

Compliance plan for Deep Energy NZ Ltd Reconciliation Participant Audit – 2024

Relevant information		
Non-compliance	Description	
Audit Ref: 1.11 With: Clause 15.1 From: 03-Jan-21 To: 20-Aug-24	Deep Energy failed to submit an audit on time under Part 16A of the Electricity Industry Participation Code 2010. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are weak because an audit was not completed by the due date. The impact is low because this audit found only minor and low impact non-compliances.	
Actions taken to resolve the issue	Completion date	Remedial action status
This was an oversight due to limited ICP numbers and low activity. DEEP has submitted a self-breach and this audit has been conducted to include full period where certification was required.	completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
DEEP are now full aware of our requirements and will prebook and auditor once the Authority has confirmed the next audit date.	31/10/24	

Relevant information	
Non-compliance	Description
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2 From: 02-Dec-21	1.772 kWh of X flow omitted from the AV090 HHR volumes submissions for December 2021 because it occurred on a day when ICP 0000183281UN447 had “decommissioned” status. Alleged breach 2001DEEP1, which had no market impact and was closed by the Authority without a warning. Potential impact: Low Actual impact: Low Audit history: None

To: 09-Jan-23	Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong, and the impact is low. The missing HHR submission for ICP 0000183281UN447 was caused by Vector updating the status on the day decommissioning physically occurred. The October 2021 revision 14 error was resolved as soon as Deep Energy was made aware of it, and there was no market impact.		
Actions taken to resolve the issue		Completion date	Remedial action status
Data was included in revision files.		completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
This is an isolated incident due to an ICP requiring decommissioning which occurred without DEEPs' knowledge.		completed	

Changes to registry information			
Non-compliance	Description		
Audit Ref: 3.3 With: Clause 10 of schedule 11.1 From: 02-Dec-21 To: 10-Dec-21	One status update to "inactive" status was one business day late. 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. Deep Energy updated the registry as soon as they were aware that the update was required. The risk is low because the update was one business day late.		
Actions taken to resolve the issue		Completion date	Remedial action status
Status was updated immediately DEEP became aware of issue.		completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
This is an isolated incident due to an ICP requiring decommissioning which occurred without DEEPs' knowledge.		completed	

DEEP are now full aware of our requirements to the decommissioning of an ICP and will monitor and update the registry according to the requirement.		
DEEP will remind distributors of their requirements to provide information in a timely manner if a decommissioning occurs.		

Management of "inactive" status		
Non-compliance	Description	
Audit Ref: 3.9 With: Clause 19 of schedule 11.1 From: 02-Dec-21 To: 02-Dec-21	1.772 kWh of X flow omitted from the AV090 HHR volumes submissions for December 2021 because it occurred on a day when ICP 0000183281UN447 had "decommissioned" status. 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 rated as strong, and the impact is low. The missing HHR submission for ICP 0000183281UN447 was caused by Vector updating the status on the day decommissioning physically occurred.	
Actions taken to resolve the issue	Completion date	Remedial action status
Comments in section 2.1.	completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Comments in section 2.1.	completed	

Inform registry of switch request for ICPs - standard switch	
Non-compliance	Description
Audit Ref: 4.1 With: Clause 2 of schedule 11.3 From: 07-Jul-24 To: 09-Jul-24	ICP 0000231979UN4B7's NT was issued with an incorrect switch type and was reissued with the correct switch type once a wrong switch withdrawal was completed. 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 because the exception was isolated. The impact is low because the switch was withdrawn and re-requested with the correct switch type.		
Actions taken to resolve the issue		Completion date	Remedial action status
DEEP issued an NT with the correct switch type on receiving NW from CTCT.		completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The agent is aware of the issue, this was an isolated instance and should not occur again.		completed	

Losing trader must provide final information - standard switch			
Non-compliance	Description		
Audit Ref: 4.3 With: Clause 5 of schedule 11.3 From: 12-Jul-21 To: 12-Jul-21	<p>The CS file for 0008660592HB867 (CS event 12 July 2021) had an incorrect last actual read date.</p> <p>The CS file for ICP 000866060HB7F0 (CS event 12 July 2021) had an incorrect switch event read type and incorrect average daily kWh.</p> <p>Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are moderate as two manually produced CS files contained minor errors. The impact is low based on the number and type of discrepancies. Both errors occurred over two years ago.		
Actions taken to resolve the issue		Completion date	Remedial action status
No correction could be made once the files were sent and accepted by the gaining retailer.		na	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
These issues were due to human error in the manual update process. The agent is fully aware of the requirements.		July 2021	

Identification of readings		
Non-compliance	Description	
Audit Ref: 9.1 With: Clause 3(3) of schedule 15.2 From: 12-Jul-21 To: 12-Jul-21	ICP 0000866060HB7F0 (CS event 12 July 2021) had an actual switch event read type recorded in the CS file, but the switch event reading was estimated. 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, the incorrect reading appears to be a manual data processing error. The impact is assessed to be low because the reading was a reasonable estimate, and no actual reading was available.	
Actions taken to resolve the issue	Completion date	Remedial action status
Same comments as section 4.3. This issue was due to human error when manually processing the switch.	July 21	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
This has been discussed with our agent and more care will be taken in future with manual input.	completed	

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 From: 02-Dec-21 To: 02-Dec-21	1.772 kWh of X flow omitted from the AV090 HHR volumes submissions for December 2021 because it occurred on a day when ICP 0000183281UN447 had "decommissioned" status. 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 rated as strong, and the impact is low. The missing HHR submission for ICP 0000183281UN447 was caused by Vector updating the status on the day decommissioning physically occurred.	

	The October 2021 revision 14 error was resolved as soon as Deep Energy was made aware of it, and there was no market impact.	
Actions taken to resolve the issue	Completion date	Remedial action status
Comments in section 2.1.	completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Comments in section 2.1.	completed	

Creation of submission information		
Non-compliance	Description	
Audit Ref: 12.2 With: Clause 15.4 From: 02-Dec-21 To: 09-Jan-23	1.772 kWh of X flow omitted from the AV090 HHR volumes submissions for December 2021 because it occurred on a day when ICP 0000183281UN447 had “decommissioned” status. Alleged breach 2001DEEP1, which had no market impact and was closed by the Authority without a warning. 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 rated as strong, and the impact is low. The missing HHR submission for ICP 0000183281UN447 was caused by Vector updating the status on the day decommissioning physically occurred. The October 2021 revision 14 error was resolved as soon as Deep Energy was made aware of it, and there was no market impact.	
Actions taken to resolve the issue	Completion date	Remedial action status
Comments in section 2.1.	completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Comments in section 2.1.	Completed	

Accuracy of submission information		
Non-compliance	Description	
Audit Ref: 12.7 With: Clause 15.12 From: 02-Dec-21 To: 09-Jan-23	1.772 kWh of X flow omitted from the AV090 HHR volumes submissions for December 2021 because it occurred on a day when ICP 0000183281UN447 had “decommissioned” status. Alleged breach 2001DEEP1, which had no market impact and was closed by the Authority without a warning. 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 rated as strong, and the impact is low. The missing HHR submission for ICP 0000183281UN447 was caused by Vector updating the status on the day decommissioning physically occurred. The October 2021 revision 14 error was resolved as soon as Deep Energy was made aware of it, and there was no market impact.	
Actions taken to resolve the issue	Completion date	Remedial action status
Comments in section 2.1.	completed	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Comments in section 2.1.	completed	

Forward estimate process	
Non-compliance	Description
Audit Ref: 12.12 With: Clause 6 of schedule 15.3 From: 01-Dec-20 To: 31-Jan-21	Some revision differences over 15% occurred for December 2020 and January 2021. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong because almost all submissions fell within the accuracy thresholds. The differences occurred because a small number of estimates differed from actual data which was received after the initial submission.</p> <p>The impact is low because the total difference was less than 8000 kWh.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>This was due to the meter wasn't remotely communicating in rural area because of signal issue and the MEP had tried a few times to fix it. By the time we got manual read some variation had been submitted based on estimation. It had been solved after March 2021 when we arranged a person to manually read at the end of the months.</p>		April 21	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>If remote reading is unavailable in the future we would arrange manual reading earlier.</p> <p>The submissions will be monitored regularly.</p>		Ongoing	