICPs which switched from MEEN to TRUS during the audit period (including eight ICPs in the sample of 25 checked), to ensure that the correct switch event date was applied.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are moderate:</p> <ul style="list-style-type: none"> <li>The issue that related to switch types for migrating ICPs was isolated. Application documentation has been updated and training provided to prevent recurrence of this issue for switches from other traders.</li> <li>Pushing forward expected transfer dates will result in some late NT files.</li> </ul> <p>The impact is low. All NT files were issued in time for revision submissions to occur, so there was no impact on settlement and the files were delayed by corrections. The incorrect application of switch type for the ICPs migrated from MEEN to TRUS ensured that the correct switch event dates were applied, and the process ran smoothly.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
As noted this is a direct result of the migration of MEEN ICPs to the TRUS code. Although a technical non-compliance the decision was made to process these as move switches to ensure that the correct switch event date was applied and minimise	N/A	Identified



billing impacts on Mercury customers. There was no impact on the market or other participants, and as the migration was a one-off event we do not expect to see a recurrence.		
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
As above.	N/A	

<b>Losing trader provides information - switch move</b>		
<b>Non-compliance</b>	<b>Description</b>	
<p>Audit Ref: 4.8</p> <p>With: Clause 10 of schedule 11.3</p> <p>From: 24-May-23</p> <p>To: 21-Nov-23</p>	<p><b>MEEN</b></p> <p>13 AN breaches.</p> <p>Nine WR breaches.</p> <p>43 T2 breaches.</p> <p>Eight of a sample of 162 AN files contained incorrect response codes.</p> <p><b>TRUS</b></p> <p>24 AN breaches.</p> <p>Three WR breaches.</p> <p>36 T2 breaches.</p> <p>11 of a sample of 915 AN files contained incorrect response codes.</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>	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	<p>The controls are strong overall as the process is automated and most AN and CS files were on time, and most AN files contained correct content.</p> <p>The impact is assessed as low as because the ANs with non-compliant event dates were identified using the holds report and a withdrawal was completed, and the late CS files were issued in time for revised submission data to be provided through the revision process. The incorrect response codes may have a minor impact on the other party.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
MEEN: We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.	N/A	Identified

TRUS: While we suspect human error we are investigating what has caused these non-compliances to ensure that if it is a system error we raise a job to rectify.	May 2024	
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
TRUS: We have strong controls and reporting in place to avoid recurrence.	Ongoing	

Losing trader must provide final information - switch move	
Non-compliance	Description
<p>Audit Ref: 4.10</p> <p>With: Clause 11 of schedule 11.3</p> <p>From: 09-Jan-23</p> <p>To: 5-Dec-23</p>	<p><b>MEEN</b></p> <p>Five E2 breaches.</p> <p>Seven ICPs had incorrect last actual read dates.</p> <p>One ICP had an incorrect read type recorded.</p> <p>Four ICPs had an incorrect event read recorded.</p> <p>Four CS files had average daily kWh of zero incorrectly recorded where there were less than two actual readings available.</p> <p><b>TRUS</b></p> <p>One E2 breach.</p> <p>Four CS files had average daily kWh of zero incorrectly recorded where there were less than two actual readings available.</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
<b>Low</b>	<p>The controls are moderate. Most switch files were on time and had accurate content. If there are less than two actual reads available, the average daily kWh will inaccurately be recorded as zero.</p> <p>The audit risk rating is low because the files were issued in time for revised submission data to be provided through the revision process, and the incorrect read types recorded in SAP have no impact on submission. Inaccurate average daily kWh may have a minor impact on submission if the gaining trader does not receive actual readings in time for submission and relies on the average daily kWh to estimate submission data.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
MEEN: This error was a combination of both system and human error. Team has been advised of the error. We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements in SAP-related systems or processes.	May 2024	Identified
TRUS: Identified as agent error. Retraining provided to prevent recurrence.	April 2024	
Preventative actions taken to ensure no further issues will occur	Completion date	
TRUS: General comms provided to all team members to draw their attention to this type of error.	May 2024	

Gaining trader changes to switch meter reading - switch move	
Non-compliance	Description
<p>Audit Ref: 4.11</p> <p>With: Clause 12 Schedule 11.3</p> <p>From: 14-Mar-23</p> <p>To: 06-Dec-23</p>	<p><b>MEEN</b></p> <p>For seven ICPs the switch event read type recorded in SAP did not match the expected read type.</p> <p>For one ICP the RR was not supported by two validated actual readings.</p> <p>36 RR breaches.</p> <p>One AC breach.</p> <p><b>TRUS</b></p> <p>One switch event did not have its reading recorded against the correct day in GTV, resulting in under submission of 14 kWh.</p> <p>20 RR breaches.</p> <p>For one ICP the switch event read type recorded in GTV did not match the expected read type.</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
<b>Low</b>	Controls are moderate. The RR content was correct, most files were on time and read values were correctly recorded, but some read types and dates were incorrectly recorded in SAP or GTV due to a combination of occasional data entry errors because SAP and GTV are updated manually, and that SAP sometimes defaults the read type back to actual in between the team member changing the data and saving.

	The audit risk rating is low because the files were issued in time for revised submission data to be provided through the revision process, and the incorrect read types recorded in SAP have no impact on submission. The incorrect read date resulted in under submission of 14 kWh.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
MEEN: We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.  TRUS: Identified as agent error. Retraining provided to prevent recurrence. Documentation was also reviewed to ensure accuracy.	N/A  April 2024	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
TRUS: Training materials updated and general comms provided to all team members to draw their attention to this type of error.	May 2024	

<b>Gaining trader informs registry of switch request - gaining trader switch</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 4.12 With: Clause 14 of Schedule 11.3  From: 04-Oct-23 To: 16-Oct-23	<b>MEEN</b> Three PT breaches. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
Low	The controls are strong, and the NTs were backdated due to metering issues and agreed with the other trader. The impact is low because the dates were agreed with the other trader, and the switches were completed in time for revised data to be provided through the revision process.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
This has been identified as human error.	May 2024	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
We have provided refresher training for the team and have implemented new checks going forward to avoid recurrence.	May 2024

Gaining trader to advise the registry manager - gaining trader switch		
Non-compliance	Description	
Audit Ref: 4.14 With: Clause 16 of schedule 11.3  From: 28-Nov-23 To: 28-Nov-23	<b>MEEN</b> One CS breach. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are strong, and the impact is low. One of the 104 HH CS files issued was one day late due to an oversight.	
Actions taken to resolve the issue	Completion date	Remedial action status
We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As above.	N/A	

Withdrawal of switch requests	
Non-compliance	Description
Audit Ref: 4.15 With: Clauses 17 and 18 Schedule 11.3	<b>MEEN</b> Three incorrect NW codes found in the sample of 22 checked. 203 NA breaches. 44 SR breaches. 33 NW breaches. 32 AW breaches.  <b>TRUS</b>

From: 06-Jan -23 To: 11-Dec-23	<p>Five incorrect NW codes found in the sample of 21 checked.</p> <p>125 NA breaches.</p> <p>23 SR breaches.</p> <p>One NW breach.</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	
<b>Low</b>	<p>The controls are moderate. Most files checked had accurate withdrawal advisory codes, but errors sometimes occur. Most NW files were issued on time and most delays were due to circumstances not fully within Mercury's control such as late notification from the customer, and negotiation with the other trader. Delays due to high workloads while ICPs migrated from MEEN to TRUS are no longer an issue now that the migration is complete.</p> <p>The audit risk rating is low. Withdrawals were completed in time for revised data to be provided through the revision process. The impact of incorrect NW codes is reduced by supporting correspondence being provided to the other trader to explain the reasons for the withdrawal request.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>MEEN: Team has been advised on the difference between DF and CE NW codes. We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.</p> <p>TRUS: Training undertaken to prevent agents from making the same error in the future.</p>	<p>Completed</p> <p>April 2024</p>	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
TRUS: Team training provided. Documentation also reviewed to ensure accuracy.	May 2024	

Metering information	
Non-compliance	Description
<p>Audit Ref: 4.16</p> <p>With: Clause 21 of schedule 11.3</p>	<p><b>MEEN</b></p> <p>Four ICPs had an incorrect event read recorded in their CS file.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p>

From: 03-Dec-21 To: 17-Nov-22	Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	The controls are moderate. Most switch files had accurate content. The audit risk rating is low because the ICPs have low average daily kWh and the impact is expected to be low.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems or processes.		N/A	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
As above.		N/A	

<b>Distributed unmetered load</b>			
<b>Non-compliance</b>	<b>Description</b>		
Audit Ref: 5.4 With: Clauses 11(1) of schedule 15.3, 10.14 & 15.13  From: 01-Apr-23 To: 29-Apr-24	<b>MEEN</b> Inaccurate submission information for several databases. The DUML load is submitted using HHR profile, without an exemption in place. Potential impact: Medium Actual impact: Medium Audit history: Multiple times Controls: Moderate Breach risk rating: 4		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Medium</b>	The controls are moderate. Accuracy of databases is not within MEEN's direct control, and they are working with the customers to improve the level of accuracy. The impact is medium based on the kWh differences identified in the individual DUML audits.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
We continue to work with our customers to improve database accuracy and overall DUML compliance. We have drafted profile applications for CMS Dimming, Static Dimming and Flat (no		May/June 2024	Identified

dimming) profiles; lack of resource due to the prioritisation of other projects has caused delay however we have been chipping away at drafting our applications and are hoping to submit to the EA before end of June 2024.		
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
As above.	N/A	

<b>Electricity conveyed &amp; notification by embedded generators</b>		
<b>Non-compliance</b>	<b>Description</b>	
<p>Audit Ref: 6.1 With: Clause 10.13</p> <p>From: 01-Apr-23 To: 29-Apr-24</p>	<p><b>MEEN</b></p> <p>Four ICPs with distributed generation do not have their I flows measured and submitted.</p> <p>12 HHR ICPs with generation recorded by the distributor and I flow metering did not have their I flow meter set up in SAP and no I flow submission is occurring.</p> <p>While meters were bridged, energy was not metered and quantified according to the code for five ICPs.</p> <p><b>TRUS</b></p> <p>Nine ICPs with distributed generation do not have their I flows measured and submitted.</p> <p>13 ICPs had incorrect generation profiles applied which were corrected during the audit. ICP 0000640400TE25B has no solar present but PV1 profile remains on the registry. There is no impact because no volumes are submitted.</p> <p>While meters were bridged, energy was not metered and quantified according to the code for 65 ICPs.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	<p>Controls are rated as moderate. There are good processes in place to ensure that energy is quantified, but there are sometimes delays in investigating and metering distributed generation consumption.</p> <p>A small amount of under submission of I flow volumes will be occurring. There are processes in place to estimate consumption for bridged meters.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
MEEN: We are investigating these and will resolve as soon as possible.	<p>June 2024</p> <p>Completed/Ongoing</p>	Identified



<p>TRUS: New reporting has been implemented to identify ICPs that are profiling incorrectly based on their Fuel Type. Existing reporting identifies ICPs where there is Generation but no I Flow metering, this continues to be monitored and all sites identified during Audit had attempts at contact made prior to Audit.</p> <p>For the bridged meters, we understand that the 65 instances highlighted were "customer generation" registers on meters that were bridged. The team fixed and reconciled the energy portions but were not aware that the generation elements were also affected. The team is now aware of this and we are now correcting and reconciling the generation energy in these cases.</p>		
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p>MEEN: We will work to improve our communications with the relevant MEPS.</p> <p>TRUS: TRUS continues to utilise exception reporting to identify discrepancies surrounding Domestic Generation, including profiling issue, metering issues, and discrepancies between Retailer fields and Network and MEP fields in the registry. Additional resource will be given to this area as we have seen an increase in discrepancies identified through reporting since migration.</p>	<p>Ongoing</p> <p>Ongoing</p>	

<p><b>Responsibility for metering at GIP</b></p>	
<p><b>Non-compliance</b></p>	<p><b>Description</b></p>
<p>Audit Ref: 6.2</p> <p>With: Clause 10.26 (6), (7) and (8)</p> <p>From: 16-Jan-24</p> <p>To: 29-Apr-24</p>	<p><b>MEEN</b></p> <p>Three meters have expired certification on the NSP table.</p> <p>13 meter certification expiry dates were updated more than ten business days after the meters were certified.</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>
<p><b>Audit risk rating</b></p>	<p><b>Rationale for audit risk rating</b></p>
<p><b>Low</b></p>	<p>The controls over monitoring and managing meter certification for NSP metering are robust, and the impact is low.</p> <p>The late certification expiry dates are a technical non-compliance which occurs because only one meter certification expiry date is recorded for NSPs with multiple</p>

	<p>meters which are certified on different dates. When the most recent expiry date is pushed out, the most recent expiry date for one of the other meters replaces it. That meter may have been certified months or years before so the update may be more than ten business days after the new certification date.</p> <p>There is adequate monitoring of meters with certifications which are about to expire, and the MEP has not yet provided recertification details to allow the update to be completed.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
<p>We are following up to ensure that we have received the updated meter certifications.</p> <p>The technical non-compliance that arises due to there only being one meter certification expiry date recorded for NSPs with multiple meters which are certified on different dates is a longstanding one, we will actively engage with our Generation team to understand the issue better and lean on their technical knowledge to try and find any practical workaround or potentially try to work with the EA on an exemption.</p>	December 2025	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
As above.	N/A	

<b>Certification of control devices</b>	
<b>Non-compliance</b>	<b>Description</b>
<p>Audit Ref: 6.3</p> <p>With: Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3</p> <p>From: 01-Apr-23</p> <p>To: 21-Feb-24</p>	<p><b>TRUS</b></p> <p>Four ICPs without HHR or AMI metering or a certified control device had T07 and/or T23 profiles assigned.</p> <p>Alleged breach 2309MEEN1.</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>
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>
<b>Low</b>	The controls are strong, and the impact is low. Discrepancy reports have been updated to include this scenario, and the profiles have been corrected. Revised submission data will be washed up with the correct profile.

<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
An issue with reporting was identified during reporting. This has since been correct and all instances of Controlled profiling being incorrectly used have been corrected.	Completed	Cleared
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
TRUS continues to utilise exception reporting to identify discrepancies in profiling, these are monitored on a daily basis as discrepancies appear.	Ongoing	

<b>Reporting of defective metering installations</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 6.4 With: Clause 10.43(2) and (3)  From: 09-Feb-23 To: 29-Apr-24	<b>MEEN</b> The MEP was not notified of five bridged meters which required un-bridging. Potential impact: Medium Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	The controls are strong, because the MEP was notified of almost all bridged or faulty meters checked and the exceptions related to ICPs which switched out soon after they were bridged.  The impact is low based on the number of exceptions and periods supplied.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
We have reviewed our process and provided refresher training to ensure that we are notifying the MEPs as soon as possible.	May 2024	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Our controls are strong and we believe that recurrence is unlikely.	Ongoing	

Collection of information by certified reconciliation participant			
Non-compliance		Description	
Audit Ref: 6.5 With: Clause 2 Schedule 15.2 From: 6-Oct-22 To: 29-Apr-24		<b>MEEN</b> ICP 100004624BP8E6 was not read within its maximum interrogation cycle. Potential impact: Low Actual impact: Low Audit history: Three times Controls: Strong Breach risk rating: 1	
Audit risk rating		Rationale for audit risk rating	
<b>Low</b>		The controls are strong, and the impact is low, because only one meter is affected, and MEEN is attempting to resolve the issue with the MEP.	
Actions taken to resolve the issue		Completion date	Remedial action status
We are still investigating and will rectify as soon as possible.		May 2024	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Our controls are strong and we believe that recurrence is unlikely.		Ongoing	

Derivation of meter readings			
Non-compliance		Description	
Audit Ref: 6.6 With: Clause 3(2) Schedule 15.2 From: 01-Apr-23 To: 29-Apr-24		<b>MEEN</b> One out of a sample of 18 meter condition events provided by MRS had not been resolved, reviewed or actioned. <b>TRUS</b> Nine out of a sample of 36 meter condition events provided by MRS had not been resolved, reviewed or actioned. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating		Rationale for audit risk rating	
<b>Low</b>		The controls are moderate overall because improvements are required to ensure all meter condition examples are reviewed and actioned for TRUS. MEEN's controls	

	<p>have improved to strong now that weekly files are received from MRS and reviewed.</p> <p>The risk level depends on the number and nature of meter condition events, whether they are genuine issues and how quickly they are resolved. Most ICPs have AMI capable metering and are not read manually so the impact is estimated to be low.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
<p>MEEN: Service Request raised in GTV as site now migrated to TRUS for us to investigate stopped metering.</p> <p>TRUS: Following the Mercury/Trustpower integration we are reviewing our process for monitoring and taking appropriate action on meter condition events to ensure that we have a tight process and internal responsibilities are well established.</p>	<p>April 2024</p> <p>June 2024</p>	Investigating
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
<p>MEEN: Meter reading team reviewing to confirm measures to avoid this being missed</p> <p>TRUS: As above.</p>	<p>May 2024</p> <p>Ongoing</p>	

<b>NHH meter reading application</b>		
<b>Non-compliance</b>	<b>Description</b>	
<p>Audit Ref: 6.7</p> <p>With: Clause 6 Schedule 15.2</p> <p>From: 03-Dec-21</p> <p>To: 17-Nov-22</p>	<p><b>MEEN</b></p> <p>Four ICPs had an incorrect event read recorded in their CS file.</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>	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Low</b>	<p>The controls are moderate, because most switch files had accurate content.</p> <p>The audit risk rating is low because the ICPs have low average daily kWh.</p>	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems and processes.	N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
As above.	N/A

NHH meters interrogated annually		
Non-compliance	Description	
<p>Audit Ref: 6.9</p> <p>With: Clause 8(1) and (2) Schedule 15.2</p> <p>From: 01-Nov-22</p> <p>To: 31-Oct-23</p>	<p><b>TRUS</b></p> <p>Two vacant ICPs did not have validated readings in GTV during the 12 months ending October 2023 and the best endeavours requirement was not met because TRUS had not validated the AMI readings received in time for them to be used for submission.</p> <p>One AMI ICP where the customer provides readings did not have validated readings in GTV during the 12 months ending October 2023 and the best endeavours requirement was not met because TRUS had not validated and loaded the AMI readings.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are strong because unread ICPs are reviewed and actioned monthly, and the non-compliances relate to uncommon scenarios.</p> <p>The impact on settlement and participants is expected to be minor as good estimation processes are in place.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
As noted these are uncommon scenarios, we have taken learnings from these instances to avoid recurrence.	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Our controls are strong and we do not expect to see recurrence.	Ongoing	

NHH meters 90% read rate		
Non-compliance	Description	
<p>Audit Ref: 6.10</p> <p>With: Clause 9(1) and (2) Schedule 15.2</p> <p>From: 01-Jul-23</p> <p>To: 31-Oct-23</p>	<p><b>MEEN</b></p> <p>Eight of a sample of ten ICPs connected to NSPs where less than 90% read attainment was achieved for October 2023 did not have exceptional circumstances preventing reads or meet the best endeavours requirements.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	<p>The controls are strong. The non-compliance was isolated because route changes and customer communications were temporarily suspended during the migration between MEEN and TRUS.</p> <p>The impact on settlement and participants is expected to be minor as good estimation processes are in place.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
The migration of MEEN ICPs to the TRUS code, which is compliant, has largely resolved this.	Completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We will continue to focus on ensuring that our processes for TRUS are effective.	Ongoing	

Trading period duration	
Non-compliance	Description
<p>Audit Ref: 7.1</p> <p>With: Clause 13 Schedule 15.2</p> <p>From: 02-Apr-24</p> <p>To: 02-Apr-24</p>	<p><b>MEEN</b></p> <p>The Whakamaru generation meter had a clock synchronisation event where the meter time differed from the system time by 10 seconds on 20 April 2024. The meter was synchronised against the system time to correct the error, resulting in trading period durations difference of 10 seconds.</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>

<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
Low	There are strong controls because the issue was identified and resolved. The impact is low because trading period duration had a difference of eight seconds more than the allowable difference.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
This time synchronisation event was corrected by our metering Approved Test House.		Completed	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
This was a rare occurrence and we have strong controls in place.		Ongoing	

<b>Identification of readings</b>			
<b>Non-compliance</b>	<b>Description</b>		
<p>Audit Ref: 9.1</p> <p>With: Clause 3(3) Schedule 15.2</p> <p>From: 14-Mar-23</p> <p>To: 06-Dec-23</p>	<p><b>MEEN</b></p> <p>For 14 ICPs the switch event read type recorded in SAP did not match the expected read type.</p> <p><b>TRUS</b></p> <p>For one ICP the switch event read type recorded in GTV did not match the expected read type.</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>		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	<p>The controls are as strong because read types are normally recorded correctly. The issues related to ICPs which had read changes due to switch event read renegotiations which are processed manually in the systems.</p> <p>The impact on settlement and participants is low, because the read values were correct, and all switch event reads are treated as validated and permanent by the reconciliation process and are used to calculate historic estimate.</p>		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
MEEN: We acknowledge the non-compliance, however as SAP will be phased out and considering all RESI ICPs have been migrated to GTV, it is not viable to make any changes/improvements to SAP-related systems and processes.		N/A	Identified



TRUS: This was a Service Hub error which was identified to the agent's Team Leader as a training opportunity.	April 2024	
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
TRUS: Continue to review and update guidelines available to Service Hub agents.	May 2024	

Meter data used to derive volume information		
Non-compliance	Description	
<p>Audit Ref: 9.3</p> <p>With: Clause 3(5) of schedule 15.2</p> <p>From: 01-Apr-23</p> <p>To: 29-Apr-24</p>	<p><b>MEEN</b></p> <p>Raw AMI meter data is rounded upon receipt and not when volume information is created.</p> <p><b>TRUS</b></p> <p>Raw meter data is rounded upon receipt and not when volume information is created.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: None</p> <p>Breach risk rating: 5</p>	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	There are no controls to prevent rounding of raw meter data, the systems are designed to round as soon as the data arrives. There is little impact because no metered consumption information is "missing".	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>MEEN: In the last 12 months Mercury has migrated the majority of its ICPs from the MEEN code (SAP) to the TRUS code (GTV). A project is underway to migrate our Commercial/TOU ICPs to a new platform before the end of 2024 and retire SAP in due course. All of our resource is going into the new platforms and we won't be investing in making changes to SAP-related systems or processes at this time.</p> <p>TRUS: We are investigating the viability of a system change so that AMI data is not rounded to zero decimal places upon being uploaded to GTV.</p>	<p>N/A</p> <p>December 2024</p>	Investigating

Preventative actions taken to ensure no further issues will occur	Completion date
As above	N/A

NHH metering information data validation		
Non-compliance	Description	
Audit Ref: 9.5 With: Clause 16 Schedule 15.2  From: 01-Apr-23 To: 29-Apr-24	<b>TRUS</b> Not all identified “inactive” consumption and potential stopped or faulty meters are being investigated and resolved in a timely manner. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are well designed, but how frequently the processes are completed and how promptly issues are investigated and resolved requires some improvement.  The impact on settlement and participants is expected to be low, because once the issues are investigated and resolved revised submission data will be washed up.	
Actions taken to resolve the issue	Completion date	Remedial action status
Mercury has 8 FTE in our Revenue Assurance team. We have a range of reports and mechanisms identifying potential instances of inactive consumption and stopped/ faulty meters. The fact that these instances are not being investigated and resolved in a "timely" manner is due a number of factors i.e. the high level of fieldwork contractor turndowns, increasing levels of meter faults (particularly LCD's), the bridging of meters for reconnection, a significant level of unaddressed meter faults migrated from MEEN to TRUS. We are working to address delays and reduce volumes, and do expect to see a steady improvement across the next 12 to 18 months.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As above.	N/A	

Electronic meter readings and estimated readings		
Non-compliance	Description	
<p>Audit Ref: 9.6</p> <p>With: Clause 17 Schedule 15.2</p> <p>From: 01-Apr-23</p> <p>To: 29-Apr-24</p>	<p><b>MEEN</b></p> <p>Some investigations into meter events which could affect accuracy were not actioned or had field services jobs cancelled prior to the ICPs migrating to TRUS. Some of these jobs were not restarted by TRUS on switch in.</p> <p>The EDMI agent audit recorded that a meter event for ICP 0004862980CNE78's battery alarms on 3 April 2023 was not sent to MEEN. I found that the event was not sent later, and because MEEN was unaware of it, no action was taken.</p> <p><b>TRUS</b></p> <p>Full event information is not analysed and acted upon for all MEPS.</p> <p>Potential impact: Medium</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	
<b>Low</b>	The controls are weak because most ICPs are supplied by TRUS, and they do not review and action all meter events provided. The impact of the lack of event log monitoring is low because any events requiring action identified by the MEPS and sent to Mercury are usually reviewed and actioned.	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>MEEN: We will review the original list of jobs cancelled under MEEN to identify any that haven't had a new job raised in GTV under TRUS.</p> <p>TRUS: We will investigate what event information we currently receive and what revenue assurance activities result from this, and also look into any relevant event data we are not currently receiving or acting upon.</p>	May 2024	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>MEEN: This only occurred due to the migration between SAP and GTV, we will take the learnings from this when completing the migration for the remaining MEEN ICPs and GBUG ICPs as required.</p> <p>TRUS: As above.</p>	May 2024	

Calculation of ICP days		
Non-compliance	Description	
Audit Ref: 11.2 With: Clause 15.6  From: 01-Jul-22 To: 31-Oct-23	<b>TRUS</b> A small number of ICP days errors were caused by incorrect NSPs or switch read dates. The errors have been corrected.  Potential impact: Low Actual impact: Low Audit history: Three times Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are strong, and the impact is low. Corrections have been made and revised submission data washed up, and improved validation and training has been implemented to prevent recurrence.	
Actions taken to resolve the issue	Completion date	Remedial action status
The errors causing the ICP days variances have been corrected and will be reflected in revision submissions.	Completed	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
Training has been provided and NSP discrepancy reporting has been enhanced.	Completed	

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8  From: 01-Oct-23 To: 31-Oct-23	<b>TRUS</b> Three ICPs did not have the correct NSP recorded in GTV for the whole of October 2023 resulting in submission against an incorrect NSP. The error was corrected and revised submission data was provided.  Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	

Low	The controls are strong, and the impact is low. Corrections have been made and revised submission data washed up, and improved validation and training has been implemented to prevent recurrence.		
Actions taken to resolve the issue		Completion date	Remedial action status
The incorrect NSPs have been corrected and accurate data has been provided in revision submissions.		Completed	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
NSP discrepancy reporting has been enhanced to identify and correct mismatches in a timely manner.		Completed	

Creation of submission information			
Non-compliance	Description		
Audit Ref: 12.2 With: Clause 15.4  From: 01-Apr-23 To: 29-Apr-24	<b>MEEN and TRUS</b> Some submission information was not complete and accurate. Potential impact: Medium Actual impact: Unknown Audit history: Twice Controls: Moderate Breach risk rating: 4		
Audit risk rating	Rationale for audit risk rating		
<b>Medium</b>	The controls are moderate overall, the system processes to generate submission data are generally accurate, and the issues are mainly caused by data accuracy issues for individual ICPs or isolated scenarios. Mercury is working to investigate issues and improve controls, including improving processes to identify and correct data accuracy errors so that revised submission data can be provided.  The impact is medium overall based on the volume differences identified and that some corrections have not yet been completed.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have been investigating and working through the issues that are the root cause of the submission inaccuracies, where possible correcting within the 14 month revision cycle so that the volumes will be washed up in our revision submissions.		June 2024	Investigating

<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>
We will continue to focus on improving our processes, specific preventative actions as noted throughout the report, which will impact our submission accuracy positively.	Ongoing

<b>Accuracy of submission information</b>		
<b>Non-compliance</b>	<b>Description</b>	
Audit Ref: 12.7 With: Clause 15.12  From: 01-Apr-23 To: 29-Apr-24	<b>MEEN</b> Some submission data was inaccurate and was not corrected at the next available opportunity.  Potential impact: Medium Actual impact: Unknown Audit history: Multiple times Controls: Moderate Breach risk rating: 4	
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>	
<b>Medium</b>	The controls are moderate overall, the system processes to generate submission data are generally accurate, and the issues are mainly caused by data accuracy issues for individual ICPs or isolated scenarios. Mercury is working to investigate issues and improve controls, including improving processes to identify and correct data accuracy errors so that revised submission data can be provided.  The impact is medium overall based on the volume differences identified and that some corrections have not yet been completed.	
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
We have been investigating and working through the issues that are the root cause of the submission inaccuracies, where possible correcting within the 14 month revision cycle so that the volumes will be washed up in our revision submissions.	June 2024	Investigating
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
We will continue to focus on improving our processes, specific preventative actions as noted throughout the report, which will impact our submission accuracy positively.	Ongoing	

Permanence of meter readings for reconciliation		
Non-compliance	Description	
Audit Ref: 12.8 With: Clause 4 Schedule 15.2  From: 01-Feb-22 To: 29-Apr-24	<p><b>MEEN</b></p> <p>Some estimates were not replaced by revision 14.</p> <p><b>TRUS</b></p> <p>TRUS did not ensure that it used reasonable endeavours to attempt to obtain actual readings before changing estimates to permanent estimates.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</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	
<b>Low</b>	<p>Controls are strong. For MEEN here are processes to attain readings and enter permanent estimates, but not all ICPs have permanent estimates entered by revision 14. A small number of exceptions were identified. For TRUS, the non-compliance is technical.</p> <p>There are sound estimation processes, which will help to ensure accurate estimates, so the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
TRUS & MEEN: We believe the current processes we have in place allow for the most accurate submission in most cases. There will always be exception cases where actual reads aren't able to be obtained.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
TRUS: There is work in progress to implement a more robust process for checking that Best Endeavours have been taken before changing estimates to permanent estimates for R14.	August 2024	

Reconciliation participants to prepare information	
Non-compliance	Description
Audit Ref: 12.9 With: Clause 2 Schedule 15.3	<p><b>TRUS</b></p> <p>Four ICPs without HHR or AMI metering or a certified control device had T07 and/or T23 profiles assigned. They were corrected during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p>

From: 01-Jan-22 To: 31-Mar-23	Audit history: Three times Controls: Strong Breach risk rating: 1		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	The controls are strong, and the impact is low. Discrepancy reports have been updated to include this scenario, and the profiles have been corrected. Revised submission data will be washed up with the correct profile.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
The four ICPs with incorrect profiles assigned have now been corrected and will be reflected in revision submissions.		Completed	Cleared
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
Discrepancy reporting has been updated to identify these errors to allow for timely corrections.		Completed	

<b>Forward estimate process</b>			
<b>Non-compliance</b>	<b>Description</b>		
Audit Ref: 12.12 With: Clause 6 Schedule 15.3  From: 01-Jan-22 To: 31-Oct-23	<b>MEEN</b> The accuracy threshold was not met for all months and revisions.  <b>TRUS</b> The accuracy threshold was not met for all months and revisions. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	Controls are rated as strong, as they are sufficient to ensure data is within an acceptable accuracy. The audit risk rating is low as the Initial data is replaced with revised data and washed up.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
TRUS & MEEN: Our forward estimation processes are strong and allow for a good level of accuracy in most cases.		N/A	Identified



Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Currently for our TRUS NHH AMI settled ICPs, we have a process in place to import an EOM meter read (in addition to the scheduled monthly read) for our first 15 (out of 20) meter read sequences. The EOM reads feed into submission processes to be used for Historic Estimate calculation.</p> <p>The recently migrated ICPs from MEEN are not currently included in the EOM import process but this work is in progress, expected to be in place within the next month. This will increase our historic estimates and improve submission accuracy.</p> <p>We are implementing an update to the end of month reads process from end of May, this will import all end of month reads for all consumers who are billed within the first 15 business days of the month - the update is to include all migrated sites in this process. This should greatly increase the accuracy of the estimation and will also reduce the portion of historic estimation.</p>	June 2024	

Compulsory meter reading after profile change		
Non-compliance	Description	
<p>Audit Ref: 12.13</p> <p>With: Clause 7 Schedule 15.3</p> <p>From: 21-Nov-23</p> <p>To: 07-Dec-23</p>	<p><b>TRUS</b></p> <p>The five upgrades checked did not have a NHH reading recorded on the last day with NHH submission.</p> <p>The five downgrades checked did not have NHH reading recorded on the first day with NHH submission.</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	
<b>Low</b>	<p>The controls are moderate as they are not sufficient to ensure that NHH boundary readings are entered where profile changes occur. The impact on submission is expected to be low, as forward estimate will be calculated where boundary readings are not present.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
We will look at entering the boundary reads for revision submissions.	June 2024	Investigating

Preventative actions taken to ensure no further issues will occur	Completion date
We have raised a ticket with our IT teams to review the profiling processes to ensure boundary reads are always applied for profile changes.	December 2024

Historical estimate reporting to RM		
Non-compliance	Description	
<p>Audit Ref: 13.3</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: 01-Jan-22</p> <p>To: 31-Jul-23</p>	<p><b>MEEN</b></p> <p>Historic estimate thresholds were not met for some revisions.</p> <p><b>TRUS</b></p> <p>Historic estimate thresholds were not met for some revisions.</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	
<b>Low</b>	<p>Overall, the controls are assessed to be moderate because compliance is achieved in most instances, but some improvements can be made.</p> <p>The impact is assessed to be low as good estimation processes are in place where historic estimate cannot be obtained.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>TRUS &amp; MEEN</p> <p>We believe our current processes are strong to ensure a high level of compliance here. There will always be exception cases where reads cannot be obtained for HE however we have good estimation methods in place.</p> <p>TRUS</p> <p>For the invalid FE examples recorded in section 12.7, these have already been resolved for R7 and the root cause is under investigation.</p>	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>TRUS</p> <p>We are investigating the root cause of the invalid FE examples to ensure that HE is used in all cases where actual reads are available for calculation.</p>	Ongoing	

<p>We will be working with our operations teams to highlight sites with no/low read attainment to ensure validated reads or permanent estimates are available for HE calculation.</p> <p>&gt;80% historic estimates for R3 submissions - we have engaged Gentrack to look at the issue with their continuous estimation process and they have advised some possible solutions. We will be instructing them whether we would like a fix/enhancement to the process or a report, either of these options should mitigate the issue and greatly reduce the portion of historic estimation.</p>		
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