

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**

For

Network Waitaki Limited



Prepared by: Steve Woods

Date audit commenced: 12 September 2017

Date audit report completed: 22 September 2017

Audit report due date: 01-Oct-17

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EXECUTIVE SUMMARY

This Distributor audit was performed at the request of Network Waitaki to encompass the Electricity Industry Participation Code requirement for an annual audit, in accordance with clause 11.10 of part 11. The audit was carried out at Network Waitaki's premises in Oamaru on September 12th 2017.

The audit was conducted in accordance with the Guideline for Distributor Audits V7.1, which was produced by the Electricity Authority.

This audit found four non-compliances and makes two recommendations. Some minor registry errors and late updates were found. Errors relating to initial energisation dates were only found prior to recent improvements in the validation process, which now ensures these are always populated.

I've made two recommendations to improve the management of unmetered load and distributed generation information.

The overall level of compliance is high with strong controls.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below provides some guidance on this matter and contains a future risk rating score of four, which results in an indicative audit frequency of 24 months. Considering this result along with the proposed solutions to the matters raised, I believe 24 months is an appropriate recommendation.

The matters raised are shown in the table below:

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Provision of ICP information	3.3	11.7	One initial energisation date not populated.	Strong	Low	1	Cleared
Population of IED	3.5	7(2A) of Schedule 11.1	10 late initial energisation date updates.	Strong	Low	1	Identified
Changes to registry information	4.1	8 Schedule 11.1	Updates to registry backdated greater than 3 business days of the event.	Strong	Low	1	Identified
Registry accuracy	4.6	7(1)(k)&(p) of Schedule 11.1	Five ICPs with DG fields inadvertently removed.	Moderate	Low	2	Identified
Future Risk Rating						5	
Indicative Audit Frequency						24 months	

Future risk rating	0-1	2-5	6-8	9-20	21-29	30+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Recommendation	Description
Registry accuracy	4.6	Regarding clause 7(1)(o) of Schedule 11.1	Create fields for distributed generation in the database.
Registry accuracy	4.6	Regarding: Clause 7(1)(m) of schedule 11.1.	Unmetered load format, as recommended by the EA, be populated where possible.

ISSUES

Subject	Section	Recommendation	Description

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

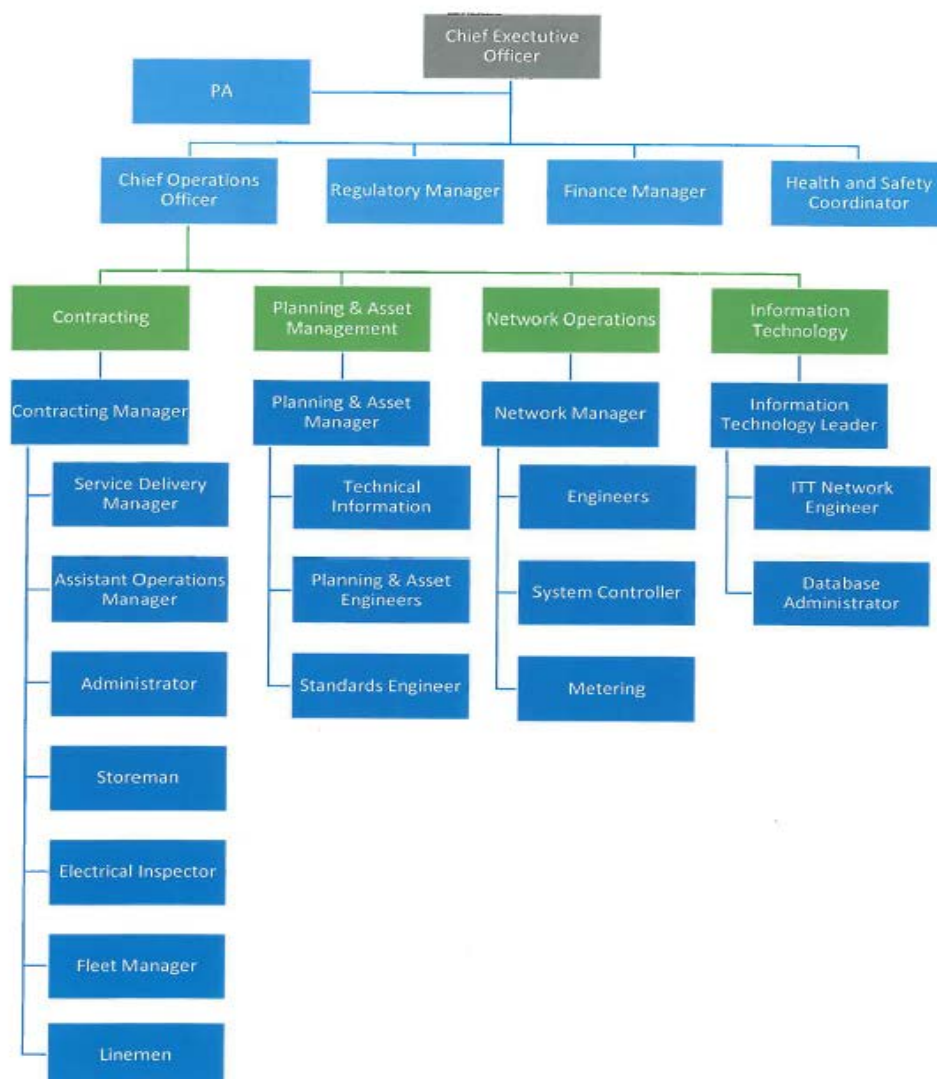
I checked the Authority's website to identify any exemptions in place.

Audit commentary

Network Waitaki has no exemptions in place that are relevant to the scope of this audit.

1.2. Structure of Organisation

Organisation Structure:



1.3. Persons involved in this audit

Auditor:

Steve Woods

Veritek Limited

Electricity Authority Approved Auditor

Network Waitaki personnel assisting in this audit were:

Name	Title
Peter Fridd	Metering Manager

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

- *remains responsible for the contractors fulfillment of the participants Code obligations*
- *cannot assert that it is not responsible or liable for the obligation due to the action of a contractor*
- *must ensure that the contractor has at least the specified level of skill, expertise, experience, or qualification that the participant would be required to have if it were performing the obligation itself.*

Audit observation

Network Waitaki subcontracts contractors to conduct connection and energisation activities on their network. This matter was discussed during the audit to ensure Network Waitaki understands their responsibilities under this clause.

Audit commentary

Network Waitaki has maintained responsibility for all of their obligations during the audit period. Compliance is confirmed.

1.5. Supplier list

The list of contractors is shown below:

- Collect Electrical - Callum Reid – Kurow
- Altitude Electrical - Kerry Wilson – Twizel
- Plunket Electrical - Oamaru
- Kevin Peterson.

For most new connections there is one visit with the contractor conducting connection, energisation and metering functions. New builder's temporary supplies have Network Waitaki metering and most other ICPs have AMS metering with Wells as the ATH.

1.6. Hardware and Software

Network Waitaki use a SQL database and Content Management Server.

Network Waitaki's backup arrangements are in accordance with normal industry protocols.

1.7. Breaches or Breach Allegations

Network Waitaki has no breach allegations recorded by the Electricity Authority, which are relevant to this audit.

1.8. ICP and NSP Data

The table below lists the relevant NSPs and their associated balancing areas. Although the OAM0331WATAG balancing area shows a start date of 2017, it appears it actually started in 1999.

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
WATA	OAM0331	OAMARU		WATA	OAM0331WATAG	G	01-01-17	10,607
WATA	TWZ0331	TWIZEL		WATA	WTKIVLYWATAG	G	01-05-08	608
WATA	WTK0111	WAITAKI		WATA	WTKIVLYWATAG	G	13-11-15	1,573
WATA	WTK0331	WAITAKI		WATA	WTKIVLYWATAG	G	01-05-08	0

Network Waitaki provided a list of all ICPs as at August 2017 by way of a registry "list file". A summary of this data by "ICP status" is as follows.

Status	Number of ICPs (2017)	Number of ICPs (2016)
Active (2,0)	12,788	12,689
Inactive- new connection in progress (1,12)	13	15
Inactive – vacant (1,4)	254	260
Inactive – AMI remote disconnection (1,7)	14	3
Inactive – -de-energised due to meter disconnected (1,9)	0	0
Inactive – at pole fuse(1,8)	0	0
Inactive – de-energised at meter box switch (1,10)	0	0
Inactive - at meter box switch (1,11)	0	0
Inactive – ready for decommissioning (1,6)	0	1
Decommissioned (3)	1,117	1,075

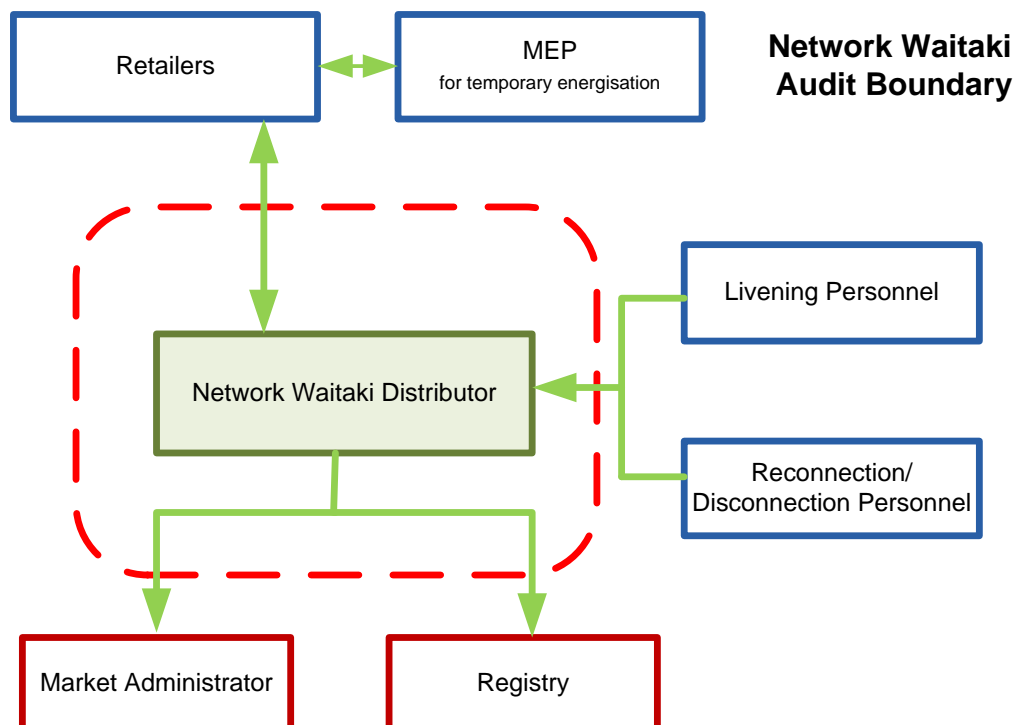
1.9. Authorisation Received

A letter of authorisation was not required or sought. Network Waitaki was able to provide all necessary information.

1.10. Scope of Audit

This Distributor audit was performed at the request of Network Waitaki to encompass the Electricity Industry Participation Code requirement for an annual audit, in accordance with clause 11.10 of part 11. The audit was carried out at Network Waitaki's premises in Oamaru on September 12th 2017.

The scope of the audit is shown in the diagram below, with the Network Waitaki audit boundary shown for clarity.



The audit was conducted in accordance with the Guideline for Distributor Audits V7.1, which was produced by the Electricity Authority.

1.11. Summary of previous audit

Network Waitaki provided a copy of their previous audit, conducted in August 2016 by Rebecca Elliot of Veritek Ltd.

The findings of the previous audit are shown in the tables below:

Table of Non-Compliance

Subject	Section	Clause	Non compliance	Status
Distributors to create ICPs	3.1	11.5 (3) of part 11	1 ICP not created within three days.	Cleared
Provision of Information to the Registry	3.4	7(1)(m) & (2) of schedule 11.1	Seven ICPs made ready after energisation.	Cleared
Connection of ICPs	3.4	11.17(2) of Part 11	Seven ICPs energised before the trader information was populated in the registry.	Cleared
Changes to Registry	4.1	7 & 20 of schedule 11.1	Registry backdated greater than 3 days for some events.	Still existing
		8(4) of schedule 11.1	Late notification of a change of NSP for 3 ICPs.	Cleared
Location Address	4.4	2 & 7(1)(a) of Schedule 11.1	Two duplicate addresses.	Cleared
Date of ICP Initial Energisation Date	3.3	7(1)(p) & (2A) of schedule 11.1.	Missing or late population of the initial energisation date.	Still existing

Table of Recommendations

Subject	Section	Clause	Recommendation for improvement	Status
Provision of Information to the Registry		7(1)(m) & (2) of schedule 11.1	Create ICPs at the “Ready” status provided a trader has accepted responsibility and the network is available for connection.	Cleared
Details of Unmetered Load Notified		7(1)(m) of schedule 11.1	Unmetered load format, as recommended by the EA, be populated where possible.	Still existing

2. OPERATIONAL INFRASTRUCTURE

2.1. Requirement to provide complete and accurate information (Clause 11.2(1))

Code reference

Clause 11.2(1)

Code related audit information

A participant must take all practicable steps to ensure that information that the participant is required to provide to any person under Part 11 is:

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

Audit observation

Network Waitaki's data management processes were examined. The list file as at August 2017 was examined to confirm compliance.

Audit commentary

Network Waitaki has processes in place to ensure that information is complete and accurate and is not misleading or deceptive. Examination of the list file found no examples of misleading or deceptive information. Network Waitaki makes every effort to ensure data is complete and accurate. Compliance is confirmed.

Audit outcome

Compliant

2.2. Requirement to correct errors (Clause 11.2(2))

Code reference

Clause 11.2(2)

Code related audit information

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

Network Waitaki's data management processes were examined. The list file as at August 2017 was examined to confirm compliance.

Audit commentary

Network Waitaki has a comprehensive suite of discrepancy reports in place. These are managed on a regular basis to ensure that information is complete and accurate and is not misleading or deceptive. Any incorrect data is corrected upon discovery. I did not identify any examples where errors were not corrected as soon as practicable.

Audit outcome

Compliant

3. CREATION OF ICPS

3.1. Distributors must create ICPs (Clause 11.4)

Code reference

Clause 11.4

Code related audit information

The distributor must create an ICP identifier in accordance with Clause 1 of Schedule 11.1 for each ICP on the distributor's network. This includes an ICP identifier for the point of connection at which an embedded network connects to the distributor's network.

Audit observation

The new connection process was examined in detail and is described in Section 3.2 below. 15 new connection applications of the 124 created were checked from the point of application through to when the ICP was created.

Audit commentary

The process in place is robust and has good controls in place. The sample checked in Section 3.2 below confirms this.

Audit outcome

Compliant

3.2. Participants may request distributors to create ICPs (Clause 11.5(3))

Code reference

Clause 11.5(3)

Code related audit information

The distributor, within three business days of receiving a request for the creation of an ICP identifier for an ICP, must either create a new ICP identifier or advise the participant of the reasons it is unable to comply with the request.

Audit observation

The new connection process was examined in detail. 15 new connection applications of the 124 created during the audit period were checked from the point of application through to when the ICP was created. These were selected using the typical characteristic methodology to confirm the process and controls worked in practice.

Audit commentary

Network Waitaki's new connection process contains the following steps:

- an application is made directly to Network Waitaki from the customer or their agent (electrician)
- this application contains the proposed retailer and the contractor
- the application is allocated to an engineer for approval
- if payment is required a quotation is sent to the customer
- once payment is made the approved application is provided to Metering and Connections
- Metering and Connections creates the ICP at Ready
- the New Connections sheet is provided to the retailer or approval

- the retailer sends approval back to Metering and Connections.

The records for 15 ICPs were examined and all 15 were created within three days of the application, which is considered to be the engineering approval date.

Audit outcome

Compliant

3.3. Provision of ICP Information to the registry (Clause 11.7)

Code reference

Clause 11.7

Code related audit information

The distributor must provide information about ICPs on its network in accordance with Schedule 11.1.

Audit observation

The new connection process for populating all required registry fields was examined. The list file was examined for all ICPs created during the audit period.

Audit commentary

The list file contained one ICP (0000775206WT117) where the initial energisation date had been removed. It was initially populated as 22/01/16 then it was changed to 27/01/16, but a network event loaded on 30/08/16 appears to have removed this date. The discrepancy reporting now identifies missing initial energisation dates.

There were ten ICPs where the initial energisation date was different to the active date or the certification date. In all ten cases, Network Waitaki's date was correct. This was confirmed by checking the relevant new connection sheets.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.3 With: Clause 11.7 From: 30-Aug-16 To: 08-Sep-17	One initial energisation date not populated. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating
Low	The controls are now strong because missing initial energisation dates are identified by discrepancy reporting. The initial energisation date is used to compare other dates to; therefore there can be a minor impact on other participants. The audit risk rating is low.
Actions taken to resolve the issue	
Completion date	Remedial action status

We have Initial Energisation Dates in a field in our Database now so is part of our weekly Data Checks	Already Done	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
We have Initial Energisation Dates in a field in our Database now so is part of our weekly Data Checks	March 2017	

3.4. Timeliness of Provision of ICP Information to the registry (Clause 7(2) of Schedule 11.1)

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

The distributor must provide information specified in Clauses 7(1)(a) to 7(1)(o) of Schedule 11.1 as soon as practicable and prior to electricity being traded at the ICP.

Audit observation

The new connection process was examined. The event detail report for the period from July 2016 through to July 2017 was examined.

Audit commentary

The event detail report did not contain any records where the status of new or ready was updated after the initial energisation date. There were no ICPs where the ready date was backdated. These checks confirm the registry was updated as soon as practicable and prior to electricity being traded.

Audit outcome

Compliant

3.5. Timeliness of Provision of Initial Energisation Date (Clause 7(2A) of Schedule 11.1)

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

The distributor must provide the information specified in sub-clause (1)(p) to the registry no later than 10 business days after the date on which the ICP is initially energised.

Audit observation

The new connection process for populating all required registry fields was examined. The event detail report for the period from July 2016 through to July 2017 was examined.

Audit commentary

There is a requirement to populate the initial energisation date within 10 business days of physical energisation. There were 124 initial energisation date updates in the event detail report, and ten of them were updated later than 10 business days.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: 21-Oct-16 To: 13-Jun-17	10 late initial energisation date updates. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Network Waitaki has reporting in place to ensure initial energisation dates are provided by contractors in a timely manner. I consider the controls are strong and the late updates reflect a small percentage of the total number of updates. There is no impact on settlement. The only potential impact is where a trader may wish to compare their Active date to the IED, so the impact is considered minor, leading to an audit risk rating of low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We have Initial Energisation Dates in a field in our Database now so is part of our weekly Data Checks		March 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
We have Initial Energisation Dates in a field in our Database now so is part of our weekly Data Checks		March 2017	

3.6. Connection of ICPs (Clause 11.17)

Code reference

Clause 11.17

Code related audit information

A distributor must, when electrically connecting an ICP that is not also an NSP, follow the electrical connection process set out in Clause 10.31.

The distributor must not electrically connect an ICP (except for an ICP across which unmetered load is shared) unless a trader is recorded in the registry as accepting responsibility for the ICP.

In respect of ICPs across which unmetered load is shared, the distributor must not electrically connect an ICP unless a trader is recorded in the registry as accepting responsibility for the shared unmetered load.

Audit observation

The new connection process was examined. The event detail report for the period from July 2016 through to July 2017 was examined.

Audit commentary

The new connections process was examined and the process includes a “trader responsibility” step.

All ICPs that were electrically connected had a trader recorded in the registry as having accepted responsibility.

Audit outcome

Compliant

3.7. Electrical connection of ICPs (Clause 10.28(7))

Code reference

Clause 10.28(7)

Code related audit information

A network owner must not electrically connect a new point of connection that is to be quantified by metering unless requested to do so by the:

- *MEP (for a temporary energisation); or*
- *reconciliation participant responsible for ensuring there is a metering installation.*

Audit observation

The new connection process was examined. The event detail report for the period from July 2016 through to July 2017 was examined.

Audit commentary

Network Waitaki has a step in the new connections process to ensure a trader accepts responsibility and is recorded in the registry. There are no ICPs without a proposed trader recorded in the registry.

Audit outcome

Compliant

3.8. Electrical connection of ICP that is not an NSP (Clause 10.31)

Code reference

Clause 10.31

Code related audit information

A distributor must not electrically connect an ICP that is not also an NSP unless:

- *the trader trading at the ICP has requested the electrical connection; or*
- *the MEP who has an arrangement with the trader trading at the ICP has requested temporary energisation of the ICP.*

Audit observation

The new connection process was examined. The event detail report for the period from July 2016 through to July 2017 was examined.

Audit commentary

Network Waitaki has a step in the new connections process to ensure a trader accepts responsibility and is recorded in the registry. There are no ICPs without a proposed trader recorded in the registry.

Audit outcome

Compliant

3.9. Electrical connection of NSP that is not a point of connection to the grid (Clause 10.30(2))

Code reference

Clause 10.30(2)

Code related audit information

A distributor must, within five business days of electrically connecting an NSP that is not also a point of connection to the grid, notify the reconciliation manager of the following in the prescribed form:

- *the NSP electrically connected*
- *the date of the electrical connection*
- *the participant identifier of each MEP*
- *the certification expiry date for each metering installation.*

Audit observation

Network Waitaki has not created any new NSPs during the audit period.

Audit commentary

Network Waitaki has not created any new NSPs during the audit period.

Audit outcome

Not applicable

3.10. Definition of ICP identifier (Clause 1(1) Schedule 11.1)

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

Each ICP created by the distributor in accordance with Clause 11.4 must have a unique identifier, called the "ICP identifier", determined in accordance with the following format:

xxxxxxxxxxccc where:

- *xxxxxxxxxx is a numerical sequence provided by the distributor*
- *xx is a code that ensures the ICP is unique (assigned by the Authority to the issuing distributor)*
- *ccc is a checksum generated according to the algorithm provided by the market administrator.*

Audit observation

The new connection process was examined and a sample of 20 new connections were checked.

Audit commentary

All ICPs are created in the appropriate format. The sample checked confirmed compliance.

Audit outcome

Compliant

3.11. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

Each ICP must have a single loss category that is referenced to identify the associated loss factors.

Audit observation

The list file was examined to confirm all active ICPs have a single loss category code.

Audit commentary

Each ICP only has a single loss category, which clearly identifies the relevant loss factor.

Audit outcome

Compliant

3.12. Management of “new” status (Clause 13 Schedule 11.1)

Code reference

Clause 13 Schedule 11.1

Code related audit information

The ICP status of “New” must be managed by the distributor to indicate:

- *the associated electrical installations are in the construction phase (Clause 13(a) of Schedule 11.1)*
- *the ICP is not ready for activation (Clause 13(b) of Schedule 11.1).*

Audit observation

The management of ICPs in relation to the use of the “new” status was examined. The list file and event detail report for the period July 2016 to July 2017 were examined in relation to the use of the “new” status. I also checked for ICPs at the new status with an initial energisation date populated.

Audit commentary

The “New” status is not normally used. One ICP was created at New during the audit period, but only because a retailer had not been nominated.

Network Waitaki correctly uses the new status.

Audit outcome

Compliant

3.13. Monitoring of “new” & “ready” statuses (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 has had the status of “Ready” for 24 calendar months or more:

- *the distributor must ask the trader who intends to trade at the ICP whether the ICP should continue to have that status (Clause 15(2)(a) of Schedule 11.1)*
- *the distributor must decommission the ICP if the trader advises that the ICP should not continue to have that status (Clause 15(2)(b) of Schedule 11.1).*

Audit observation

I checked the list file for ICPs at New or Ready for longer than 24 months to confirm that traders had been notified.

Audit commentary

There are no ICPs at new or ready for longer than 24 months. Network Waitaki routinely check any ICPs at these statuses every two weeks and communicates with the relevant parties to confirm if the connection is still required or not.

Audit outcome

Compliant

3.14. Embedded generation loss category (Clause 7(6) Schedule 11.1)

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

If the ICP connects the distributor's network to an embedded generating station that has a capacity of 10 MW or more (clause 7(1)(f) of Schedule 11.1):

- *The loss category code must be unique; and*
- *The distributor must provide the following to the reconciliation manager:*
 - o *the unique loss category code assigned to the ICP*
 - o *the ICP identifier of the ICP*
 - o *the NSP identifier of the NSP to which the ICP is connected*
 - o *the plant name of the embedded generating station.*

Audit observation

This requirement was discussed and the list file was examined.

Audit commentary

There are no embedded generators with a capacity greater than 10MW that require specific loss category codes. There has been no new embedded generation greater than 10MW created during the audit period.

Audit outcome

Not applicable

4. MAINTENANCE OF REGISTRY INFORMATION

4.1. Changes to registry information (Clause 8 Schedule 11.1)

Code reference

Clause 8 Schedule 11.1

Code related audit information

If information held by the registry that relates to an ICP for which the distributor is responsible changes, the distributor must provide notice to the registry of that change.

Notification must be given by the distributor within three business days after the change takes effect, unless the change is to the NSP identifier of the NSP to which the ICP is usually connected (other than a change that is the result of the commissioning or decommissioning of an NSP).

In those cases, notification must be given no later than eight business days after the change takes effect.

If the change to the NSP identifier is for more than 14 days, the time within which notification must be effected in accordance with Clause 8(3) of Schedule 11.1 begins on the 15th day after the change.

Audit observation

The process to manage ICP changes were examined, with the event detail report for the period from July 2016 through to July 2017. I used the typical case methodology examining a sample of ten late updates for any change where the initial analysis could not determine the cause.

Audit commentary

Network Waitaki updates the registry directly. Their IT platform does not interface to the registry. The table below details the quantity and compliance of registry updates. The price code analysis excludes new connections, which have a different allowable duration. Analysis of the 27 late price code updates showed that 25 of the 27 were not late; they only appeared to be late because the event date was incorrect due to it not being updated and therefore date of the previous event was effectively “re-used”.

Update	Total	Compliant	Late	% Compliant	Average days
Price codes	16,095	16,068	27	99.8%	1.3
Status (decom)	42	10	32	24%	13

To evaluate network events, I excluded all new connections to ensure the initial energisation date changes were not included and I checked all 11 late updates. Late updates were due to the following reasons:

- adding DG details for two ICPs
- change of proposed retailer for one ICP
- change of unmetered for three ICPs
- correction of initial energisation date field for five ICPs.

I checked 12 status updates greater than 10 business days and in five cases, late registry population by the trader was the cause. Most of the remaining late updates are because the process to monitor retailers' status updates to "ready for decommissioning" only occurs weekly.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.1 With: Clause 8 Schedule 11.1 From: 01-Aug-16 To: 31-Jul-17	Updates to registry backdated greater than 3 business days of the event. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Many of the late updates were as a result of late information from other parties; therefore I have recorded the controls as strong. There is a minor impact on participants with late updates. The Audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We are getting a proposal from our IT contractor to change the way we handle pricing changes, we will first load the changes into our CRM system which will update Registry overnight Instead of us updating Registry then letting the registry update CRM. This will ensure that there will be no backdating by forgetting to put in the event date in Registry		30/10/2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
If proposal acceptable we will action the request for loading pricing changes in the Registry		30/10/2017	

4.2. Notice of NSP for each ICP (Clauses 7(1),(4) and (5) Schedule 11.1)

Code reference

Clauses 7(1),(4) and (5) Schedule 11.1

Code related audit information

The distributor must notify the registry of the NSP identifier of the NSP to which the ICP is usually connected under Clause 7(1)(b) of Schedule 11.1.

If the distributor cannot identify the NSP that an ICP is connected to, the distributor must nominate the NSP that the distributor thinks is most likely to be connected to the ICP, taking into account the flow of electricity within its network, and the ICP is deemed to be connected to the nominated NSP.

Audit observation

The accuracy of NSP information was checked by identifying ICPs with a particular NSP where all other ICPs on the same road had a different NSP.

Audit commentary

Network Waitaki records the transformer number on the application form. This maps back to the NSP for each ICP in the Network Waitaki database.

I analysed the list file to identify examples where one ICP on a street had a different NSP to all other ICPs on the same street. There were three examples and it was confirmed that two of the three had the correct NSP recorded because the relevant roads were long and spanned more than one NSP. One ICP did need to be corrected and this was already identified and corrected by Network Waitaki's monthly validation process. Network Waitaki's database was correct.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

The distributor must advise a customer (or any person authorised by the customer) or embedded generator of the customer or embedded generator's ICP identifier within three business days after receiving a request for that information.

Audit observation

The management of customer queries was discussed to confirm policy.

Audit commentary

Requests for ICP identifiers are not a common occurrence, however Network Waitaki provides this information if the requesting party has authorisation.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

Each ICP identifier must have a location address that allows the ICP to be readily located.

Audit observation

The process to manage address accuracy was examined and the list file was analysed.

Audit commentary

Network Waitaki checks the address for each new ICP created to ensure these are not duplicates. A check for this is also included in the monthly validation process. The list file was checked and one duplicate address was identified that had already been identified and corrected by Network Waitaki. All other addresses were readily locatable.

Audit outcome

Compliant

4.5. ICP de-energisation (Clause 3 Schedule 11.1)

Code reference

Clause 3 Schedule 11.1

Code related audit information

Each ICP created after 7 October 2002 must be able to be de-energised without de-energisation of another ICP, except for ICPs that are the point of connection between a network and an embedded network, or ICPs that represent the consumption calculated by difference between the total consumption for the embedded network and all other ICPs on the embedded network.

Audit observation

I checked Network Waitaki's policy and documentation in relation to this clause.

Audit commentary

Network Waitaki has some historic shared service mains. If any of these are found separate fusing is installed to address this.

Network Waitaki's new connections process contains a step that ensures there any ICP can be de-energised without de-energising any other ICP.

Audit outcome

Compliant

4.6. Distributors to Provide ICP Information to the Registry (Clause 7(1) Schedule 11.1)

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

For each ICP on the distributor's network, the distributor must provide the following information to the registry:

- *the location address of the ICP identifier (Clause 7(1)(a) of Schedule 11.1)*
- *the NSP identifier of the NSP to which the ICP is usually connected (Clause 7(1)(b) of Schedule 11.1)*
- *the installation type code assigned to the ICP (Clause 7(1)(c) of Schedule 11.1)*
- *the reconciliation type code assigned to the ICP (Clause 7(1)(d) of Schedule 11.1)*
- *the loss category code and loss factors for each loss category code assigned to the ICP (Clause 7(1)(e) of Schedule 11.1)*
- *if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (Clause 7(1)(f) of Schedule 11.1):*
 - a) *the unique loss category code assigned to the ICP*

- b) *the ICP identifier of the ICP*
- c) *the NSP identifier of the NSP to which the ICP is connected*
- d) *the plant name of the embedded generating station*
- *the price category code assigned to the ICP, which may be a placeholder price category code only if the distributor is unable to assign the actual price category code because the capacity or volume information required to assign the actual price category code cannot be determined before electricity is traded at the ICP (Clause 7(1)(g) of Schedule 11.1)*
- *if the price category code requires a value for the capacity of the ICP, the chargeable capacity of the ICP as follows (Clause 7(1)(h) of Schedule 11.1):*
 - a) *a placeholder chargeable capacity if the distributor is unable to determine the actual chargeable capacity*
 - b) *a blank chargeable capacity if the capacity value can be determined from metering information*
 - c) *the actual chargeable capacity of the ICP in any other case*
- *the distributor installation details for the ICP determined by the price category code assigned to the ICP (if any), which may be placeholder distributor installation details only if the distributor is unable to assign the actual distributor installation details because the capacity or volume information required to assign the actual distributor installation details cannot be determined before electricity is traded at the ICP (Clause 7(1)(i) of Schedule 11.1)*
- *the participant identifier of the first trader who has entered into an arrangement to sell or purchase electricity at the ICP (only if the information is provided by the first trader) (Clause 7(1)(j) of Schedule 11.1)*
- *the status of the ICP (Clause 7(1)(k) of Schedule 11.1)*
- *designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than 1 NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) *the nameplate capacity of the generator; and*
 - b) *the fuel type*
 - c) *the initial energisation date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

Network Waitaki updates the registry manually and the registry then populates Network Waitaki's database. Registry validation in place and is run each month for most registry fields. I checked all registry fields for obvious discrepancies using a set of standard queries.

Audit commentary

The analysis found the required registry information was correct except for five ICPs where distributed generation information was missing. Distributed generation is recorded in Network Waitaki's database as a "note" and is not a separate field, so the validation process does not include this information. The information had originally been populated but was inadvertently removed on 30/08/16 when the NSP was changed for a number of ICPs. Network Waitaki now recognises that any updates to a field require all fields to be re-populated.

I recommend fields are established for distributed generation.

Recommendation	Description	Audited party comment	Remedial action
Regarding clause 7(1)(o) of Schedule 11.1	Create fields for distributed generation in the database.	We are creating a separate field for distributed Generation in our CRM database which will then become part of our Data comparison process	Identified

One unmetered ICP was connected during the audit period. The registry was updated with the wattage (300 watts) but the information is not in the recommended format.

Recommendation	Description	Audited party comment	Remedial action
Regarding: Clause 7(1)(m) of schedule 11.1.	Unmetered load format, as recommended by the EA, be populated where possible.	Have Updated Registry for Unmetered ICPs 2017 in the correct format Will Update all other Unmetered ICPs with the correct format by October 30 th	Identified

There are two ICPs (0000360390WT005 and 0000456416WTA25) where distributed generation is installed but the trader has not updated the profile from RPS to PV1. Both have import/export metering installed.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.6 With: Clause 7(1)(o) of Schedule 11.1 From: 30-Aug-16 To: 14-Sep-17	Five ICPs with DG fields inadvertently removed. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are moderate and will be strengthened once the DG information is in separate fields. There is an impact on other participants because they may rely on this field as part of their validation. The impact is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We are creating a separate field for distributed Generation in our CRM database which will then become part of our Data comparison process		29/9/2017	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
It will become part of our data comparison process	29/9/2017	

4.7. Provision of information to registry after the trading of electricity at the ICP commences (Clause 7(3) Schedule 11.1)

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

The distributor must provide the following information to the registry no later than 10 business days after the trading of electricity at the ICP commences:

- *the actual price category code assigned to the ICP (Clause 7(3)(a) of Schedule 11.1)*
- *the actual chargeable capacity of the ICP determined by the price category code assigned to the ICP (if any) (Clause 7(3)(b) of Schedule 11.1)*
- *the actual distributor installation details of the ICP determined by the price category code assigned to the ICP (if any) (Clause 7(3)(c) of Schedule 11.1).*

Audit observation

The new connection process was examined in detail. The pricing changes were checked against the newly connected ICPs identified through the list file.

Audit commentary

There were no ICPs with changes backdated more than 10 business days.

Audit outcome

Compliant

4.8. GPS coordinates (Clause 7(8) and (9) Schedule 11.1)

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

If a distributor populates the GPS coordinates (optional), it must meet the NZTM2000 standard in a format specified by the Authority.

Audit observation

I checked the list file for ICPs with GPS coordinates recorded.

Audit commentary

GPS coordinates are not recorded.

Audit outcome

Not applicable

4.9. Management of “ready” status (Clause 14 Schedule 11.1)

Code reference

Clause 14 Schedule 11.1

Code related audit information

The ICP status of “Ready” must be managed by the distributor and indicates that:

- *the associated electrical installations are ready for connecting to the electricity supply (Clause 14(1)(a) of Schedule 11.1); or*
- *the ICP is ready for activation by a trader (Clause 14(1)(b) of Schedule 11.1)*

Before an ICP is given the “Ready” status in accordance with Clause 14(1) of Schedule 11.1, the distributor must:

- *identify the trader that has taken responsibility for the ICP (Clause 14(2)(a) of Schedule 11.1)*
- *ensure the ICP has a single price category (Clause 14(2)(b) of Schedule 11.1).*

Audit observation

I examined the new connections process and the list file to determine compliance.

Audit commentary

The status of Ready is used once the ICP is ready for connection. The new connection process has a step to confirm the trader has taken responsibility. All ICPs only have one price category code.

Audit outcome

Compliant

4.10. Management of “distributor” status (Clause 16 Schedule 11.1)

Code reference

Clause 16 Schedule 11.1

Code related audit information

The ICP status of “distributor” must be managed by the distributor and indicates that the ICP record represents a shared unmetered load installation or the point of connection between an embedded network and its parent network.

Audit observation

I checked the list file to confirm compliance.

Audit commentary

There are no ICPs with the distributor only status.

Audit outcome

Not applicable

4.11. Management of “decommissioned” status (Clause 20 Schedule 11.1)

Code reference

Clause 20 Schedule 11.1

Code related audit information

The ICP status of “decommissioned” must be managed by the distributor and indicates that the ICP is permanently removed from future switching and reconciliation processes (Clause 20(1) of Schedule 11.1).

Decommissioning only occurs when:

- *electrical installations associated with the ICP are physically removed (Clause 20(2)(a) of Schedule 11.1); or*
- *there is a change in the allocation of electrical loads between ICPs with the effect of making the ICP obsolete (Clause 20(2)(b) of Schedule 11.1); or*
- *in the case of a distributor-only ICP for an embedded network, the embedded network no longer exists (Clause 20(2)(c) of Schedule 11.1).*

Audit observation

I examined the physical process for decommissioning ICPs along with the timeliness and accuracy of registry updates.

Audit commentary

Network Waitaki’s ICP decommissioning requests mostly come directly from the property owner. The property owner’s permission is gained in all instances. Once this has been gained Network Waitaki’s contractors will carry out the decommissioning. The trader is advised to change the ICP to “inactive-ready for decommissioning” once Network Waitaki has received confirmation from the contractor that the decommissioning has taken place. This includes confirmation that metering has been removed.

The process is compliant and the only issue present is that there is often a delay by retailers in updating their status to “ready for decommissioning” before Network Waitaki can update their status to decommissioned.

Audit outcome

Compliant

4.12. Maintenance of price category codes (Clause 23 Schedule 11.1)

Code reference

Clause 23 Schedule 11.1

Code related audit information

The distributor must keep up to date the table in the registry of the price category codes that may be assigned to ICPs on each distributor’s network by entering in the table any new price category codes.

Each entry must specify the date on which each price category code takes effect, which must not be earlier than two months after the date the code is entered in the table.

A price category code takes effect on the specified date.

Audit observation

I checked the price category code table for any new or changed codes during the audit period.

Audit commentary

There were three new codes populated in the price category code table on 01/02/17 with a start date of 01/04/17. This achieves compliance with the two month requirement.

Audit outcome

Compliant

5. CREATION AND MAINTENANCE OF LOSS FACTORS

5.1. Updating table of loss category codes (Clause 21 Schedule 11.1)

Code reference

Clause 21 Schedule 11.1

Code related audit information

The distributor must keep the registry up to date with the loss category codes that may be assigned to ICPs on the distributor's network.

The distributor must specify the date on which each loss category code takes effect.

A loss category code takes effect on the specified date.

Audit observation

I checked the loss category code table for any new codes during the audit period.

Audit commentary

There were no additional codes created during the audit period.

Audit outcome

Not applicable

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

Each loss category code must have a maximum of two loss factors per calendar month. Each loss factor must cover a range of trading periods within that month so that all trading periods have a single applicable loss factor.

If the distributor wishes to replace an existing loss factor on the table on the registry, the distributor must enter the replaced loss factor on the table in the registry.

Audit observation

I checked the loss category code table for any changed factors during the audit period.

Audit commentary

Each ICP only has a single loss category, which clearly identifies the relevant loss factor.

There were no new codes or changes to factors during the audit period.

Audit outcome

Compliant

6. CREATION AND MAINTENANCE OF NSPS (INCLUDING DECOMMISSIONING OF NSPS AND TRANSFER OF ICPS)

6.1. Creation and decommissioning of NSPs (Clause 11.8 and Clause 25 Schedule 11.1)

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

If the distributor is creating or decommissioning an NSP that is an interconnection point between two local networks, the distributor must notify the reconciliation manager of the creation or decommissioning.

If the embedded network owner is creating or decommissioning an NSP that is an interconnection point between two embedded networks, the embedded network owner must notify the reconciliation manager of the creation or decommissioning.

If the distributor is creating or decommissioning an NSP that is a point of connection between an embedded network and another network, the distributor must notify the reconciliation manager of the creation or decommissioning.

If the distributor wishes to change the record in the registry of an ICP that is not recorded as being usually connected to an NSP in the distributor's network, so that the ICP is recorded as being usually connected to an NSP in the distributor's network (a "transfer"), the distributor must:

- *notify the reconciliation manager*
- *notify the market administrator*
- *notify each affected reconciliation participant*
- *comply with Schedule 11.2.*

Audit observation

The NSP table on the registry was examined. No NSPs were created or decommissioned during the audit period; therefore this was not assessed as part of this audit.

Audit commentary

The NSP table on the registry was examined. No NSPs were created or decommissioned during the audit period; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.2. Provision of NSP information (Clause 26(1) and (2) Schedule 11.1)

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

If the distributor wishes to create an NSP or transfer an ICP as described above, the distributor must request that the reconciliation manager create a unique NSP identifier for the relevant NSP.

The request must be made at least 10 business days before the NSP is electrically connected, in respect of an NSP that is an interconnection point between two local networks. In all other cases, the request must be made at least 1 calendar month before the NSP is electrically connected or the ICP is transferred.

Audit observation

The NSP table on the registry was examined. No NSPs were created or decommissioned during the audit period; therefore this was not assessed as part of this audit.

Audit commentary

The NSP table on the registry was examined. No NSPs were created or decommissioned during the audit period; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.3. Notice of balancing areas (Clause 24(1) and Clause 26(3) Schedule 11.1)

Code reference

Clause 24(1) and Clause 26(3) Schedule 11.1

Code related audit information

If a participant has notified the creation of an NSP on the distributor's network, the distributor must notify the reconciliation manager of the following:

- *if the NSP is to be located in a new balancing area, all relevant details necessary for the new balancing area to be created and notification that the NSP to be created is to be assigned to the new balancing area*
- *in all other cases, notification of the balancing area in which the NSP is located.*

Audit observation

The NSP table on the registry was examined. No new balancing areas were created during the audit period; therefore this was not assessed as part of this audit.

Audit commentary

The NSP table on the registry was examined. No new balancing areas were created during the audit period; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.4. Notice of supporting embedded network NSP information (Clause 26(4) Schedule 11.1)

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

If a participant notifies the creation of an NSP, or the transfer of an ICP to an NSP that is a point of connection between a network and an embedded network owned by the distributor, the distributor must notify the reconciliation manager at least one calendar month before the creation or transfer of:

- *the network on which the NSP will be located after the creation or transfer (Clause 26(4)(a))*
- *the ICP identifier for the ICP that connects the network and the embedded network (Clause 26(4)(b))*
- *the date on which the creation or transfer will take effect (Clause 26(4)(c)).*

Audit observation

Network Waitaki has not created any embedded networks; therefore this was not assessed as part of this audit.

Audit commentary

Network Waitaki has not created any embedded networks; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.5. Maintenance of balancing area information (Clause 24(2) and (3) Schedule 11.1)

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

The distributor must notify the reconciliation manager of any change to balancing areas associated with an NSP supplying the distributor's network. The notification must specify the date and trading period from which the change takes effect, and be given no later than three business days after the change takes effect.

Audit observation

The NSP table on the registry was examined. No balancing areas were changed during the audit period; therefore this was not assessed as part of this audit.

Audit commentary

The NSP table on the registry was examined. No balancing areas were changed during the audit period; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.6. Notice when an ICP becomes an NSP (Clause 27 Schedule 11.1)

Code reference

Clause 27 Schedule 11.1

Code related audit information

If a transfer of an ICP results in an ICP becoming an NSP at which an embedded network connects to a network, or in an ICP becoming an NSP that is an interconnection point, in respect of the distributor's network, the distributor must notify any trader trading at the ICP of the transfer at least one calendar month before the transfer.

Audit observation

One embedded network was connected to Network Waitaki's network during the audit period, but Network Waitaki has not become an embedded network owner. The embedded network owner is responsible for this clause.

Audit commentary

One embedded network was connected to Network Waitaki's network during the audit period, but Network Waitaki has not become an embedded network owner. The embedded network owner is responsible for this clause.

Audit outcome

Not applicable

6.7. Notification of transfer of ICPs (Clause 1 to 4 Schedule 11.2)

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

If the distributor wishes to transfer an ICP, the distributor must notify the market administrator in the prescribed form, no later than three business days before the transfer takes effect.

Audit observation

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit commentary

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.8. Responsibility for metering information for NSP that is not a POC to the grid (Clause 10.25(1)&(3))

Code reference

Clause 10.25(1)&(3)

Code related audit information

A network owner must, for each NSP that is not a point of connection to the grid for which it is responsible, ensure that:

- *there is one or more metering installations (Clause 10.25(1)(a)); and*
- *the electricity is conveyed and quantified in accordance with the Code (Clause 10.25(1)(b)).*

Audit observation

Network Waitaki is not responsible for any points of connection not connected to the grid.

Audit commentary

Network Waitaki is not responsible for any points of connection not connected to the grid.

Audit outcome

Not applicable

6.9. Responsibility for metering information when creating an NSP that is not a POC to the grid (Clause 10.25(2))

Code reference

Clause 10.25(2)

Code related audit information

If the network owner proposes the creation of a new NSP which is not a point of connection to the grid it must:

- *assume responsibility for being the metering equipment provider (Clause 10.25(2)(a)(i)); or*
- *contract with a metering equipment provider to be the MEP (Clause 10.25(2)(a)(ii)); and*
- *no later than 20 business days after identifying the MEP advise the reconciliation manager in the prescribed form of:*
 - a) the reconciliation participant for the NSP (Clause 10.25(2)(b)(i)); and*
 - b) the MEP for the NSP (Clause 10.25(2)(b)(ii)); and*
 - c) no later than 20 business days after the data of certification of each metering installation, advise the reconciliation participant for the NSP of the certification expiry date (Clause 10.25(2)(c)).*

Audit observation

The NSP table on the registry was examined. No NSPs were created during the audit period; therefore this was not assessed as part of this audit.

Audit commentary

The NSP table on the registry was examined. No NSPs were created during the audit period; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.10. Obligations concerning change in network owner (Clause 29 Schedule 11.1)

Code reference

Clause 29 Schedule 11.1

Code related audit information

If a network owner acquires all or part of a network, the network owner must notify:

- *the previous network owner (Clause 29(1)(a) of Schedule 11.1)*
- *the reconciliation manager (Clause 29(1)(b) of Schedule 11.1)*
- *the market administrator (Clause 29(1)(c) of Schedule 11.1)*
- *every reconciliation participant who trades at an ICP connected to the acquired network or part of the network acquired (Clause 29(1)(d) of Schedule 11.1).*

At least 1 calendar month notification is required before the acquisition (Clause 29(2) of Schedule 11.1).

The notification must specify the ICPs to be amended to reflect the acquisition and the effective date of the acquisition (Clause 29(3) of Schedule 11.1).

Audit observation

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit commentary

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.11. Electrically connecting NSP that is not point of connection to grid (Clause 10.30(1))

Code reference

Clause 10.30(1)

Code related audit information

A distributor must not electrically connect an NSP that is not a point of connection to the grid unless:

- *a reconciliation participant has requested the electrical connection (Clause 10.30(1)(a)); or*
- *a metering equipment provider (authorised by the trader) has requested the electrical connection for a temporary energisation of the ICP (Clause 10.30(1)(b)).*

Audit observation

Network Waitaki has not requested the connection of any NSPs.

Audit commentary

Network Waitaki has not requested the connection of any NSPs.

Audit outcome

Not applicable

6.12. Change of MEP for embedded network gate meter (Clause 10.22(1)(b))

Code reference

Clause 10.22(1)(b)

Code related audit information

If the MEP for an ICP which is also an NSP changes the participant responsible for the provision of the metering installation under Clause 10.25, the participant must notify the reconciliation manager and the gaining MEP.

Audit observation

Network Waitaki is not responsible for any ICPs which are also NSPs.

Audit commentary

Network Waitaki is not responsible for any ICPs which are also NSPs.

Audit outcome

Not applicable

6.13. Confirmation of consent for transfer of ICPs (Clauses 5 and 8 Schedule 11.2)

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

The distributor must give the market administrator confirmation that it has received written consent to the proposed transfer from:

- *the distributor whose network is associated with the NSP to which the ICP is recorded as being connected immediately before the notification (unless the notification relates to the creation of an embedded network) (Clause 5(a) of Schedule 11.2)*
- *every trader trading at an ICP being supplied from the NSP to which the notification relates (Clause 5(b) of Schedule 11.2).*

The notification must include any information requested by the Authority (Clause 8 of Schedule 11.2).

Audit observation

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit commentary

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

6.14. Transfer of ICPs for embedded network (Clause 6 Schedule 11.2)

Code reference

Clause 6 Schedule 11.2

Code related audit information

If the notification relates to an embedded network, it must relate to every ICP on the embedded network.

Audit observation

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit commentary

Network Waitaki has not acquired any networks; therefore this was not assessed as part of this audit.

Audit outcome

Not applicable

7. MAINTENANCE OF SHARED UNMETERED LOAD

7.1. Notification of shared unmetered load ICP list (Clause 11.14(2) and (4))

Code reference

Clause 11.14(2) and (4)

Code related audit information

The distributor must notify the registry and each trader responsible for the ICPs across which the unmetered load is shared of the ICP identifiers of those ICPs.

A distributor who receives notification from a trader relating to a change under Clause 11.14(3) must notify the registry and each trader responsible for any of the ICPs across which the unmetered load is shared of the addition or omission of the ICP.

Audit observation

Network Waitaki does not have any shared unmetered load.

Audit commentary

Network Waitaki does not have any shared unmetered load.

Audit outcome

Not applicable

7.2. Changes to shared unmetered load (Clause 11.14(5))

Code reference

Clause 11.14(5)

Code related audit information

If the distributor becomes aware of a change to the capacity of a shared unmetered load ICP or if a shared unmetered load ICP is decommissioned, it must notify all traders affected by that change or decommissioning as soon as practicable after the change or decommissioning.

Audit observation

Network Waitaki does not have any shared unmetered load.

Audit commentary

Network Waitaki does not have any shared unmetered load.

Audit outcome

Not applicable

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

A participant must take all practicable steps to ensure that information that the participant is required to provide to any person under Part 11 is:

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

Audit observation

Network Waitaki publishes reconciliation losses, which include technical losses and non-technical losses. I reviewed the process and supporting documentation in relation to the calculation of loss factors.

Audit commentary

There are three different factors; LV, HV (11kV) and HV (110 kV). Analysis of the supporting information did not identify any non-compliance.

Audit outcome

Compliant

CONCLUSION

This audit found four non-compliances and makes two recommendations. Some minor registry errors and late updates were found. Errors relating to initial energisation dates were only found prior to recent improvements in the validation process, which now ensures these are always populated.

I've made two recommendations to improve the management of unmetered load and distributed generation information.

The overall level of compliance is high with strong controls.

PARTICIPANT RESPONSE