

Compliance plan for SmartCo MEP 2024

Participants to Provide Accurate Information		
Non-compliance	Description	
<p>Audit Ref: 2.5</p> <p>With: Clause 11.2 and Clause 10.6</p> <p>From: 01-May-23</p> <p>To: 08-Apr-24</p>	<p>Registry not always accurate and not always updated as soon as practicable by SmartCo.</p> <p>Certification records not always accurate.</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>Controls are recorded as moderate because there is room to improve processes.</p> <p>The impact on other participants is minor; therefore, the audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
All identified accuracy issues are in the process of being corrected. Timeliness issues that have already occurred are unable to be resolved.	30/09/2024	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Smartco will continue to review processes to ensure data is complete and accurate and implement a process to monitor and resolve issues are identified and amended in a timely fashion.	Ongoing	

Registry Notification of Metering Records		
Non-compliance	Description	
Audit Ref: 3.2 With: Clause 2 of Schedule 11.4 From: 01-May-23 To: 08-Apr-24	Some registry updates were later than 15 business days. 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	Controls are recorded as moderate because there is room to improve the timeliness by ensuring more regular updates. The impact on other participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Timeliness issues that have already occurred are unable to be resolved	NA	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Smartco will review its processes to determine what improvements can be made and communicate with other participants to remind them of their responsibilities.	Ongoing	

Changes to Registry Records		
Non-compliance	Description	
Audit Ref: 4.10 With: Clause 3 of Schedule 11.4 From: 01-May-23 To: 08-Apr-24	Some records updated to the registry later than ten business days. 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	I have recorded the controls as strong because they mitigate risk to an acceptable level. Late updates for new connections can have a minor impact on participants and settlement, therefore the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Timeliness issues that have already occurred are unable to be resolved	NA	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Smartco will continue to review processes to ensure data is complete and accurate and implement a process to monitor and resolve issues are identified and amended in a timely fashion	Ongoing	

Accurate and Complete Records		
Non-compliance	Description	
Audit Ref: 5.1 With: Clause 4(1)(a) and (b) of Schedule 10.6 From: 01-May-23 To: 04-Apr-24	Certification records were not accurate and complete for all 18 category 1 certification reports. 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	I have recorded the controls as moderate because there is room for improvement. The impact on settlement and participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
The identified issues will be reviewed and corrected where required	30/09/2023	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
SmartCo will continue to review this area and further reinforce with its ATHs this requirement and determine how this can be monitored and, where issues are identified, raised with its ATHs promptly	Ongoing	

Provision of Registry Information			
Non-compliance	Description		
<p>Audit Ref: 6.2</p> <p>With: Clause 7 (1), (2) and (3) of Schedule 11.4</p> <p>From: 01-May-23</p> <p>To: 04-Apr-24</p>	<p>Some registry records were incomplete or incorrect.</p> <p>Potential impact: Medium</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>I have recorded the controls as strong because they mitigate risk to an acceptable level.</p> <p>Some of the discrepancies have a minor impact on participants, customers or settlement. The relevant ones in this regard are tariff related. The audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All identified accuracy issues are in the process of being corrected. Timeliness issues that have already occurred are unable to be resolved		30/09/2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Smartco will continue to review processes to ensure data is complete and accurate and implement a process to monitor and resolve issues are identified and amended in a timely fashion		Ongoing	

Cancellation of Certification			
Non-compliance	Description		
<p>Audit Ref: 6.4</p> <p>With: Clause 20 of Schedule 10.7</p> <p>From: 01-May-23</p> <p>To: 04-Apr-24</p>	<p>Certification cancelled, and registry not updated within ten business days for:</p> <ul style="list-style-type: none"> • ICP 0004182836TPOB7 with low burden, and • three ICPs where sum-check failures were not resolved within three business days. <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>I have recorded the controls as strong because risk is mitigated to an acceptable level.</p> <p>The responsibility for SmartCo is to cancel certification on the registry once they know certification is cancelled and the impact of not doing this is minor, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All identified accuracy issues are in the process of being corrected. Timeliness issues that have already occurred are unable to be resolved.		30/09/2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Smartco will continue to review processes to ensure data is complete and accurate and implement a process to monitor and resolve issues are identified and amended in a timely fashion.		Ongoing	

Certification and Maintenance			
Non-compliance	Description		
<p>Audit Ref: 7.1</p> <p>With: Clause 10.38 (a)</p> <p>From: 02-Jun-21</p> <p>To: 16-May-24</p>	<p>Certification expired or cancelled for 43 ICPs.</p> <p>Potential impact: High</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>I have recorded the controls as moderate in this area because the SmartCo processes have been improved to avoid cancellation of certification.</p> <p>The impact on settlement is recorded as low because it is unlikely that there are accuracy issues with the metering installations with cancelled certification, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
All identified accuracy issues are in the process of being corrected. Timeliness issues that have already occurred are unable to be resolved.		30/09/2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Smartco will continue to review processes to ensure data is complete and accurate and implement a process to monitor and resolve issues are identified and amended in a timely fashion.		Ongoing	

Certification Tests		
Non-compliance	Description	
Audit Ref: 7.2 With: Clause 10.38(b) From: 01-May-23 To: 04-Apr-24	Test results are not all recorded for all 18 category 1 certification reports. Prevailing load test not conducted for ICP 0000328389MPE2D. Potential impact: Medium Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate as ATH processes ensure that testing requirements are met in most scenarios, but there is room for improvement. The impact is low as the accuracy of the metering installation is unlikely to have been impacted by the tests not being completed, the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
SmartCo does not believe a prevailing load is required in this situation (Certified BTS>Perm) and is awaiting clarification from the Authority.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Where we believe prevailing load test is required, our policy is to replace meters as the test houses do not have provision of expensive equipment to undertake this testing	Ongoing	

Timekeeping Requirements		
Non-compliance	Description	
Audit Ref: 7.10 With: Clause 23 of Schedule 10.7 From: 01-May-23 To: 04-Apr-24	14 ICPs of a sample of 20 with time dependent meter registers are not monitored every 12 months. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	I have recorded the controls as moderate as SmartCo has the capability to identify this, but regular monitoring has not taken place. The impact on settlement and participants could be minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue	Completion date	Remedial action status
SmartCo will work with other participants to have the metering at the 14 ICPs either remotely monitored and corrected or physically replaced.	30/09/2024	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
SmartCo will review how it deals with meters where the installation is non-communicating and there is a time dependent code with a view to ensuring a physical check within each 12 months, where required.	30/11/2024	

Compensation Factors		
Non-compliance	Description	
Audit Ref: 7.14 With: Clause 24(3) of Schedule 10.7 From: 27-Oct-23 To: 25-Apr-24	Incorrect compensation factor of 1 in the registry for ICP 0001418017TP1AF. Potential impact: Medium Actual impact: Medium Audit history: None Controls: Moderate Breach risk rating: 4	
Audit risk rating	Rationale for audit risk rating	
Medium	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The trader was invoicing and settling with a compensation factor of 1 since 27 October 2023; therefore, the audit risk rating is medium.	
Actions taken to resolve the issue	Completion date	Remedial action status
The identified issues have been corrected.	NA	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
Smartco will continue to review processes to ensure data is complete and accurate and implement a process to monitor and resolve issues are identified and amended in a timely fashion.	Ongoing	

Time Errors for Metering Installations		
Non-compliance	Description	
<p>Audit Ref: 10.7</p> <p>With: Clause 8(4) of Schedule 10.6</p> <p>From: 01-May-23</p> <p>To: 04-Apr-24</p>	<p>2,322 examples of clock errors outside the allowable thresholds in the 4 April 2024 reports.</p> <p>Not all the time errors for category 2 meters were reported to reconciliation participants.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>I have recorded the controls as strong because clocks are synchronised during every successful interrogation.</p> <p>The impact is considered minor because most clock errors are small and are corrected within one half hour. The audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
See below	30/11/2024	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
SmartCo will work with system vendors to make the required system changes.	30/11/2024	