

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



For

WEL NETWORKS LTD
NZBN: 9429039416926

Prepared by: Rebecca Elliot

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Audit report due date: 10 October 2022

TABLE OF CONTENTS

Executive summary	5
Audit summary	6
Non-compliances	6
Recommendations	6
Issues 6	
1. Administrative	7
1.1. Exemptions from Obligations to Comply with Code (Section 11)	7
1.2. Structure of Organisation	7
1.3. Persons involved in this audit	7
1.4. Use of Agents (Clause 15.34)	8
1.5. Hardware and Software	8
1.6. Breaches or Breach Allegations	8
1.7. NSP Data	9
1.8. Authorisation Received	9
1.9. Scope of Audit	10
1.10. Summary of previous audit	10
1.11. Submission of Audit Report (Clause 16A.13(1) of Part 16A)	10
2. Operational Infrastructure	11
2.1. Relevant information (Clause 10.6, 11.2, 15.2)	11
2.2. Provision of information (Clause 15.35)	12
2.3. Data transmission (Clause 20 Schedule 15.2)	13
2.4. Audit trails (Clause 21 Schedule 15.2)	13
2.5. Retailer responsibility for electricity conveyed - participant obligations (Clause 10.4)..	14
2.6. Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))	14
2.7. Physical location of metering installations (Clause 10.35(1)&(2))	15
2.8. Trader contracts to permit assignment by the Authority (Clause 11.15B)	15
2.9. Connection of an ICP (Clause 10.32)	16
2.10. Temporary Electrical Connection of an ICP (Clause 10.33(1))	16
2.11. Electrical Connection of Point of Connection (Clause 10.33A)	17
2.12. Arrangements for line function services (Clause 11.16)	17
2.13. Arrangements for metering equipment provision (Clause 10.36)	18
2.14. Connecting ICPs then withdrawing switch (Clause 10.33A(5))	18
2.15. Electrical disconnection of ICPs (Clause 10.33B)	19
2.16. Removal or breakage of seals (Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7)19	
2.17. Meter bridging (Clause 10.33C and 2A of Schedule 15.2)	20
2.18. Use of ICP identifiers on invoices (Clause 11.30)	20
2.19. Provision of information on dispute resolution scheme (Clause 11.30A)	21
2.20. Provision of information on electricity plan comparison site (Clause 11.30B)	22
1. Maintaining registry information	23
4. Performing customer and embedded generator switching	23
5. Maintenance of unmetered load	23
6. Gathering raw meter data	24
6.1. Electricity conveyed & notification by embedded generators (Clause 10.13, Clause 10.24 and 15.13)	24

6.2.	Responsibility for metering at GIP (Clause 10.26 (6), (7) and (8)).....	24
6.3.	Certification of control devices (Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3).....	25
6.4.	Reporting of defective metering installations (Clause 10.43(2) and (3)).....	25
6.5.	Collection of information by certified reconciliation participant (Clause 2 Schedule 15.2).....	26
6.6.	Derivation of meter readings (Clauses 3(1), 3(2) and 5 Schedule 15.2).....	27
6.7.	NHH meter reading application (Clause 6 Schedule 15.2).....	28
6.8.	Interrogate meters once (Clause 7(1) and (2) Schedule 15.2).....	28
6.9.	NHH meters interrogated annually (Clause 8(1) and (2) Schedule 15.2).....	29
6.10.	NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2).....	29
6.11.	NHH meter interrogation log (Clause 10 Schedule 15.2).....	30
6.12.	HHR data collection (Clause 11(1) Schedule 15.2).....	30
6.13.	HHR interrogation data requirement (Clause 11(2) Schedule 15.2).....	31
6.14.	HHR interrogation log requirements (Clause 11(3) Schedule 15.2).....	32
7.	Storing raw meter data.....	33
7.1.	Trading period duration (Clause 13 Schedule 15.2).....	33
7.2.	Archiving and storage of raw meter data (Clause 18 Schedule 15.2).....	33
7.3.	Non metering information collected / archived (Clause 21(5) Schedule 15.2).....	34
8.	Creating and managing (including validating, estimating, storing, correcting and archiving) volume information.....	35
8.1.	Correction of NHH meter readings (Clause 19(1) Schedule 15.2).....	35
8.2.	Correction of HHR metering information (Clause 19(2) Schedule 15.2).....	35
8.3.	Error and loss compensation arrangements (Clause 19(3) Schedule 15.2).....	36
8.4.	Correction of HHR and NHH raw meter data (Clause 22(1) and (2) Schedule 15.2).....	36
9.	Estimating and validating volume information.....	38
9.1.	Identification of readings (Clause 3(3) Schedule 15.2).....	38
9.2.	Derivation of volume information (Clause 3(4) Schedule 15.2).....	38
9.3.	Meter data used to derive volume information (Clause 3(5) Schedule 15.2).....	39
9.4.	Half hour estimates (Clause 15 Schedule 15.2).....	39
9.5.	NHH metering information data validation (Clause 16 Schedule 15.2).....	40
9.6.	Electronic meter readings and estimated readings (Clause 17 Schedule 15.2).....	40
10.	Provision of metering information to the pricing manager in accordance with subpart 4 of Part 13 (clause 15.38(1)(f)).....	42
10.1.	Generators to provide HHR metering information (Clause 13.136).....	42
10.2.	Unoffered & intermittent generation provision of metering information (Clause 13.137).....	42
10.3.	Loss adjustment of HHR metering information (Clause 13.138).....	43
10.4.	Notification of the provision of HHR metering information (Clause 13.140).....	43
11.	Provision of submission information for reconciliation.....	44
11.1.	Buying and selling notifications (Clause 15.3).....	44
11.2.	Calculation of ICP days (Clause 15.6).....	44
11.3.	Electricity supplied information provision to the reconciliation manager (Clause 15.7).....	45
11.4.	HHR aggregates information provision to the reconciliation manager (Clause 15.8).....	45
12.	Submission computation.....	46
12.1.	Daylight saving adjustment (Clause 15.36).....	46
12.2.	Creation of submission information (Clause 15.4).....	46
12.3.	Allocation of submission information (Clause 15.5).....	47
12.4.	Grid owner volumes information (Clause 15.9).....	47

12.5. Provision of NSP submission information (Clause 15.10)	48
12.6. Grid connected generation (Clause 15.11).....	48
12.7. Accuracy of submission information (Clause 15.12)	49
12.8. Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)	49
12.9. Reconciliation participants to prepare information (Clause 2 Schedule 15.3)	50
12.10. Historical estimates and forward estimates (Clause 3 Schedule 15.3).....	51
12.11. Historical estimate process (Clauses 4 and 5 Schedule 15.3).....	51
12.12. Forward estimate process (Clause 6 Schedule 15.3)	52
12.13. Compulsory meter reading after profile change (Clause 7 Schedule 15.3).....	52
13. Submission format and timing	53
13.1. Provision of submission information to the RM (Clause 8 Schedule 15.3)	53
13.2. Reporting resolution (Clause 9 Schedule 15.3)	53
13.3. Historical estimate reporting to RM (Clause 10 Schedule 15.3)	54
Conclusion	55
Participant response	56

EXECUTIVE SUMMARY

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of **WEL Networks**, to support application for renewal of certification in accordance with clauses 5 and 7 of Schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2.

WEL Networks is an embedded network operator and is therefore required to be a certified reconciliation participant in accordance with clause 15.38 of part 15. In this report I have only recorded matters where specific analysis was undertaken.

WEL Networks' compliance is reliant on the compliance of AMS, who acts as their agent.

AMS' agent audit report, completed in September 2022, records compliance in relation to the activities performed on behalf of WEL Networks. As part of this audit, I also confirmed that:

- no defective meters have been identified,
- no meter events affecting accuracy have occurred,
- no clock synchronisation errors outside the allowable tolerances have occurred, and
- no corrections occurred.

There was one alleged breach within the scope of this audit during the audit period. The point of connection (POC) for WEL's embedded network JEF0111, LE ICP (1001134800LCDC9) on Vector's parent network was changed in the Registry on 5 February 2016. WEL was not aware of this change and received no notification, although I note there is no requirement in the code for parent networks to notify the embedded network owners of changes made to LE ICPs. Consequently, ICP 1001134800LCDC9 remained against the incorrect POC in the network supply point (NSP) table. This error was highlighted on 12 March 2021 and remedy was sought immediately. The Reconciliation Manager (RM) was immediately notified, and correction requested 12 March 2021. Due to numerous internal delays within the RM, the correction was only approved on 27 August 2021 and made on 30 August 2021. Both NSPs are in the same balancing area so this has no direct impact on reconciliation. I have recommended that all LE ICPs are monitored to identify any future NSP changes on LE ICPs.

One non-compliance was found, and one recommendation is made. The non-compliance has no material impact on reconciliation and therefore I recommend that the next audit be due on 10th October 2024, which is the maximum period allowable under the Code.

The matters raised are detailed in the table below.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	15.2 (1)(a)	Incorrect parent NSP recorded for embedded network JEF0111.	Moderate	Low	2	Identified
Future Risk Rating							2

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

RECOMMENDATIONS

Subject	Section	Recommendation
Relevant information	2.1	Monitor LE ICPs for all embedded networks to identify any NSP changes made.

ISSUES

Subject	Section	Description	Issue
		Nil	

1. ADMINISTRATIVE

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

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

Audit observation

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

Audit commentary

Not applicable

1.2. Structure of Organisation

Not applicable

1.3. Persons involved in this audit

Veritek Auditors:

Name	Role
Rebecca Elliot	Lead Auditor

Personnel assisting in this audit were:

Name	Title	Company
Steven Hollander	Billing Manager	WEL Networks
Ellen Jackman	Senior C and I Data Services Specialist	AMS

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

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

Audit observation

Use of agents was discussed.

Audit commentary

AMS perform the functions covered by the scope of this audit. WEL Networks understand that this does not relieve them of their compliance obligations.

1.5. Hardware and Software

This is discussed in AMS' audit report.

1.6. Breaches or Breach Allegations

Wel Networks had one breach allegation recorded by the Electricity Authority that is within the scope of this audit:

Reference	Breach Participant	Breach Contact Name	Status	Result	Code	Summary
2110WELN1	WEL	David Wiles	Closed 3 December 2021	minor alleged	Part 15 clause 15.2 (1) (a)	On 5 February 2016 the point of connection (POC) for WEL's embedded network ICP (1001134800LCDC9) on Vector's parent network was changed in the Registry. WEL was not aware of this change and received no notification. Consequently, 1001134800LCDC9 remained against the incorrect POC in the network supply point (NSP) table. This error was highlighted on 12 March 2021 and remedy was sought immediately. The Reconciliation Manager (RM) was immediately notified, and correction requested 12 March 2021. Due to numerous internal delays within the RM, the correction was only approved on 27 August 2021 and made on 30 August 2021.

This is recorded as non-compliance in **section 2.1**.

1.7. NSP Data

WEL Networks has responsibility for the following embedded networks and interconnection points.

NSP	Rec Type	Description	Parent POC	Parent Network	Balancing Area	Start Date	MEP
BRI0111	EN	BRICK STREET	HEP0331	UNET	BRI0111WAIKE	1/05/2008	AMCI
FLG0111	EN	FLAGSHIP	WIR0331	VECT	FLG0111WAIKE	1/05/2008	AMCI
HMB0111	EN	HALF MOON BAY	PAK0331	VECT	HMB0111WAIKE	1/05/2008	AMCI
HUL0111	EN	HULME PLACE	HEP0331	UNET	HUL0111WAIKE	1/05/2008	AMCI
JEF0111	EN	JEFFS ROAD	PAK0331	VECT	JEF0111WAIKE	5/02/2016	AMCI
KIR0111	EN	KIRKDALE	TAK0331	VECT	KIR0111WAIKE	1/05/2008	AMCI
MTG0111	NP	MANGATANGI	HLY0331	WAIK	WAIKATOWAIKG	1/08/2017	COUP
OAK0111	EN	OAKLANDS	CBG0111	WAIP	OAK0111WAIKE	1/05/2008	AMCI
POR0111	EN	PORCHESTER ROAD	TAK0331	VECT	POR0111WAIKE	10/07/2009	AMCI
RYN0111	EN	RYAN PLACE	WIR0331	VECT	RYN0111WAIKE	1/05/2008	AMCI
STG0111	EN	SOUTHGATE	WEL0331	UNET	STG0111WAIKE	1/05/2008	AMCI
THP0111	EN	Te Pahu	HAM0331	WAIK	WAIKATOWAIKG	2/11/2019	AMCI

1.8. Authorisation Received

An email of authorisation was provided.

1.9. Scope of Audit

Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of WEL Networks, to support application for renewal of certification in accordance with clause 5 and 7 of schedule 15.1.

The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits version 7.2.

WEL Networks is an embedded network owner and is therefore required to be a certified reconciliation participant in accordance with clause 15.38 of part 15.

The scope of the audit is shown in the table below. AMS conducts all functions that require certification as an agent to WEL Networks.

Tasks requiring certification under Clause 15.38(1) of Part 15	Within audit scope	Agents involved in performance of tasks
(b) – Gathering and storing raw meter data	✓	AMS
(c)(i) - Creating and managing HHR volume information	✓	
(e) – Provision of submission information for reconciliation	✓	

1.10. Summary of previous audit

The last WEL Networks Reconciliation Participant audit report was completed by Rebecca Elliot of Veritek Limited in October 2020. One non-compliance was identified and cleared for the late submission of the audit report and no recommendations were made as detailed below:

Subject	Section	Clause	Non-compliance	Status
Submission of Audit Report	1.11	16A.13(1)	Audit report not submitted by the due date to the Electricity Authority.	Cleared

1.11. Submission of Audit Report (Clause 16A.13(1) of Part 16A)

Code reference

Clause 16A.13(1)

Code related audit information

A participant must give the final audit report to the Authority no later than the date by which the audit is due to be completed.

Audit commentary

This audit report confirms that the requirement to conduct an audit has been met for this database within the required timeframe.

Audit outcome

Compliant

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

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

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

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

Audit observation

The process to find and correct incorrect information was reviewed.

Audit commentary

Compliance is recorded in the AMS audit reports in relation to this clause.

As detailed in **section 1.6**, the point of connection (POC) for WEL's embedded network JEF0111, LE ICP (1001134800LCDC9) on Vector's parent network was changed in the Registry on 5 February 2016. WEL was not aware of this change and received no notification, although I note there is no requirement in the code for parent networks to notify the embedded network owners of changes made to LE ICPs. Consequently, ICP 1001134800LCDC9 remained against the incorrect POC in the network supply point (NSP) table. This error was highlighted on 12 March 2021 and remedy was sought immediately. The Reconciliation Manager (RM) was immediately notified, and correction requested 12 March 2021. Due to numerous internal delays within the RM, the correction was only approved on 27 August 2021 and made on 30 August 2021. Both NSPs are in the same balancing area so this has no direct impact on reconciliation.

I recommend that all LE ICPs are monitored to identify any future NSP changes on LE ICPs.

Recommendation	Description	Audited party comment	Remedial action
Relevant information	Monitor LE ICPs for all embedded networks to identify any NSP changes made.	Feedback taken on board. LE ICPs will be actively monitored to identify future NSP changes.	Identified

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: Clause 15.2 (1)(a) From: 05-Feb-16 To: 30-Aug-21	Incorrect parent NSP recorded for embedded network JEF0111. Potential impact: Low Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time, but I recommend that LE ICPs are monitored to identify any parent NSP changes made. The risk rating is assessed to be low as the error found had no direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
Incorrect POC was immediately corrected once discovered.		12/03/21	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
LE ICPs will be actively monitored to identify future NSP changes.		07/10/22	

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

Processes to provide information were reviewed and observed throughout the audit.

Audit commentary

This area is discussed in a number of sections in this report.

Audit outcome

Compliant

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

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

Audit observation

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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

This is discussed in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit.

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

I discussed Wel Network's policy in relation to allowing access to metering and if any requests had been received during the audit period.

Audit commentary

Arrangements for access to metering are completed as necessary. There have been no cases where access could not be arranged.

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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 sub-clause (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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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*
- *one 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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*
- *one 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

The network supply points table as of 8 September 2022 was examined. The specific details are recorded in **section 1.7**.

Audit commentary

All embedded networks have an MEP recorded.

Audit outcome

Compliant

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

Code reference

Clause 10.33B

Code related audit information

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

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

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

Code related audit information

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

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

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

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

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

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

If the trader bridges a meter, the trader must:

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

The trader must determine meter readings as follows:

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

Clause 11.30

Code related audit information

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

1. MAINTAINING REGISTRY INFORMATION

This audit report is for NSP gate volumes only. No ICPs are traded therefore this section has been deleted.

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

This audit report is for NSP gate volumes only. No ICPs are traded therefore this section has been deleted.

5. MAINTENANCE OF UNMETERED LOAD

This audit report is for NSP gate volumes only. No ICPs are traded therefore this section has been deleted.

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

- *there is one 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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 three months for the grid owner to review and comment on the design*
- *respond within three 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

Not applicable

Audit commentary

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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 leads 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

This is covered in the AMS audit report.

Information on inaccurate or defective meters during the period from October 2020 to September 2022 was requested.

Audit commentary

AMS support compliance by advising of any potential data accuracy issues identified during data validation.

AMS confirmed that no defective meters have been identified for Wel Network's during the audit period.

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

This is covered in AMS' audit report.

Information on clock synchronisation events during the audit period was requested.

Audit commentary

Compliance is recorded in the AMS audit report in relation to this clause.

There have been no clock synchronisation errors outside permissible limits during the audit period.

Audit outcome

Compliant

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

Code reference

Clauses 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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 four months, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every four 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Data collection is carried out by the MEP.

Audit commentary

Data collection is carried out by the MEP, and compliance is recorded in the AMS audit report.

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

HHR interrogation data was reviewed as part of AMS' audit.

Audit commentary

Compliance is recorded in AMS' audit report.

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

HHR interrogation logs were reviewed as part of AMS' audit.

Audit commentary

Compliance is recorded in AMS' audit report.

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 $\pm 0.1\%$ (± 2 seconds).

Audit observation

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

AMS confirmed that there have been no corrections have been required for WEL Network meters during the audit period.

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

This is covered in AMS' audit report.

Information on corrections during the audit period was requested.

Audit commentary

Compliance is recorded in AMS' audit report.

AMS confirmed that there have been no corrections have been required for WEL Network meters during the audit period.

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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 for deriving volume information must not be rounded or truncated from the stored data from the metering installation.

Audit observation

This is covered in AMS' audit report.

Audit commentary

Non-compliance is recorded in the AMS report for the rounding of some data provided to some participants during the audit period. I confirmed that this is not applicable to the WEL embedded network NSPs. Compliance is confirmed.

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

This is covered in AMS' audit report.

Information on temporary and permanent estimates created during the audit period was requested.

Audit commentary

Compliance is recorded in AMS' audit report.

AMS confirmed that no estimations have been required for WEL Network meters during the audit period.

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 zero values.

Audit observation

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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 zero 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

This is covered in AMS' audit report.

Information on meter events that could affect meter accuracy during the period from October 2020 to September 2022 was requested.

Audit commentary

Compliance is recorded in AMS' audit report.

No meter events that could affect meter accuracy occurred during the period reviewed.

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

Not applicable

Audit commentary

Not applicable

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

Not applicable

Audit commentary

Not applicable

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

Not applicable

Audit commentary

Not applicable

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

Not applicable

Audit commentary

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

Clause 15.8

Code related audit information

Using relevant volume information, each retailer or direct purchaser (excluding direct consumers) must deliver to the reconciliation manager its total monthly quantity of electricity consumed 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

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

Audit observation

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

Audit outcome

Compliant

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

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 is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

Audit outcome

Compliant

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

Not applicable

Audit commentary

Not applicable

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

As detailed in **section 2.1**, the point of connection (POC) for WEL's embedded network JEF0111, LE ICP (1001134800LCDC9) on Vector's parent network was changed in the Registry on 5 February 2016. WEL was not aware of this change and received no notification, although I note there is no requirement in the code for parent networks to notify the embedded network owners of changes made to LE ICPs. Consequently, 1001134800LCDC9 remained against the incorrect POC in the network supply point (NSP) table. This error was highlighted on 12 March 2021 and remedy was sought immediately. The Reconciliation Manager (RM) was immediately notified, and correction requested 12 March 2021. Due to numerous internal delays within the RM, the correction was only approved on 27 August 2021 and made on 30 August 2021. Both NSPs are in the same balancing area so this has no direct impact on reconciliation. I have made a recommendation in section 2.1, that WEL Networks monitor all LE ICPs to identify any future NSP changes made.

I have recorded compliance in this section as the correct information was provided at the next available opportunity once aware of the error.

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

This is covered in AMS' audit report.

Audit commentary

As discussed in **section 9.4**, compliance is recorded in AMS' audit report.

AMS confirmed that no estimations have been required during the audit period.

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 on 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

This clause refers to ICPs. This audit is for NSP volumes only.

Audit commentary

This clause refers to ICPs. This audit is for NSP volumes only.

Audit outcome

Not applicable

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 techniques described in clauses 4 to 7 to create historical estimates and forward estimates.

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Code reference

Clauses 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 historical estimates of volume information for each ICP when the relevant seasonal adjustment shape is available, and the reconciliation participant is not using an approved profile in accordance with clause 4A.

If the Authority has approved a profile for the purpose of apportioning volume information (in kWh) to part or full consumption periods, a reconciliation participant may use the profile despite the relevant seasonal adjustment shape being available; and if it uses the profile, must otherwise prepare the historical estimate in accordance with the methodology in clause 4.

*If a seasonal adjustment shape is not available, and the **reconciliation participant** is not using an approved **profile** under clause 4A, 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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

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

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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 two decimal places.

If the unrounded digit to the right of the second decimal place is greater than or equal to five, the second digit is rounded up, and if the digit to the right of the second decimal place is less than five, the second digit is unchanged.

Audit observation

This is covered in AMS' audit report.

Audit commentary

Compliance is recorded in AMS' audit report.

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

Not applicable

Audit commentary

Not applicable

Audit outcome

Not applicable

CONCLUSION

WEL Networks' compliance is reliant on the compliance of AMS, who acts as their agent.

AMS' agent audit report completed in September 2022 records compliance in relation to the activities performed on behalf of WEL Networks. As part of this audit, I also confirmed that:

- no defective meters have been identified,
- no meter events affecting accuracy have occurred,
- no clock synchronisation errors outside the allowable tolerances have occurred, and
- no corrections occurred.

There was one alleged breach within the scope of this audit during the audit period. The point of connection (POC) for WEL's embedded network JEF0111, LE ICP (1001134800LCDC9) on Vector's parent network was changed in the Registry on 5 February 2016. WEL was not aware of this change and received no notification, although I note there is no requirement in the code for parent networks to notify the embedded network owners of changes made to LE ICPs. Consequently, ICP 1001134800LCDC9 remained against the incorrect POC in the network supply point (NSP) table. This error was highlighted on 12 March 2021 and remedy was sought immediately. The Reconciliation Manager (RM) was immediately notified, and correction requested 12 March 2021. Due to numerous internal delays within the RM, the correction was only approved on 27 August 2021 and made on 30 August 2021. Both NSPs are in the same balancing area so this has no direct impact on reconciliation. I have recommended that all LE ICPs are monitored to identify any future NSP changes on LE ICPs.

One non-compliance was found, and one recommendation is made. The non-compliance has no material impact on reconciliation and therefore I recommend that the next audit be due on 10th October 2024, which is the maximum period allowable under the Code.

PARTICIPANT RESPONSE

WEL Networks have reviewed this report and their comments are contained in the report. No further comments were provided.