

# **Value Add or Self Preservation Society**

**How do you engage people when it comes to  
compliance ?**

# A Case Study

## **Share some of our experiences from our Legal and Regulatory Compliance Project**

- What we did. . .
- How we engaged the business. . .
- More importantly - what went well and what we would do differently. . .

## Some Background. . . . .

**We had a traditional Compliance Register, but....**

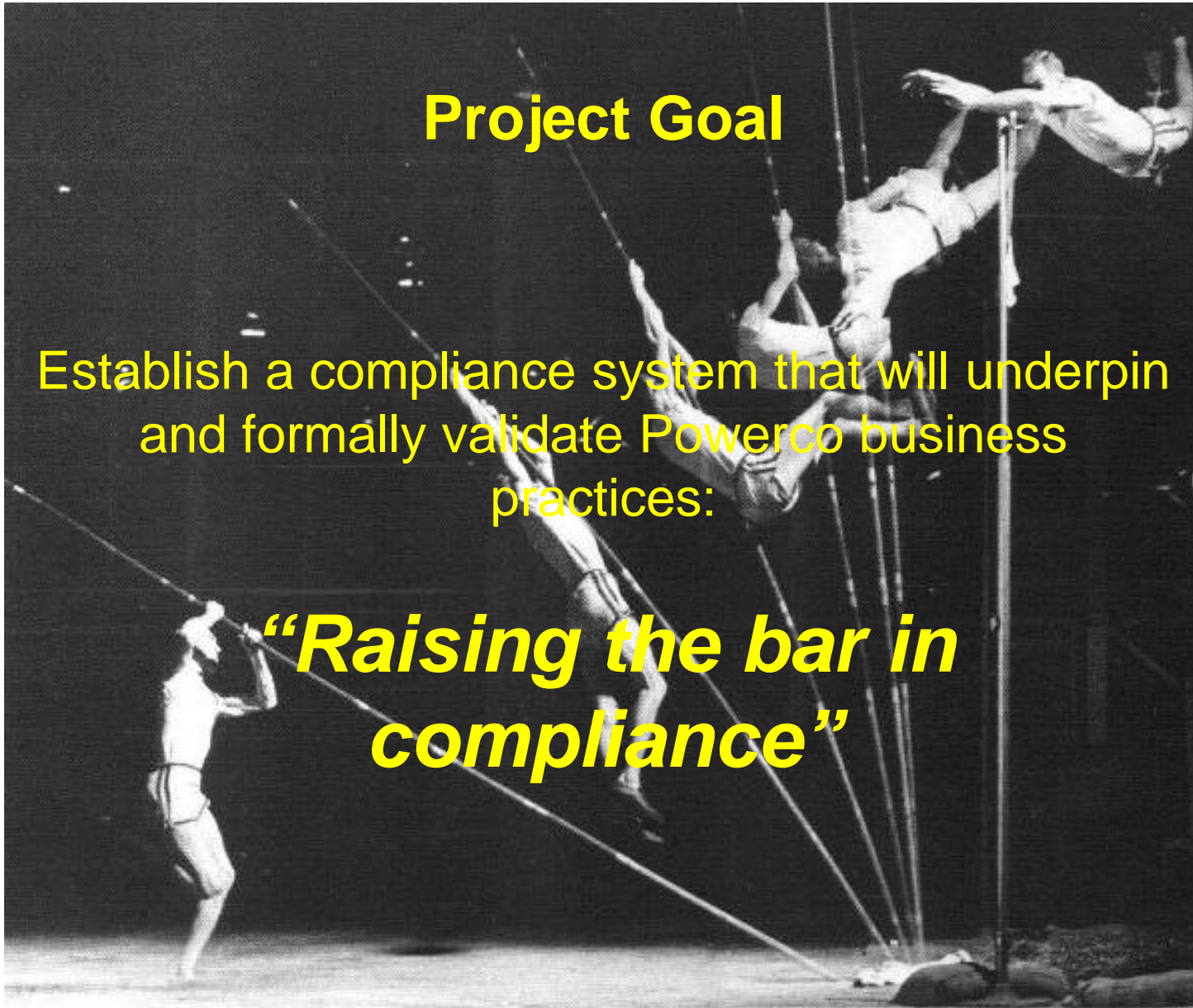
- It was written by Lawyers
- It was overly complicated
- It used an online system that forced you to complete the assessment in one go
- And worse it did not meet the needs of the business
- So you can guess how successful it was. . . .



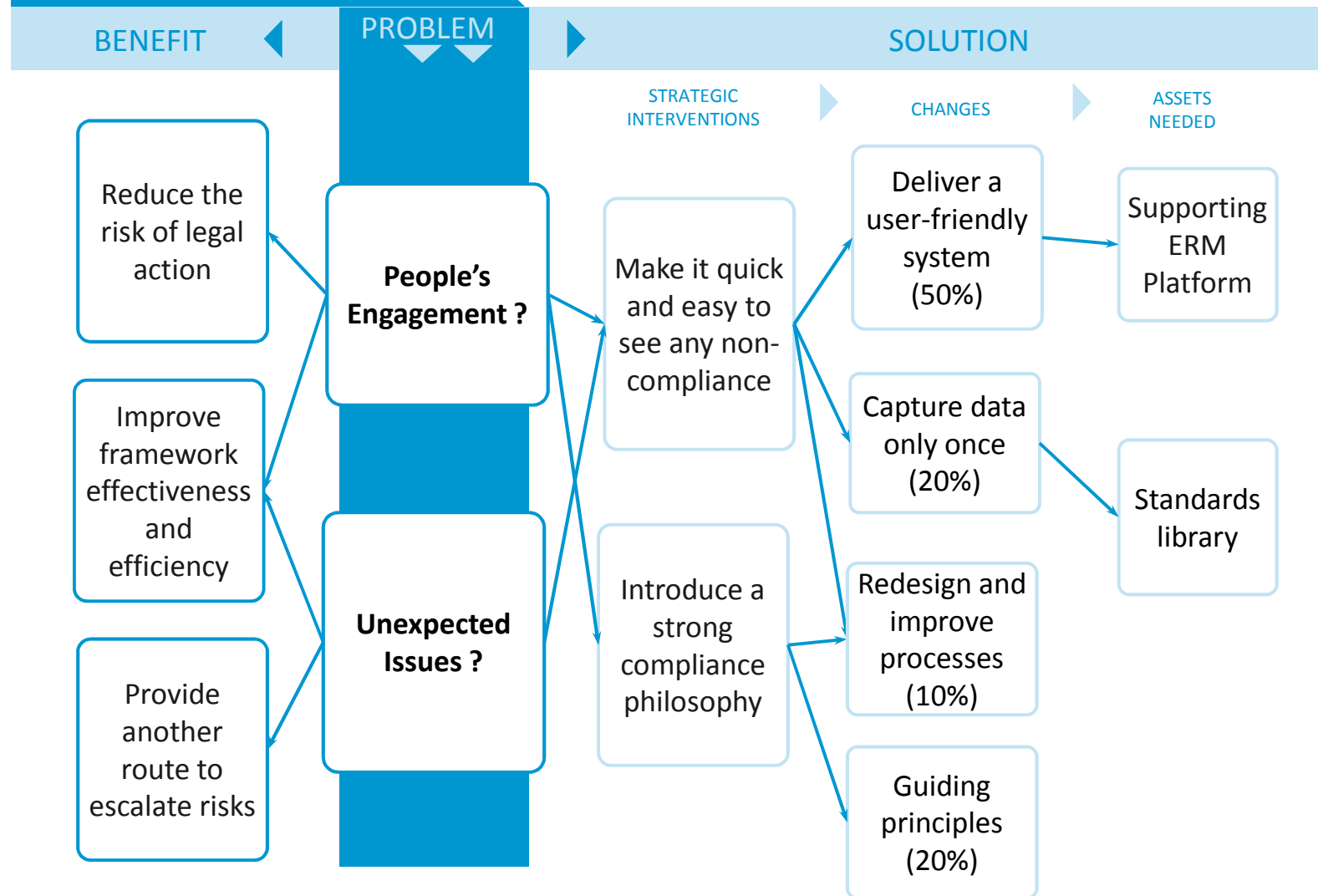
## Project Goal

Establish a compliance system that will underpin and formally validate Powerco business practices:

***“Raising the bar in compliance”***



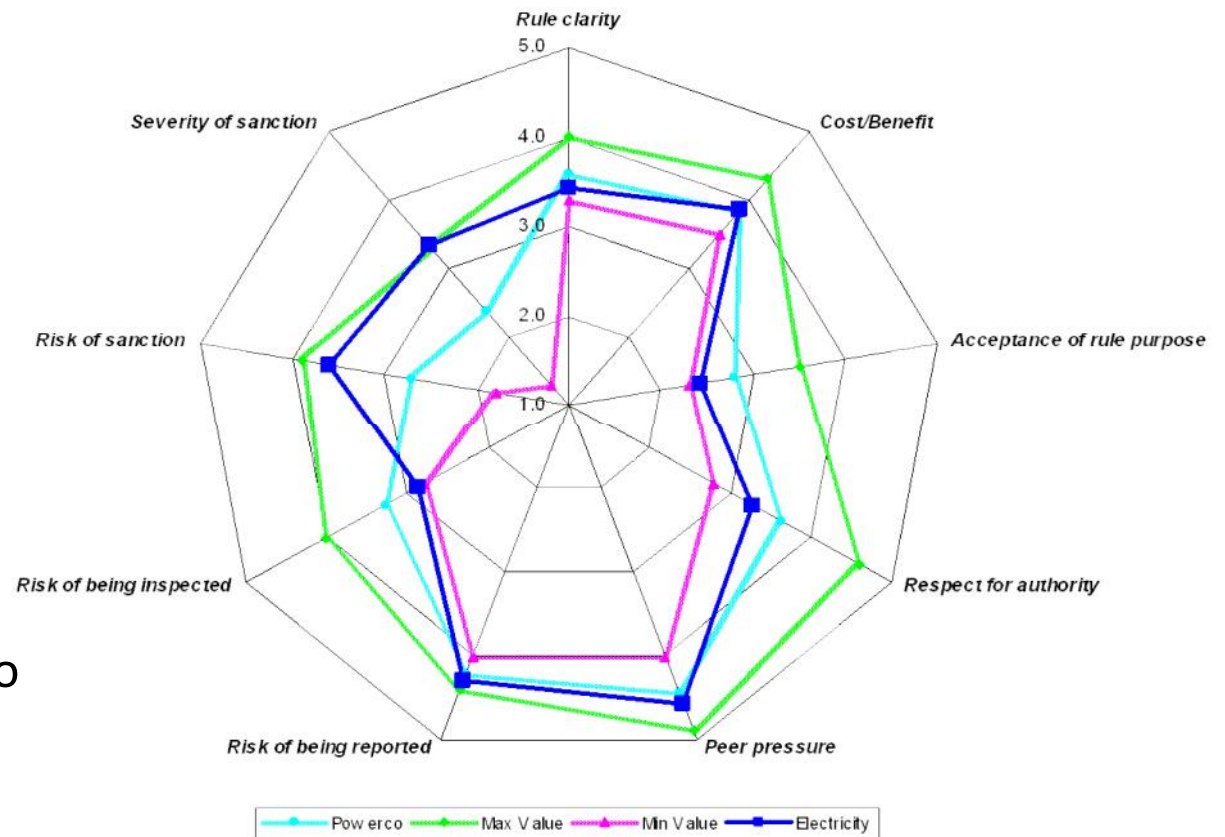
# Investment Logic Map: “Raising the bar in Compliance”



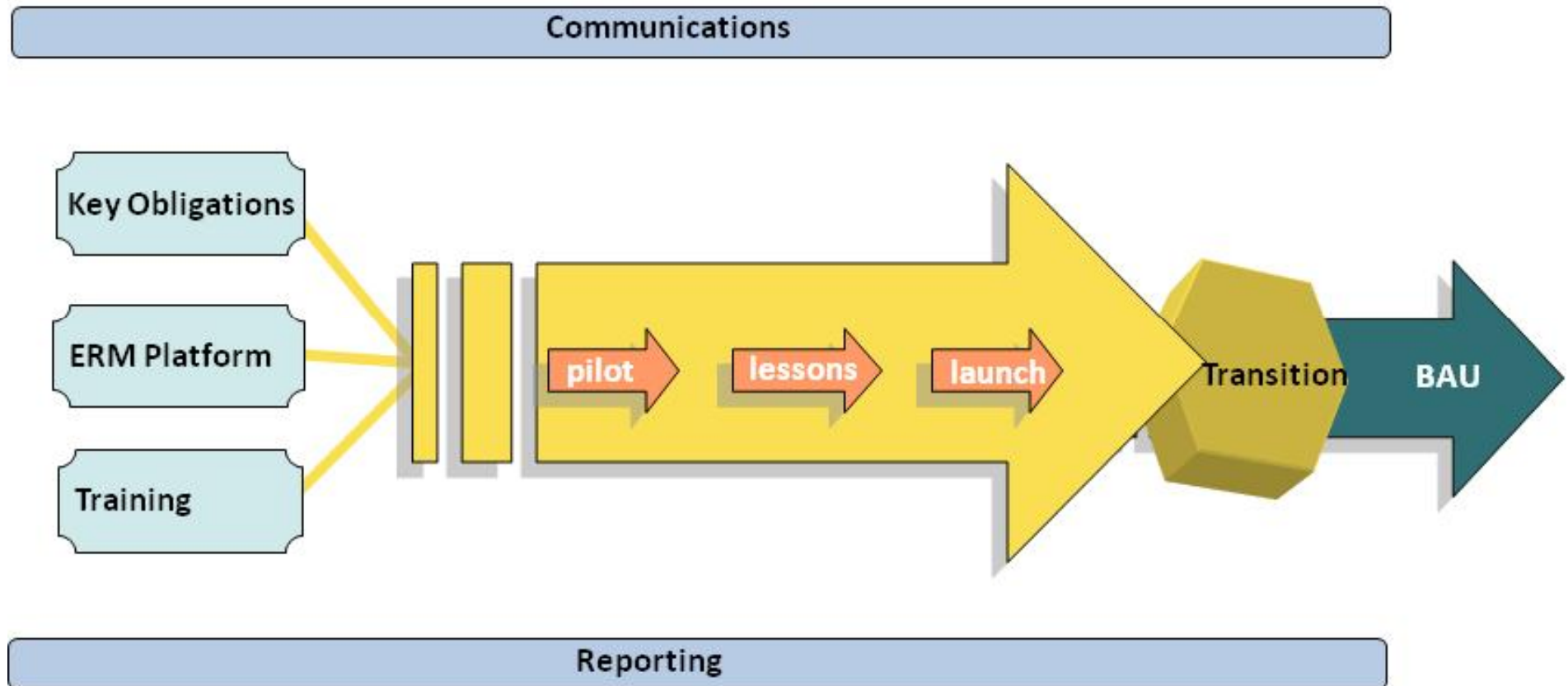
# We listened to the Business

## General theme of the responses

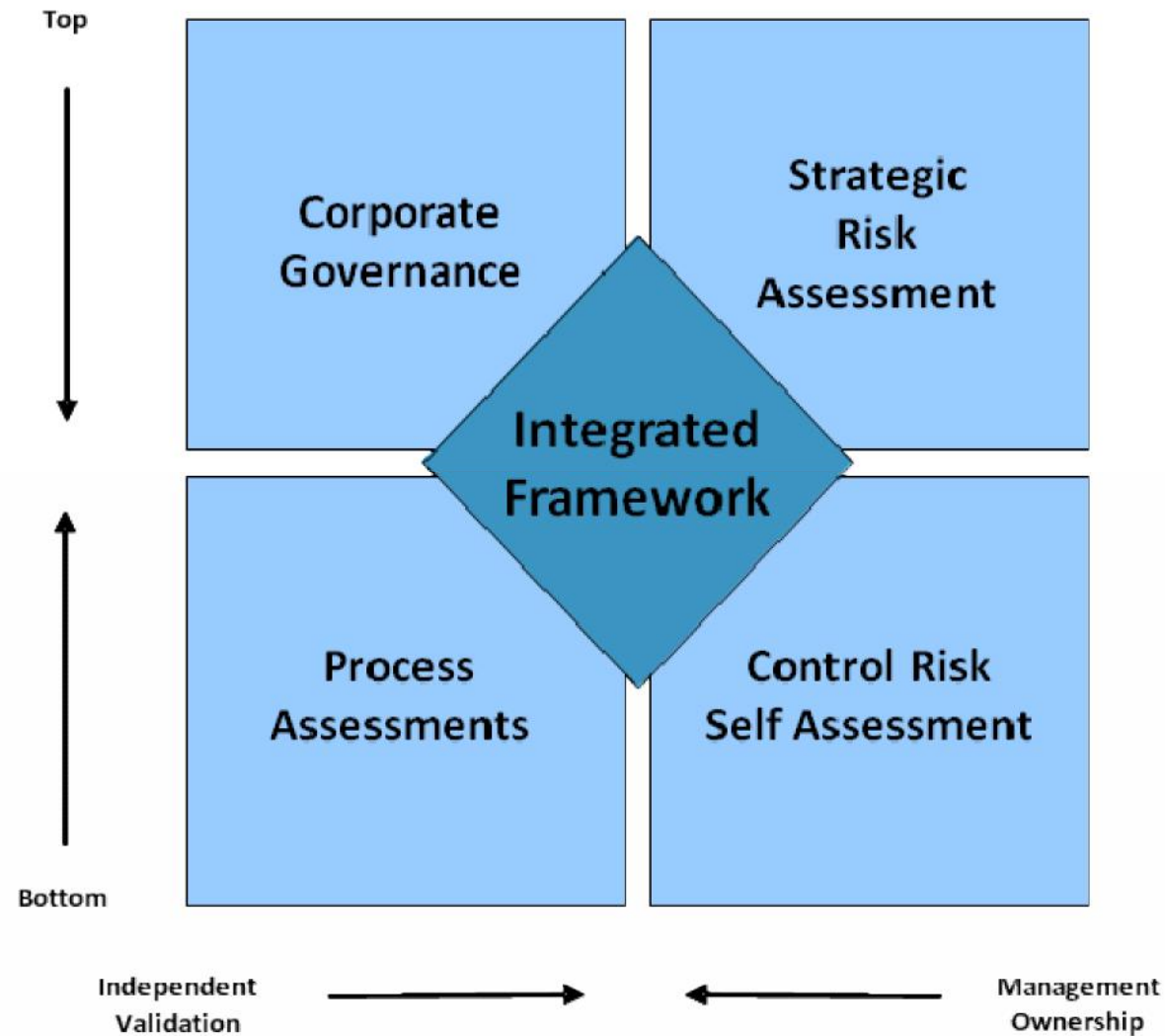
- Keep it simple
- Be precise and concise
- Don't overload people
- Integrate the compliance project with other work so it doesn't float off alone
- Focus on awareness and training



# We started with a simple pilot – Primary Obligations



# And we set the context





# Embedded in the Business

- Full registers are in place, but we have not used our ERM platform
- Split into Primary and Secondary Obligations – *People View!*
- Each Section has been risk assessed, simple matrix by business unit
- Accountable for and Impacted by
- Identified the in-house experts across the company

#	Act, Regulations and other Obligations (including amendments)	Relevant Sections	RISK Impact
<b>Accountable For</b>			
1.01	Electricity Act 1992	Part 4 - Electrical codes of practice	Major
		Part 6 - Miscellaneous provisions relating to supply of electricity	
		Part 14 - Miscellaneous provisions - S 159 - Power of entry	
	Electricity (Safety) Regulations 2010	Part 2 - General Safety requirements	Major
		Part 3 - Systems of Supply	
		Part 4 - Safety of Works	
		Part 5 - Safety of installations	
		Part 6 - Safety of Fittings and Appliances	
		Schedule 2 - Electrical Codes of Practice and official standards cited	
	Electricity (Hazard from Trees) Regulations 2003	Part 1 - Control of Trees	Moderate
		Part 3 - Miscellaneous Provisions	Moderate
	Electricity (Statistics) Regulations 1996	Most of regulations, But especially <b>SS 5 - 11 - information for statistical returns and for prescribed business relationship</b>	Moderate
	Safety Manual - Electricity Industry (SM-EI) Parts 1, 2 and 3	Published by EEA	Major
	Safe Practices for Low Voltage Electrical Work	Published by EEA	Major
	Codes of Practice Under Section 36 of the Act	Schedule 2 of Electricity (Safety) Regulations 2010	Major
	NZCP 34:2003 Electrical Safe Distances		Major
	Standards Created Under and Pursuant to Section 60 of the Act	Schedule 2 of Electricity (Safety) Regulations 2010	Major
	Refer to Schedule 2 of the Electricity (Safety) Regulations - too many to list		Major
	Industry Guides - Developed by EEA	Refer to <a href="http://www.eea.co.nz">www.eea.co.nz</a> website for available list of published or free download guides	Major
1.06	Electricity Industry Act 2010		Major
	Electricity Industry Participation Code	Part 6 - Connection of Distributed Generation	Major
		Part 8 - Common Quality	Major
		Part 9 - Security of Supply	Major
		Part 10 - Metering Arrangements	Major
		Part 12 - Transport	Major
		Part 13 - Trading Arrangements	Major
		Part 14 - Cleaning and Settlement	Major
2.12	Forest and Rural Fire Act 1997	SS 53 - Right of Recovery in Certain Cases	Major
		Lines causing fire - 1 Insurance Claim - Rangihau fire - 2008 \$340k	
2.01	Government Roadway Powers Act 1989	SS 53 - Poles etc on roads to be adjacent to boundaries	Moderate
		SS 54 - Removal of Roadside Structures	
		SS 77 Alterations to roads, drains etc	
		SS 78 - Restriction on poles etc on motorways	
2.57	Utilities Access Act 2010	SS 6 - 8 Obligations to comply with the code	Moderate
	National Code of Practice for Utility Operator's Access to Transport Corridors	Comes into effect 1 January 2012 - entire Code	Moderate
	Conflict of Interest Register - Utility Operator	Template to be completed and actions identified within this	Moderate
<b>Impacted By</b>			
1.03	Commerce Act 1986	Part 4 - Regulated Goods or Services (SS 52 - 57CA)	Major
	Commerce (Levy on Suppliers of Regulated Goods and Services) Regulations 2009	Entire Regulations	Moderate
	Electricity Line Owners (Commerce Commission Costs) Levy Regulations 2001	Entire Regulations	Moderate
	Electricity Default Price Path		Major
1.04	Health and Safety in Employment Act 1992	Part 2 - Duties Relating to Health and Safety in Employment - see below	Major
		S 6 - General duties of employers	
		SS 7 - 10 - Duties of employers in relation to hazard management	
		SS 11 - 12 - Duties of employers in relation to information	
		S 13 - Duties of employers in relation to training and supervision	
		SS 15 - 19 - Other Duties	
		Part 2A - Employee Participation (SS 19A - 19I)	
	Health and Safety in Employment Regulations 1995	Part 1 - General Duties of employers (SS 4 - 9)	
		Part 2 - Duties in relation to management of particular hazards (SS 10 - 26)	
	Health and Safety in Employment (Asbestos) Regulations 1998	Part 1 - Duties of employers in relation to all work involving asbestos (SS 5 - 16)	Moderate
		Part 2 - Duties of employers in relation to restricted work (SS 17 - 18)	
1.05	Resource Management Act 1991	Part 3 - Duties and restrictions under this act (SS 9 - 23)	Major
		Part 6 - Resource Consents (SS 87 - 139A)	
		Part 8 - Designations and Heritage Orders (SS 166 - 198M)	
		Part 10 - Subdivision and Reclamations (SS 218 - 246)	
	Resource Management (National Environment Stand for Assessing and Managing Contaminants in Soil to Protect Human Health) Regulations 2011	Entire Regulation	Moderate
2.09	Local Government Act 2002	Part 6 - Planning, decision-making and accountability (SS 82-90 - Consultation) - Long Term Plan and Annual Plan	Moderate
2.10	Historic Places Act 1993	Part 1 - Protection of Historic Places	Minor
		Part 2 - Registration of historic places, historic areas, wahi tapu and wai tapu areas	
2.14	Copyright Act 1994	S 16 - Acts restricted by copyright	Minor
		S 30 - Infringement by copying	
		S 127 - Presumptions relevant to certain artistic works	
		S 113 - 114 Transmission of copyright and assignment	

# Provide on-going support

**We monitor changes for the business on a monthly basis:**

## **Government and Industry website monitored**

**4 Sept 2012**

Electricity and Gas Complaints Commission  
Electricity Authority  
Electricity Networks Authority (limited information)  
NZ Utilities Advisory Group  
NZ Stock Exchange  
Commerce Commission

**And provide an initial indication of what impacts the Business:**

### **Status Information**

### **Updated:**

**4 September 2012**

	<u>Total</u>	<u>Relevant</u>
Acts released (YTD)	78	17
Regulations released (YTD)	258	15
TOTAL (YTD)	336	32

**Relevant if Act or Regulation amends an Act or Regulation which impacts Powerco**  
(ie listed on Primary or Secondary Obligation Worksheets)

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# We have simplified the sign off



Status - Issued  
Form – 140F003  
Version 1 – 19 March 2012

## POWERCO COMPLIANCE CERTIFICATE

Compliance Period	Period 1 January - 31 December
Department	

I have completed the reviews required by Powerco's Legal Compliance Program (attached) and confirm that for the obligations for which I am directly accountable for:

1. to the best of my beliefs and knowledge, and after due enquiry
2. all material identified obligations have been complied with for the period above except for those obligations listed below.

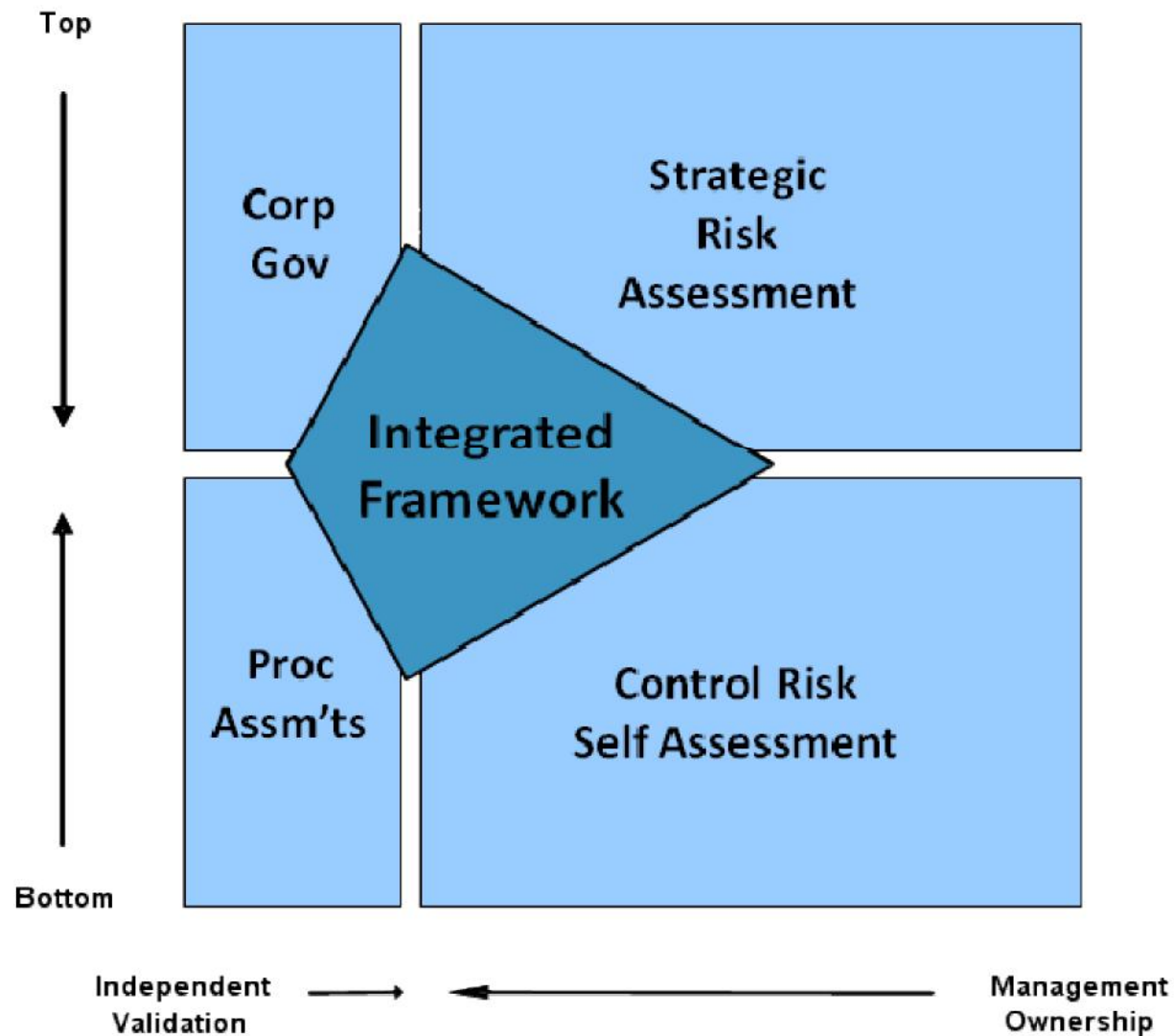
Obligation Reference	Description of Non Compliance	Action Plan to Rectify	Estimated Completion Date

Signature	
Name	
Title	
Date	

Authorised by: Chief Financial Officer  
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WARNING: DOCUMENT UNCONTROLLED WHEN PRINTED

# Value Protection to Creation



# Questions

