

Guidelines for Registry Audit v3.0

Version	Date issued	Comments/amendments made
1.0	22 July 2005	
2.0	10 March 2006	Updated with recommendations from the audit project team
3.0	7 June 2006	Electricity Commission Board approved version

These guidelines have been produced to promote understanding and encourage consistency in the methodology and processes surrounding registry audits.

The general approach set out in this information guide in no way reduces the requirement upon participants to know and comply with their obligations under the Rules. Neither should it be interpreted as reflecting the Electricity Commission's view on the Rules.

Abbreviations used in these guidelines

Board	Electricity Commission Board
Commission	Electricity Commission
Rules	Electricity Governance Rules 2003
MA	Market administrator
Registry	Electricity registry
Regulations	Electricity Governance Regulations 2003

Background

1. The following methodology is recommended for use when testing the records and procedures of the registry under rule 8 of schedule E1 of part E of the Electricity Governance Rules 2003 (Rules).
2. In line with its objective to encourage rather than regulate, the Electricity Commission (Commission) recommends that these guidelines be followed. The list of Commission appointed auditors may be found at the following website: <http://www.electricitycommission.govt.nz/opdev/retail/retailregisters>.

Overview

3. The market administrator (MA) is required by the Electricity Governance Regulations 2003 (Regulations) and Rules to ensure by means of audit that certain functions are performed in accordance with the Rules.
4. Rule 8 of schedule E1 of part E of the Rules states that the Commission Board (Board) has the right to carry out an audit of the registry at its discretion, which the registry must comply with.
5. The Rules do not state when such audits should take place.
6. It is expected that the Registry implement any subsequent recommendations made by an auditor.

7. The Commission will brief the auditor before any audit takes place, identifying the scope of the audit, elucidating any contentious rules, and setting out its expectations of the audit.

Audit methodology

Description of audit

8. The following items must be determined by the auditor performing an audit of the registry unless an exemption is granted by the Board.

Registry master system

9. The auditor should verify that the registry:
 - stores data in accordance with rules 1 and 2 of schedule E2 of part E of the Rules;
 - retains the history of that data; and
 - ensures data is updated within a timely manner.

Operational services

10. The auditor should verify the outage logs to ensure that the registry is open during regular service hours for 99.5% of the time, and that there are no more than four outages during regular service hours in any one month, as specified in rule 2.2.1 of schedule E1 of part E of the Rules.
11. The auditor should verify that the registry is available 98% of the time during overnight service hours as specified by rule 2.2.2 of schedule E1 of part E of the Rules.

Service response time

12. The auditor must verify that:
 - the Registry has maintained service logs as outlined in rule 2.4.1 of schedule E1 of part E of the Rules; and
 - the response times are within the standards set out in rule 2.4.

Confidentiality

13. All confidentiality protocols should be checked to ensure that only authorised persons are able to access what they have rights to.

Communication

14. All customer communication should be verified to ensure that industry participants are kept well informed, as required, of what is happening.

Fault desk

15. Service logs should be checked to ensure that the fault desk is providing the level of service set out in the registry service provider agreement.

Audit report

Content and format of audit report

16. The auditor must produce an audit report addressing all the matters identified in this audit specification and presented as described in the section on information tabulation of these guidelines.

Registry input to audit report

17. Before submitting an audit report to the market administrator the auditor must report any non-conformance with the Rules back to the registry.

18. The registry must then have opportunity to inform the auditor of any actions taken to correct the non-conformance, and the auditor must include these details in its report to the MA.

Requirements of an auditor

19. When approving auditors, consideration should be given to a prospective auditor's knowledge of the Rules and experience of the registry.

20. Auditors should be clearly briefed by the Commission and, where necessary, receive shared training to ensure consistency across audits.

Information tabulation

21. The registry audit report must contain comment on all matters raised in these guidelines and comment on:

- the extent to which information was made to the auditor;
- the extent to which the registry complies with the Regulations and Rules, and service provider agreement with clear identification of any rule breaches; and
- any other matters the auditor considers relevant.

22. Auditors' comments must be arranged in the order presented in the table below and under the appropriate headings.

Persons involved in audit

23. Auditors must identify the following:

- the auditor responsible for the audit;
- all persons used to perform the audit; and
- all persons involved in the audit.

Registry audit	
When audited	[Date of audit]
Name of auditor	[Name of auditor]
Persons involved in audit	[Identify all persons involved in audit]
Availability of information	[Comment on whether the appropriate information has been made available].
Compliance with rules	[Comment on whether the registry complies with the Regulations and Rules. Identify any breaches].
Outcome of audit	
<i>Section</i>	<i>Comment</i>
Registry master system	
Operational services	
Service response time	
Confidentiality	
Communication	
Fault desk	
Overall comments	
[Provide justification for decision]	

Sources of information

The Rules can be found on the Commission website:

<http://www.electricitycommission.govt.nz>.

If you require further assistance, please contact the market administrator:

C/o Electricity Commission
P O Box 10041
Wellington
Attention: Market Administrator

Telephone: 04 460 8860

Fax: 04 460 8879

Email: retailoperations@electricitycommission.govt.nz