

COMPLIANCE PLAN 2024

ELECTRICITY INVERCARGILL/THE POWER COMPANY (MANAGED BY POWERNET)

Non-compliance	Description		
Audit Ref: 2.5 With: clause 11.2 and Clause 10.6 From: 22-Mar-24 To: 31-Jul-23	Information for a small number of ICPs, for both TPCO and ELIN, is missing or not up to date. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as moderate. Monitoring and correction processes are in place and registry data is corrected as anomalies are identified. There was no impact on settlement outcomes. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Continue to resolve the small amount of ICP anomalies when they are identified using our reporting and processes.		30.11.2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
<p>Audit Ref: 4.10 With: clause 3 of Schedule 11.4 From: 22-Mar-24 To: 31-Jul-23</p>	<p>TPCO- Registry metering information updated later than 10 business days for a small number of metering installation records 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>Low</p>	<p>Controls are assessed as moderate. Monitoring and correction process are in place, but effectiveness appears to have been reduced due to resource challenges. PowerNet is committed to accurate registry data even where backdating is required to comply with clause 11.2 even with the consequent non-compliance. There was no impact on settlement outcomes. The audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>This Audit has brought additional issues to our attention which we acknowledged and have since rectified the process to improve accuracy and resolve the issues. Resources are now adequate.</p>		<p>30.11.2024</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
<p>Audit Ref: 5.1</p> <p>With: clause 4(1)(a)(b) of Schedule 10.6 & Table 1 of Schedule 11.4</p> <p>From: 22-Mar-24</p> <p>To: 31-Jul-24</p>	<ul style="list-style-type: none"> • ELIN do not have certification information for 63 Metec Q meter Installations • TPCO do not have certification information for 87 Metec Q meter Installations <p>Potential impact: None</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 assessed as moderate. This is a known industry issue. The issue is being managed and will be corrected as the meters are removed from service. There was no impact on settlement. The audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Now that the appropriate resources are in place the numbers of the Q meter ICP's have dropped substantially since the last Audit. We will continue to actively manage these through strong processes and appropriate resources.</p>		Ongoing	Identified
<p>Preventative actions taken to ensure no further issues will occur</p>		Completion date	

Non-compliance	Description		
Audit Ref 6.2 With: clause 7(1)(2)(3) of Schedule 11.4 From: 22-Mar-24 To: 31-Jul-24	A relatively small number of control device discrepancies. <ul style="list-style-type: none"> • 1 ELIN LCD missing records in Registry • 12 TPCO LCD missing records in Registry Potential impact: None Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as strong because there is a robust Metering Database and processes in place. The issue is being managed and will correct itself as metering is upgraded and switched to SMCO. There was no impact on settlement outcomes. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We are managing this issue, and it will be rectified as the metering is changed to SMCO. The identified ICP's will be addressed as a priority where possible.		28.02.2025	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
Audit Ref 6.3 With: clause 6 of Schedule 11.4 From: 01-May-22 To: 30-Apr-23	Report "day 13" is run but not analysed Potential impact: None Actual impact: Low Audit history: Twice previously Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as weak because there is a robust process in place, but it has not been followed. There was no impact on settlement outcomes. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
A new day 13 report was finalised a day before this audit. Over the next few weeks, the process will be finalised and training will be provided to allow accurate running and informed analysis of this report.		11.10.2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
Audit Ref: 7.1 With: Clause 10.38 (a), clause 1 and clause 15 of Schedule 10.7 From: 01-May-22 To: 30-Apr-23	<ul style="list-style-type: none"> • TPCO – 644 ICPs with expired certification • ELIN - 307 ICPs with expired certification Potential impact: None Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as moderate. There is a process in place to recertify these installations and some progress was made during the audit period. Plans to improve metering recertification have been put in place. There was no impact on settlement outcomes. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We are continuing to work through a robust process and actively working with Retailers to reduce the numbers of ICP's with expired certificates.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
Audit Ref 7.15 With: Clause 26(1) of Schedule 10.7 From: 22-Mar-24 To: 31-Jul-24	<ul style="list-style-type: none"> • TPCO – 644 ICPs with expired meter certification • ELIN – 307 ICPs with expired meter certification Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as weak. There were suitable processes in place however they did not appear to have been used effectively. Changes have been made which should improve the situation going forward. There was no impact on settlement outcomes. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We are focusing on using the processes more effectively and actively working with Retailers to leverage results.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
		Ongoing	

Non-compliance	Description		
Audit Ref 7.16 With: Clause 28(1) of Schedule 10.7 From: 22-Mar-24 To: 31-Jul-24	<ul style="list-style-type: none"> • TPCO - 3 ICPs with expired certification • ELIN - 3 ICPs with expired certification Potential impact: Low Actual impact: Low Audit history: Multiple Times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as moderate as ELIN/TPCO demonstrated they have returned to established and effective processes to manage the category 2 metering certifications. 9 x cat 2 installations were recertified during the audit period. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We are continuing to work through the process and actively working with Retailers to resolve these few remaining Expired ICPs.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
Audit Ref 7.19 With: Clause 18 of Schedule 10.7 From: 01-May-22 To: 30-Apr-23	TPCO – 44 ICPs with interim certification Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls assessed as moderate as the issue is known and PowerNet are making efforts on behalf of TPCO to recertify the Interim certified installations. There was no impact on settlement. The audit risk rating is recoded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
This is an ongoing process. We will be continuing to work through the processes and actively work with Retailers.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
Audit Ref 8.1 With: Clause 45 of Schedule 10.7 From: 22-Mar-24 To: 31-Jul-24	The 2023 Category 1 inspection report was submitted 4 months late Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls assessed as moderate. Robust processes are in place however there is scope to improve the implementation. There was no impact on settlement. The audit risk rating is recoded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
This issue has been resolved and closed.		28/8/2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The 2024 category 1 inspection jobs have been issued to metering technicians. This process continues to be closely monitored. Once completed and the upload has been undertaken end of March 2024, we will be able to demonstrate this process and the implementation of Category 1 inspections is well embedded and effective.		31/03/2025	

Non-compliance	Description		
Audit Ref 8.2 With: Clause 46(1) of Schedule 10.7 From: 22-Mar-24 To: 31-Jul-24	3 x category 2 TPCO installations were not inspected, and 3 x category 2 ELIN installations were not inspected within the applicable period Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are assessed as moderate because there is a robust process in place, but resource challenges meant not all cat 2 installations requiring inspection or re-certification were completed. The audit risk rating is recorded as low due to low number of ICPs.		
Actions taken to resolve the issue		Completion date	Remedial action status
A process and resource is in place to complete the remaining 5 ICP's and these will be actively managed and monitored.		30.11.2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

