

**ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT**

For

STACK ENERGY (STAK)

Prepared by: Ewa Glowacka – TEG & Associates Ltd

Date audit commenced: 28 April 2021

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Audit report due date: 04-Mar-21

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EXECUTIVE SUMMARY

This reconciliation participant audit was performed at the request of Stack Energy (STAK) to support their application for renewal of certification, in accordance with clause 5 of Schedule 15.1 of The Code 2010. The relevant clauses were audited as required.

At the time of the audit, Stack Energy was trading 47 NHH ICPs, a decrease of 26 ICPs since the last audit.

We identified 12 non-compliances. They have no impact on settlement outcomes because of the small number of ICPs affected. A number of non-compliances is related to readings of non-AMI meters conducted by Stack Energy. The access to these installations has been problematic. Stack Energy is considering not accepting customers with legacy meters.

The level of compliance has improved in the following areas:

- Correct switch event readings in CS files
- Log files from MEPs are reviewed as a part of meter readings validation process

The main issues identified during this audit are:

- Reconciliation reads conducted by Stack Energy for 4 ICPs with non-AMI meters. The company faces difficulties in having access to the meters which affects their compliance. Stack Energy is considering not accepting customers with legacy meters in the future
- Incorrect information in the CS files – methodology of the calculation of average daily consumption, it is a well-known problem for traders who receive daily data from MEPs

The audit period was 01/12/2019 to 31/03/2021.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 15 which results in an indicative audit frequency of 18 months. We support this outcome.

We thank Stack Energy's staff for their full and complete cooperation in this audit.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Audit requirements	1.11	15.37A	Audit report completed late	Moderate	Low	2	Identified
Relevant information	2.1	11.2	A relatively low number of information inaccuracies were identified during the audit.	Strong	Low	1	Identified
Changes to registry information	3.3	10 of Schedule 11.1	One late status update	Strong	Low	1	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32 6 CS files were late	Moderate	Low	2	Identified
Losing trader provides information - switch move	4.8	10(1) of Schedule 11.3	AN file was not sent for one ICP and one AN file was late	Strong	Low	1	Identified
Losing trader determines a different date - switch move	4.9	10(2) of Schedule 11.3	A switch date for one ICP was determined later than requested by more than 10 business days	Strong	Low	1	Identified
trader must provide final information - switch move	4.10	11 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32.	Strong	Low	1	Identified
Interrogate meters once	6.8	7(1) of Schedule 15.2	ICP 1001122101LC5A4	Strong	Low	1	Identified

			did not have a validated meter reading during the period of supply by STAK, it switched to another trader on 13/03/2020				
NHH meters interrogate annually	6.9	8(1) of Schedule 15.2	The read attainment was not met for one to four ICPs over 8 months	Strong	Low	1	Identified
NHH meters 90% read rate	6.10	9(1) of Schedule 15.2	The read attainment was not met for three NSPs (ALB0331, TAK0331 and SVL0331) for 16 months	Strong	Low	1	Identified
Creation of submission information	12.2	15.4	Incorrect volumes were submitted for 0000451601UNFCE for July 2020	Strong	Low	1	Identified
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	Historical Estimate targets not met for revision 3 and 7 for a few months	Moderate	Low	2	Identified
Future Risk Rating						15	
Next audit date						18 months	

Future risk rating	0-1	1-3	4-15	16-40	41-55	56+
Indicative audit frequency	36 months	24 months	18 months	12months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Description	Recommendation
			Nil

ISSUES

Subject	Section	Description	Issue
			Nil

1. ADMINISTRATIVE

1.1. Exemptions from Obligations to Comply with Code (Section 11)

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

Section 11 of the Electricity Industry Act provides for the Electricity Authority to exempt any participant from compliance with all or any of the clauses.

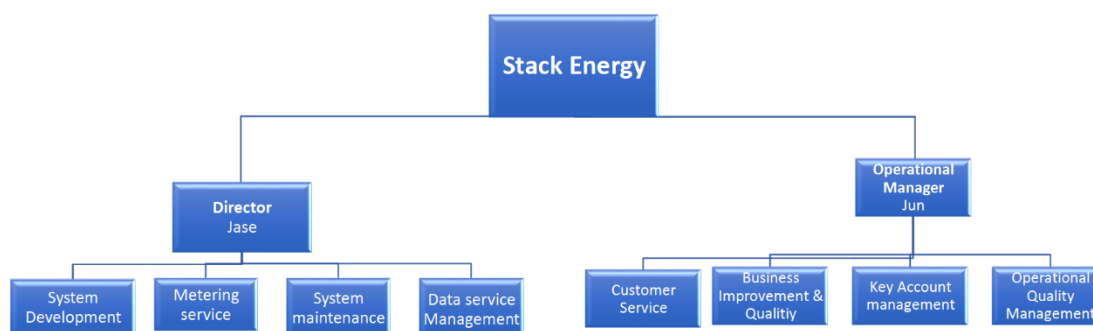
Audit observation

Stack Energy does not have any exemptions granted to exempt them from compliance with all or any of the clauses.

Audit commentary

Stack Energy did not apply for any exemptions. We checked the Electricity Authority website and confirmed that there are no exemptions in place.

1.2. Structure of Organisation



1.3. Persons involved in this audit

Name	Title	Company
Jun Kim	Operational Manager	Stack Energy
Sangdong Park	Director	Stack Energy
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

- *remains responsible for the contractor's fulfilment of the participant's Code obligations*
- *cannot assert that it is not responsible or liable for the obligation due to something the agent has or has not done*

Audit observation

There are no agents who assist with, or are used in, the Stack Energy operations that were audited.

Audit commentary

There are no agents who assist with, or are used in, the Stack Energy operations that were audited.

1.5. Hardware and Software

Stack Energy uses their own system, Stack Management System (SMS) for reconciliation and billing functions.

1.6. Breaches or Breach Allegations

There were no breaches or breach allegations lodged against Stack Energy in the period covered by this audit.

1.7. ICP Data

Metering Category	(05/04/2021)	(12/19)	(6/2019)
1	47	73	60
2	0	0	0
3	0	0	0
4	0	0	0
5	0	0	0
9	0	0	0

Status	Number of ICPs (05/04/2021)	Number of ICPs (12/19)	Number of ICPs (06/19)
Active (2,0)	46	0	60
Inactive – new connection in progress (1,12)	0	1	0
Inactive – electrically disconnected vacant property (1,4)	1	0	0
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	1	0
Inactive – electrically disconnected at pole fuse (1,8)	0	0	0
Inactive – electrically disconnected due to meter disconnected (1,9)	0	1	
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	0
Inactive – electrically disconnected at meter box switch (1,11)	0	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	0	0	0
Inactive – reconciled elsewhere (1,5)	0	0	0
Decommissioned (3)	1	0	0

1.8. Authorisation Received

Stack Energy provided a letter of authorization to TEG & Associates permitting the collection of data from other parties for matters directly related to the audit.

1.9. Scope of Audit

This audit was carried out to support their application for renewal of certification, in accordance with clauses 5 and 7 of Schedule 15.1 of The Code 2010. The audit was carried out at TEG & Associates' office, at 59 Unsworth Drive, Auckland on 28 April 2021.

The table below shows the tasks under clause 15.38 of part 15 for which Stack Energy requires certification.

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Relevant to audit	Agents Involved in Performance of Tasks	MEPs
(a) - Maintaining registry information and performing customer and embedded generator switching	✓		
(b) – Gathering and storing raw meter data	✓		MRTX (Intellihub), NGCM
(c)(ii) - Creation and management of NHH volume information	✓		
(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓		
(d)(ii) - delivery of electricity supplied information under clause 15.7	✓		
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓		
(e) – Provision of submission information for reconciliation	✓		

1.10. Summary of previous audit

The previous audit was conducted on 10 December 2019 by Ewa Glowacka of TEG & Associates Ltd. The following non-compliances were identified:

Subject	Section	Clause	Non Compliance	Comment
Relevant information	2.1	11.2	Incorrect information provided in small number CS files	Still exists
Changes to registry information	3.3	10 of Schedule 11.1	One update of the “active” status later than 5 business days	Still exists

Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	Average daily consumption methodology is incorrect. Incorrect switch event date for two ICPs	Still exists
Losing trader must provide final information - switch move	4.10	11 of Schedule 11.3	Average daily consumption methodology is incorrect. Incorrect switch event read for 3 ICPs	Still exists
NHH meters interrogate annually	6.9	8(1) of Schedule 15.2	The read attainment was not met for 1 ICP	Still exists
NHH meters 90% read rate	6.10	9(1) of Schedule 15.2	The read attainment was not met for 1 NSP	Still exists
Electronic meter readings and estimated meter readings	9.6	17 of Schedule 15.2	Log files from NGCM are not reviewed as part of validation process because NGCM does not provide them	Cleared
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	Historical Estimate targets not met for revision 3, 7 for a few months	Still exists

1.11. Audit requirements (Clause 15.37A)

Code reference

Clause 15.37A

Code related audit information

Each reconciliation participant and each dispatchable load purchaser must arrange to be audited regularly in accordance with Part 16A in respect of the reconciliation participant's or dispatchable load purchaser's obligations under this Part.

Audit observation

The Stack Energy reconciliation participant audit was due to be submitted to the authority by 4th March 2021 for certification to be approved by 4th May 2021. The audit report was completed on 1st May 2021 therefore the audit report will be lodged late. This is recorded as non-compliance.

It was discussed with Stack Energy, their comment was that they misunderstood audit dates on the Authority website.

Non-compliance	Description
Audit Ref: 1.11 With: 15.37A From: 04-Mar-21 To: 01-May-21	Audit report completed 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	The audit risk rating is recorded as low because the number of ICPs traded by Stack Energy is small therefore any impact to the market will be minor		
Actions taken to resolve the issue		Completion date	Remedial action status
Take the audit once we were notified due date was late		01/05/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Apply reconciliation audit before 2 months of expiry date. Dedicated managing people will be assigned and be aware of the Authority rules and follow to prevent market impact		-01/05/2021	

2. OPERATIONAL INFRASTRUCTURE

2.1. Relevant information (Clause 10.6, 11.2, 15.2)

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

A participant must take all practicable steps to ensure that information that the participant is required to provide is:

- a) complete and accurate*
- b) not misleading or deceptive*
- c) not likely to mislead or deceive.*

If the participant becomes aware that in providing information under this Part, the participant has not complied with that obligation, the participant must, as soon as practicable, provide such further information as is necessary to ensure that the participant does comply.

Audit observation

We reviewed the LIS file and Audit Compliance report for the period covered by this audit to assess compliance. We also conducted sampling of the CS files and validated reconciliation files.

Audit commentary

The information in the registry is correct for all ICPs.

The LIS file is downloaded twice a month and compared with their system to make sure the information is correct.

The small number of information inaccuracies identified during the audit are noted below:

Section	Incorrect information
4.3 & 4.10	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32.
12.2	Incorrect volume information for 0000451601UNFCE

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.1 With: 11.2(1) From: 01-Dec-19 To: 31-Mar-21	A relatively low number of information inaccuracies were identified during the audit. Potential impact: Low Actual impact: Low Audit history: Twice before Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating
Low	The controls are recorded as strong. During the audit evidence was produced showing considerable steps taken to achieve accuracy. No impact on settlement outcomes. Audit risk rating low.

Actions taken to resolve the issue	Completion date	Remedial action status
Check our system whether it is following the current rules and data.	01/05/2021	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Stack Energy data management system is investigating, and it will reduce human error.	31/12/2021	

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

If an obligation exists to provide information in accordance with Part 15, a participant must deliver that information to the required person within the timeframe specified in the Code, or, in the absence of any such timeframe, within any timeframe notified by the Authority. Such information must be delivered in the format determined from time to time by the Authority.

Audit observation

The processes for providing information to the reconciliation manager were reviewed and assessed throughout this document.

Audit commentary

Compliance with this area was discussed in a number of relevant sections. Compliance was confirmed with regards to the timeliness and format of information in accordance with Part 15.

Audit outcome

Compliant

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

Transmissions and transfers of data related to metering information between reconciliation participants or their agents, for the purposes of the Code, must be carried out electronically using systems that ensure the security and integrity of the data transmitted and received.

Audit observation

Metering data is provided by NGCM and MTRX. Stack Power read 5 meters themselves. The reconciliation participant read process is followed.

Audit commentary

The process for data transmission between Stack Energy and MEPs is fully automated. Reconciliation files are submitted via the RM portal. Switching and registry updates are performed using the registry interface.

Audit outcome

Compliant

2.4. Audit trails (Clause 21 Schedule 15.2)

Code reference

Clause 21 Schedule 15.2

Code related audit information

Each reconciliation participant must ensure that a complete audit trail exists for all data gathering, validation, and processing functions of the reconciliation participant.

The audit trail must include details of information:

- *provided to and received from the registry manager*
- *provided to and received from the reconciliation manager*
- *provided and received from other reconciliation participants and their agents.*

The audit trail must cover all archived data in accordance with clause 18.

The logs of communications and processing activities must form part of the audit trail, including if automated processes are in operation.

Logs must be printed and filed as hard copy or maintained as data files in a secure form, along with other archived information.

The logs must include (at a minimum) the following:

- *an activity identifier (clause 21(4)(a))*
- *the date and time of the activity (clause 21(4)(b))*
- *the operator identifier for the person who performed the activity (clause 21(4)(c)).*

Audit observation

During this audit we checked the audit trail for all data gathering, validation, and corrections.

Audit commentary

We checked the audit trail of communication with the registry, the reconciliation manager and communication with other reconciliation managers.

The audit trail for reconciliation files is recorded by the RM portal.

The registry records all transactions instigated by Stack Energy. STAK uses the registry web interface.

Any correspondence with other reconciliation participants is archived as part of the email system.

Audit outcome

Compliant

2.5. Retailer responsibility for electricity conveyed - participant obligations (Clause 10.4)

Code reference

Clause 10.4

Code related audit information

If a participant must obtain a consumer's consent, approval, or authorisation, the participant must ensure it:

- *extends to the full term of the arrangement*
- *covers any participants who may need to rely on that consent.*

Audit observation

Stack Energy provided their Terms and Conditions.

Audit commentary

We reviewed the Terms and Conditions. We confirm compliance with this clause.

Audit outcome

Compliant

2.6. Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))

Code reference

Clause 10.7(2),(4),(5) and (6)

Code related audit information

The responsible reconciliation participant must, if requested, arrange access for the metering installation to the following parties:

- *the Authority*
- *an ATH*
- *an auditor*
- *an MEP*
- *a gaining metering equipment provider.*

The trader must use its best endeavours to provide access:

- *in accordance with any agreements in place*
- *in a manner and timeframe which is appropriate in the circumstances.*

If the trader has a consumer, the trader must obtain authorisation from the customer for access to the metering installation, otherwise it must arrange access to the metering installation.

The reconciliation participant must provide any necessary facilities, codes, keys or other means to enable the party to obtain access to the metering installation by the most practicable means.

Audit observation

Stack Energy provided their Terms and Conditions.

Audit commentary

Point 5 of the Stack Energy Terms and Conditions covers access to premises. A customer must provide Stack Energy, their service providers and the Lines Company, safe and unobstructed access to any of their equipment. Written notice will be given 10 business days prior to access to the property if it is required for construction, upgrade, repair or maintenance.

Audit outcome

Compliant

2.7. Physical location of metering installations (Clause 10.35(1)&(2))

Code reference

Clause 10.35(1)&(2)

Code related audit information

A reconciliation participant responsible for ensuring there is a category 1 metering installation or category 2 metering installation must ensure that the metering installation is located as physically close to a point of connection as practical in the circumstances.

A reconciliation participant responsible for ensuring there is a category 3 or higher metering installation must:

- a) if practical in the circumstances, ensure that the metering installation is located at a point of connection; or*
- b) if it is not practical in the circumstances to locate the metering installation at the point of connection, calculate the quantity of electricity conveyed through the point of connection using a loss compensation process approved by the certifying ATH.*

Audit observation

The LIS file dated 5/04/2021 was reviewed to check what metering category ICPs are traded by Stack Energy.

Audit commentary

All metering installations traded by Stack Energy are category 1. Stack Energy is not responsible for any metering installations with loss compensation factors.

Audit outcome

Compliant

2.8. Trader contracts to permit assignment by the Authority (Clause 11.15B)

Code reference

Clause 11.15B

Code related audit information

A trader must at all times ensure that the terms of each contract between a customer and a trader permit:

- the Authority to assign the rights and obligations of the trader under the contract to another trader if the trader commits an event of default under paragraph (a) or (b) or (f) or (h) of clause 14.41 (clause 11.15B(1)(a)); and*
- the terms of the assigned contract to be amended on such an assignment to—*
- the standard terms that the recipient trader would normally have offered to the customer immediately before the event of default occurred (clause 11.15B(1)(b)(i)); or*
- such other terms that are more advantageous to the customer than the standard terms, as the recipient trader and the Authority agree (clause 11.15B(1)(b)(ii); and*

- *the terms of the assigned contract to be amended on such an assignment to include a minimum term in respect of which the customer must pay an amount for cancelling the contract before the expiry of the minimum term (clause 11.15B(1)(c)); and*
- *the trader to provide information about the customer to the Authority and for the Authority to provide the information to another trader if required under Schedule 11.5 (clause 11.15B(1)(d)); and*
- *the trader to assign the rights and obligations of the trader to another trader (clause 11.15B(1)(e)).*

The terms specified in subclause (1) must be expressed to be for the benefit of the Authority for the purposes of the Contracts (Privacy) Act 1982, and not be able to be amended without the consent of the Authority (clause 11.15B(2)).

Audit observation

Stack Energy provided their Terms and Conditions.

Audit commentary

We reviewed the Terms and Conditions. We confirm compliance with this clause.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

A reconciliation participant must only request the connection of a point of connection if they:

- *accept responsibility for their obligations in Parts 10, 11 and 15 for the point of connection; and*
- *have an arrangement with an MEP to provide 1 or more metering installations for the point of connection.*

Audit observation

We reviewed the EDA file for the audit period to identify all new connections and confirm process controls and compliance.

Audit commentary

STAK does not accept new connections and they have no intention of connecting any in the future. Only established installations are traded.

The new connection process is not documented.

Audit outcome

Compliant

2.10. Temporary Electrical Connection of an ICP (Clause 10.33)

Code reference

Clause 10.33(1)

Code related audit information

A trader may temporarily electrically connect a point of connection, or authorise a MEP to temporarily electrically connect a point of connection, only if:

- *for a point of connection to the grid – the grid owner has approved the connection*
- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
 - *the trader is recorded in the registry as the trader responsible for the ICP or has an arrangement with the customer and initiates a switch within 2 business days of electrical connection*
 - *if the ICP has metered load, 1 or more certified metering installations are in place*
 - *if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the temporary electrical connection.*

Audit observation

STAK does not accept new connections. Only established installations are traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Compliant

2.11. Electrical Connection of Point of Connection (Clause 10.33A)

Code reference

Clause 10.33A(1)

Code related audit information

A reconciliation participant may electrically connect or authorise the electrical connection of a point of connection only if:

- *for a point of connection to the grid – the grid owner has approved the connection*
- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
 - *the trader is recorded in the registry as the trader responsible for the ICP or has an arrangement with the customer and initiates a switch within 2 business days of electrical connection*
 - *if the ICP has metered load, 1 or more certified metering installations are in place*
 - *if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the electrical connection.*

Audit observation

The new connection and reconnection processes were discussed.

The Audit Compliance report for the audit period was examined to identify any uncertified metering installations.

Audit commentary

STAK does not trade new connections. The review of the Audit Compliance report confirmed that STAK did not connect uncertified metering installations.

Audit outcome

Compliant

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

Before providing the registry manager with any information in accordance with clause 11.7(2) or clause 11.18(4), a trader must ensure that it, or its customer, has made any necessary arrangements for the provision of line function services in relation to the relevant ICP

Before providing the registry manager with any information in accordance with clause 11.7(2) or clause 11.18(4), a trader must have entered into an arrangement with an MEP for each metering installation at the ICP.

Audit observation

The LIS file was reviewed to identify all networks STAK has traded on during the audit period. The process to ensure an arrangement is in place before trading commences on a network was examined.

Audit commentary

STAK stated that they have arrangements in place for line function services where they intend to trade. All ICPs traded by Stack Energy are connected to the Vector network. MEP arrangements are in place with all relevant MEPs. STAK trades on the Vector network only.

Compliance confirmed based on a statement from Stack Energy.

Audit outcome

Compliant

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

A reconciliation participant must ensure it has an arrangement with the relevant MEP prior to accepting responsibility for an installation.

Audit observation

The LIS file was reviewed to identify the MEPs for STAK ICPs during the audit period.

The process to ensure an arrangement is in place with the metering equipment provider before an ICP can be created or switched in was checked.

Audit commentary

MEP arrangements are in place with all relevant MEPs.

STAK demonstrated that arrangements are in place with all relevant MEPs, AMS and MRTX (Intellihub).

Audit outcome

Compliant

2.14. Connecting ICPs then withdrawing switch (Clause 10.33A(5))

Code reference

Clause 10.33B

Code related audit information

If a trader connects an ICP it is in the process of switching and the switch does not proceed or is withdrawn the trader must:

- *restore the disconnection, including removing any bypass and disconnecting using the same method the losing trader used*
- *reimburse the losing trader for any direct costs incurred*

Audit observation

This clause came into force on 1 February 2021. It was discussed during the audit with STAK's staff.

The EDA file was checked to identify which ICPs received NW and what their status recorded in the registry was.

Audit commentary

STAK received five NWs from losing traders. All of them had the "active" status. The company understands their obligation.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

Unless the trader is recorded in the registry or is meeting its obligation under 10.33A(5) it must not disconnect or electrically disconnect the ICP or authorise the metering equipment provider to disconnect or electrically disconnect the ICP.

Audit observation

This was discussed with STAK's staff during the audit.

Audit commentary

STAK understands their obligation and that it is not allowed to disconnect or electrically connect an ICP unless it is recorded in the registry as being responsible for that ICP.

Audit outcome

Compliant

2.16. Removal or breakage of seals (Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7)

Code reference

Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7

Code related audit information

A trader can remove or break a seal without authorisation from the MEP to:

- *reset a load control switch, bridge or unbridge a load control switch – if the load control switch does not control a tome block meter channel*
- *electrically connect load or generation, of the load or generation has been disconnected at the meter*
- *electrically disconnect load or generation, if the trader has exhausted all other appropriate methods of electrical disconnection*
- *bridge the meter*

A trader that removes or breaks a seal in this way must:

- *ensure personal are qualified to remove the seal and perform the permitted work and they replace the seal in accordance with the Code*
- *replace the seal with its own seal*
- *have a process for tracing the new seal to the personnel*
- *update the registry (if the profile code has changed)*
- *notify the metering equipment provider*

Audit observation

This clause came into force on 1 February 202. It was discussed during the audit with STAK's staff.

Audit commentary

Stack Energy does not intend to remove or break seals without authorisation from the MEPs. They are not qualified to remove the seal and replace it, in accordance with the Code.

If any problems are identified with readings, STAK will notify the MEP recorded in the registry.

Audit outcome

Compliant

2.17. Meter bridging (Clause 10.33C and 2A of Schedule 15.2)

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

A trader, or a distributor or MEP which has been authorised by the trader, may only electrically connect an ICP in a way that bypasses a meter that is in place ("bridging") if, despite best endeavours:

- *the MEP is unable to remotely electrically connect the ICP*
- *the MEP cannot repair a fault with the meter due to safety concerns*
- *the consumer will likely be without electricity for a period which would cause significant disadvantage to the consumer*

If the trader bridges a meter, the trader must:

- *determine the quantity of electricity conveyed through the ICP for the period of time the meter was bridged*
- *submit that estimated quantity of electricity to the reconciliation manager*
- *within 1 business day of being advised that the meter is bridged, notify the MEP that they are required to reinstate the meter so that all electricity flows through a certified metering installation.*

The trader must determine meter readings as follows:

- *by substituting data from an installed check meter or data storage device*
- *if a check meter or data storage device is not installed, by using half hour data from another period where the trader considers the pattern of consumption is materially similar to the period during which the meter was bridged*
- *if half hour data is not available, a non-half hour estimated reading that the trader considers is the best estimate during the bridging period must be used.*

Audit observation

This clause came into force on 1 February 2024. It was discussed with STAK's staff during the audit.

Audit commentary

Stack Energy stated that they have never asked to bridge a meter and are not planning to do it in the future.

Audit outcome

Compliant

2.18. Use of ICP identifiers on invoices (Clause 11.30)

Code reference

Clause 11.30

Code related audit information

Each trader must ensure the relevant ICP identifier is printed on every invoice or document relating to the sale of electricity.

Audit observation

It was discussed during the audit.

Audit commentary

Stack Energy provided copies of three invoices. We confirm the customer ICP identifier is printed on their invoice.

Audit outcome

Compliant

2.19. Provision of information on dispute resolution scheme (Clause 11.30A)

Code reference

Clause 11.30A

Code related audit information

A retailer must provide clear and prominent information about Utilities Disputes:

- on their website
- when responding to queries from consumers
- in directed outbound communications to consumers about electricity services and bills.

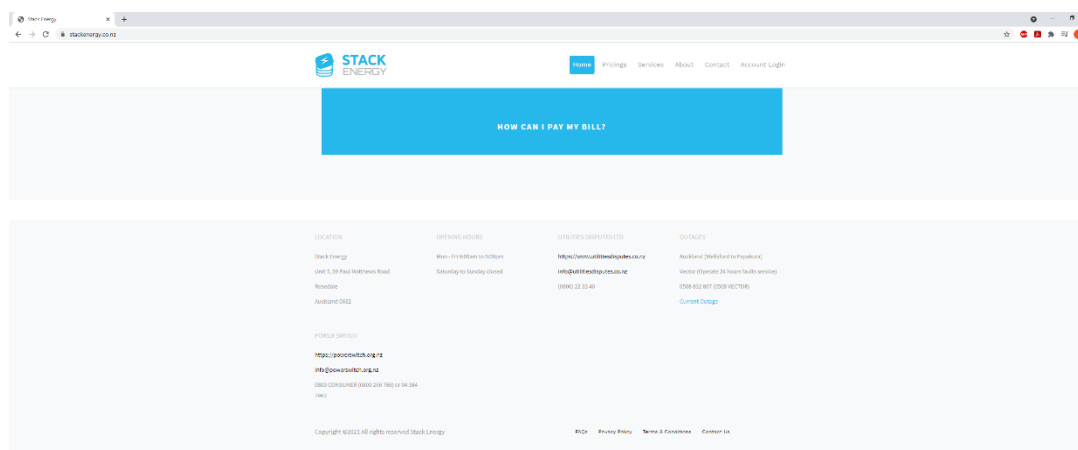
If there are a series of related communications between the retailer and consumer, the retailer needs to provide this information in at least one communication in that series.

Audit observation

This clause came into force on 1 February 2021. It was discussed with STAK's staff during the audit.

Audit commentary

We reviewed Stack Energy's website and confirmed that the link to the Utilities Disputes website is available to their customers.



Audit outcome

Compliant

2.20. Provision of information on electricity plan comparison site (Clause 11.30B)

Code reference

Clause 11.30B

Code related audit information

A retailer that trades at an ICP recorded on the registry must provide clear and prominent information about Powerswitch:

- on their website
- in outbound communications to residential consumers about price and service changes
- to residential consumers on an annual basis
- in directed outbound communications about the consumer's bill.

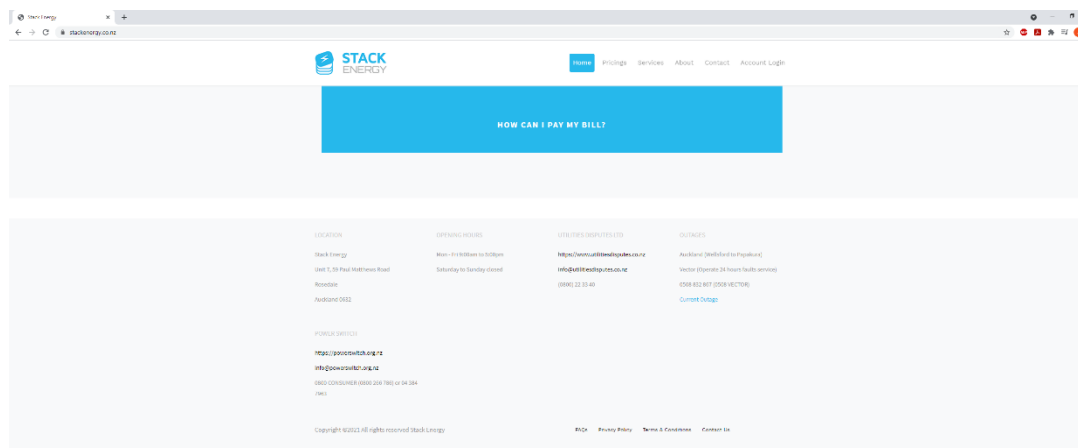
If there are a series of related communications between the retailer and consumer, the retailer needs to provide this information in at least one communication in that series.

Audit observation

This clause came into force on 1 February 2021. It was discussed with STAK's staff during the audit.

Audit commentary

We reviewed the Stack Energy's website and confirmed that the link to the PowerSwitch website is available to their customers.



Audit outcome

Compliant

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

The following participants must, before assuming responsibility for certain points of connection on a local network or embedded network, obtain an ICP identifier for the point of connection:

- a) a trader who has agreed to purchase electricity from an embedded generator or sell electricity to a consumer*
- b) an embedded generator who sells electricity directly to the clearing manager*
- c) a direct purchaser connected to a local network or an embedded network*
- d) an embedded network owner in relation to a point of connection on an embedded network that is settled by differencing*
- e) a network owner in relation to a shared unmetered load point of connection to the network owner's network*
- f) a network owner in relation to a point of connection between the network owner's network and an embedded network.*

ICP identifiers must be obtained for points of connection at which any of the following occur:

- a consumer purchases electricity from a trader 11.3(3)(a)*
- a trader purchases electricity from an embedded generator 11.3(3)(b)*
- a direct purchaser purchases electricity from the clearing manager 11.3(3)(c)*
- an embedded generator sells electricity directly to the clearing manager 11.3(3)(d)*
- a network is settled by differencing 11.3(3)(e)*
- there is a distributor status ICP on the parent network point of connection of an embedded network or at the point of connection of shared unmetered load. 11.3(3)(f)*

Audit observation

The EDA file for the audit period was reviewed to identify all new connections and confirm process controls and compliance.

Audit commentary

Stack Energy did not undertake any new connections during the audit period, and they have no intention of conducting any in the future.

Audit outcome

Compliant

3.2. Providing registry information (Clause 11.7(2))

Code reference

Clause 11.7(2)

Code related audit information

Each trader must provide information to the registry manager about each ICP at which it trades electricity in accordance with Schedule 11.1.

Audit observation

The EDA file for the audit period was analysed in relation to the updating of the registry. MEP nominations and switching processes were examined in detail.

Audit commentary

STAK's processes are designed to ensure that trader information is populated as required by this clause. Any late information updates were recorded as non-compliance in **section 3.3**.

Audit outcome

Compliant

3.3. Changes to registry information (Clause 10 Schedule 11.1)

Code reference

Clause 10 Schedule 11.1

Code related audit information

If information provided by a trader to the registry manager about an ICP changes, the trader must provide written notice to the registry manager of the change no later than 5 business days after the change.

Audit observation

We examined the LIS and EDA files and the Audit Compliance report for the period covered by this audit.

Audit commentary

Status update	Year	Total number of updates	No of updates within 5BD	No of updates later than 5BD	Average notification days [BD]	Percentage compliant
Change to active (2,0)	2018	3	2	0		66.7%
	2019	1	1	1	12	0%
	2021	3	2	1	5	67%
Change to electrically disconnected vacant property -(1,4)	2018	0	0	0	0	
	2019	0	0	0	0	
	2021	6	6	0	3	100%
Trader (NT updates and MEP nominations are excluded)	2018	0	0	0	0	
	2019	0	0	0	0	
	2021	1	1	0	5	100%

The late update of the ICP 1001272168UN1D1 status to “active” was discussed during the audit and the following time line was provided:

- 30/06/2020 STAK sent NTMI asking for the date of 01/07/2020
- 30/06/2020 MEEN sent AN confirming the switch date
- 01/07/2020 – STAK asked NGCM to reconnect the meter, it was a hard reconnection
- 07/07/2020 – MEEN sent the CS file with the switch event meter reading
- 14/07/2020 – the status was updated to “active”

If STAK updated the registry on 07/07/2020, it would make the update within 5 business days. Unfortunately, it was delayed by a week.

AMS asked STAK to nominate them as the MEP for ICP0000185567UN5B0 to install an AMI meter but here was a problem because it is a non-operational motel, therefore no access. However, the owner does not want to have the supply disconnected.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 01-Dec-19 To: 31-Mar-21	One late status update Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong. Well managed process, one late registry status update. Submission volumes were correct. There was no impact on settlement. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Status had been updated		30/04/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

This ICP was reconnected before switching completion. Dedicated managing person has been assigned for checking the status more frequently.	01/05/2021	
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3.4. Trader responsibility for an ICP (Clause 11.18)

Code reference

Clause 11.18

Code related audit information

A trader becomes responsible for an ICP when the trader is recorded in the registry as being responsible for the ICP.

A trader ceases to be responsible for an ICP if:

- *another trader is recorded in the registry as accepting responsibility for the ICP (clause 11.18(2)(a)); or*
- *the ICP is decommissioned in accordance with clause 20 of Schedule 11.1 (clause 11.18(2)(b)).*
- *if an ICP is to be decommissioned, the trader who is responsible for the ICP must (clause 11.18(3)):*
 - o *arrange for a final interrogation to take place prior to or upon meter removal (clause 11.18(3)(a)); and*
 - o *advise the MEP responsible for the metering installation of the decommissioning (clause 11.18(3)(b)).*

A trader who is responsible for an ICP (excluding UML) must ensure that an MEP is recorded in the registry for that ICP (clause 11.18(4)).

A trader must not trade at an ICP (excluding UML) unless an MEP is recorded in the registry for that ICP (clause 11.18(5)).

Audit observation

We examined the LIS file, dated 05/04/2021, the Audit Compliance report and the EDA file for the audit period, to identify any rejected MEP nominations and any “Active” ICPs that do not have a MEP recorded in the registry.

The MEP nomination and decommissioning processes were examined and discussed with STAK’s staff.

Audit commentary

We confirm that all ICPs had a valid MEP recorded in the registry.

The decommissioning process describes the STAK’s obligation before an installation is decommissioned. STAK arranges a meter interrogation prior to or upon meter removal and asks the MEP for a final read.

One ICP (0000451601UNFCE) was decommissioned during the audit period.

According to the paperwork shown by STAK the meter was removed 16/7/20. MTRX kept sending the actual data till 21/7/20. The registry was updated by MTRX on 23/07/2020, recording the meter removal date as 05/07/2020.

It appears that for this installation, the records are less than accurate, information/meter data is confusing. We checked the SMS system and STAK used meter data provided by MTRX after the removal event. At the time of the audit the removal reading was not used for reconciliation. It is recorded as non-compliance in **section 12.2**. The corrected volumes will be submitted in revision 14.

Audit outcome

Compliant

3.5. Provision of information to the registry manager (Clause 9 Schedule 11.1)

Code reference

Clause 9 Schedule 11.1

Code related audit information

Each trader must provide the following information to the registry manager for each ICP for which it is recorded in the registry as having responsibility:

- a) the participant identifier of the trader, as approved by the Authority (clause 9(1)(a))*
- b) the profile code for each profile at that ICP, as approved by the Authority (clause 9(1)(b))*
- c) the metering equipment provider for each category 1 metering or higher (clause 9(1)(c))*
- d) the type of submission information the trader will provide to the RM for the ICP (clause 9(1)(ea))*
- e) if a settlement type of UNM is assigned to that ICP, either:*
 - the code ENG if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or*
 - in all other cases, the daily average kWh of unmetered load at the ICP (clause 9(1)(f)(ii)).*
 - the type and capacity of any unmetered load at each ICP (clause 9(1)(g))*
 - the status of the ICP, as defined in clauses 12 to 20 (clause 9(1)(j))*
 - except if the ICP exists for the purposes of reconciling an embedded network or the ICP has distributor status, the trader must provide the relevant business classification code applicable to the customer (clause 9(1)(k)).*

The trader must provide information specified in (a) to (j) above within 5 business days of trading (clause 9(2)).

The trader must provide information specified in 9(1)(k) no later than 20 business days of trading (clause 9(3)).

Audit observation

The LIS file and the Audit Compliance report from the audit period was examined to assess compliance.

Audit commentary

STAK's business model is to trade existing installations only, the Audit Compliance report did not identify any missing data.

Audit outcome

Compliant

3.6. ANZSIC codes (Clause 9 (1(k) of Schedule 11.1)

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

Traders are responsible to populate the relevant ANZSIC code for all ICPs for which they are responsible.

Audit observation

The process to manage ANZSIC codes was examined. The Audit Compliance report and the LIS file were reviewed to check ANZSIC codes.

We checked a diverse sample of 10 ICPs, for which ANZSIC code is not residential.

Audit commentary

All ICPs had the correct ANZIC code assigned.

Audit outcome

Compliant

3.7. Changes to unmetered load (Clause 9(1)(f) of Schedule 11.1)

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

if a settlement type of UNM is assigned to that ICP, the trader must populate:

the code ENG - if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or

the daily average kWh of unmetered load at the ICP - in all other cases (clause 9(1)(f)(ii)).

Audit observation

The LIS file and the Audit Compliance report were analysed.

Audit commentary

Stack Energy does not trade UML ICPs.

Audit outcome

Compliant

3.8. Management of “active” status (Clause 17 Schedule 11.1)

Code reference

Clause 17 Schedule 11.1

Code related audit information

The ICP status of “active” is be managed by the relevant trader and indicates that:

- *the associated electrical installations are electrically connected (clause 17(1)(a))*
- *the trader must provide information related to the ICP in accordance with Part 15, to the reconciliation manager for the purpose of compiling reconciliation information (clause 17(1)(b)).*

Before an ICP is given the “active” status, the trader must ensure that:

- *the ICP has only 1 customer, embedded generator, or direct purchaser (clause 17(2)(a))*
- *the electricity consumed is quantified by a metering installation or a method of calculation approved by the Authority (clause 17(2)(b)).*

Audit observation

The ICP reconnection process was examined. The EDA file for the audit period was analysed.

Audit commentary

At the time of the audit all ICPs except one had the status “active”.

The timeliness of registry updates is recorded in **section 3.3**, there was one late update.

Audit outcome

Compliant

3.9. Management of “inactive” status (Clause 19 Schedule 11.1)

Code reference

Clause 19 Schedule 11.1

Code related audit information

The ICP status of “inactive” must be managed by the relevant trader and indicates that:

- *electricity cannot flow at that ICP (clause 19(a)); or*
- *submission information related to the ICP is not required by the reconciliation manager for the purpose of compiling reconciliation information (clause 19(b)).*

Audit observation

The ICP disconnection/reconnection process was examined. The EDA file and the Audit Compliance report for the audit period were analysed to identify all status changes to “inactive”.

Audit commentary

According to the process STAK conducts disconnections remotely and updates the registry once confirmation of the disconnection is provided by the MEP. STAK provided “paperwork” for 5 disconnections conducted by MTRX.

Audit outcome

Compliant

3.10. ICPs at new or ready status for 24 months (Clause 15 Schedule 11.1)

Code reference

Clause 15 Schedule 11.1

Code related audit information

If an ICP has had the status of “New” or “Ready” for 24 calendar months or more, the distributor must ask the trader whether it should continue to have that status and must decommission the ICP if the trader advises the ICP should not continue to have that status.

Audit observation

It is a distributor’s code obligation to monitor an ICP which has had the status of “New” or “Ready” for 24 calendar months or more. It is expected that a trader be able to respond to such queries from distributors. STAK does not sign up new connections.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

4.1. Inform registry of switch request for ICPs - standard switch (Clause 2 Schedule 11.3)

Code reference

Clause 2 Schedule 11.3

Code related audit information

The standard switch process applies where a trader and a customer or embedded generator enters into an arrangement in which the trader commences trading electricity with the customer or embedded generator at a non-half hour or unmetered ICP at which another trader supplies electricity, or the trader assumes responsibility for such an ICP.

If the uninvited direct sale agreement applies to an arrangement described above, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement in accordance with section 36M of the Fair Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.

A gaining trader must advise the registry manager of a switch no later than 2 business days after the arrangement comes into effect and include in its advice to the registry manager that the switch type is TR and 1 or more profile codes associated with that ICP.

Audit observation

The standard switch process was examined to assess compliance. We reviewed the EDA file and the Switch Breach report for the audit period. We confirm the process is well documented and easy to follow.

Audit commentary

Stack Energy did not use the standard switch process in the audit period.

Audit outcome

Compliant

4.2. Losing trader response to switch request and event dates - standard switch (Clauses 3 and 4 Schedule 11.3)

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

Within 3 business days after receiving notice of a switch from the registry manager, the losing trader must establish a proposed event date. The event date must be no more than 10 business days after the date of receipt of such notification, and in any 12 month period, at least 50% of the event dates must be no more than 5 business days after the date of notification. The losing trader must then:

- *provide acknowledgement of the switch request by (clause 3(a) of Schedule 11.3):*
- *providing the proposed event date to the registry manager and a valid switch response code (clause 3(a)(i) and (ii) of Schedule 11.3); or*
- *providing a request for withdrawal of the switch in accordance with clause 17 (clause 3(c) of Schedule 11.3).*

When establishing an event date for clause 4, the losing trader may disregard every event date established by the losing trader for an ICP for which when the losing trader received notice from the registry manager under clause 22(a) the losing trader had been responsible for less than 2 months.

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with STAK

Audit commentary

STAK received 16 NTTR from gaining traders. The Switch Breach report confirmed that all AN files were sent within the allowable timeframes. We assessed if the response code is used correctly in AN files. STAK used “AA” code.

The clause requires that in a 12-month period a trader is to establish a proposed event date that is no more than 5 BD for at least 50% of switches away. STAK provided the evidence that for 93% of standard switches a proposed event date was 5 BD or less.

Audit outcome

Compliant

4.3. Losing trader must provide final information - standard switch (Clause 5 Schedule 11.3)

Code reference

Clause 5 Schedule 11.3

Code related audit information

If the losing trader provides information to the registry manager in accordance with clause 3(a) of Schedule 11.3 with the required information, no later than 5 business days after the event date, the losing trader must complete the switch by:

- *providing event date to the registry manager (clause 5(a)); and*
- *provide to the gaining trader a switch event meter reading as at the event date, for each meter or data storage device that is recorded in the registry with accumulator of C and a settlement indicator of Y (clause 5(b)); and*
- *if a switch event meter reading is not a validated reading, provide the date of the last meter reading (clause 5(c)).*

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with STAK’s staff. STAK provided the switch event meter reading to 16 standard switches.

Audit commentary

6 CS files were sent late, more than 5 business days after the event date.

The accuracy of the content of the CS files was confirmed by checking a sample of 7 records. The content checked included:

- correct identification of meter readings and correct date of last meter reading
- accuracy of meter readings
- accuracy of average daily consumption.

There were no CS files with average daily kWh that were “zero” and one ICP with 143 kWh average usage. The calculation was correct.

We confirm that information in the CS files was correct except daily consumption.

STAKs calculation of daily consumption is as follows:

Daily consumption = (Reading (event date) – Reading (30 days before the event date)) / 30

The last audit noted that the Registry Functional Specification v22.32 states that the average daily consumption within the CS file should be the average kWh per day for the last read period. STAK receives daily readings for most of ICPs, so the last read period is technically one day. Estimated daily consumption is calculated as the average daily consumption over the past billing period. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

It was discussed with the Authority and they agree with this comment. The Authority is currently looking to update the functional specification. It will be recorded as a technical breach.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: 5 of Schedule 11.3 From: 01-Jan-20 To: 31-Mar-21	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. 8 CS files were sent late. 6 CS files were sent late Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate; more care must be taken with the timing of sending CS files. The audit risk rating is low because the number of switches affected was low. It has no impact on settlement		
Actions taken to resolve the issue		Completion date	Remedial action status
Switching order has been updated		30/04/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
System development is going to be finalised for the switching process and also calculation of average consumption data. Human error will be reduced once the automation system is finalised. During the investigation period we will monitor Registry web page manually every day.		31/12/2021	

4.4. Retailers must use same reading - standard switch (Clause 6(1) and 6A Schedule 11.3)

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

The losing trader and the gaining trader must both use the same switch event meter reading as determined by the following procedure:

- if the switch event meter reading provided by the losing trader differs by less than 200 kWh from a value established by the gaining trader, the gaining trader must use the losing trader's validated meter reading or permanent estimate (clause 6(a)); or*
- the gaining trader may dispute the switch meter reading if the validated meter reading or permanent estimate provided by the losing trader differs by 200 kWh or more. (clause 6(b)).*

If the gaining trader disputes a switch meter reading because the switch event meter reading provided by the losing trader differs by 200 kWh or more, the gaining trader must, within 4 calendar months of the registry manager giving the gaining trader written notice of having received information about the switch completion, provide to the losing trader a changed switch event meter reading supported by 2 validated meter readings.

- the losing trader can choose not to accept the reading, however, must advise the gaining trader no later than 5 business days after receiving the switch event meter reading from the gaining trader (clause 6A(a)); or*
- if the losing trader notifies its acceptance or does not provide any response, the losing trader must use the switch event meter reading supplied by the gaining trader. (clause 6A(b)).*

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The management of RR files was examined and discussed with STAK's staff

We conducted a sampling of the RR files sent by or received by STAK.

Audit commentary

STAK did not send RR files for the standard switches.

The company received one RR file, which was accepted. The original reading in the CS file was incorrect, STAK identified their mistake and sent an email to Electric Kiwi requesting them to send the RR file. We confirm that the switch event read was used to calculate volumes submitted to the reconciliation manager.

Audit outcome

Compliant

4.5. Non-half hour switch event meter reading - standard switch (Clause 6(2) and (3) Schedule 11.3)

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

If the losing trader trades electricity from a non-half hour meter, with a switch event meter reading that is not from an AMI certified meter flagged Y in the registry: and

- *the gaining trader will trade electricity from a meter with a half hour submission type in the registry (clause 6(2)(b));*
- *the gaining trader within 5 business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading.*

Audit observation

The EDA file was reviewed to identify all read change requests and acknowledgements where above clauses are applicable.

Audit commentary

We identified one ICP 0000150558UN6E7 for which Electric Kiwi sent a RR file which was accepted by STAK.

Audit outcome

Compliant

4.6. Disputes - standard switch (Clause 7 Schedule 11.3)

Code reference

Clause 7 Schedule 11.3

Code related audit information

A losing trader or gaining trader may give written notice to the other that it disputes a switch event meter reading provided under clauses 1 to 6. Such a dispute must be resolved in accordance with clause 15.29 (with all necessary amendments).

Audit observation

There were no disputes with a losing trader. If such a situation were to occur in the future it would be resolved in accordance with this clause.

Audit commentary

STAK stated that they will not decline to accept another traders' validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances. The company will also provide a reasonable explanation to the other participant where it does decline to accept their validated meter reading or permanent estimate.

Audit outcome

Compliant

4.7. Gaining trader informs registry of switch request - switch move (Clause 9 Schedule 11.3)

Code reference

Clause 9 Schedule 11.3

Code related audit information

The switch move process applies where a gaining trader has an arrangement with a customer or embedded generator to trade electricity at an ICP using non half-hour metering or an unmetered ICP, or to assume responsibility for such an ICP, and no other trader has an agreement to trade electricity at that ICP, this is referred to as a switch move and the following provisions apply:

If the “uninvited direct sale agreement” applies, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement in accordance with section 36M of the Fair Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.

In the event of a switch move, the gaining trader must advise the registry manager of a switch and the proposed event date no later than 2 business days after the arrangement comes into effect.

In its advice to the registry manager the gaining trader must include:

- *a proposed event date (clause 9(2)(a)); and*
- *that the switch type is "MI" (clause 9(2)(b)); and*
- *one or more profile codes of a profile at the ICP. (clause 9(2)(c))*

Audit observation

The switch move process was examined to assess compliance. We reviewed the EDA file and the Switch Breach report for the audit period. We confirm the process is well documented and easy to follow. It was discussed with STAK’s team.

Audit commentary

At the time of signing up a customer they must specify if they are moving into a premise and the date of move in.

STAK’s processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

In the audit period STAK sent 15 NTMI. All NT files were sent within two business days of conditions being met by a customer.

One file was backdated by 21 business days. STAK provided detailed comments explaining reasons for this switch being backdated, it was at a customers’ request.

Audit outcome

Compliant

4.8. Losing trader provides information - switch move (Clause 10(1) Schedule 11.3)

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

10(1) Within 5 business days after receiving notice of a switch move request from the registry manager—

- *10(1)(a) If the losing trader accepts the event date proposed by the gaining trader, the losing trader must complete the switch by providing to the registry manager:*
 - o *confirmation of the switch event date; and*
 - o *a valid switch response code; and*
 - o *final information as required under clause 11; or*
- *10(1)(b) If the losing trader does not accept the event date proposed by the gaining trader, the losing trader must acknowledge the switch request to the registry manager and determine a different event date that—*
 - o *is not earlier than the gaining trader’s proposed event date, and*
 - o *is no later than 10 business days after the date the losing trader receives notice; or*

- 10(1)(c) request that the switch be withdrawn in accordance with clause 17.

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with STAK's staff.

The accuracy of the content of the AN files was confirmed by checking 7 randomly chosen AN files.

Audit commentary

STAK sent 14 AN files as a response to NT files. We identified one ICP (0000450920UN071) for which the AN file was not sent and for ICP 0019523248LC95E the AN file was sent late. It was human error.

We identified 6 ICPs for which CS file was sent later than 5 business days after receiving notice of a switch move request from the registry manager.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.8 With: 10(1) of Schedule 11.3 From: 03-May-20 To: 03-May-20	AN file was not sent for one ICP and one AN file was 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	Controls are rated as strong; good process in place. The audit risk rating is low because only two ICPs were affected. It has no impact on settlement outcome. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Switching has been finalised		27/07/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Evaluate Stack Energy switching system that will update the right process for NT and MI. During this period, we set the dedicated person to manage the switching process		31/12/2021	

4.9. Losing trader determines a different date - switch move (Clause 10(2) Schedule 11.3)

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

If the losing trader determines a different date, then within 10 business days of receiving notice the losing trader must also complete the switch by providing to the registry manager as described in subclause (1)(a):

- the event date proposed by the losing trader; and
- a valid switch response code; and
- final information as required under clause 1.

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with STAK's staff.

Audit commentary

We identified two ICPs (0214286282LC548 and 1001110335UN129) for which STAK did not accept a date specified by the gaining trader.

For 0214286282LC548 GBUG request was received 05/07/2020, STAK switched on 27/07/2020, which is more than 10 business days. It was discussed during the audit. In the AN file STAK confirmed the requested switch date. The CS file was then sent at a later date in error.

1001110335UN129 GENE request was received 25/07/2020, STAK switched on 27/07/2020, which is correct

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.9 With: 10(2) of Schedule 11.3 From: 05-Jul-20 To: 27-Jul-20	A switch date for one ICP was determined later than requested by more than 10 business days Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong; Out of 15 switches, there was a single error. The audit risk rating is low because only one ICP was affected. It has no impact on settlement		
Actions taken to resolve the issue		Completion date	Remedial action status
Switching has been done		27/07/2020	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Evaluate Stack Energy switching system that will update the right process for the Switching. During this period, we set the dedicated person to manage the switching process	31/12/2021	

4.10. Losing trader must provide final information - switch move (Clause 11 Schedule 11.3)

Code reference

Clause 11 Schedule 11.3

Code related audit information

The losing trader must provide final information to the registry manager for the purposes of clause 10(1)(a)(ii), including—

- *the event date (clause 11(a)); and*
- *a switch event meter reading as at the event date for each meter or data storage device that is recorded in the registry with an accumulator type of C and a settlement indicator of Y (clause 11(b)); and*
- *if the switch event meter reading is not a validated meter reading, the date of the last meter reading of the meter or storage device. (clause (11(c)).*

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with STAK's staff.

Audit commentary

The accuracy of the content of the CS files was confirmed by checking a sample of 7 records. The content checked included:

- correct identification of meter readings and correct date of last meter reading
- accuracy of meter readings
- accuracy of average daily consumption.

There was one CS file with an average daily kWh that was “zero” usage. The calculation was correct.

We confirm that information in the CS files were correct except for daily consumption.

STAKs' calculation of daily consumption is as follows:

Daily consumption = (Reading (event date) – Reading (30 days before the event date)) / 30

The last audit noted that the Registry Functional Specification v22.32 states that the average daily consumption within the CS file should be the average kWh per day for the last read period. STAK receives daily readings for most of its ICPs, so the last read period is technically one day. Estimated daily consumption is calculated as the average daily consumption over the past billing period. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

It was discussed with the Authority and they agree with this comment. The Authority is currently looking to update the functional specification. It will be recorded as a technical breach.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: 11 of Schedule 11.3 From: 01-Jan-20 To: 31-Mar-21	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong, good process. The audit risk rating is low because the number of switches affected was low. It has no impact on settlement		
Actions taken to resolve the issue		Completion date	Remedial action status
We set the dedicated person to manage the average consumption for each ICP		30/04/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
System development is going to be finalised for the switching process and also calculation of average consumption data. Human error will be reduced once the automation system is finalised. During the investigation period we will monitor Registry web page manually every day.		31/12/2021	

4.11. Gaining trader changes to switch meter reading - switch move (Clause 12 Schedule 11.3)

Code reference

Clause 12 Schedule 11.3

Code related audit information

The gaining trader may use the switch event meter reading supplied by the losing trader or may, at its own cost, obtain its own switch event meter reading. If the gaining trader elects to use this new switch event meter reading, the gaining trader must advise the losing trader of the switch event meter reading and the actual event date to which it refers as follows:

- if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or
- if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter reading. In this case, the gaining trader, within 4 calendar months of the date the registry manager gives the gaining trader written notice of having received information about the switch completion, must provide to the losing trader a changed validated meter reading or a permanent estimate supported by 2 validated meter readings and the losing trader must either (clause 12(2)(b) and clause 12(3)):
- advise the gaining trader if it does not accept the switch event meter reading and the losing trader and the gaining trader must resolve the dispute in accordance with the disputes procedure in clause 15.29 (with all necessary amendments) (clause 12(3)(a)); or
- if the losing trader notifies its acceptance or does not provide any response, the losing trader must use the switch event meter reading supplied by the gaining trader. (clause 12(3)(b)).

12(2A) If the losing trader trades electricity from a non-half hour meter, with a switch event meter reading that is not from an AMI certified meter flagged Y in the registry,

- the gaining trader will trade electricity from a meter with a half hour submission type in the registry (clause 12(2A)(b));
- the gaining trader no later than 5 business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading. (clause 12(2B)).

Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The management of RR files was examined and discussed with STAK's staff

We conducted sampling of the RR files sent by or received by STAK.

Audit commentary

STAK sent one RR file for a switch move, which was accepted.

The company received two RR files, where one was accepted and one rejected. We confirm the accepted switch event read was used to calculate volumes submitted to the reconciliation manager.

Audit outcome

Compliant

4.12. Gaining trader informs registry of switch request - gaining trader switch (Clause 14 Schedule 11.3)

Code reference

Clause 14 Schedule 11.3

Code related audit information

The gaining trader switch process applies when a trader has an arrangement with a customer or embedded generator to trade electricity at an ICP at which the losing trader trades electricity with the customer or embedded generator, and one of the following applies at the ICP:

- the gaining trader will trade electricity through a half hour metering installation that is a category 3 or higher metering installation; or

- the gaining trader will trade electricity through a non-AMI half hour metering installation and the losing trader trades electricity through a non-AMI non half hour metering installation; or
- the gaining trader will trade electricity through a non-AMI non half hour metering installation and the losing trader trades electricity through a non-AMI half hour metering installation

If the uninvited direct sale agreement applies to an arrangement described above, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement in accordance with section 36M of the Fair Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.

A gaining trader must advise the registry manager of the switch and expected event date no later than 3 business days after the arrangement comes into effect.

14(2) The gaining trader must include in its advice to the registry manager:

- a) a proposed event date; and*
- b) that the switch type is HH.*

14(3) The proposed event date must be a date that is after the date on which the gaining trader advises the registry manager, unless clause 14(4) applies.

14(4) The proposed event date is a date before the date on which the gaining trader advised the registry manager, if:

14(4)(a) – the proposed event date is in the same month as the date on which the gaining trader advised the registry manager; or

14(4)(b) – the proposed event date is no more than 90 days before the date on which the gaining trader advises the registry manager, and this date is agreed between the losing and gaining traders.

Audit observation

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period.

Audit commentary

No HH switches occurred in the period covered by this audit.

Audit outcome

Compliant

4.13. Losing trader provision of information - gaining trader switch (Clause 15 Schedule 11.3)

Code reference

Clause 15 Schedule 11.3

Code related audit information

Within 3 business days after the losing trader is informed about the switch by the registry manager, the losing trader must:

15(a) - provide to the registry manager a valid switch response code as approved by the Authority; or

15(b) - provide a request for withdrawal of the switch in accordance with clause 17.

Audit observation

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period.

Audit commentary

No HH switches occurred in the period covered by this audit.

Audit outcome

Compliant

4.14. Gaining trader to advise the registry manager - gaining trader switch (Clause 16 Schedule 11.3)

Code reference

Clause 16 Schedule 11.3

Code related audit information

The gaining trader must complete the switch no later than 3 business days, after receiving the valid switch response code, by advising the registry manager of the event date.

If the ICP is being electrically disconnected, or if metering equipment is being removed, the gaining trader must either-

16(a)- give the losing trader or MEP for the ICP an opportunity to interrogate the metering installation immediately before the ICP is electrically disconnected or the metering equipment is removed; or

16(b)- carry out an interrogation and, no later than 5 business days after the metering installation is electrically disconnected or removed, advise the losing trader of the results and metering component numbers for each data channel in the metering installation.

Audit observation

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period.

Audit commentary

No HH switches occurred in the period covered by this audit.

Audit outcome

Compliant

4.15. Withdrawal of switch requests (Clauses 17 and 18 Schedule 11.3)

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

A losing trader or gaining trader may request that a switch request be withdrawn at any time until the expiry of 2 calendar months after the event date of the switch.

If a trader requests the withdrawal of a switch, the following provisions apply:

- for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*

- *the participant identifier of the trader making the withdrawal request (clause 18(c)(i)); and*
- *the withdrawal advisory code published by the Authority. (clause 18(c)(ii))*
- *within 5 business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal. (clause 18(d))*
- *on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c). All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request. (clause 18(e))*
- *if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within 2 business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16. (clause 18(f))*

Audit observation

The EDA file and Switch Breach Report for the period covered by this audit was analysed to assess compliance. The switch withdrawal process was analysed and discussed with STAK's staff.

Audit commentary

STAK sent 2 NWWP files during the audit period within the timeframe prescribed by this clause. They were sent after 3 and 9 business days. Both files were accepted by another trader.

STAK received 5 NW files, one of them was rejected. AW files were sent within 5 BD.

Audit outcome

Compliant

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

For an interrogation or validated meter reading or permanent estimate carried out in accordance with Schedule 11.3:

21(a)- the trader who carries out the interrogation, switch event meter reading must ensure that the interrogation is as accurate as possible, or that the switch event meter reading is fair and reasonable.

21(b) and (c) - the cost of every interrogation or switch event meter reading carried out in accordance with clauses 5(b) or 11(b) or (c) must be met by the losing trader. The costs in every other case must be met by the gaining trader.

Audit observation

Meter readings are received from MEPs. STAK relies on MEPs to provide accurate readings but as is described in relevant sections, extensive validation is conducted upon uploading readings to their system.

Audit commentary

All meter readings used in the switching process are validated meter readings or permanent estimates. The cost of additional interrogation is covered in a commercial agreement between STAK and MEPS.

Audit outcome

Compliant

4.17. Switch protection (Clause 11.15AA to 11.15AB)

Code reference

Clause 11.15AA to 11.15AC

Code related audit information

A losing retailer (including any party acting on behalf of the retailer) must not initiate contact to save or win back any customer who is switching away or has switched away for 180 days from the date of the switch.

The losing retailer may contact the customer for certain administrative reasons and may make a counteroffer only if the customer initiated contact with the losing retailer and invited the losing retailer to make a counteroffer.

The losing retailer must not use the customer contact details to enable any other retailer (other than the gaining retailer) to contact the customer.

Audit observation

Stack Energy was never a member of the switch protection program. The program was terminated on 31/03/20. Win-back processes were examined to determine whether they were compliant. The EDA file for 01/12/2019 to 31/03/2020 was analysed to identify all withdrawn switches with a "CX" code applied prior to the switch completion date for any switch save protected retailer.

Audit commentary

The analysis of the EDA file showed that no "CX" coded switch withdrawal requests were sent in the period covered by this audit.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

The trader must adhere to the process for maintaining shared unmetered load as outlined in clause 11.14:

11.14(2) - The distributor must give written notice to the traders responsible for the ICPs across which the unmetered load is shared, of the ICP identifiers of the ICPs.

11.14(3) - A trader who receives such a notification from a distributor must give written notice to the distributor if it wishes to add or omit any ICP from the ICPs across which unmetered load is to be shared.

11.14(4) - A distributor who receives such a notification of changes from the trader under (3) must give written notice to the registry manager and each trader responsible for any of the ICPs across which the unmetered load is shared.

11.14(5) - If a distributor becomes aware of any change to the capacity of a shared unmetered load ICP or if a shared unmetered load ICP is decommissioned, it must give written notice to all traders affected by that change as soon as practicable after that change or decommissioning.

11.14(6) - Each trader who receives such a notification must, as soon as practicable after receiving the notification, adjust the unmetered load information for each ICP in the list for which it is responsible to ensure that the entire shared unmetered load is shared equally across each ICP.

11.14(7) - A trader must take responsibility for shared unmetered load assigned to an ICP for which the trader becomes responsible as a result of a switch in accordance with Part 11.

11.14(8) - A trader must not relinquish responsibility for shared unmetered load assigned to an ICP if there would then be no ICPs left across which that load could be shared.

11.14(9) - A trader can change the status of an ICP across which the unmetered load is shared to inactive status, as referred to in clause 19 of Schedule 11.1. In that case, the trader is not required to give written notice to the distributor of the change. The amount of electricity attributable to that ICP becomes UFE.

Audit observation

The LIS file was examined to check if Stack Energy trades shared unmetered load.

Audit commentary

Stack Energy does not intend to take on DUML or SUML in the foreseeable future. If it is found after a switch that SUML is associated with an ICP it will be dealt with accordingly.

Audit outcome

Compliant

5.2. Unmetered threshold (Clause 10.14 (2)(b))

Code reference

Clause 10.14 (2)(b)

Code related audit information

The reconciliation participant must ensure that unmetered load does not exceed 3,000 kWh per annum, or 6,000 kWh per annum if the load is predictable and of a type approved and published by the Authority.

Audit observation

The LIS file was reviewed to assess if STAK trades unmetered load. The process to identify and monitor unmetered load was discussed.

Audit commentary

STAK does not supply any UML ICPs.

Audit outcome

Compliant

5.3. Unmetered threshold exceeded (Clause 10.14 (5))

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

- *within 20 business days, commence corrective measure to ensure it complies with Part 10*
- *within 20 business days of commencing the corrective measure, complete the corrective measures*
- *no later than 10 business days after it becomes aware of the limit having been exceeded, advise each participant who is or would be expected to be affected of:*
 - o *the date the limit was calculated or estimated to have been exceeded*
 - o *the details of the corrective measures that the retailer proposes to take or is taking to reduce the unmetered load.*

Audit observation

The LIS file was reviewed to assess if STAK trades unmetered load. The process to identify and monitor unmetered load was discussed.

Audit commentary

STAK does not supply any UML ICPs.

Audit outcome

Compliant

5.4. Distributed unmetered load (Clause 11 Schedule 15.3, Clause 15.37B)

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

An up-to-date database must be maintained for each type of distributed unmetered load for which the retailer is responsible. The information in the database must be maintained in a manner that the resulting submission information meets the accuracy requirements of clause 15.2.

A separate audit is required for distributed unmetered load data bases.

The database must satisfy the requirements of Schedule 15.5 with regard to the methodology for deriving submission information.

Audit observation

We reviewed the LIS files and the Audit Compliance report for the period covered by this audit. We discussed the company policy in relation to trading distributed unmetered load ICPs.

Audit commentary

The review of registry files showed that STAK has not been trading distributed unmetered load. There are no plans to trade distributed unmetered load ICPs in the foreseeable future.

Audit outcome

Not applicable

6. GATHERING RAW METER DATA

6.1. Electricity conveyed & notification by embedded generators(Clause 10.13, Clause 10.24 and 15.13)

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

A participant must use the quantity of electricity measured by a metering installation as the raw meter data for the quantity of electricity conveyed through the point of connection.

This does not apply if data is estimated or gifted in the case of embedded generation under clause 15.13.

A trader must, for each electrically connected ICP that is not also an NSP, and for which it is recorded in the registry as being responsible, ensure that:

- *there is 1 or more metering installations*
- *all electricity conveyed is quantified in accordance with the Code*
- *it does not use subtraction to determine submission information for the purposes of Part 15.*

An embedded generator must give notification to the reconciliation manager for an embedded generating station, if the intention is that the embedded generator will not be receiving payment from the clearing manager or any other person through the point of connection to which the notification relates.

Audit observation

The LIS file and the Audit Compliance report was reviewed. Processes for distributed generation were reviewed and discussed with STAK's staff.

Audit commentary

Stack Energy does not trade ICPs with embedded generation. There are no plans to trade installations in the near future.

All active ICPs have a MEP. No submission information is determined using subtraction.

STAK never requests bridging meters.

Audit outcome

Compliant

6.2. Responsibility for metering at GIP(Clause 10.26 (6), (7) and (8))

Code reference

Clause 10.26 (6), (7) and (8)

Code related audit information

For each proposed metering installation or change to a metering installation that is a connection to the grid, the participant, must:

- *provide to the grid owner a copy of the metering installation design (before ordering the equipment)*
- *provide at least 3 months for the grid owner to review and comment on the design*
- *respond within 3 business days of receipt to any request from the grid owner for additional details or changes to the design*
- *ensure any reasonable changes from the grid owner are carried out.*

The participant responsible for the metering installation must:

- *advise the reconciliation manager of the certification expiry date not later than 10 business days after certification of the metering installation*
- *become the MEP or contract with a person to be the MEP*
- *advise the reconciliation manager of the MEP identifier no later than 20 days after entering into a contract or assuming responsibility to be the MEP.*

Audit observation

STAK is not responsible for any connections to the grid.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

6.3. Certification of control devices (Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3)

Code reference

Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3

Code related audit information

The reconciliation participant must advise the metering equipment provider if a control device is used to control load or switch meter registers.

The reconciliation participant must ensure the control device is certified prior to using it for reconciliation purposes.

Audit observation

The LIS file was reviewed to identify which profiles are used for reconciliation purposes.

Audit commentary

STAK does not use any engineered profiles. The only profile recorded in the registry is RPS. Control devices are not used for reconciliation purposes.

Audit outcome

Compliant

6.4. Reporting of defective metering installations (Clause 10.43(2) and (3))

Code reference

Clause 10.43(2) and (3)

Code related audit information

If a participant becomes aware of an event or circumstance that led it to believe a metering installation could be inaccurate, defective, or not fit for purpose they must:

- *advise the MEP*
- *include in the advice all relevant details.*

Audit observation

Stack Energy thoroughly validates data received from MEPs every day. A lack of readings could be one of the reasons that a metering installation could be defective.

Audit commentary

In a situation where no consumption is recorded for “active” ICPs, a MEP is contacted and asked to investigate. Before the MEP does any investigation they ask Stack Energy to contact the customer to check if the power is on.

The company did not have any examples of installations for which Stack Energy identified a faulty meter.

Audit outcome

Compliant

6.5. Collection of information by certified reconciliation participant (Clause 2 Schedule 15.2)

Code reference

Clause 2 Schedule 15.2

Code related audit information

Only a certified reconciliation participant may collect raw meter data, unless only the MEP can interrogate the meter, or the MEP has an arrangement which prevents the reconciliation participant from electronically interrogating the meter:

2(2) - The reconciliation participant must collect raw meter data used to determine volume information from the services interface or the metering installation or from the MEP.

2(3) - The reconciliation participant must ensure the interrogation cycle is such that it does not exceed the maximum interrogation cycle in the registry .

2(4) - The reconciliation participant must interrogate the meter at least once every maximum interrogation cycle.

2(5) - When electronically interrogating the meter the participant must:

- a) ensure the system is to within +/- 5 seconds of NZST or NZDST*
- b) compare the meter time to the system time*
- c) determine the time error of the metering installation*
- d) if the error is less than the maximum permitted error, correct the meter's clock*
- e) if the time error is greater than the maximum permitted error then:*
 - i) correct the metering installation's clock*
 - ii) compare the metering installation's time with the system time*
 - iii) correct any affected raw meter data.*
- f) download the event log.*

2(6) – The interrogation systems must record:

- the time*
- the date*
- the extent of any change made to the meter clock.*

Audit observation

NHH data is provided by MEPs. Interrogation requirements and clock synchronisations were reviewed as part of MEP audits.

Audit commentary

Meter readings are collected by MTRX and NGCM and passed to Stack Energy. Data received from MEPs is automatically uploaded by SMS.

Compliance with this clause is assessed during a MEPs audit.

Audit outcome

Compliant

6.6. Derivation of meter readings (Clause 3(1), 3(2) and 5 Schedule 15.2)

Code reference

Clause 3(1), 3(2) and 5 Schedule 15.2

Code related audit information

All meter readings must in accordance with the participants certified processes and procedures and using its certified facilities be sourced directly from raw meter data and, if appropriate, be derived and calculated from financial records.

All validated meter readings must be derived from meter readings.

A meter reading provided by a consumer may be used as a validated meter reading only if another set of validated meter readings not provided by the consumer are used during the validation process.

During the manual interrogation of each NHH metering installation the reconciliation participant must:

- a) obtain the meter register*
- b) ensure seals are present and intact*
- c) check for phase failure (if supported by the meter)*
- d) check for signs of tampering and damage*
- e) check for electrically unsafe situations.*

If the relevant parts of the metering installation are visible and it is safe to do so.

Audit observation

The data collection process was examined. Stack Energy trades 5 ICPs metered with non-AMI meters. For these few installations Stack Energy reads meters themselves. The process for STAK reading meters by themselves is documented. We examined the process and found it compliant.

Audit commentary

As a business practise, the company does not accept customer reads.

AMI data is provided by MEPs. Validated readings are derived from actual meter readings. All data received from the MEP is validated upon uploading to SMS.

The company has the process documented and provided a copy of the spreadsheet where register reads, and any observations as per these clause requirements, are recorded. Register reads are entered into SMS manually with the flag "A". These installations are read, preferably every 4 months.

STAK trades 4 ICPs which have non-AMI meters installed and their status in the registry is "active". STAK would like to read them regularly but only ICP 0001445001UN110 is read regularly. The company presented a detailed description of why they are not able to read 3 meters therefore the data is estimated.

- 0000185567UN5B0 - *This is a motel, and this has been closed for more than a year due to Covid 19. Still, they are not running the business yet so no one can access to check the meter reading. Stack Energy tried to contact and visit the site for meter reading, but no one is at the premises.*

- 0001454328UN856 - *This is a commercial building which is located in William Pickering Dr. Meter box is sealed and locked. It needs to be opened by the building manager. However, during and after the Covid 19 lock down period, our customer is running the Real Estate business (Ray White) and has changed the operation method to 'working from home'. It has been hard to arrange a time with the building manager for checking the meter reading. We will continue to try to organise for a person to read the meter.*
- 0420881913LCB25 – it is a vacant house, which the owner wants to sell. STAK's comment is below:
This ICP is a residential house and we have traded this ICP since Jun 2020. The client wanted us to reconnect the power at the beginning for selling or renting the house to new tenants. Currently this is an empty house and still the client has not found the tenant to live in. We have been trying to arrange a site visit to read out meter reading but couldn't make an appointment with the client due to him being busy. Stack Energy, will organise a person to read out meter reading as soon as we can by arranging with the client.

Audit outcome

Compliant

6.7. NHH meter reading application (Clause 6 Schedule 15.2)

Code reference

Clause 6 Schedule 15.2

Code related audit information

For NHH switch event meter reads, for the gaining trader the reading applies from 0000 hours on the day of the relevant event date and for the losing trader at 2400 hours at the end of the day before the relevant event date.

In all other cases, All NHH readings apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation.

Audit observation

The switch read from the CS file is used as a start read for NHH ICPs. Consecutive readings from Wells, MEPs or a customer, apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation.

Audit commentary

Compliance confirmed based on scenarios described in **section 12.11**.

Audit outcome

Compliant

6.8. Interrogate meters once (Clause 7(1) and (2) Schedule 15.2)

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

Each reconciliation participant must ensure that a validated meter reading is obtained in respect of every meter register for every non half hour metered ICP for which the participant is responsible, at least once during the period of supply to the ICP by the reconciliation participant and used to create volume information.

This may be a validated meter reading at the time the ICP is switched to, or from, the reconciliation participant.

If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 7(1).

Audit observation

NHH data is received daily from MEPs or STAK reads themselves (5 ICPs). Since the last audit STAK lost 42 ICPs. One of them ICP 1001122101LC5A4 (non-AMI meter) was a reconciliation participant read.

Audit commentary

Lost ICPs, for which data was provided by MEPs, had validated reads during the period of supply. The company showed evidence that ICP 1001122101LC5A4 (switched out on 14/03/2020) was read by a property manager, which is not a validated read as the ICP was gained on estimated read. Stack Energy never read this meter themselves.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.8 With: 7(1) Schedule 15.2 From: 01-Dec-19 To: 13-Mar-20	ICP 1001122101LC5A4 did not have a validated meter reading during the period of supply by STAK, it switched to another trader on 14/03/2020 Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong. The company misunderstood that a property manager read is not a validated meter read unless it is validated against an actual read . Only one ICP effected. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Checked all non-AMI meter ICP from out ICP data		01/05/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Dedicated people will manage non-AMI meter ICP to get a meter reading once per every 4 months.		01/05/2021	

6.9. NHH meters interrogated annually (Clause 8(1) and (2) Schedule 15.2)

Code reference

Clause 8(1) and (2) Schedule 15.2

Code related audit information

At least once every 12 months, each reconciliation participant must obtain a validated meter reading for every meter register for non-half hour metered ICPs, at which the reconciliation participant trades continuously for each 12 month period.

If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 8(1).

Audit observation

We reviewed Meter Frequency reports created by Stack Energy for Dec'19 to Mar'21. They are sent to the Authority every month.

Audit commentary

A summary of reports sent to the Authority is shown below:

Month	Total of ICPs were supplied for 12 months	Total number of ICPs not read for 12 months
201912	42	0
202001	43	0
202002	46	0
202003	43	0
202004	45	0
202005	52	0
202006	58	0
202007	50	0
202008	45	1
202009	45	1
202010	44	1
202011	43	2
202012	43	2
202101	44	4
202102	42	2
202103	38	2

STAK has an on-going problem with reading two non-AMI meters due to an access problem. The company provided evidence that they are trying to solve the problem. Clause 8(2) of Schedule 15.2 allows the exclusion of these from the reporting. As such it was our recommendation to consider excluding these from monthly reporting.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.9 With: Audit Ref: 8(1) of Schedule 15.2 From: 01-Dec-19 To: 31-Mar-21	The read attainment was not met for one to four ICPs over 8 months Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as strong however there is a problem with access to vacant premises for which owners do not want their supply disconnected. No impact on settlement outcomes. Audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Checked all non-AMI meter ICP from out ICP data		01/05/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Dedicated people will manage non-AMI meter ICP to get a meter reading once per every 4 months.		01/05/2021	

6.10. NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)

Code reference

Clause 9(1) and (2) Schedule 15.2

Code related audit information

In relation to each NSP, each reconciliation participant must ensure that for each NHH ICP at which the reconciliation participant trades continuously for each 4 months, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every 4 months for 90% of the non-half hour metered ICPs.

A report is to be sent to the Authority providing the percentage, in relation to each NSP, for which consumption information has been collected no later than 20 business days after the end of each month.

If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 9(1).

Audit observation

We reviewed Meter Frequency reports created by Stack Energy for July'19 to Nov'19. They are sent to the Authority every month.

Audit commentary

A summary of reports sent to the Authority is shown below:

Month	Total NSPs where ICPs were supplied for 4 months	NSPs<90% read	Total number of ICPs not read for 4 months
201912	11	2	2
202001	11	2	2
202002	11	1	1
202003	11	2	2
202004	11	2	2
202005	11	2	2
202006	11	2	2
202007	11	2	2
202008	10	2	2
202009	10	2	2
202010	10	2	2
202011	10	3	3
202012	10	3	3
202101	10	3	3
202102	10	3	3
202103	10	3	3

STAK has an on-going problem with reading three non-AMI meters due to an access problem. The company provided evidence that they are trying to solve the problem. Clause 9(2) of Schedule 15.2 allows the exclusion of these from the reporting. As such it was our recommendation to consider excluding these from monthly reporting.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.10 With: Audit Ref: 9(1) of Schedule 15.2 From: 01-Dec-19 To: 31-Mar-21	The read attainment was not met for three NSPs (ALB0331, TAK0331 and SVL0331) 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 are recorded as strong however there is a problem with access to vacant premises for which owners do not want their supply disconnected. No impact on settlement outcomes. Audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status

Contacted client for an access to the building	30/04/2021	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
These are vacant house(show home)and 2 commercial buildings (motel and real estate). Key is required to access a meter box. During Covid 19 period, they closed the business Stack Energy organise the schedule with clients to read meters once per 4 months.	31/05/2021	

6.11. NHH meter interrogation log (Clause 10 Schedule 15.2)

Code reference

Clause 10 Schedule 15.2

Code related audit information

The following information must be logged as the result of each interrogation of the NHH metering:

10(a) - the means to establish the identity of the individual meter reader

10(b) - the ICP identifier of the ICP, and the meter and register identification

10(c) - the method being used for the interrogation and the device ID of equipment being used for interrogation of the meter.

10(d) - the date and time of the meter interrogation.

Audit observation

NHH readings are provided by MTRX and NGCM. Stack Energy also provides, or try to provide, reconciliation participant reads for 4 ICPs.

Audit commentary

An assessment of compliance with this clause was conducted during their MEPs audits. In **section 6.6** Stack Energy showed us evidence of the interrogation log for participant reads.

Audit outcome

Compliant

6.12. HHR data collection (Clause 11(1) Schedule 15.2)

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

Raw meter data from all electronically interrogated metering installations must be obtained via the services access interface.

This may be carried out by a portable device or remotely.

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

6.13. HHR interrogation data requirement (Clause 11(2) Schedule 15.2)

Code reference

Clause 11(2) Schedule 15.2

Code related audit information

The following information is collected during each interrogation:

11(2)(a) - the unique identifier of the data storage device

11(2)(b) - the time from the data storage device at the commencement of the download unless the time is within specification and the interrogation log automatically records the time of interrogation

11(2)(c) - the metering information, which represents the quantity of electricity conveyed at the point of connection, including the date and time stamp or index marker for each half hour period. This may be limited to the metering information accumulated since the last interrogation

11(2)(d) - the event log, which may be limited to the events information accumulated since the last interrogation

11(2)(e) - an interrogation log generated by the interrogation software to record details of all interrogations.

The interrogation log must be examined by the reconciliation participant responsible for collecting the data and appropriate action must be taken if problems are apparent or an automated software function flags exceptions.

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

6.14. HHR interrogation log requirements (Clause 11(3) Schedule 15.2)

Code reference

Clause 11(3) Schedule 15.2

Code related audit information

The interrogation log forms part of the interrogation audit trail and, as a minimum, must contain the following information:

11(3)(a)- the date of interrogation

11(3)(b)- the time of commencement of interrogation

11(3)(c)- the operator identification (if available)

11(3)(d)- the unique identifier of the meter or data storage device

11(3)(e)- the clock errors outside the range specified in Table 1 of clause 2

11(3)(f)- the method of interrogation

11(3)(g)- the identifier of the reading device used for interrogation (if applicable).

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

7. STORING RAW METER DATA

7.1. Trading period duration (Clause 13 Schedule 15.2)

Code reference

Clause 13 Schedule 15.2

Code related audit information

The trading period duration, normally 30 minutes, must be within $\pm 0.1\%$ (± 2 seconds).

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

7.2. Archiving and storage of raw meter data (Clause 18 Schedule 15.2)

Code reference

Clause 18 Schedule 15.2

Code related audit information

A reconciliation participant who is responsible for interrogating a metering installation must archive all raw meter data and any changes to the raw meter data for at least 48 months, in accordance with clause 8(6) of Schedule 10.6.

Procedures must be in place to ensure that raw meter data cannot be accessed by unauthorised personnel.

Meter readings cannot be modified without an audit trail being created.

Audit observation

Raw meter data is retained by MEPs, and compliance is assessed as part of their MEP audits. Processes to archive and store raw meter data were reviewed.

Audit commentary

Stack Energy keeps a copy of all NHH data received from MEPs and meter reads taken by themselves. Access to the copy of raw data is restricted, protected by passwords.

STAK recommends customers replace legacy meters with AMI meters.

Meter readings are updated by MEP on a daily basis. STAK has a set SFTP server with the MEPs which they are currently trading so they receive daily meter readings automatically and update through their system.

Audit outcome

Compliant

7.3. Non metering information collected / archived (Clause 21(5) Schedule 15.2)

Code reference

Clause 21(5) Schedule 15.2

Code related audit information

All relevant non-metering information, such as external control equipment operation logs, used in the determination of profile data must be collected, and archived in accordance with clause 18.

Audit observation

It was discussed during the audit. Stack Energy does not use non-metering information to determine profile data.

Audit commentary

No non-metering information is collected by Stack Energy.

Audit outcome

Compliant

8. CREATING AND MANAGING (INCLUDING VALIDATING, ESTIMATING, STORING, CORRECTING AND ARCHIVING) VOLUME INFORMATION

8.1. Correction of NHH meter readings (Clause 19(1) Schedule 15.2)

Code reference

Clause 19(1) Schedule 15.2

Code related audit information

If a reconciliation participant detects errors while validating non-half hour meter readings, the reconciliation participant must:

19(1)(a) - confirm the original meter reading by carrying out another meter reading

19(1)(b) – replace the original meter reading the second meter reading (even if the second meter reading is at a different date)

19(1A) if a reconciliation participant detects errors while validating non half hour meter readings, but the reconciliation participant cannot confirm the original meter reading or replace it with a meter reading from another interrogation, the reconciliation participant must:

- substitute the original meter reading with an estimated reading that is marked as an estimate; and*
- subsequently replace the estimated reading in accordance with clause 4(2)*

Audit observation

STAK received NHH reads from MEPs. We reviewed the process for the validation of reads and action taken when errors are detected.

Audit commentary

We confirm compliance of the process. Stack Energy confirmed that there were no corrections of NHH data in the period covered by this audit.

Audit outcome

Compliant

8.2. Correction of HHR metering information (Clause 19(2) Schedule 15.2)

Code reference

Clause 19(2) Schedule 15.2

Code related audit information

If a reconciliation participant detects errors while validating half hour meter readings, the reconciliation participant must correct the meter readings as follows:

19(2)(a) - if the relevant metering installation has a check meter or data storage device, substitute the original meter reading with data from the check meter or data storage device; or

19(2)(b) - if the relevant metering installation does not have a check meter or data storage device, substitute the original meter reading with data from another period provided:

- (i) The total of all substituted intervals matches the total consumption recorded on a meter, if available; and*
- (ii) The reconciliation participant considers the pattern of consumption to be materially similar to the period in error*

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

8.3. Error and loss compensation arrangements (Clause 19(3) Schedule 15.2)

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

A reconciliation participant may use error compensation and loss compensation as part of the process of determining accurate data. Whichever methodology is used, the reconciliation participant must document the compensation process and comply with audit trail requirements set out in the Code.

Audit observation

Error and loss compensation was discussed during the audit. STAK trades category 1 metering installations only.

Audit commentary

No error or loss compensation needs to be applied to metering data.

Audit outcome

Compliant

8.4. Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)

Code reference

Clause 19(4) and (5) Schedule 15.2

Code related audit information

In correcting a meter reading in accordance with clause 19, the raw meter data must not be overwritten. If the raw meter data and the meter readings are the same, an automatic secure backup of the affected data must be made and archived by the processing or data correction application.

If data is corrected or altered, a journal must be generated and archived with the raw meter data file. The journal must contain the following:

19(5)(a)- the date of the correction or alteration

19(5)(b)- the time of the correction or alteration

19(5)(c)- the operator identifier for the person within the reconciliation participant who made the correction or alteration

19(5)(d)- the half-hour metering data or the non-half hour metering data corrected or altered, and the total difference in volume of such corrected or altered data

19(5)(e)- the technique used to arrive at the corrected data

19(5)(f)- the reason for the correction or alteration.

Audit observation

Raw meter data is held by MEPs and compliance is recorded in their MEP audits. Stack Energy receives a copy of raw data which is never overwritten. If data needs to be corrected, a journal would be created.

Audit commentary

The company stated that there were no instances of meter data which required correction/alteration in the period covered by this audit.

Audit outcome

Compliant

9. ESTIMATING AND VALIDATING VOLUME INFORMATION

9.1. Identification of readings (Clause 3(3) Schedule 15.2)

Code reference

Clause 3(3) Schedule 15.2

Code related audit information

All estimated readings and permanent estimates must be clearly identified as an estimate at source and in any exchange of metering data or volume information between participants.

Audit observation

SMS has a built-in function which allows the identification of actual and estimated readings. Only actual data is accepted from MEPs.

Audit commentary

Compliance is confirmed based on viewing meter readings in the SMS database. It was also reviewed as a part of scenarios described in **section 12.11**.

Audit outcome

Compliant

9.2. Derivation of volume information (Clause 3(4) Schedule 15.2)

Code reference

Clause 3(4) Schedule 15.2

Code related audit information

Volume information must be directly derived, in accordance with Schedule 15.2, from:

3(4)(a) - validated meter readings

3(4)(b) - estimated readings

3(4)(c) - permanent estimates.

Audit observation

All readings received from the MEPs and readings done by STAK are validated upon upload to SMS.

Audit commentary

Volume information is derived from validated NHH readings provided by the MEP. SMS has the functionality to use both validated and estimated readings to create reconciliation files.

Reads for non-AMI meters are validated using the same parameters as for AMI reads.

The correctness of the calculation for volumes using meter readings was assessed during NHH scenarios described in **section 12.11**.

Audit outcome

Compliant

9.3. Meter data used to derive volume information (Clause 3(5) Schedule 15.2)

Code reference

Clause 3(5) Schedule 15.2

Code related audit information

All meter data that is used to derive volume information must not be rounded or truncated from the stored data from the metering installation.

Audit observation

Metering data is neither rounded nor truncated upon uploading to SMS. STAK provided 4 examples of data from NGCM and IMTRX to demonstrate compliance.

Audit commentary

The MEPs retain raw, unrounded data. Meter reading data is not rounded or truncated on import. Compliance confirmed based on a review of examples provided.

Audit outcome

Compliant

9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

If a reconciliation participant is unable to interrogate an electronically interrogated metering installation before the deadline for providing submission information, the submission to the reconciliation manager must be the reconciliation participant's best estimate of the quantity of electricity that was purchased or sold in each trading period during any applicable consumption period for that metering installation.

The reconciliation participant must use reasonable endeavours to ensure that estimated submission information is within the percentage specified by the Authority.

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

9.5. NHH metering information data validation (Clause 16 Schedule 15.2)

Code reference

Clause 16 Schedule 15.2

Code related audit information

Each validity check of non-half hour meter readings and estimated readings must include the following:

16(2)(a) - confirmation that the meter reading or estimated reading relates to the correct ICP, meter, and register

16(2)(b) - checks for invalid dates and times

16(2)(c) - confirmation that the meter reading or estimated reading lies within an acceptable range compared with the expected pattern, previous pattern, or trend

16(2)(d) - confirmation that there is no obvious corruption of the data, including unexpected 0 values.

Audit observation

Data validation was discussed during the audit. All readings are provided by NGCM or MTRX except 5 reconciliation participant reads.

Audit commentary

SMS validates reads from MEPs and reconciliation participant reads using the same parameters. The system is checking for high consumption, zeros, low, missing reads, etc. If a meter reading is more than double the average consumption, SMS will alert an operator. STAK will contact the customer to ask whether they have any reason for higher electricity consumption. If the answer is negative, STAK will contact an MEP.

Audit outcome

Compliant

9.6. Electronic meter readings and estimated readings (Clause 17 Schedule 15.2)

Code reference

Clause 17 Schedule 15.2

Code related audit information

Each validity check of electronically interrogated meter readings and estimate readings must be at a frequency that will allow a further interrogation of the data storage device before the data is overwritten within the data storage device and before this data can be used for any purpose under the Code.

Each validity check of a meter reading obtained by electronic interrogation or an estimated reading must include:

17(4)(a) - checks for missing data

17(4)(b) - checks for invalid dates and times

17(4)(c) - checks of unexpected 0 values

17(4)(d) - comparison with expected or previous flow patterns

17(4)(e) - comparisons of meter readings with data on any data storage device registers that are available

17(4)(f) - a review of the meter and data storage device event log for any event that could have affected the integrity of metering data

17(4)(g) – a review of the relevant metering data where there is an event that could have affected the integrity of the metering data

If there is an event that could affect the integrity of the metering data (including events reported by MEPs but excluding where the MEP is responsible for investigating and remediating the event) the reconciliation must investigate and remediate any events.

If the event may affect the integrity or operation of the metering installation the reconciliation participant must notify the metering equipment provider.

Audit observation

We reviewed the NHH data validation process, including meter event logs, validation checks.

Validation of electronic readings was also reviewed as part of the MEP audits.

Audit commentary

Electronic meter reading information is provided by MEPs. AMI meters are interrogated daily, and data provided to STAK via SFTP.

SMS validates data upon import, checking for missing data, checking for invalid dates and times. Any files which fail validation are not imported to the system.

The last audit recorded non-compliance with this clause because meter logs were not reviewed as a part of validation. The non-compliance was addressed, the company provided evidence of logs provided by MTRX and NGCM. MTRX provides two reports, The Event Report, which shows data impacting meter events and No Read Report. NGCM provides the Event Summary.

Audit outcome

Compliant

10. PROVISION OF METERING INFORMATION TO THE GRID OWNER IN ACCORDANCE WITH SUBPART 4 OF PART 13 (CLAUSE 15.38(1)(F))

10.1. Generators to provide HHR metering information (Clause 13.136)

Code reference

Clause 13.136

Code related audit information

The generator (and/or embedded generator) must provide to the grid owner connected to the local network in which the embedded generator is located, half hour metering information in accordance with clause 13.138 in relation to generating plant that is subject to a dispatch instruction:

- *that injects electricity directly into a local network; or*
- *if the meter configuration is such that the electricity flows into a local network without first passing through a grid injection point or grid exit point metering installation.*

Audit observation

STAK is neither a generator nor embedded generator. They are not responsible for any NSPs.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

10.2. Unoffered & intermittent generation provision of metering information (Clause 13.137)

Code reference

Clause 13.137

Code related audit information

Each generator must provide the relevant grid owner half-hour metering information for:

- *any unoffered generation from a generating station with a point of connection to the grid 13.137(1)(a)*
- *any electricity supplied from an intermittent generating station with a point of connection to the grid. 13.137(1)(b)*

The generator must provide the relevant grid owner with the half-hour metering information required under this clause in accordance with the requirements of Part 15 for the collection of that generator's volume information. (clause 13.137(2))

If such half-hour metering information is not available, the generator must provide the pricing manager and the relevant grid owner a reasonable estimate of such data. (clause 13.137(3))

Audit observation

STAK is neither a generator nor embedded generator. They are not responsible for any NSPs.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

10.3. Loss adjustment of HHR metering information (Clause 13.138)

Code reference

Clause 13.138

Code related audit information

The generator must provide the information required by clauses 13.136 and 13.137,

13.138(1)(a)- adjusted for losses (if any) relative to the grid injection point or, for embedded generators the grid exit point, at which it offered the electricity

13.138(1)(b)- in the manner and form that the pricing manager stipulates

13.138(1)(c)- by 0500 hours on a trading day for each trading period of the previous trading day.

The generator must provide the half-hour metering information required under this clause in accordance with the requirements of Part 15 for the collection of the generator's volume information.

Audit observation

STAK is neither a generator nor embedded generator. They are not responsible for any NSPs.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

10.4. Notification of the provision of HHR metering information (Clause 13.140)

Code reference

Clause 13.140

Code related audit information

If the generator provides half-hourly metering information to a grid owner under clauses 13.136 to 13.138, or 13.138A, it must also, by 0500 hours of that day, advise the relevant grid owner.

Audit observation

STAK is neither a generator nor embedded generator. They are not responsible for any NSPs.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

Unless an embedded generator has given a notification in respect of the point of connection under clause 15.3, a trader must give notice to the reconciliation manager if it is to commence or cease trading electricity at a point of connection using a profile with a profile code other than HHR, RPS, UML, EG1, or PV1 at least five business days before commencing or ceasing trader.

The notification must comply with any procedures or requirements specified by the reconciliation manager.

Audit observation

The LIS file was used to identify which profiles are used by Stack Energy.

Audit commentary

For submissions Stack Energy uses the profile of RPS. Trading notifications were not required.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

Each retailer and direct purchaser (excluding direct consumers) must deliver a report to the reconciliation manager detailing the number of ICP days for each NSP for each submission file of submission information in respect of:

15.6(1)(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period

15.6(1)(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

The ICP days information must be calculated using the data contained in the retailer or direct purchaser's reconciliation system when it aggregates volume information for ICPs into submission information.

Audit observation

The process for the calculation of ICP days was examined by checking 3 NSPs with a small number of ICPs to confirm the AV110 ICP days calculation was correct.

We reviewed the GR-100 report provided by the reconciliation manager.

Audit commentary

There were no late submissions of AV-110 files.

The review of GR-100 showed that there are hardly any differences between ICP days calculated by Stack Energy and the registry. From Mar'20 to Feb'21 there were no differences for initial submission and

revisions. In Feb'20 STAK over submitted 45 ICP days. STAK explained it was caused by late withdrawal of two ICPs after initial submission was submitted to the reconciliation manager.

Audit outcome

Compliant

11.3. Electricity supplied information provision to the reconciliation manager (Clause 15.7)

Code reference

Clause 15.7

Code related audit information

A retailer must deliver to the reconciliation manager its total monthly quantity of electricity supplied for each NSP, aggregated by invoice month, for which it has provided submission information to the reconciliation manager, including revised submission information for that period as non-loss adjusted values in respect of:

15.7(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period

15.7(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

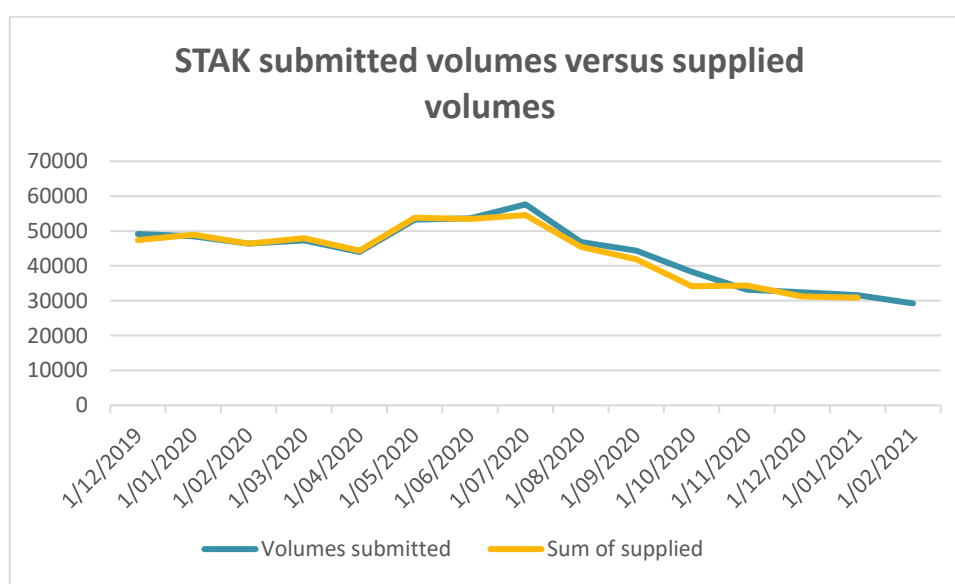
Audit observation

Stack Energy submits AV-120 monthly. The process for the calculation of “as billed” volumes was examined.

We confirm it submits for all revisions. The table below shows a comparison between volumes submitted and supplied (billed).

Audit commentary

The table and graph below represent submissions for the period Dec'19 to Feb'21 (rev1).



Audit outcome

Compliant

11.4. HHR aggregates information provision to the reconciliation manager (Clause 15.8)

Code reference

Clause 15.8

Code related audit information

A retailer or direct purchaser (excluding direct consumers) must deliver to the reconciliation manager its total monthly quantity of electricity supplied for each half hourly metered ICP for which it has provided submission information to the reconciliation manager, including:

15.8(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period

15.8(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

The reconciliation participant must provide submission information to the reconciliation manager that is adjusted for NZDT using 1 of the techniques set out in clause 15.36(3) specified by the Authority.

Audit observation

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.2. Creation of submission information (Clause 15.4)

Code reference

Clause 15.4

Code related audit information

By 1600 hours on the 4th business day of each reconciliation period, the reconciliation participant must deliver submission information to the reconciliation manager for all NSPs for which the reconciliation participant is recorded in the registry as having traded electricity during the consumption period immediately before that reconciliation period (in accordance with Schedule 15.3).

By 1600 hours on the 13th business day of each reconciliation period, the reconciliation participant must deliver submission information to the reconciliation manager for all points of connection for which the reconciliation participant is recorded in the registry as having traded electricity during any consumption period being reconciled in accordance with clauses 15.27 and 15.28, and in respect of which it has obtained revised submission information (in accordance with Schedule 15.3).

Audit observation

STAK provided reconciliation data for 4 months.

We checked for alleged breaches regarding late files.

Audit commentary

No breaches had been recorded for late provision of submission information.

We confirmed that STAK submits volume information on day 4 and day 13 (all relevant revisions).

As a part of assessing compliance, we reviewed reconciliation files NNHVOLS, ICPDAYS and BILLED and corresponding RM files GR-100 and GR-170NHH. We confirm that all revisions were submitted as prescribed by this clause.

Incorrect volumes for 0000451601UNFCE, due to a mix up with Metrix as described in **section 3.4**, will be corrected in revision 14.

Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 12.2 With: 15.4 From: 01-Jul-20 To: 31-Mar-21	Incorrect volumes were submitted for 0000451601UNFCE for July 2020 Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong, good process in place. There was minor impact on settlement outcome. The audit risk rating is recorded as low.	
Actions taken to resolve the issue		Completion date
Read data has been corrected in our system		01/05/2021
Preventative actions taken to ensure no further issues will occur		Completion date
Decommission, reconnection and disconnection cases have set the rule for meter reading data once it happens.		01/05/2021
		Identified

12.3. Allocation of submission information (Clause 15.5)

Code reference

Clause 15.5

Code related audit information

In preparing and submitting submission information, the reconciliation participant must allocate volume information for each ICP to the NSP indicated by the data held in the registry for the relevant consumption period at the time the reconciliation participant assembles the submission information. Volume information must be derived in accordance with Schedule 15.2.

However, if, in relation to a point of connection at which the reconciliation participant trades electricity, a notification given by an embedded generator under clause 15.13 for an embedded generating station is in force, the reconciliation participant is not required to comply with the above in relation to electricity generated by the embedded generating station.

Audit observation

The process for the calculation of initial and subsequent submission volumes was examined and discussed with STAK's staff.

Audit commentary

Stack Energy compares the registry LIS file and their system twice a month. We reviewed the GR-100 file to analyse discrepancies between ICP days, which often indicate that volumes are allocated to an incorrect

NSP. ICP days calculated by the registry and STAK were the same. The exception was Feb 2020 and March 2020 which were caused by withdrawn switches.

We confirm volumes are allocated to NSPs recorded in the registry.

Audit outcome

Compliant

12.4. Grid owner volumes information (Clause 15.9)

Code reference

Clause 15.9

Code related audit information

The participant (if a grid owner) must deliver to the reconciliation manager for each point of connection for all of its GXPs, the following:

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.9(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.9(b))*

Audit observation

A review of the NSP table confirmed that STAK is not a grid owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

The participant (if a local or embedded network owner) must provide to the reconciliation manager for each NSP for which the participant has given a notification under clause 25(1) Schedule 11.1 (which relates to the creation, decommissioning, and transfer of NSPs) the following:

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.10(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.10(b))*

Audit observation

A review of the registry file confirmed that STAK does not own any local or embedded network.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

The participant (if a grid connected generator) must deliver to the reconciliation manager for each of its points of connection, the following:

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.11(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.11(b))*

Audit observation

We reviewed the LIS file and the registry NSP table. STAK is not a grid connected generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

If the reconciliation participant has submitted information and then subsequently obtained more accurate information, the participant must provide the most accurate information available to the reconciliation manager or participant, as the case may be, at the next available opportunity for submission (in accordance with clauses 15.20A, 15.27, and 15.28).

Audit observation

STAK provided reconciliation data submitted in the last 4 months.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

Audit commentary

A review of alleged breaches confirmed that no reconciliation submissions were made late.

Using GR-170NHH, we compared submitted volumes between day4 and consecutive submissions. The comparison is tabled below. There are small differences between consecutive submissions.

Month	Rev1	Rev3	Rev7	Rev14
1/01/2020	48,448	48,448	49,193	49,193
1/02/2020	46,408	45,661	45,661	
1/03/2020	47,254	46,964	46,964	
1/04/2020	43,961	43,961	43,966	
1/05/2020	53,263	53,333	53,334	
1/06/2020	53,654	53,640	53,592	
1/07/2020	57,643	57,572	57,572	
1/08/2020	46,823	46,823	46,823	
1/09/2020	44,335	44,335		
1/10/2020	38,287	38,287		
1/11/2020	33,126	33,126		
1/12/2020	32,402	32,402		
1/01/2021	31,592			
1/02/2021	29,230			

Audit outcome

Compliant

12.8. Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)

Code reference

Clause 4 Schedule 15.2

Code related audit information

Only volume information created using validated meter readings, or if such values are unavailable, permanent estimates, has permanence within the reconciliation processes (unless subsequently found to be in error).

The relevant reconciliation participant must, at the earliest opportunity, and no later than the month 14 revision cycle, replace volume information created using estimated readings with volume information created using validated meter readings.

If, despite having used reasonable endeavours for at least 12 months, a reconciliation participant has been unable to obtain a validated meter reading, the reconciliation participant must replace volume information created using an estimated reading with volume information created using a permanent estimate in place of a validated meter reading.

Audit observation

The review of NHHVOLS and GR-170NHH for Oct'18 to Jan'20 confirms that all forward estimates were replaced by historic estimates.

Audit commentary

We confirm that volume information created using estimated readings were replaced with volume information created using validated meter readings.

Audit outcome

Compliant

12.9. Reconciliation participants to prepare information (Clause 2 Schedule 15.3)

Code reference

Clause 2 Schedule 15.3

Code related audit information

If a reconciliation participant prepares submission information for each NSP for the relevant consumption periods in accordance with the Code, such submission information for each ICP must comprise the following:

- *half hour volume information for the total metered quantity of electricity for each ICP notified in accordance with clause 11.7(2) for which there is a category 3 or higher metering installation (clause 2(1)(a)) for each ICP about which information is provided under clause 11.7(2) for which there is a category 1 or category 2 metering installation (clause 2(1)(ac) to 2(1)(ae)):*
 - a) *any half hour volume information for the ICP; or*
 - b) *any non-half hour volumes information calculated under clauses 4 to 6 (as applicable).*
 - c) *unmetered load quantities for each ICP that has unmetered load associated with it derived from the quantity recorded in the registry against the relevant ICP and the number of days in the period, the distributed unmetered load database, or other sources of relevant information. (clause 2(1)(c))*
- *to create non half hour submission information a reconciliation participant must only use information that is dependent on a control device if (clause 2(2)):*
 - a) *the certification of the control device is recorded in the registry; or*
 - b) *the metering installation in which the control device is location has interim certification.*
- *to create submission information for a point of connection the reconciliation participant must use volume information (clause 2(3))*
- *to calculate volume information the reconciliation participant must apply raw meter data :*
 - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(4)(a))*
 - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report. (clause 2(4)(b))*

Audit observation

STAK provided submission files submitted in the last 4 months. The company submitted NHHVOLS, ICPDAYS and BILLED.

Audit commentary

We assessed compliance with this clause and confirm as follows:

- all STAK metered ICPs are submitted as NHH
- profile used for submissions was RPS
- no profiles requiring a certified control device were used
- no loss or compensation arrangements were required

Audit outcome

Compliant

12.10. Historical estimates and forward estimates (Clause 3 Schedule 15.3)

Code reference

Clause 3 Schedule 15.3

Code related audit information

For each ICP that has a non-half hour metering installation, volume information derived from validated meter readings, estimated readings, or permanent estimates must be allocated to consumption periods using the following techniques to create historical estimates and forward estimates. (clause 3(1))

Each estimate that is a forward estimate or a historical estimate must clearly be identified as such. (clause 3(2))

If validated meter readings are not available for the purpose of clauses 4 and 5, permanent estimates may be used in place of validated meter readings. (clause 3(3))

Audit observation

We reviewed NHHVOLS for Dec'20 to Mar'21 to assess compliance.

Audit commentary

We confirm that historic estimates were included in NHHVOLS and identified correctly.

Audit outcome

Compliant

12.11. Historical estimate process (Clause 4 and 5 Schedule 15.3)

Code reference

Clause 4 and 5 Schedule 15.3

Code related audit information

The methodology outlined in clause 4 of Schedule 15.3 must be used when preparing historic estimates of volume information for each ICP when the relevant seasonal adjustment shape is available.

If a seasonal adjustment shape is not available, the methodology for preparing an historical estimate of volume information for each ICP must be the same as in clause 4, except that the relevant quantities kWh_{Px} must be prorated as determined by the reconciliation participant using its own methodology or on a flat shape basis using the relevant number of days that are within the consumption period and within the period covered by kWh_{Px} .

Audit observation

If the seasonal adjustment file (GR-30) is not available, which is the case for day 4 submissions, SMS does not create their own shape file. It will calculate a forward estimate, which will be replaced by historical estimates once a shape file provided by the reconciliation manager is available (day13).

Audit commentary

For the assessment of compliance with this clause we provided Stack Energy with a set of scenarios to validate the accuracy of the calculation of historic and forward estimation for NHH ICP days. Three scenarios were included in testing because actual reads are received daily due to remotely read meters. The exceptions are 4 reconciliation participant reads as per **section 6.6**.

The company provided examples of calculations for:

- Gained ICP
- Switched out ICP
- Read is in the previous month and at the end of the reconciliation month
- Read is in the previous month and in the following month

Audit outcome

Compliant

12.12.Forward estimate process (Clause 6 Schedule 15.3)

Code reference

Clause 6 Schedule 15.3

Code related audit information

Forward estimates may be used only in respect of any period for which an historical estimate cannot be calculated.

The methodology used for calculating a forward estimate may be determined by the reconciliation participant, only if it ensures that the accuracy is within the percentage of error specified by the Authority.

Audit observation

We reviewed the process for forward estimates, and it was discussed with STAK's staff.

Audit commentary

If forward estimation is required, Stack Energy's system uses the daily consumption from the CS file, or it calculates the daily average consumption between two register reads in a corresponding period.

Audit outcome

Compliant

12.13.Compulsory meter reading after profile change (Clause 7 Schedule 15.3)

Code reference

Clause 7 Schedule 15.3

Code related audit information

If the reconciliation participant changes the profile associated with a meter, it must, when determining the volume information for that meter and its respective ICP, use a validated meter reading or permanent estimate on the day on which the profile change is to take effect.

The reconciliation participant must use the volume information from that validated meter reading or permanent estimate in calculating the relevant historical estimates of each profile for that meter.

Audit observation

We reviewed the LIS and EDA files for the audit period.

Audit commentary

Stack Energy only uses the RPS profile. Even when a meter is changed because it developed a fault the same profile will be used. At this stage there are no plans to use other profiles.

Audit outcome

Compliant

13. SUBMISSION FORMAT AND TIMING

13.1. Provision of submission information to the RM (Clause 8 Schedule 15.3)

Code reference

Clause 8 Schedule 15.3

Code related audit information

For each category 3 of higher metering installation, a reconciliation participant must provide half hour submission information to the reconciliation manager.

For each category 1 or category 2 metering installation, a reconciliation participant must provide to the reconciliation manager:

- *Half hour submission information; or*
- *Non half hour submission information; or*
- *A combination of half hour submission information and non-half hour submission information*

However, a reconciliation participant may instead use a profile if:

- *The reconciliation participant is using a profile approved in accordance with clause Schedule 15.5; and*
- *The approved profile allows the reconciliation participant to provide half hour submission information from a non-half hour metering installation; and*
- *The reconciliation participant provides submission information that complies with the requirements set out in the approved profile.*

Half hour submission information provided to the reconciliation manager must be aggregated to the following levels:

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *trading period*

The non-half hour submission information that a reconciliation participant submits must be aggregated to the following levels:

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *consumption period or day*

Audit observation

We reviewed the submission file for Dec'20 to Mar'21 to assess compliance.

Audit commentary

Submission information is provided to the reconciliation manager in the appropriate format and is aggregated to the following level:

- NSP code

- network
- reconciliation type
- trader
- profile
- loss category code
- flow direction
- dedicated NSP
- consumption period
- Volume

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

When reporting submission information, the number of decimal places must be rounded to not more than 2 decimal places.

If the unrounded digit to the right of the second decimal place is greater than or equal to 5, the second digit is rounded up, and

If the digit to the right of the second decimal place is less than 5, the second digit is unchanged.

Audit observation

We reviewed the rounding of data on NHHVOLS files as part of the aggregation checks.

Audit commentary

Submission information is appropriately rounded to no more than two decimal places.

Audit outcome

Compliant

13.3. Historical estimate reporting to RM (Clause 10 Schedule 15.3)

Code reference

Clause 10 Schedule 15.3

Code related audit information

By 1600 hours on the 13th business day of each reconciliation period the reconciliation participant must report to the reconciliation manager the proportion of historical estimates per NSP contained within its non-half hour submission information.

The proportion of submission information per NSP that is comprised of historical estimates must (unless exceptional circumstances exist) be:

- *at least 80% for revised data provided at the month 3 revision (clause 10(3)(a))*
- *at least 90% for revised data provided at the month 7 revision (clause 10(3)(b))*
- *100% for revised data provided at the month 14 revision. (clause 10(3)(c))*

Audit observation

Stack Energy provided NHHVOLS and GR-170NHH files to assess compliance with the above clause.

Audit commentary

The table shows a number of NSPs for which the historic estimates percentage have not met the threshold specified in this clause.

Month	Number of NSPs	R3	R7	R14
July'18	6	0	0	0
Aug'18	9	1	1	0
Sept'18	10	0	1	0
Oct'18	12	0	1	0
Nov'18	12	1	0	0
Dec'18	12	1	1	0
Jan'19	12	1	1	0
Feb'19	12	1	1	0
Mar'19	10	0	0	0
Apr'19	11	0	1	0
May'19	10	1	0	0
June'19	11	1	1	0
July'19	11	1	1	0
Aug'19	11	2	1	0
Sept'19	11	2	1	0
Oct'19	11	1	1	0
Nov'19	11	2	2	0
Dec'19	11	1	1	0
Jan'20	11	1	2	0
Feb'20	11	1	2	
Mar'20	11	1	1	
Apr'20	11	1	1	
May'20	11	1	1	
June'20	11	0	0	
July'20	11	0	0	
Aug'20	10	0	1	
Sept'20	10	0		
Oct'20	10	0		
Nov'20	10	0		
Dec'20	10	0		

The yellow highlight indicates volumes submitted during the audit period.

Compliance was not met for a small number of NSPs. There are NSPs where information is supplied by non-AMI meters, read by Stack Energy, and access has been problematic. Stack Energy is considering not accepting customers with legacy meters.

Definitely an improvement on last year's audit due to there being less ICPs traded.

Audit outcome

Non-compliant

Non-compliance	Description
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<p>Audit Ref: 13.3</p> <p>With: 10 of Schedule 15.3</p> <p>From: 01-Jan-20</p> <p>To: 31-Mar-21</p>	<p>Historical Estimate targets not met for revision 3 and 7 for a few months</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate because there are some improvements that can be made to them. There was no impact on settlement because it was only one NSP and the number of traded ICPs is small. The audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We will create a process for Stack Energy, as a reconciliation participant, to manually read non-AMI meters.		01/05/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Created the spreadsheet which can manage a meter reading data for non-AMI meters already and it will be developed in our management system. We will request MEP to upgrade from legacy meter to AMI meter for gaining actual meter reading.		31/12/2021	

CONCLUSION

PARTICIPANT RESPONSE