

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

For

**BODY CORPORATE POWER (BCPL)**

Prepared by: Ewa Glowacka

Date audit commenced: 18 May 2018

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Audit report due date: 26-Mar-18

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## EXECUTIVE SUMMARY

This reconciliation participant audit was performed at the request of Body Corporate Power (BCPL) to support their application for certification, in accordance with clauses 4 of Schedule 15.1 of The Code 2010. The relevant clauses audited are as required by the Guidelines for Reconciliation Participants Audits V 7.1 issued by the Electricity Authority.

The audit found 11 non-compliances (two were cleared) and one issue. The level of compliance since the last audit has improved in the following areas:

- NHH meter readings
- Accuracy of AV-120 file (electricity supplied)
- Meter Frequency reports sent regularly to the Authority

The main issue identified during this audit is

- Management of switching process; outside of timeline prescribed by the Code

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 25 which results in an indicative audit frequency of 12 months. We agree with the result.

We thank Body Corporate Power staff for their full and complete cooperation in this audit. Their response to any request for information or clarification was answered in a timely manner and each time in depth, supporting evidence was provided.

## AUDIT SUMMARY

### NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	11.2	Incorrect date of assigned status for 38 ICPs located in Clifton Court	Moderate	Low	2	Identified
Provision of information	2.2	15.35	Submission files late in July'18	Strong	Low	1	Cleared
Changes to registry information	3.3	10 of Schedule 11.1	Backdated trader and status events in the registry	Weak	Low	3	Identified
Management of "inactive" status	3.9	19 of Schedule 11.1	Incorrect status was assigned for 38 ICPs	Weak	Low	3	Identified
Losing trader response to switch request and event dates – standard switch	4.2	3 of Schedule 11.1	3 out of 8 AN files were sent late to the registry	Weak	Low	3	Identified
Losing trader to provide final information – standard switch	4.3	5 of Schedule 11.1	2 out of 10 CS files were sent late to the registry	Weak	Low	3	Identified
Losing traded must provide final information – switch move	4.8	10(1) of Schedule 11.3	One CS file was sent late	Weak	Low	3	Identified
Losing trader to provide final information – switch move	4.10	11 of Schedule 11.3	Incorrect content of CS for 0000142054UNB5D and	Weak	Low	3	Identified
Derivation of meter readings	6.6	3(2) of Schedule 15.	Validation of meter readings for 0000142054UNB5D were done using customer reads	Moderate	Low	2	Identified
HHR	11.4	15.8	HHRAGGR files do	Strong	Low	1	Not

aggregates information provision to the reconciliation manager			not contain electricity supplied information				required. The Code change required a line up with RN file specification. Breach risk rating excluded from total
Creation of submission information	12.2	15.4	Submission files were late in July'17. BCPL lodged a self-breach	Strong	Low	1	Cleared
Historical estimates reporting to RM	13.3	10 of Schedule 15.3	Target of 80% was not met for HEN0331. There was only one ICP traded on this NSP	Moderate	Low	2	Identified
Future Risk Rating						25	

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

Based on Table 1 of the Guidelines for Reconciliation Participant audit, the next audit should happen within the next 12 months. We agree with the recommendation.

## RECOMMENDATIONS

Subject	Section	Description	Recommendation
			Nil

## ISSUES

Subject	Section	Description	Issue
Reconciliation participants to prepare information	12.9	Two different traders (MEEN and BCPL) are responsible for 38 ICPs with the status "inactive reconciled elsewhere" and the active ICP (BTS)	Possibility of inaccurate volume submissions

## 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

Body Corporate Power does not have any exemptions granted to exempt them from compliance with all or any of the clauses.

#### Audit commentary

Body Corporate Power did not apply for any exemptions. We checked the Electricity Authority website and confirm that there are no exemptions in place.

### 1.2. Structure of organisation

James is a Managing Director of Body Corporate Power.

### 1.3. Persons involved in this audit

Name	Title	Company
James Martin	Managing Director	Body Corporate Power
John Candy	Consultant	JCC Consulting
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

Body Corporate Power uses two agents to meet their obligations. WELLS, a meter reading company, which reads one ICP (1099574947CNCC9) and JC Consulting to create and submit files to the reconciliation manager.

#### Audit commentary

As a part of this audit we reviewed the WELLS audit report dated 31/05/2017. We do acknowledge that this audit is older than seven months. A new audit was conducted on 21 May 2018, but the report was



not finalised before this document was lodged with the Authority. We spoke with Tara Gannon, who confirmed the company's compliance in areas related to services provided to Body Corporate Power.

#### 1.5. Hardware and Software

No particular software is used. Switching and registry updates are done using the registry web interface. JCC uses the RM TOOL (Access database).

#### 1.6. Breaches or Breach Allegations

Body Corporate Power lodged a self-breach on 8/8/17. The clause allegedly breached was 15.4(1). On 6/7/17 Body Corporate Power was late by a few hours in submitting volume information for June 2017.

#### 1.7. ICP Data

Metering Category	(08/05/18)	(2016)	(date)
1	46	16	
2	2	2	
3	0	0	
4	0	0	
5	0	0	
9	0	0	

Status	Number of ICPs (08/05/18)	Number of ICPs (2017)	Number of ICPs (2016)
Active (2,0)	7	18	1
Inactive – new connection in progress (1,12)	4	6	0
Inactive – electrically disconnected vacant property (1,4)	0	0	0
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	0	0
Inactive – electrically disconnected at pole fuse (1,8)	0	0	0
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0	0
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	0
Inactive – electrically disconnected at	0	0	0

meter box switch (1,11)			
Inactive – electrically disconnected ready for decommissioning (1,6)	1	0	2
Inactive – reconciled elsewhere (1,5)	38	0	0
Decommissioned (3)	2	3	0

### 1.8. Authorisation Received

Body Corporate Power provided a letter of authorisation to Ewa Glowacka of TEG & Associates permitting the collection of data from other parties for matters directly related to the audit.

### 1.9. Scope of Audit

This reconciliation participant audit was performed at the request of Body Corporate Power to encompass the Authority's request for annual audits as required by clause 2, of Schedule 15.1, of the Code to assure compliance with the Electricity Industry Participation Code 2010.

The audit was carried out on the 18 May 2018, at Level 6, 125 Vincent Street, Auckland.

The audit covers the following processes under clause 15.38 of Part 15, performed by Body Corporate Power:

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Relevant to audit	Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	✓	
(b) – Gathering and storing raw meter data	✓	WELLS – NHH meter readings
(c)(i) - Creation and management of HHR volume information	✗	
(c)(ii) - Creation and management of NHH volume information	✗	
(c)(ii) - Creation and management of HHR and NHH volume information	✓	JCC Consulting
(c)(iv) - Creation and management of dispatchable load information	✗	

(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓	JCC Consulting
(d)(ii) - delivery of electricity supplied information under clause 15.7	✓	JCC Consulting
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓	JCC Consulting
(e) – Provision of submission information for reconciliation	✓	JCC Consulting
(f) - Provision of metering information to the grid owner in accordance with subpart 4 of part 13	✗	

#### 1.10. Summary of previous audit

The previous audit was conducted by Steve Woods of Veritek in March 2017. The findings are noted in the table below:

Subject	Section	Clause	Non-compliance	Comment
Switching	2.2.3	11 of schedule 11.3	Incorrect content in CS file.	Still exists
Registry updates	2.8.3	10 of schedule 11.1	Registry not updated within 5 business days of the event.	Still exists
Registry discrepancies	2.8.10	9(1)(b) of schedule 11.1	Incorrect profile for one ICP.	Cleared
Electricity supplied	5.3	15.7 & 15.2 of part 15	Electricity supplied files incorrect. Revisions not conducted for Electricity Supplied.	Cleared
Meter reading reports	6.2.1	9(1)(a) of schedule 15.2	Some meter reading reports not sent on time.	Cleared

## 2. OPERATIONAL INFRASTRUCTURE

### 2.1. 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

Processes to provide information to the reconciliation manager were reviewed and assessed throughout this document. JC Consulting acts as the agent to Body Corporate Power to provide information in accordance with Part 15.

#### Audit commentary

Compliance with this area is discussed in a number of relevant sections. Compliance was confirmed with regards to timeliness and format of information in accordance with Part 15. JC Consulting uses a submission check spreadsheet to validate information before sending to the reconciliation manager. The company also runs a weekly registry event report and switch breach reporting tool.

Body Corporate Power lodged a self-breach with the Authority as per section 1.6. It is recorded as non-compliance which has been cleared.

#### Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 2.2 With: 15.35  From: 01-Feb-17 To: 30-Apr-18	Submissions files late in July'18 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 recorded as strong. Submission of RM file is contracted out to JC Consulting. It was a dispute over non-payment which caused volume information to not be submitted on time. There was no impact on settlement outcomes therefore audit risk rating is low.	
Actions taken to resolve the issue		Remedial action status
Negotiation with JC Consulting on terms and deliverables		Cleared

Preventative actions taken to ensure no further issues will occur	Completion date	
Agreed compliant terms with JC Consulting	Completed	

## 2.2. 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

A review of the LIS file dated 9/5/18 showed that some information provided to the registry was not correct. It is described in section 3.8 and 3.9.

### Audit commentary

Non-compliance was identified because information in relation to the assignment of the status "inactive" for ICPs located in Clifton Court, was incorrect. The event date of the status of "1,5" assigned to Clifton Court apartment ICPs was earlier than meters were installed, which is incorrect.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.2 With: 11.2  From: 04-Apr-18 To: 18-May-18	Incorrect date of assigned status for 38 ICPs located in Clifton Court  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Moderate  Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate because there are some improvements that can be made to them. There was minor impact on settlement because all ICPs in Clifton Court were vacant. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status

Better understanding of recording event dates, issue with Registry on adjusting date range. Communication with RM	18 May 2018	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Date Range adjustments require first a change is status and can then be updated with correct dates. ICP Status process updated. Incorrect dates updated in registry.	18 May 2018	

## 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

JCC Consulting receives HHR data from the MEPs daily. Data is downloaded automatically from MEPs servers and uploaded to his system. There is no manual intervention. Meter reads from WELLS are downloaded using FileZilla.

### Audit commentary

All metering data is transferred electronically from MEPs and WELLS. Data is transferred securely.

### 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 (clause 21(4)(c)).*

#### **Audit observation**

Body Corporate Power communicates with the registry using the web interface. Reconciliation files are uploaded by JCC Consulting via the RM portal, which records date, time and a participant's login details.

Body Corporate Power communicates with other participants via email e.g. notification of sending RR or NW files. All emails are archived. In the period covered by this audit, no NW or RR files were sent.

#### **Audit commentary**

During this audit we confirmed that the audit trail for data gathering, validation and processing functions is archived. We reviewed the process of data validation and estimation in relevant sections. At the same time, we confirmed compliance of the audit trail. The RM TOOL used by JCC Consulting has a built in functionality to record a complete audit trail for all data gathering.

#### **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**

Body Corporate Power provided the Terms and Conditions for Electricity Supply. The Terms and Conditions covers contractors or agents, the Line Companies, the meter owner, and meter reader and any of their employees, contractors or agents. The agreement covers the full term of arrangement. There are no long-term contracts for residential customers.

#### **Audit commentary**

Compliance confirmed based on a review of the Terms and Conditions.

#### **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

The section "Access to your premises", of the Terms and Conditions, covers access to a customer's property. Body Corporate Power will give at least 10 working days prior to entry.

#### Audit commentary

Compliance confirmed based on a review of the Terms and Conditions.

#### 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

Body Corporate Power installations are category 1. None of the metering installations requires a compensation factor applied due to the location of the installation, as per MEP's advice.



### Audit commentary

We checked the RM TOOL functionality and confirmed that multipliers are applied to submission information.

### 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

Section 210 of the Terms and Conditions says “If we commit an event of default under paragraph (a) or (b) or (f) or (h) of clause 14.55 of the Code, we permit the Electricity Authority to assign the rights and obligations of BCPL to another Retailer”

### Audit commentary

Compliance confirmed based on a review of the Terms and Conditions.

### 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

Since the last audit, Body Corporate Power has had 38 new connections. At the time of the audit Body Corporate Power gained 38 new connections, ICPs had the status “de-energised-new connection in progress” assigned in the registry. Four examples are shown below:

ICP	ICP created	Status "New connection in progress"	MEP nomination
1002047575LC72D	05/04/2018	05/04/2018	09/04/2018
1002047577LC7A8	05/04/2018	05/04/2018	09/04/2018
1002047580LCA75	05/04/2018	05/04/2018	09/04/2018
1002047596LC157	05/04/2018	05/04/2018	09/04/2018

### Audit commentary

The new connection process was reviewed, and we found it compliant. BCPL uses FCLM as their preferred MEP. All new connection are located in the apartment building. The updates to the registry were done the same day.

### Audit outcome

Compliant

## 2.10. Temporary Electrical Connection of an ICP (Clause 10.33(1))

### Code reference

*Clause 10.33(1)*

### Code related audit information

*A reconciliation participant may temporarily electrically connect a point of connection, or authorise an MEP to temporarily electrically connect a point of connection, only if:*

- *they are recorded in the registry as being responsible for the ICP; and*
- *1 or more certified metering installations are in place at the ICP in accordance with Part 10; and*
- *for an ICP that has not previously been electrically connected, the network owner has given written approval.*

### Audit observation

Body Corporate Power was not asked by any MEP to temporarily electrically connect a point of connection.

#### Audit commentary

Compliance confirmed by a verbal assurance by Body Corporate Power.

#### 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:*

- *they are recorded in the registry as being responsible for the ICP; and*
- *1 or more certified metering installations are in place at the ICP in accordance with Part 10; and*
- *for an ICP that has not previously been electrically connected, the network owner has given written approval.*

#### Audit observation

We reviewed the new connection process. In section 2.9, we sampled four new connections and confirm that Body Corporate Power was recorded in the registry as the responsible party, metering installation was certified, and the network owner has given approval to electrically connect an installation by allowing an approved contractor to work on its network.

#### Audit commentary

The EDA file for the period covered by this audit showed that Body Corporate Power accepted responsibility for all new connections by changing the status to “new connection in progress”.

Compliance confirmed based on a review of the new connection process and sampling of connections and reconnections (section 3.8).

#### 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**

Body Corporate Power has an arrangement with all relevant networks. Agreements are always in place before any ICP is switched in.

#### **Audit commentary**

Body Corporate Power demonstrated the existence of either a UoSA or other trading arrangement for all networks to which their ICPs are connected.

#### **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**

For new connections, Body Corporate Power always uses FCLM as the MEP. For any new switches, Body Corporate Power accepts an existing MEP. If a NHH installation is changed to HHR, FCLM is always nominated as the MEP.

#### **Audit commentary**

Body Corporate Power has an arrangement with all MEPs which provide metering services to them. The MEP is always nominated after acceptance of a new ICP or when a change of metering is requested.

#### **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 process for new connections was reviewed.

According to the process, Body Corporate Power applies to a relevant network for an ICP identifier on behalf of their customer. Once the ICP is in the registry, the ICP is claimed by changing the status from "ready" to "new connection in progress".

##### Audit commentary

Compliance confirmed based on a review of the process and sampling of ten new connections described in section 2.9

##### 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

As per the new connection process, as Body Corporate Power is notified of an ICP identifier, it changes the status of the ICP to “new connection in progress” and nominates FCLM as the MEP. Once a meter is installed and an installation electrically connected, the ICP status is changed to “active” and the trader’s fields in the registry are populated. In the case of the recently gained new connections, the status was changed to “inactive- reconcile elsewhere”.

### Audit commentary

We confirm that all registry fields are populated as per the clause requirement.

### 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

To assess compliance, we reviewed the EDA file for the period 04/07/17 to 30/04/18.

### Audit commentary

The table below shows the level of compliance for status changes, trader events such as profile, type of reconciliation. The analysis includes replacement transactions.

Activity	Reason code	No of updates	No of updates later than 5BD	Date range of updates [BD]	Comment
Status (2,0)	active	3	2 (66.6%)	31	
Status (1,12)	new connection in progress	37	0		
Status (1,4)	De-energised - vacant	0	0		
Status (1,7)	De-energised remotely	0	0		
Status (1,8)	De-energised at pole fuse	0	0		
Status (1,9)	De-energised due to a meter disconnected	0	0		
Status (1,5)	Inactive – reconciled elsewhere	38	38 (100%)	17	
Status (1,6)	De-energised – ready for decommissioning	0	0		
Trader		47	4 (8.5%)	16 to 294	Backdated MEP nomination and change type of reconciliation

100% of updates of the status “inactive-reconciled elsewhere” were done later than five business days. It was discussed with the company. The updates are done using the web interface. After a discussion, it appears that there was not a full understanding of the significance of the Event Date in the registry.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 04-Jul-17 To: 30-Apr-18	Backdated trader and status events in the registry Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as weak. There is not a full understanding of the significance of an event date in the registry. There was a minor impact on settlement outcomes because of the small number of ICPs		
Actions taken to resolve the issue		Completion date	Remedial action status
Better understanding of Event date requirements, Review of Registry Training and process updated		18 May 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Educated on Event Status and Event Date requirements.		18 May 2018	

### 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*

- *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**

The LIS file dated 09/05/2018 was analysed, we confirm that all ICPs except ICPs with the status “new connection in progress” have an MEP recorded in the registry.

#### **Audit commentary**

Body Corporate Power has full understanding that as soon as they are recorded in the registry as accepting responsibility, its responsibility will only cease when an ICP switches to another trader. If an ICP needs to be decommissioned SR is created and sent to an MEP and network company.

#### **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:*

- the participant identifier of the trader, as approved by the Authority (clause 9(1)(a))*
- the profile code for each profile at that ICP, as approved by the Authority (clause 9(1)(b))*
- the metering equipment provider for each category 1 metering or higher (clause 9(1)(c))*
- the type of submission information the trader will provide to the RM for the ICP (clause 9(1)(ea))*
- 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 was analysed to evaluate information populated in the registry.

The new connection process was examined in detail. We analysed the EDA and LIS files to evaluate the updating of the registry in relation to new connections.



### Audit commentary

We also evaluated information in the registry for existing connections. We confirm all information in the registry is correct.

### 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

We reviewed the LIS file dated 9/5/18.

### Audit commentary

We confirm, all ICPs traded by Body Corporate Power have 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

Body Corporate Power has not been trading UML ICPs in the period covered by this audit.

### Audit commentary

The process of trading UML load is documented. Reconciliation of UML ICPs is documented and will be done by JC Consulting.

### 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 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 LIS and EDA files were analysed. All ICPs with the status “active” are metered.

### Audit commentary

Information for all ICPs was recorded in the registry and volumes were submitted by JC Consulting as the agent.

### 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 LIS and EDA files were analysed to assess compliance.

### Audit commentary

Based on updates of statuses recorded in the EDA file, we noted that for 38 ICPs the incorrect status of “inactive- reconciled elsewhere” was recorded. The event date of the status assignment was 5/04/18 but metering was installed on 17/04/18, which means that installations were not electrically connected at the date indicated in the registry. It was discussed during the audit; the comment was that the event dates were not correctly entered during manual updates. The error was corrected during the audit for all ICPs. The event date of the status lines up with the date of metering installed and installation electrically connected. At the time of this audit, Vector still has not populated a date of Initial Energisation.

### Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 3.9 With: 19 of Schedule 11.1  From: 01-Feb-17 To: 30-Apr-18	Incorrect status was assigned for 38 ICPs  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Weak  Breach risk rating: 3		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	Controls are recorded as weak. There is not a full understanding of the significance of an event date in the registry. There was a minor effect on settlement outcomes because of the small number of ICPs.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
Understanding of change in event dates to last event		18 May 2018	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
Educated on change in Registry to most recent event date and Registry update requirements. Updated process documentation. Review of Registry Training		18 May 2018	

### 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.

#### Audit commentary

Body Corporate Power has not been approached by any distributor asking for updates.

#### Audit outcome

Compliant

## 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

We reviewed the EDA file for the period 04/07/17 to 15/03/18.

#### Audit commentary

Body Corporate Power signed up one new customer using the standard switch process. The process is documented. Compliance confirmed based on a review of the process and analysis of the EDA file.

#### 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 must disregard every event date established by the losing trader for a customer who has been with the losing trader for less than 2 calendar months (clause 4(2) of Schedule 11.3).*

### Audit observation

According to the EDA file, Body Corporate Power switched out 8 ICPs to other traders using the standard switch process.

### Audit commentary

8 AN files were sent by Body Corporate Power. 3 AN files were sent later than the required 3 business days. In all switches, Body Corporate Power accepted an event date which was set by a gaining trader in the NT file.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.2 With: 3 of Schedule 11.1  From: 31-Oct-17 To: 27-Jan-18	3 out of 8 AN files were sent late to the registry  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Weak  Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak because there are some improvements that can be made to them. The management of the timing of registry updates is not the best. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Daily Task File Updated to Include Switch Breach Monitoring on a Daily Basis.		18 May 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Daily Monitoring now in place		18 May 2018	

#### 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

According to the EDA file, Body Corporate Power switched out 8 ICPs to other traders using the standard switch process. The switching process was reviewed.

#### Audit commentary

Body Corporate Power sent 8 CS files, two of them were sent later than 5 business days. They were sent within 6 and 11 business days after the event date.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: 5 of Schedule 11.1 From: 31-Oct-17 To: 27-Jan-18	2 out of 8 CS files were sent late to the registry Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak because there are some improvements that can be made to them. The management of the timing of registry updates is not the best. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Daily Monitoring of Switch Breach in Registry. Updated Daily Task Process.		18 May 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Monitor Switch Requests Daily. Update and Process within 5 Business days.		18 May 2018	

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 actual event date, 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**

The switching process was examined.

#### **Audit commentary**

Body Corporate Power gained one ICP using the standard switch process. Compliance confirmed based on a review of the process and confirmation that Body Corporate Power used a switch event date provided by the losing trader. Both traders were reconciling as HHR.

#### **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 switching process was examined.

#### **Audit commentary**

Body Corporate Power gained one ICP in the period covered by this audit. Compliance confirmed based on a review of the process.

#### **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 in relation to a switch event read. If such a situation were to occur in the future it would be resolved in accordance with this clause

##### Audit commentary

Body Corporate Power stated that their policy is not to decline to accept another traders' validated meter reading or permanent estimate, if they are reasonable and appropriate. 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 switching process was examined. Body Corporate Power gained three ICPs using the Switch Move process in the period covered by this audit.



### Audit commentary

Compliance confirmed based on a review of the process and review of the EDA file

### 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

According to the EDA file, Body Corporate Power switched out 2 ICPs to other traders using the switch move process. The switching process was reviewed.

### Audit commentary

The switching process was examined. Compliance confirmed based on a review of the process.

### Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.8 With: 10(1) of Schedule 11.3  From: 31-Oct-17 To: 27-Jan-18	1 out of 2 CS files were sent late to the registry  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Weak  Breach risk rating: 3
Audit risk rating	Rationale for audit risk rating
Low	Controls are rated as weak because there are some improvements that can be made to them. The management of the timing of registry updates is not the best. No impact on settlement outcomes. Audit risk rating low.

<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>
Daily Monitoring of Switch Breach in Registry. Updated Daily Task Process.	18 May 2018	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Monitor Switch Requests Daily. Update and Process within 5 Business days.	18 May 2018	

#### 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, 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

The switching process was examined. According to the EDA file, Body Corporate Power lost 2 ICPs using the switch move process.

##### Audit commentary

In both cases, Body Corporate Power accepted the date of the gaining trader.

##### Audit outcome

Compliant

#### 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

The switching process was examined. According to the EDA file, all switches in the period are covered. Body Corporate Power sent two CS files.

### Audit commentary

We checked the content of the CS file and identified that the CS file for 0000142054UNB5D was incorrect. The last read date was the same as the transfer date. After checking records, it should be 18/01/18.

We also noted that one CS file was late (0228721040LC7DE)

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: 11 of Schedule 11.3  From: 19-Mar-18 To: 19-Apr-18	Incorrect content of CS file for 0000142054UNB5D  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Weak  Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak because there are some improvements that can be made to them. The management of the timing of registry updates is not the best. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Updated Process Documentation to include Final Read as Actual Read Date.		18 May 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
(See Note 1) Monitor NHH Final Reads. Read Process Updated.		18 May 2018	

### 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 actual event date, 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

This type of switching was not used in the period covered by this audit.

#### Audit commentary

The process is documented. Compliance confirmed based on process documentation.

#### Audit outcome

Compliant

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

#### Code reference

Clause 13 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 through or assume responsibility for:

- a half hour metering installation (that is not a category 1 or 2 metering installation) at an ICP with a submission type of half hour in the registry and an AMI flag of "N"; or
- a half hour metering installation at an ICP that has a submission type of half hour in the registry and an AMI flag of "N" and is traded by the losing trader as non-half hour; or
- a non-half hour metering installation at an ICP at which the losing trader trades electricity through a half hour metering installation with an AMI flag of "N".

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**

This type of switching was not used in the period covered by this audit.

#### **Audit commentary**

The process is documented. Compliance confirmed based on process documentation.

#### **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**

This type of switching was not used in the period covered by this audit.

#### **Audit commentary**

The process is documented. Compliance confirmed based on process documentation.

#### **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

This type of switching was not used in the period covered by this audit.

##### Audit commentary

The process is documented. Compliance confirmed based on process documentation.

##### 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)):*
  - o *the participant identifier of the trader making the withdrawal request (clause 18(c)(i)); and*
  - o *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 was analysed to assess compliance.

#### **Audit commentary**

Body Corporate Power did not submit any NW files but responded to NW by sending 6 AW files. All files were sent to the registry within 5 business days after receiving notice from the registry. In fact, all of them were sent on the same day as a notification was received.

#### **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 and WELLS (one read).

#### **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 Body Corporate Power and meter reading providing companies.

#### **Audit outcome**

Compliant

### **4.17. Switch saving protection (Clause 11.15AA to 11.15AB)**

#### **Code reference**

*Clause 11.15AA to 11.15AB*

#### **Code related audit information**

*A trader that buys electricity from the clearing manager may elect to have a switch saving protection by giving notice to the Authority in writing.*

*If a protected trader enters into an arrangement with a customer of another trader (the losing trader), or a trader enters into an arrangement with a customer of a protected trader, to commence trading electricity with the customer, the losing trader must not, by any means, initiate contact with the customer to attempt to persuade the customer to terminate the arrangement during the period from the receipt of the NT to the event date of the switch including by:*

*11.15AB(4)(a)- making a counter offer to the customer; or*

*11.15AB(4)(b)- offering an enticement to the customer.*

#### **Audit observation**

It was discussed during the audit and the comment was: “We do not currently have a process in place as Body Corporate Power is not currently part of the scheme and is not considering being a part of this scheme any time soon.” It was also confirmed that according to Body Corporate Power’s policy they do no try to win back customers.

#### **Audit commentary**

It was also confirmed that according to Body Corporate Power’s policy they do no try to win back customers. Based on the EDA file, Body Corporate Power did not send any NW files.

#### **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

Body Corporate Power has not traded shared unmetered load in the period covered by this audit.

#### Audit commentary

If a situation occurs that an ICP with attached SUML was switched in or a distributor assigned SUML to an already traded ICP, volumes will be reconciled by JC Consulting.

#### 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 analysed. Body Corporate Power does not trade unmetered load and is not planning to do so.

### Audit commentary

The company is aware of its obligations and it will assure it meets compliance.

### 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 MEP proposes to take or is taking to reduce the unmetered load.*

### Audit observation

The LIS file was analysed. Body Corporate Power does not trade unmetered load.

### Audit commentary

This clause is not applicable. Compliance was not assessed.

### Audit outcome

Not applicable

## 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**

Body Corporate Power does not trade distributed unmetered load.

**Audit commentary**

This clause is not applicable. Compliance was not assessed.

**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 are 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

All installations traded by Body Corporate Power are metered as per the LIS file. No subtraction is used to calculate submission information.

#### Audit commentary

Body Corporate Power uses the quantity of electricity measured by HHR and NHH metering installations, which is provided by MEPs and WELLS.

#### 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**

This clause is not applicable.

#### **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**

Body Corporate Power does not use any engineered profiles. The only profiles recorded in the registry are HHR and RPS, which are used for submitting volumes.

#### **Audit commentary**

No control devices are used to control load or switch meter registers within installations traded by Body Corporate Power.

#### **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 lead 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**

The process was reviewed. According to the process, if during data validation it is detected that the data could be inaccurate, the MEP must be notified.

#### Audit commentary

Body Corporate Power provided one example of ICP 0007169366RNE35. NGCM was the MEP for this installation. Data validation conducted by JC Consulting identified that it was not correctly recording data. It was a faulty meter. The company nominated FCLM as the new MEP and a meter was replaced.

#### 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

Metering data for all Body Corporate Power for smart meters is collected by MTRX, AMS, and FCLM. The company does not collect data themselves. NHH data is collected by WELLS.

#### Audit commentary

Compliance with this clause is assessed as a part of the MEPs audit. WELLS' report was reviewed, and compliance is confirmed.

## 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

We confirm that all validated meter readings are derived from raw meter data provided by MTRX, NGCM, FCLM and WELLS. For ICP 0000142054UNB5D customer reads were accepted.

#### Audit commentary

As a part of this audit we reviewed WELLS' audit report, dated 31/05/2018. We do acknowledge that this audit is older than seven months. A new audit was conducted on 21 May 2018, but the report was not finalised before this document was lodged with the Authority. We spoke with Tara Gannon, who confirmed the company's compliance in areas related to services provided to Body Corporate Power.

Body Corporate Power was accepting customer reads for 0000142054UNB5D. It is allowed by the Code, but they must be validated by another set of validated meter readings not provided by the customer. This was not the case for this particular ICP. All readings were provided by the customer. It was a photo, which was passed to JC Consulting by Body Corporate Power. Non-compliance identified.

## Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 6.6 With:3(2) of Schedule 15. From: 04-Oct-17 To: 18-Apr-18	Validation of meter readings for 0000142054UNB5D was done using customer reads Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	Controls are rated as moderate because there are some improvements that can be made to them. Management of non AMI reads has to be improved. The audit risk rating is recorded as low.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
(see Note 1) Metering Reading Process updated to include actual (validated) readings to support customer supplied reads and photos.		18 May 2018	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
NHH Manual Process Updated for Exception Reads.		18 May 2018	

#### 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

According to the process the switch read from the CS file is used as a start read. Consecutive NHH readings will be applied from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation. Meter readings are processed by JC Consulting.

##### Audit commentary

JC Consulting uploads meter readings to the RM TOOL. We reviewed the software compliance with this clause when historic and forward estimates scenarios were tested (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

A Meter Reading Frequency Report is run every month to track meter readings. Since the last audit, Body Corporate Power lost 10 ICPs. All ICPs had at least one reading during the period of supply. The company did not have any customers which stayed less than 3 months.

##### Audit commentary

Analysis was conducted during the audit and it was confirmed that all ICPs had meter readings during the period of supply.

##### Audit outcome

Compliant

#### 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

A Meter Reading Frequency Report is run every month to track meter readings.

##### Audit commentary

The report is provided to the Authority every month by JC Consulting. The company provided copies of the report for March and April'18. 3 ICPs were reconciled as NHH and all of them were read annually.

##### Audit outcome

Compliant

#### 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 month, 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

A Meter Reading Frequency Report is run every month to track meter readings.

### Audit commentary

The report is provided to the Authority every month by JC Consulting. The company provided copies of the report for March and April'18. 3 ICPs were reconciled as NHH. The target of 90% was achieved.

### Audit outcome

Compliant

## 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

One NHH reading is received from WELLS.

### Audit commentary

Compliance with this clause was confirmed by a review of the WELLS Audit report dated 31/05/2017. We do acknowledge that this audit is older than seven months. A new audit was conducted on 21 May 2018, but the report was not finalised before this document was lodged with the Authority. We spoke with Tara Gannon, who confirmed the company's compliance in areas related to services provided to Body Corporate Power.

### 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

All (3) HHR Body Corporate Power installations are electronically interrogated by the MEPs via the appropriate service access interface.

### Audit commentary

Compliance with this clause is assessed as a part of the MEPs audit.

### Audit outcome

Compliant

## 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

All (3) HHR Body Corporate Power installations are electronically interrogated by the MEPs.

### Audit commentary

Compliance with this clause is assessed as a part of the MEPs audit.

### Audit outcome

Compliant

#### 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

All (3) HHR Body Corporate Power installations are electronically interrogated by the MEPs. AMS provides log files. Body Corporate Power was advised that Metrix will start providing log files next month.

##### Audit commentary

The Log file from AMS was reviewed but it does not contain any useful information. Compliance with this clause is assessed as a part of the MEPs audit.

##### Audit outcome

Compliant

## 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  $\pm 0.1\%$  ( $\pm 2$  seconds).*

#### Audit observation

Body Corporate Power receives HHR data from FCLM and Metrix.

#### Audit commentary

MEPs are responsible for meeting compliance with this clause. It is reviewed during their audits.

#### Audit outcome

Compliant

### 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

HHR data is received from the MEPs, who archive raw meter data. Body Corporate Power keeps a copy of all HHR data. Data is downloaded by JC Consulting from MEP's servers using FileZilla.

#### Audit commentary

MEPs are responsible for meeting compliance with this clause. It is reviewed during their audits.

#### 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**

Body Corporate Power only uses the HHR and RPS profiles for reconciliation submissions. No external control equipment is used.

**Audit commentary**

All installations traded by Body Corporate Power are category 1.

**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 errors are detected during validation of non-half hour meter readings, one of the following must be undertaken:*

*19(1)(a) - confirmation of the original meter reading by carrying out another meter reading*

*19(1)(b) - replacement of the original meter reading by another meter reading (even if the replacement meter reading may be at a different date)*

*19(1)(c) - if the original meter reading cannot be confirmed or replaced by a meter reading from another interrogation, then an estimated reading is substituted, and the estimated reading is marked as an estimate and it is subsequently replaced in accordance with clause 4(2).*

#### Audit observation

WELLS read one NHH meter on behalf of Body Corporate Power. If a meter reading is considered inaccurate during validation, WELLS is advised and asked to read it again.

#### Audit commentary

Compliance confirmed based on a review of the process.

#### 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 errors are detected during validation of half hour metering information the correction must be as follows:*

*19(2)(a) - if a check meter or data storage device is installed at the metering installation, data from this source may be substituted*

*19(2)(b) - in the absence of any check meter or data storage device, data may be substituted from another period if the total of all substituted intervals matches the total consumption recorded on the meter, if available, and the pattern of consumption is considered materially similar to the period in error.*

#### Audit observation

All MEPs providing HHR reads validate them in their system and it is also validated by the RM TOOL used by JC Consulting.

#### Audit commentary

It was discussed with Body Corporate Power and their comment was that they have not received any incorrect HHR data from MEPs since the last audit. If such a situation occurs, MEPs will be asked to

explain and asked to read the meter again. JC Consulting confirm that no data correction was needed for HHR ICPs.

#### **Audit outcome**

Compliant

### **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**

*If error compensation and loss compensation are carried out as part of the process of determining accurate data, the compensation process must be documented and must comply with audit trail requirements.*

#### **Audit observation**

The LIS file was reviewed, and we confirm Body Corporate Power trades metering installations of category 1 only.

#### **Audit commentary**

Body Corporate Power does not have any installation where error or loss compensation occurs.

#### **Audit outcome**

Compliant

### **8.4. Correction of HHR and NHH raw meter data (Clause 22(1) and (2) Schedule 15.2)**

#### **Code reference**

*Clause 22(1) and (2) 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:*

*22(2)(a) - the date of the correction or alteration*

*22(2)(b) - the time of the correction or alteration*

*22(2)(c) - the operator identifier of the reconciliation participant*

*22(2)(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*

*22(2)(e) - the technique used to arrive at the corrected data*

*22(2)(f) - the reason for the correction or alteration.*

#### **Audit observation**

HHR raw data is never overwritten because raw data is always stored by MEPs. JC Consulting receives only a copy of HHR raw meter data.



#### **Audit commentary**

The RM TOOL provides a functionality to correct or alter NHH read. If such a situation occurs that a read needs to be corrected, a journal will be created by the software. Whenever a read is changed in the RM TOOL, details such as a date and time of correction, operator identifier, a reason for correction, the difference of correction is recorded.

#### **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

Meter readings are clearly identified as actual or estimated in the RM TOOL.

#### Audit commentary

Compliance confirmed based on a review of the RM TOOL. All meter readings reviewed during this audit were correctly identified as actual or estimates.

#### 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

JC Consulting provided examples for two NHH ICPs to assist in the assessment of compliance with this clause. Volume information provided to the reconciliation manager is calculated based on validated meter readings or estimates. All data stored in the RM TOOL and used for reconciliation purposes is validated at the time of uploading to the system. A set of reports allows the identification of any inaccuracies.

#### Audit commentary

Volume information used to create reconciliation files is based on actual readings (validated), or estimated readings where data can't be recovered. Compliance with this clause was confirmed in section 12.10.

#### 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

The RM TOOL does not round or truncate data. HHR data received from MEPs had two or three decimal places, it is not truncated.

##### Audit commentary

We walked through three ICPs (different MEPs) and confirmed that meter data is neither truncated or rounded in the RM TOOL.

##### 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

HHR estimation is conducted by JC Consulting if necessary.

##### Audit commentary

We were given two examples of estimation for ICPs 0414494458LCA25 and 0007169366RNE35. In all cases missing data is calculated from NHH reads either side of the gap in HHR consumption. Missing volume is profiled to the average shape of the past week; no data is removed.

##### Audit outcome

Compliant

#### 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**

NHH readings from WELLS are uploaded to the RM TOOL on an operator's request. The files are uploaded to the system, which creates a report, which is analysed by an operator.

#### **Audit commentary**

All Data validation is conducted on running reconciliation processes

- Consumption on inactive site
- Excessive consumption >10% of rollover (picks up -vet consumption)
- Reads missing > 4 months >12 months
- Missing ICP/meter/Register (as indicated from Registry)
- ICP/Meter/register Meters with no start read

#### **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 meter and data storage device event list. Any event that could have affected the integrity of metering data must be investigated.*

#### **Audit observation**

JC Consulting receives remotely read metering data from MEPS. When data is uploaded into the RM TOOL a validity check of meter readings is conducted and an exception report is created. The RM TOOL checks the file format, consecutive zeros, invalid dates and times, meter number, register if a reading is a number. Register reads are used to check HHR data.

#### **Audit commentary**

Compliance is confirmed based on provided reports

#### **Audit outcome**

Compliant

## 10. PROVISION OF METERING INFORMATION TO THE PRICING MANAGER 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 pricing manager and 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

This clause is not applicable to Body Corporate Power.

#### 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 pricing manager and 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 pricing manager and 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

This clause is not applicable to Body Corporate Power.

#### 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

This clause is not applicable to Body Corporate Power.

##### 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 the pricing manager or 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

This clause is not applicable to Body Corporate Power.

##### 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 dated 09/05/18 was used to identify which profiles are used by Body Corporate Power.

#### Audit commentary

Body Corporate Power uses, for submissions, profiles of HHR and RPS. It was confirmed by checking the LIS file and submission files for Jan'18 to April'18.

#### 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

We reviewed the ICP days file (AV-110) submitted to the reconciliation manager and GR-100 provided by the reconciliation manager.

#### Audit commentary

We confirm that AV-110 files were submitted for all revisions by JC Consulting. We noted that in the period from July '17 to March'18, ICP days calculated by JC Consulting were equal to the ICP days recorded in the registry.

#### 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:*

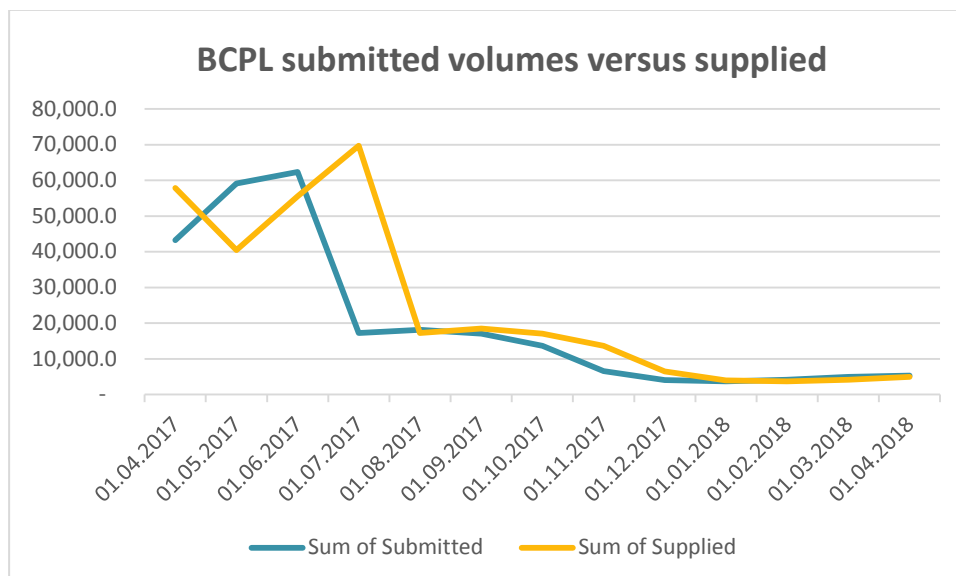
*15.7(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period*

*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

JC Consulting submits AV-120 every month. We confirm it was submitted for all revisions in the period covered by this audit. The table below shows a comparison between volumes submitted and supplied (billed).

Month	Sum of Submitted	Sum of Supplied
1/04/17	43,262.0	57,889.0
1/05/17	59,110.4	40,477.0
1/06/17	62,348.3	55,507.0
1/07/17	17,222.6	69,707.0
1/08/17	18,136.1	17,223.0
1/09/17	17,057.3	18,490.0
1/10/17	13,646.8	17,030.0
1/11/17	6,590.4	13,640.0
1/12/17	4,011.7	6,482.0
1/01/18	3,728.6	3,963.0
1/02/18	4,120.1	3,723.0
1/03/18	4,919.0	4,120.0
1/04/18	5,282.1	4,905.0



### Audit commentary

The difference between volumes is 0.44%. In last years audit, Body Property Power was found to be non-compliant. All issues were rectified.

### 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

Body Corporate Power provided a set of submission files (AV140) for 12 months We compared the volumes in HHRVOLS against HHRAGGI and HHRAGGR for the months Jan'18 to Feb'18. Volumes in both files were the same.

### Audit commentary

We checked GR-090 (HHR ICP missing) for a few months and confirm volumes for all HHR were submitted.

The HHRAGGR files are prepared at ICP level based on submission information. Clause 15.8 states that the HHRAGGR should contain electricity supplied information rather than submission information. The Reconciliation Manager Functional Specification in section 3, described HHRAGGR as HHR submission information that is aggregated per ICP for the whole month.

There is a misalignment between the Code requirements and RM file specification. It is a problem well known to the Authority and is awaiting a resolution.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.4 With: 15.8 From: 01-Feb-17 To: 30-Apr-18	HHRAGGR files do not contain electricity supplied information Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Body Property Power submits submissions volumes as per the reconciliation manager specification		
Actions taken to resolve the issue		Completion date	Remedial action status
Recommend Code Amendment to Address misalignment between the Code requirements and RM file specification		On-going	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Work with Electricity Authority and Market Participants on Code Change		On-going	

## 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

All data provided to Body Corporate Power is daylight saving adjusted.

#### Audit commentary

MEPs are responsible for meeting compliance with this clause. It is reviewed during their audits.

#### Audit outcome

Compliant

### 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

Body Corporate Power provided reconciliation data for the last 12 months. We confirmed that JC Consulting submits volume information on day 4 and day 13 (all relevant revisions).

#### Audit commentary

We checked GR-170NHH and GR-170HHR and confirm that submission volumes were submitted by Body Corporate Power in a timely manner. The exception was in July'17, when files were late. It is described in section 1.6

#### Audit outcome

Non-compliant

Non-compliance	Description
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Non-compliance	Description		
Audit Ref: 12.2 With:  From: 06-Jul-17 To: 06-Jun-17	Submission files were late in July'17. BCPL lodged a self-breach  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. There was no impact on settlement because files were late only a few hours. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Negotiate commercial Terms with JC Consulting		July 17 2017	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
New Terms agreed to ensure compliance.		December 2017	

### 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

Body Corporate Power thoroughly validates and checks volumes data before submission files are sent to the reconciliation manager. Once per week, JC Consulting downloads updates from the registry to keep his database in sync with information held in the registry.

#### Audit commentary

JC Consulting provided evidence of weekly reports. Additionally, in section 11.2, we noted that ICP days are identical to ICP days recorded by 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

This clause is not applicable to Body Corporate Power.

##### 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

This clause is not applicable to Body Corporate Power.

##### 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

This clause is not applicable to Body Corporate Power.

##### 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

JC Consulting follows a schedule of revisions, every month revision 3, 7 and 14 are submitted.

##### Audit commentary

JC Consulting provided a comprehensive list of checks done before volumes are submitted to the reconciliation manager. We reviewed GR -170 files and noted that the variation between subsequent revisions is very small. It is due to a small number of ICPs and most of the installations are remotely read.

##### 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).*

*Volume information created using estimated readings must be subsequently replaced at the earliest opportunity by the reconciliation participant by volume information that has been created using validated meter readings or permanent estimates by, at the latest, the month 14 revision cycle.*

*A permanent estimate may be used in place of a validated meter reading, but only if, despite having used reasonable endeavours; the reconciliation participant has been unable to obtain a validated meter reading.*

#### **Audit observation**

Body Corporate Power policy is to obtain reads for its ICPs.

#### **Audit commentary**

Permanent estimate was used for ICP 0000142054UNB5D, which was switching out and it was not possible to get a read. This site was difficult to read because of an access issue.

#### **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 must comprise the following:*

- *half hour volume information 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)(b)):*
  - a) *half hour volume information for the ICP; or*
  - b) *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 apply to the raw meter data (clause 2(3)):*
  - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))*
  - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report. (clause 2(3)(b))*

#### **Audit observation**

Body Corporate Power trades metering installations of category 1 only. 4 ICPs are reconciled as NHH and 3 ICPs as HHR. The process of calculation of NHH submission information was reviewed as part of a scenario in section 12.10. We compared volumes between HHRVOLS and HHRAGGR and it was a match.



### Audit commentary

We confirm compliance with this clause.

We would like to note an issue where there is the possibility of inaccurate submission volumes for the Clifton Court apartment building.

38 ICPs are connections in the Clifton Court apartment building which have the status “1,5” assigned as of 16/07/18. The building is supplied by BTS (0307514307LC6960), which is traded by Mercury. It is an unusual situation, not covered by the Code, where the active ICP is traded by a different trader (Mercury) than the ICP with the status “1,5” (BCPL) in the same building.

After updates of the LIS file, we noted that the status of ICP 1002047506LCEB0 was changed from “inactive-reconciled elsewhere” to “active” on 09/05/18. Under this ICP volumes of 37 ICPs with the status “1,5” are reconciled. It sounds correct but BTS ICP 0307514307LC6960 was made “ready for decommissioning” as of 17/05/18.

The question which should be asked is how volumes were reconciled between 9/05 and 17/05, and on which meter. There is another interesting “twist” in this case. Metrix as the MEP recorded the removal of a meter as of 15/05/18.

It is outside of the scope of this audit because we don’t have access to Mercury Energy records. We just noted that as soon as there are two different traders in such a scenario, the communication between both of them is very important.

### Audit outcome

Compliant

Description	Issue	Remedial action
Two different traders are responsible for ICPs with the status “active” and “inactive-reconciled elsewhere” in the same building of	Two different traders (MEEN and BCPL) are responsible for 38 ICPs with the status “inactive reconciled elsewhere” and the active ICP (BTS)	(See Note 2)

## 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

For the assessment of compliance with this clause we asked JC Consulting to provide examples for a few scenarios to validate the accuracy of the calculation of historical and forward estimation for NHH ICPs. It was noted that, in the period covered in this audit, the number of NHH ICPs traded by Body Corporate Power was very small. Most of the readings come from the MEPs, which are actual.

Ref	Test	Comments	Result of Audit
1	Switch in during the month with estimated switch read, actual read gained in the next month, full profile data available.	Confirm that HE is calculated for the relevant part of the month, even though the switch in read is an estimate, and calculation begins on correct day	No actual example
2	Switch in during the month with actual switch read, actual read gained in the next month, full profile data available.	Confirm that HE is calculated for the relevant part of the month, and calculation begins on correct day	No actual example
3	Status change to active during the month, read gained in the next month, full profile data available	Confirm that HE is calculated for the relevant part of the month	No actual example
4	Switch out on estimate during the month	Confirm that HE is calculated even though the reading is an estimate Confirm that HE calculation ends on the correct day.	0000142054UNB5D
6	Complete month without a read in the month	Read in the previous month and the month after, confirm correct HE for the month	0833575943LCF20
7	Complete month with a read during the month	Confirm the two calculations for the month are correct	Compliant
8	GXP change during the month	Confirm submission against one GXP for part month then the other GXP for part month, with correct HE/FE balance on each	No actual example
9	Proportion of HE	Confirm the proportion of HE in the AV080 is correct	Compliant
10	Switch in 2 months ago, first actual read gained in current month, profile data not available for current month	Confirm estimation is shown as forward, not historic	No actual example
15	FE based on daily kWh from CS file	Confirm CS value multiplied by correct number of days.	No actual example
17	ICP days for all HE scenarios above	Confirm ICP days calculations are correct	Compliant

18	No longer any ICPs with a combination of GXP, loss cat code etc.	Confirm that this row is “zeroed” in subsequent submissions	Compliant
19	Consumption submitted for a given revision then changed for a subsequent revision.	Confirm that if a reading is changed, the change flows through to the revision for the relevant month	Compliant
20	CS read modified by RR	Confirm that consumption is updated to match RR read replacing CS	No actual example
21	GXP change backdated	Confirm usage is shown against correct GXP for the time of usage	LIS file from registry refreshed before each submission run, GXP changes inherently captured
22	Unmetered load submission	Check that this works the same as a normal meter and is considered HE	No UML

#### Audit commentary

Compliance confirmed based on examples. Body Corporate Power is a small trader with a stable number of ICPs.

#### 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, the RM TOOL creates their own shape file. It will be replaced by historical estimates once a shape file provided by the reconciliation manager is available.

#### Audit commentary

The methodology of the historical estimate process was tested in section 12.10 using scenarios

#### 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 of forward estimates with JC Consulting. Using GR170NHH we check variances between submission day 4 and day 13. The variances were very small because Body Corporate Power receives the majority of their NHH reads from MEPs daily.

### Audit commentary

Body Corporate Power's forward estimates are based on a daily average consumption specified in the CS file or daily average consumption from the previous read to read.

### 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

At the time of this audit HHR and RPS profiles were used.

### Audit commentary

It was discussed during the audit and the company fully understands the requirement. Compliance confirmed based on a review of the LIS file and submission files.

### 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

*Submission information provided to the reconciliation manager must be aggregated to the following level:*

- *NSP code (clause 8(a))*
- *reconciliation type (clause 8(b))*
- *profile (clause 8(c))*
- *loss category code (clause 8(d))*
- *flow direction (clause 8(e))*
- *dedicated NSP (clause 8(f))*
- *trading period for half hour metered ICPs and consumption period or day for all other ICPs. (clause 8(g))*

#### Audit observation

We reviewed the submission files for Jan'18 to March'18 and confirm that volumes are aggregated correctly.

#### Audit commentary

Compliance confirmed based on a review of reconciliation files.

#### 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 submission (HHRVOLS and HHRAGGR) files for Jan'18 to March'18.

#### Audit commentary

Both the HHRVOLS and HHRAGGR submission information is rounded to two decimal places. It was discussed with the company as to how submission information was calculated, and JC Consulting confirm that both the HHRVOLS and HHRAGGR reports are rounded at the end of calculations.

#### 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

We reviewed GR-170NHH provided by the reconciliation manager covering submissions for Feb'17 onwards.

#### Audit commentary

We noted that for HEN0331, the 80% target was not met. It was only one ICP for which Body Corporate Power has difficulties getting a read.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 13.3 With: 10 of Schedule 15.3  From: 01-Jan-18 To: 31-Jan-18	Target of 80% was not met for HEN0331. There was only one ICP traded on this NSP  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Moderate  Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate because there are some improvements that can be made to them. Management of non AMI reads has to be improved. The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
((see Note 1) Metering Reading Process updated to include actual (validated) readings to support customer supplied reads and photos.		18 Mar 2018	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
NHH Exception Read Process Updated	18 May 2018	

## CONCLUSION

### PARTICIPANT RESPONSE

#### Notes:

1. 0000142054UNB5D was an unsafe site (BTS) readings were estimated with customer supplied reads. Final read was estimated and applied on transfer date.
2. BCPL monitored the removal and livening on 8<sup>th</sup> May 2018 (on-site at Clifton Court). All meters on premises are with BCPL and all meter data is recorded daily from FMCL. BCPL Communicated with MEEN and Vector and supplied photos and record of meter (BTS) Removal. All ICPs will go Active once building is commissioned indicative June 5, 2018

#### Participant Commentary:

In managing a small number of ICPs with developers BCPL relied mainly on direct communication with customers.

Daily Registry and Switch Breach monitoring is now in place which will address 3 of the non-compliance issues that relate to 5-day requirements in the switching process.

BCPL incorrectly assumed that customer reads with photos was an acceptable validated NHH raw meter data record.

We are now aware of Code requirements 3(2) of Schedule 15. That customer reads must be supported by an independent validated read. BCPL have updated the NHH Exception Read Process that will address 4 of the non-compliance issues that relate to estimated data validation.



