

ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT

VERITEK

For

FOROURGOOD LIMITED
NZBN: 9429046893093

Prepared by: Tara Gannon

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TABLE OF CONTENTS

Executive summary	6
Audit summary	7
Non-compliances	7
Recommendations	8
Issues	8
1. Administrative	9
1.1. Exemptions from Obligations to Comply with Code (Section 11)	9
1.2. Structure of Organisation	9
1.3. Persons involved in this audit	10
1.4. Use of Agents (Clause 15.34)	10
1.5. Hardware and Software	11
1.6. Breaches or Breach Allegations	11
1.7. ICP Data	12
1.8. Authorisation Received	12
1.9. Scope of Audit	13
1.10. Summary of previous audit	14
2. Operational Infrastructure	15
2.1. Relevant information (Clause 10.6, 11.2, 15.2)	15
2.2. Provision of information (Clause 15.35)	17
2.3. Data transmission (Clause 20 Schedule 15.2)	17
2.4. Audit trails (Clause 21 Schedule 15.2)	18
2.5. Retailer responsibility for electricity conveyed - participant obligations (Clause 10.4)	18
2.6. Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))	19
2.7. Physical location of metering installations (Clause 10.35(1)&(2))	19
2.8. Trader contracts to permit assignment by the Authority (Clause 11.15B)	20
2.9. Connection of an ICP (Clause 10.32)	21
2.10. Temporary Electrical Connection of an ICP (Clause 10.33)	21
2.11. Electrical Connection of Point of Connection (Clause 10.33A)	22
2.12. Arrangements for line function services (Clause 11.16)	22
2.13. Arrangements for metering equipment provision (Clause 10.36)	23
2.14. Connecting ICPs then withdrawing switch (Clause 10.33A(5))	23
2.15. Electrical disconnection of ICPs (Clause 10.33B)	24
2.16. Removal or breakage of seals (Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7)	25
2.17. Meter bridging (Clause 10.33C and 2A of Schedule 15.2)	25
2.18. Use of ICP identifiers on invoices (Clause 11.30)	26
2.19. Provision of information on dispute resolution scheme (Clause 11.30A)	27
2.20. Provision of information on electricity plan comparison site (Clause 11.30B)	27
3. Maintaining registry information	29
3.1. Obtaining ICP identifiers (Clause 11.3)	29
3.2. Providing registry information (Clause 11.7(2))	29
3.3. Changes to registry information (Clause 10 Schedule 11.1)	30
3.4. Trader responsibility for an ICP (Clause 11.18)	31
3.5. Provision of information to the registry manager (Clause 9 Schedule 11.1)	32
3.6. ANZSIC codes (Clause 9 (1(k) of Schedule 11.1)	33

3.7.	Changes to unmetered load (Clause 9(1)(f) of Schedule 11.1)	33
3.8.	Management of “active” status (Clause 17 Schedule 11.1)	34
3.9.	Management of “inactive” status (Clause 19 Schedule 11.1)	35
3.10.	ICPs at new or ready status for 24 months (Clause 15 Schedule 11.1)	36
4.	Performing customer and embedded generator switching	38
4.1.	Inform registry of switch request for ICPs - standard switch (Clause 2 Schedule 11.3)	38
4.2.	Losing trader response to switch request and event dates - standard switch (Clauses 3 and 4 Schedule 11.3)	39
4.3.	Losing trader must provide final information - standard switch (Clause 5 Schedule 11.3)	40
4.4.	Retailers must use same reading - standard switch (Clause 6(1) and 6A Schedule 11.3)	42
4.5.	Non-half hour switch event meter reading - standard switch (Clause 6(2) and (3) Schedule 11.3)	44
4.6.	Disputes - standard switch (Clause 7 Schedule 11.3)	44
4.7.	Gaining trader informs registry of switch request - switch move (Clause 9 Schedule 11.3)	45
4.8.	Losing trader provides information - switch move (Clause 10(1) Schedule 11.3)	45
4.9.	Losing trader determines a different date - switch move (Clause 10(2) Schedule 11.3)	47
4.10.	Losing trader must provide final information - switch move (Clause 11 Schedule 11.3)	48
4.11.	Gaining trader changes to switch meter reading - switch move (Clause 12 Schedule 11.3)	50
4.12.	Gaining trader informs registry of switch request - gaining trader switch (Clause 14 Schedule 11.3)	52
4.13.	Losing trader provision of information - gaining trader switch (Clause 15 Schedule 11.3)	53
4.14.	Gaining trader to advise the registry manager - gaining trader switch (Clause 16 Schedule 11.3)	54
4.15.	Withdrawal of switch requests (Clauses 17 and 18 Schedule 11.3)	54
4.16.	Metering information (Clause 21 Schedule 11.3)	56
4.17.	Switch protection (Clause 11.15AA to 11.15AB)	58
5.	Maintenance of unmetered load	59
5.1.	Maintaining shared unmetered load (Clause 11.14)	59
5.2.	Unmetered threshold (Clause 10.14 (2)(b))	60
5.3.	Unmetered threshold exceeded (Clause 10.14 (5))	60
5.4.	Distributed unmetered load (Clause 11 Schedule 15.3, Clause 15.37B)	61
6.	Gathering raw meter data	62
6.1.	Electricity conveyed & notification by embedded generators (Clause 10.13, Clause 10.24 and 15.13)	62
6.2.	Responsibility for metering at GIP (Clause 10.26 (6), (7) and (8))	63
6.3.	Certification of control devices (Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3)	63
6.4.	Reporting of defective metering installations (Clause 10.43(2) and (3))	64
6.5.	Collection of information by certified reconciliation participant (Clause 2 Schedule 15.2)	64
6.6.	Derivation of meter readings (Clauses 3(1), 3(2) and 5 Schedule 15.2)	65
6.7.	NHH meter reading application (Clause 6 Schedule 15.2)	66
6.8.	Interrogate meters once (Clause 7(1) and (2) Schedule 15.2)	66
6.9.	NHH meters interrogated annually (Clause 8(1) and (2) Schedule 15.2)	67
6.10.	NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)	67
6.11.	NHH meter interrogation log (Clause 10 Schedule 15.2)	68
6.12.	HHR data collection (Clause 11(1) Schedule 15.2)	68
6.13.	HHR interrogation data requirement (Clause 11(2) Schedule 15.2)	69
6.14.	HHR interrogation log requirements (Clause 11(3) Schedule 15.2)	69
7.	Storing raw meter data	71

7.1.	Trading period duration (Clause 13 Schedule 15.2)	71
7.2.	Archiving and storage of raw meter data (Clause 18 Schedule 15.2)	71
7.3.	Non metering information collected / archived (Clause 21(5) Schedule 15.2)	72
8.	Creating and managing (including validating, estimating, storing, correcting and archiving) volume information.....	73
8.1.	Correction of NHH meter readings (Clause 19(1) Schedule 15.2)	73
8.2.	Correction of HHR metering information (Clause 19(2) Schedule 15.2)	73
8.3.	Error and loss compensation arrangements (Clause 19(3) Schedule 15.2)	74
8.4.	Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)	74
9.	Estimating and validating volume information.....	76
9.1.	Identification of readings (Clause 3(3) Schedule 15.2)	76
9.2.	Derivation of volume information (Clause 3(4) Schedule 15.2)	77
9.3.	Meter data used to derive volume information (Clause 3(5) Schedule 15.2)	77
9.4.	Half hour estimates (Clause 15 Schedule 15.2)	78
9.5.	NHH metering information data validation (Clause 16 Schedule 15.2)	79
9.6.	Electronic meter readings and estimated readings (Clause 17 Schedule 15.2)	79
10.	Provision of metering information to the GRID OWNER in accordance with subpart 4 of Part 13 (clause 15.38(1)(f))	81
10.1.	Generators to provide HHR metering information (Clause 13.136)	81
10.2.	Unoffered & intermittent generation provision of metering information (Clause 13.137)	81
10.3.	Loss adjustment of HHR metering information (Clause 13.138)	82
10.4.	Notification of the provision of HHR metering information (Clause 13.140)	82
11.	Provision of submission information for reconciliation.....	83
11.1.	Buying and selling notifications (Clause 15.3)	83
11.2.	Calculation of ICP days (Clause 15.6)	83
11.3.	Electricity supplied information provision to the reconciliation manager (Clause 15.7)	85
11.4.	HHR aggregates information provision to the reconciliation manager (Clause 15.8)	86
12.	Submission computation	89
12.1.	Daylight saving adjustment (Clause 15.36)	89
12.2.	Creation of submission information (Clause 15.4)	89
12.3.	Allocation of submission information (Clause 15.5)	90
12.4.	Grid owner volumes information (Clause 15.9)	91
12.5.	Provision of NSP submission information (Clause 15.10)	91
12.6.	Grid connected generation (Clause 15.11)	92
12.7.	Accuracy of submission information (Clause 15.12)	92
12.8.	Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)	93
12.9.	Reconciliation participants to prepare information (Clause 2 Schedule 15.3)	94
12.10.	Historical estimates and forward estimates (Clause 3 Schedule 15.3)	95
12.11.	Historical estimate process (Clauses 4 and 5 Schedule 15.3)	95
12.12.	Forward estimate process (Clause 6 Schedule 15.3)	96
12.13.	Compulsory meter reading after profile change (Clause 7 Schedule 15.3)	96
13.	Submission format and timing	97
13.1.	Provision of submission information to the RM (Clause 8 Schedule 15.3)	97
13.2.	Reporting resolution (Clause 9 Schedule 15.3)	98
13.3.	Historical estimate reporting to RM (Clause 10 Schedule 15.3)	98

14. Glossary of Terms.....	99
Conclusion	99
Participant response	99

EXECUTIVE SUMMARY

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of **ForOurGood Ltd (FOGY)**, to support their 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 version 7.2.

FOGY have made improvements following the last audit and implemented the recommendations made. Registry, reading, and reconciliation processes are robust and operating as expected.

The number of non-compliances and audit risk rating have increased from the last audit. There has been an increase from seven to 11 non-compliances, and the risk rating has increased from 11 to 18.

There has been an increase in switching activity during the audit period, and very small numbers of errors and late files occurred. The increase in risk rating is primarily due to a small number of CS files which had some inaccurate content. The impact of these issues was minor, but because a small number of reads and read types were incorrect the same few ICPs appeared as non-compliance in multiple sections of the report. Overall timeliness and accuracy of switching data is still high.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Based on the audit risk rating of 18, the indicative next audit date is in 12 months. Corrective actions have been identified to resolve all the non-compliances, and all recommendations will be adopted. I recommend that the next audit is completed in 15 months, on 28 November 2022.

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
Relevant information	2.1	11.2	<p>ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit.</p> <p>ICP 0268714120LCD0A was updated to inactive from 26 February 2021 but should have been inactive from 23 February 2021, and the status date has not been corrected because the ICP switched out.</p> <p>Intellihub estimated data not replaced with actual data unless the actual data is obtained within the catch-up window of 15 days of the estimate.</p>	Moderate	Low	2	Identified
Changes to registry information	3.3	10 Schedule 11.1	<p>Three late updates to active status for reconnections.</p> <p>Four late updates to inactive status for disconnections.</p>	Moderate	Low	2	Identified
Management of "inactive" status	3.9	19 Schedule 11.1	ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit.	Strong	Low	1	Cleared
Losing trader must provide final information - standard switch	4.3	5 Schedule 11.3	<p>22 E2 breaches.</p> <p>Five transfer CS files contained some incorrect information.</p>	Moderate	Low	2	Identified
Losing trader provides information - switch move	4.8	10 of schedule 11.3	<p>One AN contained the AA response code but should have had AD.</p> <p>Two ANs had proposed event dates before the gaining trader's proposed event date.</p>	Moderate	Low	2	Identified
Losing trader must provide final information - switch move	4.10	11 of schedule 11.3	<p>Two E2 breaches.</p> <p>Five switch move CS files contained some incorrect information.</p>	Moderate	Low	2	Identified
Gaining trader changes to switch meter reading - switch move	4.11	12 Schedule 11.3	<p>Two RR breaches.</p> <p>The RR for 0000812321TUECE (09/06/20) was not supported by two actual readings.</p>	Strong	Low	1	Identified
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	<p>Two NA breaches.</p> <p>Two NWs had the DF reason code applied but should have had CE.</p>	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Metering information	4.16	21 Schedule 11.3	Three CS files did not contain readings for the end of FOGY's last day of supply.	Moderate	Low	2	Identified
Identification of readings	9.1	3(3) Schedule 15.2	Two CS files had estimated readings classified as actual readings.	Moderate	Low	2	Identified
HHR aggregates	11.4	15.8	HHR aggregates file does not contain electricity supplied information.	Strong	Low	1	Identified
Future Risk Rating						19	

Future risk rating	0	1-3	4-14	16-40	41-55	55+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Description	Recommendation
Losing trader must provide final information - standard switch	4.3	CS creation process documentation	<p>Update the CS complete switch process documentation as follows:</p> <p>Average daily consumption should be the average daily consumption between the last two actual readings during FOGY's period of supply. If there are less than two actual readings the incoming CS average daily consumption should be applied.</p> <p>The last actual read date should be the last actual read date during FOGY's period of supply.</p>

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

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

Audit commentary

FOGY does not have any exemptions in place.

1.2. Structure of Organisation

FOGY does not have an organisation chart, and provided a list of people and their roles:

Name	Title
Rob Johnson	CEO and Founder
Riley Hunter	CTO
Tony McGeady	Compliance
Nicole Chan	Customer Support and Developer
Michael O'hara	Senior Developer
Jagmeet Kaur	Developer
Emily Byron-Brodie	Testing and Customer Support

1.3. Persons involved in this audit

Auditor:

Name	Company
Tara Gannon	Veritek Limited

Personnel assisting in this audit were:

Name	Title
Tony McGeady	Compliance
Riley Hunter	CTO

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

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

Audit observation

I requested details of agents involved in any relevant processes.

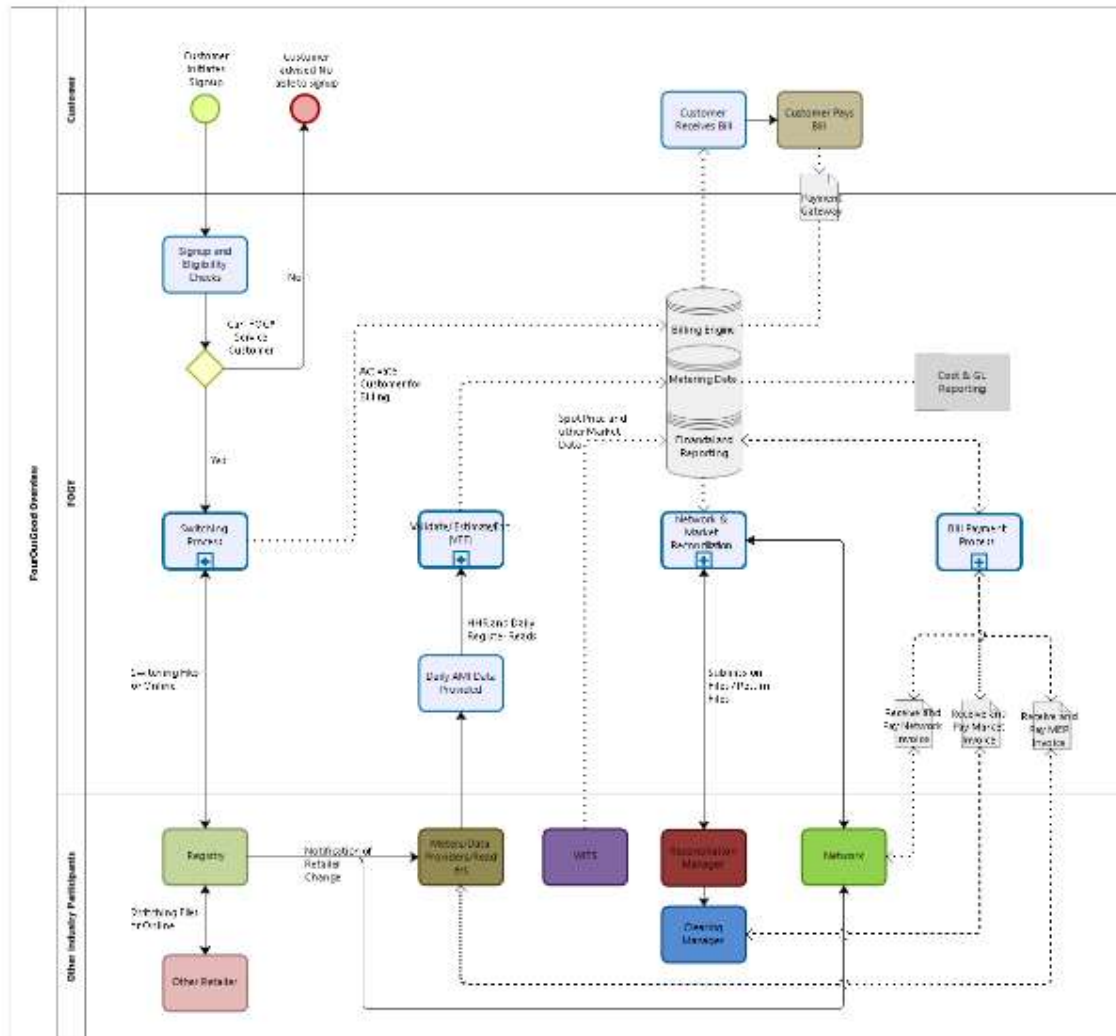
Audit commentary

FOGY uses Intellihub Limited as an agent for supplying estimated HHR data. Intellihub Limited is an MEP providing AMI data, but the provision of estimates is undertaken as an agent to retailers not as an MEP.

1.5. Hardware and Software

The diagram below shows the processes and systems at a high level. A bespoke system has been developed and its functionality was checked as part of this audit. The Sequel system is cloud based, hosted by Microsoft and password protection is in place to ensure data security.

Azure automatically backs up the production databases.



1.6. Breaches or Breach Allegations

FOGY has not had any breach allegations recorded by the Electricity Authority during the audit period.

1.7. ICP Data

The quantity of ICPs by status is shown below:

Status	Number of ICPs 2021	Number of ICPs 2020
Active (2,0)	894	390
Inactive – new connection in progress (1,12)	0	0
Inactive – electrically disconnected vacant property (1,4)	1	1
Inactive – electrically disconnected remotely by AMI meter (1,7)	3	0
Inactive – electrically disconnected at pole fuse (1,8)	0	0
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0
Inactive – electrically disconnected at meter box fuse (1,10)	0	0
Inactive – electrically disconnected at meter box switch (1,11)	1	0
Inactive – electrically disconnected ready for decommissioning (1,6)	0	0
Inactive – reconciled elsewhere (1,5)	0	0
Decommissioned (3)	4	0

The active ICPs on the list file were summarised by meter category in the table below.

Metering Category	2021	2020
1	894	390
2	0	0
3	0	0
4	0	0
5	0	0
9	0	0
Blank	0	0

1.8. Authorisation Received

A letter of authorisation was received.

1.9. Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of FOGY, to support their 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 and was completed remotely.

Registry list, event detail and audit compliance reports for 1 June 2020 to 24 June 2021, and a registry list snapshot for 24 June 2021 were reviewed.

FOGY deals with HHR AMI ICPs only. They do not conduct new connections and do not deal with unmetered load. The table below shows the tasks under clause 15.38 of part 15 for which FOGY requires certification.

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Within Audit Scope	Agents involved in performance of tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	✓	
(b) – Gathering and storing raw meter data	✓	
(c)(i) - Creation and management of HHR volume information	✓	Intellihub creates HHR estimates
(c)(ii) - Creation and management of NHH volume information	✗	
(c)(iii) - Creation and management of HHR & NHH volume information	✗	
(c)(iv) - Creation and management of dispatchable load information	✗	
(d) – Calculation of ICP days	✓	
(da) - delivery of electricity supplied information under clause 15.7	✓	
(db) delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓	
(e) – Provision of submission information for reconciliation	✓	
(f) - provision of metering information to the grid owner in accordance with subpart 4 of Part 13.	✗	

Intellihub were audited within the last seven months, and their audit report is expected to be submitted with this report.

1.10. Summary of previous audit

The previous audit was conducted in May 2020 by Steve Woods of Veritek Limited. The summary tables below show the statuses of the non-compliances and recommendations raised in the previous audit. Further comment is made in the relevant sections of this report.

Subject	Section	Clause	Non-compliance	Status
Changes to registry information	3.3	10 Schedule 11.1	Some late status updates.	Still existing
Losing trader response to switch request and event dates - standard switch	4.2	Clauses 3 and 4 Schedule 11.3	Incorrect response code in 11 AN files.	Cleared
Losing trader must provide final information - standard switch	4.3	5 Schedule 11.3	One CS file where actual reads were recorded as estimates.	Still existing
Retailers must use same reading - standard switch	4.4	Clause 6(1) and 6A Schedule 11.3	FOGY as the gaining trader did not use the losing trader's switch event meter reading.	Cleared
Losing trader provides information - switch move	4.8	10 of schedule 11.3	Early event date determined for one ICP. 11 incorrect response codes.	Still existing
Losing trader must provide final information - switch move	4.10	11 of schedule 11.3	Incorrect daily kWh for one ICP.	Still existing
HHR aggregates	11.4	15.8	Aggregates file contains submission information.	Still existing

Subject	Section	Clause	Recommendation	Status
Relevant information	2.1	15.2	Require Intellihub Limited to provide replacement data for all time periods.	Cleared
Correction of HHR metering information	8.2	19 of Schedule 15.2	Use the "source" field to display correction reason, technique and which intervals are estimated or corrected.	Cleared

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 examined. The list file was examined to confirm that all information was correct and not misleading, and to identify any registry discrepancies. The registry validation process was examined in detail in relation to the achievement of this requirement.

Audit commentary

FOGY uses the registry as the database of record, and updates ICP attributes directly on the registry through the registry user interface. As part of the update process, FOGY checks the change is correct. There is no validation between FOGY's records and the registry because the registry is the database of record. Registry information is downloaded as an input into:

- the reconciliation process to ensure that aggregation factors are correctly applied,
- the application process to determine whether an ICP can validly sign up,
- meter changes and removals, and
- other processes as needed.

Registry notification files are not reviewed, and registry acknowledgement files are processed automatically. Any record with an acknowledgement code other than "000" (no error – update was successful) generates an email which is reviewed and actioned by FOGY.

Two ICPs with incorrect statuses or status event dates were identified:

- ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit. The consumption had occurred recently, and had it not been identified during the pre-audit review I expect it would have been identified and resolved through FOGY's validation process as discussed in **section 3.9**.
- 0268714120LCD0A was updated to inactive from 26 February 2021 but should have been inactive from 23 February 2021. The ICP is no longer supplied by FOGY, so the status event date has not been corrected. All consumption for the ICP has been reported by FOGY.

FOGY's services agreement for Metrix, Counties Power and Intellihub meters states that "an estimated value may be provided when an actual read is unavailable, and replacement/catch-up data will be provided if/when available." Intellihub provides estimates to FOGY where actual data is not available. The Intellihub Limited audit report records compliance for the estimation technique and audit trail, but records non-compliance for the provision of complete and accurate information, because replacement data is only provided for a 15-day period.

The previous audit recorded that ICP 0000109786UNDED had 12 intervals estimated on 29 January 2020 and 24 intervals estimated on 30 January 2020. FOGY requested the actual data for this ICP, but it was unable to be obtained and a permanent estimate was created.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: Clause 11.2 From: 23-Feb-21 To: 24-Jun-21	ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit. ICP 0268714120LCD0A was updated to inactive from 26 February 2021 but should have been inactive from 23 February 2021, and the status date has not been corrected because the ICP switched out. Intellihub estimated data not replaced with actual data unless the actual data is obtained within the catch-up window of 15 days of the estimate. Potential impact: None Actual impact: None Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are moderate overall because: <ul style="list-style-type: none">Intellihub estimates because complete and accurate data is provided most of the time.There are processes in place to identify and report inactive consumption, and status corrections are processed as necessary. The impact is low because: <ul style="list-style-type: none">Inactive consumption is submitted, and the incorrect status has been corrected.There will only be small quantities of estimates still existing after the catch-up window.		
Actions taken to resolve the issue		Completion date	Remedial action status
Additional Process Checks put in place to reduce risk incorrect statuses. Volume will continue to be submitted for both Active and Inactive sites to ensure submissions are correct		18/08/2021	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
As Above	18/08/2021	

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

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

Audit commentary

This area is discussed in several sections in this report and compliance is confirmed with regard to timeliness and format of information in accordance with Part 15.

Audit outcome

Compliant

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

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

Audit observation

HHR data is collected by MEPs and provided to FOGY by SFTP.

Audit commentary

HHR data is provided by SFTP which ensures the security and integrity of data. It is imported into FOGY's database on receipt, and the raw files are zipped and archived. To confirm the accuracy of data transfer:

- I traced HHR data and readings from the MEP's source files to FOGY's database for three days for seven ICPs; the volumes and readings were recorded and labelled correctly, and
- I traced one month of HHR data from FOGY's database to the HHR aggregates submission for seven ICPs, which confirmed that the submissions were consistent with the data in the database.

The sample of ICPs included all MEPs who provide data.

Audit outcome

Compliant

2.4. Audit trails (Clause 21 Schedule 15.2)

Code reference

Clause 21 Schedule 15.2

Code related audit information

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

The audit trail must include details of information:

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

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

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

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

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

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

Audit observation

Audit trails were checked, and the results were observed.

Audit commentary

As recorded in **section 8.2**, if an estimate is conducted and actual data is subsequently provided by the MEP, the original estimated row is labelled as “double” and is ignored for billing and submission. Estimates are identified at trading period and daily level, and the previous audit recommendation to display the source field (which contains the calculation method) has been implemented.

Estimated data is supplied by Intellihub Limited. These estimates are identified by use of a Bit Sign which is stored with each interval. “1” means actual data and “-1” means estimated data.

Appropriate audit trails are in place for all other activities.

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

I reviewed the current terms and conditions for all brands supplying ICPs under the FOGY participant code.

Audit commentary

The terms and conditions are compliant with this clause within a section called "Access to your Property".

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

The trader must use its best endeavours to provide access:

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

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

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

Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the FOGY participant code.

Audit commentary

The terms and conditions are compliant with this clause within a section called "Access to your Property". All attempts to access metering during the audit period have been successful.

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

Examination of the registry list confirmed all ICPs have meter category 1 and a compensation factor of 1.

Audit commentary

FOGY is not responsible for any metering installations with loss compensation factors.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

- the Authority to assign the rights and obligations of the trader under the contract to another trader if the trader commits an event of default under paragraph (a) or (b) or (f) or (h) of clause 14.41 (clause 11.15B(1)(a)); and*
- the terms of the assigned contract to be amended on such an assignment to—*
- the standard terms that the recipient trader would normally have offered to the customer immediately before the event of default occurred (clause 11.15B(1)(b)(i)); or*
- such other terms that are more advantageous to the customer than the standard terms, as the recipient trader and the Authority agree (clause 11.15B(1)(b)(ii); and*
- the terms of the assigned contract to be amended on such an assignment to include a minimum term in respect of which the customer must pay an amount for cancelling the contract before the expiry of the minimum term (clause 11.15B(1)(c)); and*
- the trader to provide information about the customer to the Authority and for the Authority to provide the information to another trader if required under Schedule 11.5 (clause 11.15B(1)(d)); and*
- the trader to assign the rights and obligations of the trader to another trader (clause 11.15B(1)(e)).*

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

Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the FOGY participant code.

Audit commentary

The terms and conditions are compliant with this clause within a section called “Electricity industry compliance”.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

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

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

Audit observation

FOGY does not deal with new connections. Examination of the AC020 and event detail reports confirmed that no new connections have occurred.

Audit commentary

FOGY does not deal with new connections.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

- *for a point of connection to the grid – the grid owner has approved the connection*
- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
 - o *the trader is recorded in the registry as the trader responsible for the ICP or has an arrangement with the customer and initiates a switch within 2 business days of electrical connection*

- *if the ICP has metered load, 1 or more certified metering installations are in place*
- *if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the temporary electrical connection.*

Audit observation

FOGY does not deal with new connections. Examination of the AC020 and event detail reports confirmed that no new connections have occurred.

Audit commentary

FOGY does not deal with new connections.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(1)

Code related audit information

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

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

Audit observation

The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

All active ICPs have an MEP recorded and metering installed.

FOGY does not deal with new connections, and all reconnected ICPs had valid meter certification at the time of reconnection.

No meters were bridged during the audit period.

Audit outcome

Compliant

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

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

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

Audit observation

I checked that use of system agreements or arrangements were in place with the relevant distributors.

Audit commentary

The systems API (application program interface) retrieves registry information as part of the application process to determine whether the ICP meets FOGY's sign-up criteria. Applications for ICPs connected to networks where no trading arrangements are in place are declined.

FOGY began trading on the ORON, COUP, TOPE, EAST and HEDL networks during the audit period. Arrangements are in place with all relevant networks, and agreements are in the process of being formalised.

Audit outcome

Compliant

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

I checked that agreements or arrangements were in place with the relevant MEPs.

Audit commentary

The systems API (application program interface) retrieves registry information as part of the application process to determine whether the ICP meets FOGY's sign-up criteria. Applications for ICPs connected with MEPs where no trading arrangements are in place are declined.

FOGY began supplying ICPs with COUP, IHUB, SMCO and ARCS as MEPs during the audit period. FOGY has arrangements in place with all relevant MEPs.

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

The process for reconnecting ICPs during switch in was examined. The event detail report was reviewed to identify all reconnected ICPs, and check compliance.

Audit commentary

If an ICP was reconnected as part of the switching process and the switch was later withdrawn, FOGY would restore the disconnection and reimburse the losing trader for any direct costs incurred if requested.

Two ICPs had reconnections and withdrawals during the audit period. In both cases, the reconnection occurred within FOGY's period of supply.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

The disconnection process was examined.

Traders are only able to update the ICP status for event dates where they are responsible for the ICP on the registry. The event detail report was reviewed to identify all ICPs which were disconnected during the audit period where an NT was received from another trader. These ICPs were checked to determine whether the disconnection event date was after the NT receipt date and/or NT event date.

Audit commentary

FOGY's policy is not to disconnect any ICP in the process of switching out.

73 ICPs which were disconnected during the audit period had NT files issued by the other trader, and in all cases the NT was received after FOGY had completed the disconnection.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

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

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

Audit observation

Policies and processes for removal and breakage of seals were reviewed. I checked ICPs where work had been conducted which could have resulted in seals being removed or broken, to determine compliance.

Audit commentary

All activities which could result in seals being removed or broken are completed by the MEP or their subcontractors. The MEPs are required to ensure that only qualified personnel perform work and manage and trace seals.

FOGY receives work completion paperwork from the MEPs and uses this information to confirm the correct ICP attributes including status and update the registry. The MEPs do not usually provide details of seals in their job completion paperwork.

I checked ICPs where work had been conducted which could have resulted in seals being removed or broken:

- disconnections and reconnections were mainly conducted remotely, and where seals were removed or broken FOGY confirmed that the MEP had been notified,
- five ICPs had distributed generation added and I flow metering installed by the MEP, and
- no bridged meters were identified.

Audit outcome

Compliant

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

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

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

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

If the trader bridges a meter, the trader must:

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

The trader must determine meter readings as follows:

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

Audit observation

Processes for bridged meters were reviewed, and events that could have resulted in meter bridging or been caused by meter bridging were reviewed.

Audit commentary

FOGY only supplies HHR meters, which are usually disconnected and reconnected remotely. FOGY does not normally allow meters to be bridged. Meters would only be bridged under extreme circumstances, such as power restoration following flooding.

No bridged meters were identified during the audit period. All reconnections were conducted remotely, and all periods of zero consumption identified were genuine and did not occur due to faults or meter bridging.

If bridging did occur, FOGY would estimate consumption for the bridged period based on usage before and/or after bridging occurred.

Audit outcome

Compliant

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

Code reference

Clause 11.30

Code related audit information

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

Audit observation

The process to ensure that the ICP identifier is printed on every invoice or document relating to the sale of electricity was checked, including reviewing invoices for all brands supplying ICPs under the FOGY participant code.

Audit commentary

FOGY's billing run information is used to populate an invoice template, and the invoice details are stored against each ICP and customer so that invoices can be reproduced if needed, and the information remains available. I viewed invoices for each brand and confirmed that the ICP number is displayed.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Utilities Disputes is provided to customers was reviewed for all brands supplying ICPs under the FOGY participant code.

Audit commentary

Information on Utilities Disputes is provided for all brands:

- on invoices and outbound communications relating to invoices,
- on outbound written communications in relation to enquiries and complaints,
- on their websites, and
- in their terms and conditions.

Each brand's terms and conditions state that they do not have a call centre and that email is the primary form of contact between the customer and retailer.

Audit outcome

Compliant

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Powerswitch is provided to customers was reviewed for all brands supplying ICPs under the FOGY participant code.

Audit commentary

All ICPs supplied by FOGY have residential ANZSIC codes. Information on Powerswitch is provided:

- in outbound communications about price and service changes,
- in outbound communications about customer billing,
- on their websites, and
- via email on 1 April of each year.

Audit outcome

Compliant

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

FOGY does not deal with new connections. Examination of the AC020 and event detail reports confirmed that no new connections have occurred.

Audit commentary

FOGY does not deal with new connections.

Audit outcome

Compliant

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

Code reference

Clause 11.7(2)

Code related audit information

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

Audit observation

The registry update process was reviewed. The registry list and audit compliance reports were examined to confirm process compliance.

Audit commentary

FOGY currently populates the registry manually and does not deal with new connections. The timeliness and accuracy of registry updates is assessed in **sections 3.3, 3.8 and 3.9**.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

The process to manage status changes is discussed in detail in **sections 3.8 and 3.9** below. The process to manage MEP nominations and trader updates was reviewed.

The registry list and audit compliance reports were examined and a sample of late status updates, trader updates and MEP nominations were checked as described in the audit commentary.

Audit commentary

Status updates

Status updates are completed manually using the registry user interface. The timeliness of status updates is set out on the table below.

Event	Year	ICPs notified greater than 5 days	Average notification days	Percentage compliant
Reconnections	2020	2	23.33	33.3%
	2021	3	3.21	78.57%
Disconnections	2020	1	8	0%
	2021	4	3.89	91.30%

All late updates were examined and were caused by delays in processing the changes.

Trader updates

Trader updates including MEP nominations are completed manually using the registry user interface. The timeliness of trader updates is set out on the table below.

Event	Year	ICPs notified greater than 5 days	Average notification days	Percentage compliant
Trader updates	2020	N/A	N/A	N/A

Event	Year	ICPs notified greater than 5 days	Average notification days	Percentage compliant
	2021	0	0.00	100.00%

The AC020 report did not record any ANZSIC code updates made more than 20 business days after FOGY began trading at the ICP.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: Clause 10 Schedule 11.1 From: 04-Nov-20 To: 04-Jun-21	Three late updates to active status for reconnections. Four late updates to inactive status for disconnections. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because most updates are made on time. The audit risk rating is low because the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Increased Monitoring of Completion notifications for disconnections and reconnections, plus increased monitoring of metering data to identify changes in volume for disconnected sites		30/09/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Improved process for confirming completion of disconnections and reconnections to ensure updates made within required timeframes		18/08/2021	

3.4. Trader responsibility for an ICP (Clause 11.18)

Code reference

Clause 11.18

Code related audit information

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

A trader ceases to be responsible for an ICP if:

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

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

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

Audit observation

FOGY does not deal with new connections. Examination of the AC020 and event detail reports confirmed that no new connections have occurred.

The MEP nomination and decommissioning processes were reviewed, and the registry list and audit compliance reports were examined to confirm process compliance. MEP nominations and decommissioned ICPs were examined.

Audit commentary

Retailers responsibility to nominate and record a MEP in the registry

All ICPs supplied by FOGY are metered and have an MEP recorded in the registry. No new connections were completed, and all seven MEP nominations made during the audit period were accepted.

Decommissioning

Final interrogations will occur for decommissioned ICPs because data is provided daily. Four ICPs were decommissioned during the audit period, and FOGY met the requirement to obtain a final reading and notify the MEP.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.1

Code related audit information

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

- a) *the participant identifier of the trader, as approved by the Authority (clause 9(1)(a))*
- b) *the profile code for each profile at that ICP, as approved by the Authority (clause 9(1)(b))*
- c) *the metering equipment provider for each category 1 metering or higher (clause 9(1)(c))*
- d) *the type of submission information the trader will provide to the RM for the ICP (clause 9(1)(ea))*
- e) *if a settlement type of UNM is assigned to that ICP, either:*

- the code ENG if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or
- in all other cases, the daily average kWh of unmetered load at the ICP (clause 9(1)(f)(ii)).
- the type and capacity of any unmetered load at each ICP (clause 9(1)(g))
- the status of the ICP, as defined in clauses 12 to 20 (clause 9(1)(j))
- except if the ICP exists for the purposes of reconciling an embedded network or the ICP has distributor status, the trader must provide the relevant business classification code applicable to the customer (clause 9(1)(k)).

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

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

Audit observation

FOGY does not deal with new connections. Examination of the AC020 and event detail reports confirmed that no new connections have occurred.

Audit commentary

Review of the AC020 and event detail reports confirmed there were no new connections, and no data discrepancies relating to new connection information.

Audit outcome

Compliant

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

Code reference

Clause 9 (1)(k) of Schedule 11.1

Code related audit information

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

Audit observation

FOGY only supplies ICPs with residential ANZSIC codes. The registry list and AC020 reports were reviewed and ANZSIC codes were checked for a sample of ICPs to determine compliance.

Audit commentary

All FOGY ICPs are residential with metering category 1, and the registry ANZSIC codes reflect this.

I checked a random sample of 25 ICPs against google street view information and they appeared to be residential.

Audit outcome

Compliant

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

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

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

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

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

Audit observation

Review of the registry list with history and AC020 reports confirmed that no ICPs with unmetered load have been supplied, and there were no unmetered load discrepancies.

Audit commentary

No ICPs with unmetered load have been supplied, and FOGY does not intend to supply unmetered load.

The systems API (application program interface) retrieves registry information as part of the application process to determine whether the ICP meets FOGY's sign-up criteria. Applications for ICPs with unmetered load are declined.

Any new additions of unmetered load are identified as part of the pre-submission checks, which identify ICPs where the distributor unmetered load details, shared ICP, daily unmetered kWh, or trader unmetered load details are not null, or the unmetered flag is yes. This check is completed following import of the registry list data which is used to determine aggregation factors for submission.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 11.1

Code related audit information

The ICP status of "active" is managed by the relevant trader and indicates that:

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

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

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

Audit observation

FOGY does not deal with new connections. Examination of the AC020 and event detail reports confirmed that no new connections have occurred.

The timeliness of data for reconnections is assessed in **section 3.3**, and a sample of 10 updates were checked for accuracy.

Audit commentary

Reconnection and registry population processes are manual. Active status updates are processed once FOGY has received written confirmation of the reconnection from the MEP.

All ICPs have metering installed and only have one customer. Submission occurs for all ICPs regardless of status, to ensure all consumption information is captured.

I checked a sample of ten reconnections. The updates were processed with the correct status and event date apart from 0000601456UNBA7 which was updated to active from 22 October 2020 but should have been active from 20 October 2020. The status date was corrected by Genesis (who reconnected the ICP during their period of supply) prior to the audit.

Audit outcome

Compliant

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

Code reference

Clause 19 Schedule 11.1

Code related audit information

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

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

Audit observation

The disconnection process was examined using the AC020 and event detail reports. The timeliness of data for disconnections is assessed in **section 3.3**, and a sample of updates were checked for accuracy.

Audit commentary

Disconnection and registry population processes are manual. Inactive status updates are processed once FOGY has received written confirmation of the disconnection from the MEP.

FOGY does not complete new connections, and no ICPs are at “inactive new connection in progress” status. No ICPs with the AMI flag set to no had the “electrically disconnected remotely by AMI meter” status reason code applied.

I checked a sample of 11 inactive status updates including at least three (or all) active updates to each inactive status. The updates were processed with the correct status and event date apart from 0268714120LCD0A which was updated to inactive from 26 February 2021 but should have been inactive from 23 February 2021. This is recorded as non-compliance in **section 2.1**. The ICP is no longer supplied by FOGY, so the status event date has not been corrected. All consumption for the ICP has been reported by FOGY.

A weekly check of ICPs with inactive status and non-zero consumption is conducted. ICPs are moved to active status as necessary. I checked all 41 ICPs which had inactive vacant periods and found 31 had inactive periods which occurred between November 2020 and May 2021 (which HHR aggregates files were supplied for). I checked the HHR aggregates submissions for the inactive periods, and found four ICPs had consumption reported, confirming that all consumption is captured and reported regardless of status.

- Two ICPs had a fraction of a kWh of consumption reported due to meter creep for remotely disconnected meters where the meter is consuming a small amount of energy.
- ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit. The consumption had occurred recently, and had it not been identified during the pre-audit review I expect it would have been identified and resolved through FOGY’s validation process.

- One ICP had estimated consumption, but FOGY later discovered that there was genuinely no consumption during the period due to a fire at the property and corrected the estimate to zero for later revisions.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.9 With: Clause 19 Schedule 11.1 From: 27-Apr-21 To: 24-Jun-21	ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit. Potential impact: None Actual impact: None Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are strong because there are process in place to identify and report inactive consumption. Status corrections are processed as necessary. The impact is low because inactive consumption is submitted, and the incorrect status has been corrected.		
Actions taken to resolve the issue		Completion date	Remedial action status
Improved Process and increased frequency of inactive with Consumption Checks		18/08/2021	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Improved Process and increased frequency of inactive with Consumption Checks		18/08/2021	

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

FOGY does not deal with new connections. Examination of the registry list, AC020 and event detail reports confirmed that no new connections have occurred, and no ICPs are at "new" or "ready" status.

Audit commentary

No new connections occurred during the audit period, and there are no ICPs with a status of "new" or "ready" where FOGY is the proposed trader.

Audit outcome

Compliant

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The switch gain process was examined to determine when FOGY deem all conditions to be met. A typical sample of NTs were checked to confirm that these were notified to the registry within two business days, and that the correct switch type was selected.

Audit commentary

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

Transfer switch type is applied where a customer is transferring between retailers at an address. This information is collected as part of the customer application process, by asking whether the customer is "paying bills to another retailer for this property" or is "moving in and/or have not paid bills to another retailer for this property".

All 751 transfer switch NTs had metering category 1 applied. I checked the five most backdated NTs and found the NTs were issued on the day that pre-conditions were cleared, and the correct switch type was selected.

Audit outcome

Compliant

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

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The event detail report was reviewed to:

- identify AN files issued by FOGY during the audit period,
- assess compliance with the requirement to meet the setting of event dates requirement, and
- a diverse sample ANs were checked to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

Audit commentary

AN files are created manually using the registry user interface, and timeliness is monitored using the switch breach report.

All 351 transfer ANs had the AD (advanced metering) response code applied, and AMI metering was present.

The event detail report was reviewed to assess compliance with the setting of event date requirements:

- 323 ANs (92.0%) all had proposed event dates within five business days of the NT arrival date, and
- all 351 ANs had proposed event dates within ten business days of the NT arrival date.

The switch breach report did not record any AN breaches.

Audit outcome

Compliant

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

Code reference

Clause 5 Schedule 11.3

Code related audit information

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

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

Audit observation

An event detail report was reviewed to identify CS files issued by FOGY during the audit period. The accuracy of the content of CS files was confirmed by checking a sample of files. The content checked included:

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

CS files with an average daily kWh that was negative, zero, or over 200 kWh were identified and checked.

The process to manage the sending of the CS file within five business days was examined, and the switch breach history report for the audit period was reviewed for CS breaches.

Audit commentary

CS timeliness

CS files are created manually using the registry user interface, and timeliness is monitored using the switch breach report.

The switch breach history report contained 22 E2 breaches for CS files which were sent more than ten business days after NT receipt. All of the files were sent one business day late, due to an unusually high volume of ICP losses during a period of high spot prices.

CS content

The Registry Functional Specification v22.21 states that average daily consumption within the CS file should be the average kWh per day for the last read period. FOGY's estimated daily kWh is calculated between the last two actual readings, and if less than two actual readings were available the value from the incoming CS would be applied. Analysis of estimated daily kWh in the event detail report found:

Estimated daily kWh	Count of transfer CS files	Findings
Negative	-	Compliant.
Zero	1	Compliant. I confirmed that there was no consumption between the last two actual reads.
More than 200 kWh	-	Compliant.

I checked all 340 transfer CS files for consistency between event read types and last actual read dates. I identified seven inconsistencies, including four files with actual reads where the last actual read date was not on the last day of supply, and three files with estimated reads where the last actual read date was on the last day of supply. The files were checked, and the following CS content issues were identified:

ICP	Event date	Event read	Event read type	Last actual read date	Average daily kWh
0000538589NRFB3	21/09/20	Correct	MEP estimate classified as actual.	Correct.	Not consumption between last two actual reads in period of supply.
0003185024HBF14	22/07/20	Reflects actual read on 22/07/20 not 21/07/20. Event read is 43 kWh higher than expected read.	Correct.	Last actual after period of supply.	Not consumption between last two actual reads in period of supply.
0000374442TU2A1	01/05/20	Correct.	Correct.	The day of the last estimate not the last actual.	Correct.
1002053796UNF25	14/01/21	Correct.	Correct.	The day of the last estimate not the last actual.	Correct.
0461763001LC4D6	4/09/2020	Correct.	Correct.	Last actual read receipt date, not read date.	Correct.

I reviewed FOGY's process documentation and recommend some minor clarifications to help to ensure future compliance:

Description	Recommendation	Audited party comment	Remedial action
CS creation process documentation	<p>Update the CS complete switch process documentation as follows:</p> <p>Average daily consumption should be the average daily consumption between the last two actual readings during FOGY's period of supply. If there are less than two actual readings the incoming CS average daily consumption should be applied.</p> <p>The last actual read date should be the last actual read date during FOGY's period of supply.</p>	FOGY will refine the CS process to ensure average daily is based on reads in the FOGY period of supply.	Identified

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: Clause 5 Schedule 11.3 From: 24-Jul-20 To: 15-Jun-21	22 E2 breaches. Five transfer CS files contained some incorrect information. 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 rated as moderate: <ul style="list-style-type: none">errors were only identified for 5/340 transfer switch CS files, andall the late CS files were sent one business day late, due to an unusually high volume of ICP losses during a period of high spot prices. The impact is low, because the late files were one business day late and the errors in CS files either did not affect settlement or had a minor impact on settlement.		
Actions taken to resolve the issue		Completion date	Remedial action status
This was primarily related to dropping a large number of customer due to the impacts of extended periods of high spot prices. Should this sort of event happen again in the future, additional resources will be used to completed these on time using existing processes that are robust and compliant		18/08/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Appropriate resources will be assigned to complete CS files if this sort of situation arises again in the future			

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The process for the management of read change requests was examined.

The event detail report was analysed to identify all read change requests and acknowledgements during the audit period, and a sample of files were checked.

I also checked a sample of five estimated CS files provided by other traders where no RR was issued to determine whether the correct readings were recorded.

The switch breach report was reviewed to identify late RR and AC files.

Audit commentary

RR requests are generally initiated via email between the two parties and only once an agreement has been reached an RR file is sent to complete. All RR requests are evaluated and validated against the ICP information. If the request is within validation requirements these are accepted. RR files are generated automatically, and AC files are generated manually. Timeliness of AC files is monitored using the switch breach history report.

FOGY issued 96 RR files for transfer switches. 24 were rejected and 72 were accepted. A sample of five rejected files and five accepted files were checked. In all cases there was a genuine reason for FOGY's RR, the file content was accurate and supported by two actual reads obtained by FOGY (or was as requested by the other trader), and the reads recorded in FOGY's system reflected the outcome of the RR process.

A review of five transfer CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in FOGY's systems.

FOGY received three RRs for transfer switches, which they accepted. The correct reads were recorded in FOGY's system.

The switch breach report recorded no late RR or AC files for transfer switches.

Audit outcome

Compliant

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

The process for the management of read requests was examined. The event detail report was analysed to identify read change requests issued and received under Clause 6(2) and (3) Schedule 11.3 and determine compliance.

Audit commentary

These RR requests are processed in the same way as those received for greater than 200 kWh. Each request is evaluated and validated against the ICP information. If the request is within validation requirements these are accepted.

FOGY is a HHR only trader, and this clause does not apply where FOGY is the losing trader.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

The switching process documentation was examined.

Audit commentary

There have not been any disputes.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

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

Audit observation

The switch gain process was examined to determine when FOGY deem all conditions to be met. A typical sample of NTs were checked to confirm that these were notified to the registry within two business days, and that the correct switch type was selected.

Audit commentary

FOGY’s processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986. Switch move NT files are sent at 4am the day after all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

Switch move is applied where a new customer is moving into an address. This information is collected as part of the customer application process, by asking whether the customer is “paying bills to another retailer for this property” or is “moving in and/or have not paid bills to another retailer for this property”.

All 266 switch move NTs had metering category 1 applied. I checked the five most backdated NTs and found that they were issued on time. The switch type selected was consistent with information the customer provided on application.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

- 10(1)(a) *If the losing trader accepts the event date proposed by the gaining trader, the losing trader must complete the switch by providing to the registry manager:*
 - o *confirmation of the switch event date; and*
 - o *a valid switch response code; and*
 - o *final information as required under clause 11; or*
- 10(1)(b) *If the losing trader does not accept the event date proposed by the gaining trader, the losing trader must acknowledge the switch request to the registry manager and determine a different event date that—*
 - o *is not earlier than the gaining trader’s proposed event date, and*
 - o *is no later than 10 business days after the date the losing trader receives notice; or*
- 10(1)(c) *request that the switch be withdrawn in accordance with clause 17.*

Audit observation

The event detail report was reviewed to:

- identify AN files issued by FOGY during the audit period,
- assess compliance with the requirement to meet the setting of event dates requirement, and
- a diverse sample ANs were checked to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

Audit commentary

AN

AN files are created manually using the registry user interface, and timeliness is monitored using the switch breach report.

AN response codes were checked:

- 188 ANs had the AD (advanced metering) response code, all had the AMI flag set to yes,
- one AN had the AA (acknowledge and accept) response code, but had the AMI flag set to yes and should have had the AD response code applied; this is believed to be a data entry error, and
- 25 ICPs had the OC (occupied premises) response code; a sample of five ICPs were checked and confirmed to have the correct response code.

The event detail report was reviewed to assess compliance with the setting of event dates requirements:

- two ANs had proposed event dates before the gaining trader’s proposed event date; for one ICP the customer’s move out date was applied in error, and the other ICP had a data entry error, and
- all 214 ANs had proposed event dates within ten business days of the NT arrival date.

The switch breach report did not record any AN breaches.

CS

CS files are created manually using the registry user interface, and timeliness is monitored using the switch breach report. The switch breach report did not record any breaches for CS timeliness.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.8 With: 10(1) Schedule 11.3 From: 10-Jun-20 To: 04-Jun-21	One AN contained the AA response code but should have had AD. Two ANs had proposed event dates before the gaining trader's proposed event date. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are moderate, because the process to generate ANs is manual and only a small number of data entry errors were identified. If processes are correctly followed compliant event dates and response codes will be applied. The audit risk rating is low because impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Confirmed existing processes are suitable and confirmed criteria for AN responses and timings with team		18/08/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Confirmed existing processes are suitable and confirmed criteria for AN responses and timings with team		18/08/2021	

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

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

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

Audit observation

The event detail report was reviewed to identify AN files issued by FOGY during the audit period, and assess compliance with the requirement to meet the setting of event dates requirement.

Audit commentary

Nine switch move AN files had proposed event dates which were different to the gaining trader's proposed event date.

- three switches were withdrawn before the CS files were issued, and
- six switches were completed - five from the gaining trader's proposed event date and one from FOGY's proposed event date; final information was provided in accordance with this clause.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

An event detail report was reviewed to identify CS files issued by FOGY during the audit period. The accuracy of the content of CS files was confirmed by checking a sample of files. The content checked included:

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

CS files with an average daily kWh that was negative, zero, or over 200 kWh were identified and a sample of five were checked.

The process to manage the sending of the CS file within five business days was examined, and the switch breach history report for the audit period was reviewed for CS breaches.

Audit commentary

The Registry Functional Specification v22.21 states that average daily consumption within the CS file should be the average kWh per day for the last read period. FOGY's estimated daily kWh is calculated between the last two actual readings, and if less than two actual readings were available the value from the incoming CS would be applied. Analysis estimated daily kWh in the event detail report found:

Estimated daily kWh	Count of switch move CS files	Findings
Negative	-	Compliant.

Estimated daily kWh	Count of switch move CS files	Findings
Zero	15	Compliant. I checked a sample of five CS files and confirmed that there was no consumption between the last two actual reads.
More than 200 kWh	-	Compliant.

I checked all 180 switch move CS files for consistency between event read types and last actual read dates. I identified five inconsistencies, including three files with actual reads where the last actual read date was not on the last day of supply, and two files with estimated reads where the last actual read date was on the last day of supply. The files were checked, and the following CS content issues were identified:

ICP	Event date	Event read	Event read type	Last actual read date	Average daily kWh
0315347090LC8B2	13/07/20	Reflects last actual read on 20/07/20 not 12/07/20. Event read is 21 kWh higher than expected read.	Correct.	Last actual after period of supply.	Not consumption between last two actual reads in period of supply.
0246466049LCFBB	04/08/20	Reflects actual read on 01/07/20 not 03/08/20. Read should have been estimated to 03/08/20 and read later received for 03/08 was 4 kWh higher than the event read.	Should have been estimated as it did not relate to the last day of supply, and an actual read for that date was not available at the time the CS was issued.	Before last actual read date.	Correct.
0000741659TU36C	16/12/20	Correct.	Correct.	Last actual after period of supply.	Not consumption between last two actual reads in period of supply.
0000069296TREA9	01/03/21	Correct.	Correct.	The day of the last estimate not the last actual.	Incorrect should be zero.
0268714120LCD0A	27/05/21	Correct.	Correct.	The day of the last estimate not the last actual.	Correct.

The switch breach history report contained four E2 breaches. Two were not genuine because they were completed on the proposed event date.

- 0424420031LC891's switch was withdrawn and re-processed on the correct event date.
- 0425144240LC43C was requested to switch effective from 19 February 2021 on 19 February 2021, but the AN date and switch completion date was 9 February 2021.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: Clause 11 Schedule 11.3 From: 21-Jul-20 To: 01-Jun-21	Two E2 breaches. Five switch move CS files contained some incorrect information. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as moderate, errors were only identified for 5/180 switch move CS files, and two E2 breaches were identified. The impact is low, because the errors in CS files either did not affect settlement or had a minor impact on settlement, and the E2 breaches had a minor impact on the other trader and customer.		
Actions taken to resolve the issue		Completion date	Remedial action status
CS File Checklist updated with additional Check to complete before sending CS Files		31/08/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
CS File Checklist updated with additional Check to complete before sending CS Files		31/08/2021	

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

Code reference

Clause 12 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The process for the management of read change requests was examined.

The event detail report was analysed to identify all read change requests and acknowledgements during the audit period, and a sample of files were checked.

I also checked a sample of five estimated CS files provided by other traders where no RR was issued to determine whether the correct readings were recorded.

The switch breach report was reviewed to identify late RR and AC files.

Audit commentary

RR requests are generally initiated via email between the two parties and only once an agreement has been reached an RR file is sent to complete. All RR requests are evaluated and validated against the ICP information. If the request is within validation requirements these are accepted.

FOGY issued 54 RR files for switch moves. 12 were rejected and 42 were accepted. A sample of five rejected files and five accepted files were checked. In all cases there was a genuine reason for FOGY's RR, the file content was accurate, and the reads recorded in FOGY's system reflected the outcome of the RR process. One RR was not supported by two actual reads.

A review of five CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in FOGY's systems.

FOGY received three RRs for transfer switches, which they accepted. The correct reads were recorded in FOGY's system.

The switch breach report recorded no late AC files and two late RR files for transfer switches. The RRs were late due to delays in obtaining the two actual reads required to support the RR, and missing an email response from the other trader querying FOGY's proposed RR.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.11 With: Clause 12 Schedule 11.3 From: 16-Jun-20 To: 15-Jun-21	Two RR breaches. The RR for 0000812321TUECE (09/06/20) was not supported by two actual readings. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong, because very few files were late or contained errors. The audit risk rating is low because impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
RR Creation routine updated to ensure HHR data and reads are Actual before creating RR		30/09/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Processes updated to confirm RR values are based on 2 actual Reads		18/08/2021	

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

Code reference

Clause 14 Schedule 11.3

Code related audit information

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

- *the gaining trader will trade electricity through a half hour metering installation that is a category 3 or higher metering installation; or*
- *the gaining trader will trade electricity through a non-AMI half hour metering installation and the losing trader trades electricity through a non-AMI non half hour metering installation; or*
- *the gaining trader will trade electricity through a non-AMI non half hour metering installation and the losing trader trades electricity through a non-AMI half hour metering installation*

If the uninvited direct sale agreement applies to an arrangement described above, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement

in accordance with section 36M of the Fair Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.

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

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

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

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

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

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

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

Audit observation

FOGY does not deal with any HH switches.

Audit commentary

Review of the event detail report confirmed that all 1,017 ICPs which had NTs issued had metering category 1 and were issued with a transfer or switch move switch type.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

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

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

Audit observation

FOGY does not deal with any HH switches.

Audit commentary

Review of the event detail report confirmed that no HH AN files were issued. All ICPs supplied have metering category 1.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

FOGY does not deal with any HH switches.

Audit commentary

Review of the event detail report confirmed that no HH CS files were issued. All ICPs supplied have metering category 1.

Audit outcome

Compliant

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

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

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

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

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*
 - *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
 - and*
 - *the withdrawal advisory code published by the Authority (clause 18(c)(ii))*
- *within 5 business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal (clause 18(d))*

- *on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c). All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request (clause 18(e))*
- *if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within 2 business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16 (clause 18(f))*

Audit observation

The event detail report was reviewed to:

- identify all switch withdrawal requests issued by FOGY, and a sample were checked, and
- identify all switch withdrawal acknowledgements issued by FOGY, and a sample were checked.

The switch breach history reports were checked for any late switch withdrawal requests or acknowledgements.

Audit commentary

NW and AW files are issued manually using the registry user interface and timeliness of AW files is monitored using the switch breach history report. NW codes are determined from customer and registry data.

110 NW files were issued by FOGY. 12 (10.9%) were rejected and 98 were accepted. I reviewed a diverse sample of two (or all) NWs per NW advisory code, including seven NWs which were rejected. Nine had the correct NW code assigned based on the information available at the time the withdrawal was issued. Two had the DF (date failed) code assigned where the customer provided an incorrect move in date, and the CE (customer error) code should have been applied. DF should only be used where the requested transfer date is more than ten business days in the future.

Five (7%) of the 71 AWs issued by FOGY were rejections. I reviewed all five rejections by FOGY, and confirmed they were rejected based the information available at the time the response was issued.

The switch breach report did not record any late AW files. Two NA breaches were recorded for late NW files:

- one was delayed by a backdated CS file, and was issued on the switch completion, and
- for the other ICP, another trader found vacant consumption and believed FOGY's customer was responsible, but FOGY had confirmation that their customer moved in after the period of consumption; this led to disagreement with the other trader and several NWs and AWs being processed, with a delayed response while FOGY tried to negotiate with the other trader.

Review of the event detail report did not identify any other late NW files.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.15 With: Clauses 17 and 18 Schedule 11.3 From: 18-Jan-21 To: 01-Apr-21	Two NA breaches. Two NWs had the DF reason code applied but should have had CE. 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 as most files were processed accurately and on time. The impact on other participants is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Process Updated		30/09/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Additional steps added to Process to validate NW reasons before sending		31/09/2021	

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The meter reading process in relation to meter reads for switching purposes was examined.

Audit commentary

The reads applied in switching files were examined in **section 4.3** for standard switches, **section 4.10** for switch moves, and **sections 4.4** and **4.11** for read changes. The meter readings used in the switching process are validated meter readings or permanent estimates.

Three CS files did not contain readings for the end of FOGY's last day of supply:

Switch type	ICP	Event date	Finding
TR	0003185024HBF14	22/07/20	Reflects actual read on 22/07/20 not 21/07/20. Event read is 43 kWh higher than expected read.
MI	0315347090LC8B2	13/07/20	Reflects last actual read on 20/07/20 not 12/07/20. Event read is 21 kWh higher than expected read.
MI	0246466049LCFBB	04/08/20	Reflects actual read on 01/07/20 not 03/08/20. Read should have been estimated to 03/08/20 and read later received for 03/08 was 4 kWh higher than the event read.

FOGY's policy regarding the management of meter reading expenses is compliant.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.16</p> <p>With: Clause 21 Schedule 11.3</p> <p>From: 13-Jul-20</p> <p>To: 04-Aug-20</p>	<p>Three CS files did not contain readings for the end of FOGY's last day of supply.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate, errors were only identified for 3/520 CS files.</p> <p>The impact is low, because the errors had a minor kWh impact with a maximum difference of 43 kWh.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
CS Creation Routine enhanced to automate additional date checks and provide last actual date when Estimates provided		31/10/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Processes updated to check last actual vs switch read prior to sending CS file		18/08/2021	

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

Code reference

Clause 11.15AA to 11.15AC

Code related audit information

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

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

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

Audit observation

Winback and withdrawal processes were reviewed.

The event detail report recorded five NWs with the CX (customer cancellation) withdrawal code which were issued within 180 days of switch completion where FOGY was the losing trader. All the switches were checked.

Audit commentary

FOGY sends an automated email to customers, prompting them to contact FOGY if they did not initiate the switch. No enticements or offers are made as part of this process.

I checked the five ICPs where an NW was issued with a CX withdrawal reason code within 180 days of switch completion and confirmed that no enticements were offered.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

Review of the registry list with history and AC020 reports confirmed that no ICPs with unmetered load have been supplied, and there were no unmetered load discrepancies.

Audit commentary

FOGY does not supply any ICPs with unmetered load.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (2)(b)

Code related audit information

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

Audit observation

Review of the registry list with history and AC020 reports confirmed that no ICPs with unmetered load have been supplied.

Audit commentary

FOGY does not supply any ICPs with unmetered load.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

Audit observation

Review of the registry list with history and AC020 reports confirmed that no ICPs with unmetered load have been supplied.

Audit commentary

FOGY does not supply any ICPs with unmetered load.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

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

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

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

Audit observation

Review of the registry list with history and AC020 reports confirmed that no ICPs with unmetered load have been supplied.

Audit commentary

FOGY does not supply any ICPs with unmetered load.

Audit outcome

Compliant

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

Processes for metering, submission, and distributed generation were reviewed. The registry list and AC020 reports were examined to determine compliance.

Audit commentary

Metering installations installed

All ICPs supplied by FOGY are metered and have an MEP recorded in the registry.

Distributed generation

37 ICPs have distributed generation recorded by the distributor. All have X and I flow meter registers installed and HHR profiles. I checked the HHR aggregates submissions for the 36 ICPs which switched in prior to June 2021 and confirmed that non-zero injection flows had been submitted.

Bridged meters

No ICPs had bridged meters during the audit period.

I checked all ten ICPs with zero consumption for more than two months on the HHR aggregates submissions between November 2020 and May 2021. All periods of zero consumption identified were genuine and did not occur due to faults or meter bridging.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

- *provide to the grid owner a copy of the metering installation design (before ordering the equipment)*
- *provide at least 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

FOGY does not have responsibility for any GIPs.

Audit commentary

FOGY does not have responsibility for any GIPs.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The registry list was reviewed to determine which profiles were used, and the AC020 report was reviewed to identify exceptions.

Audit commentary

FOGY only uses the HHR profile, which does not require certification of control devices.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

I checked the controls in place to identify defective metering.

Audit commentary

FOGY has the following checks in place to identify potentially defective metering.

- Sum-check validation between the sum of the intervals and the difference between midnight reads. The threshold is 0.01 kWh.
- An alert for any “null” values, indicating missing data.
- Check for 48 intervals and that a midnight read is present.

No examples of defective meters were identified 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

FOGY does not collect data; this is provided by the MEP.

Audit commentary

FOGY does not collect data; this is provided by the MEP.

Clock synchronisation and meter event reports are received from the MEPs, saved on FOGY's file server, and reviewed weekly to identify any issues that require action. No clock adjustments of more than 30 seconds have been notified to date.

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

FOGY does not collect data; this is provided by the MEP.

Audit commentary

FOGY does not collect data; this is provided by the MEP.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 15.2

Code related audit information

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

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

Audit observation

FOGY only deals with HHR data.

Audit commentary

FOGY only deals with HHR data.

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

FOGY only deals with HHR data.

Audit commentary

FOGY only deals with HHR data.

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

FOGY only deals with HHR data.

Audit commentary

FOGY only deals with HHR data.

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 4 months, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every 4 months for 90% of the non half hour metered ICPs.

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

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

Audit observation

FOGY only deals with HHR data.

Audit commentary

FOGY only deals with HHR data.

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

FOGY only deals with HHR data.

Audit commentary

FOGY only deals with HHR data.

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

HHR data is provided by the MEP and is obtained from the services access interface.

Audit commentary

HHR data is provided by the MEP and is obtained from the services access interface.

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

FOGY does not collect data; this is provided by the MEP.

Audit commentary

FOGY does not collect data; this is provided by the MEP.

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

FOGY does not collect data; this is provided by the MEP.

Audit commentary

FOGY does not collect data; this is provided by the MEP.

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

FOGY does not collect data; this is provided by the MEP.

Audit commentary

FOGY does not collect data; this is provided by the MEP.

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

FOGY does not collect data; this is provided by the MEP.

Audit commentary

FOGY does not collect data; this is provided by the MEP.

FOGY stores all raw meter data files on its server after they are loaded into the database, and they are retained indefinitely. Readings cannot be modified without an audit trail being created, and the original data is retained. I viewed these audit trails, and they are discussed in further detail in **section 2.4**.

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

FOGY does not deal with any non-metering information.

Audit commentary

FOGY does not deal with any non-metering information.

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

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

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

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

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

Audit observation

FOGY only deals with HHR data.

Audit commentary

FOGY only deals with HHR data.

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

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

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

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

Audit observation

I checked the process for estimation and correction, and reviewed examples. The process is the same whether it is an estimation or a correction.

Audit commentary

There are two estimation methodologies. If a midnight read is available on either side of the period to be estimated, the system will automatically calculate and apportion the correct kWh figure between reads evenly across the relevant intervals. If register reads are not available, estimation is conducted manually based on similar historic consumption.

If an estimate is conducted and actual data is subsequently provided by the MEP, the original row (estimated data) is labelled as “double” and is ignored for billing and submission. A row labelled as “Estimate” may have some or all of the intervals estimated. It can be determined which intervals are estimated because they are different to the row above. The source field displays the correction technique and reason at a daily level, and which intervals are estimated or corrected.

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

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

Audit observation

FOGY does not have ICPs with error or loss compensation arrangements.

Audit commentary

FOGY does not have ICPs with error or loss compensation arrangements.

Audit outcome

Compliant

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

Code reference

Clause 19(4) and (5) Schedule 15.2

Code related audit information

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

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

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

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

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

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

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

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

Audit observation

I checked the processes for estimation and correction.

Audit commentary

Raw data is not edited during the estimation and correction processes, and compliant audit trails are created.

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

FOGY does not deal with any NHH data. Identification of actual and estimated HHR volumes were checked.

Audit commentary

Readings and volumes are identified as required by this clause.

Two CS files did not have read types correctly recorded:

Switch type	ICP	Event date	Finding
TR	0000538589NRFBB3	21/09/20	MEP estimate classified as actual.
MI	0246466049LCFBB	04/08/20	Should have been estimated as it did not relate to the last day of supply, and an actual read for that date was not available at the time the CS was issued.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2 From: 04-Aug-20 To: 21-Sep-20	Two CS files had estimated readings classified as actual readings. 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 rated as moderate because a small number of errors were identified. The impact is low, because the errors in CS files either did not affect settlement.

Actions taken to resolve the issue	Completion date	Remedial action status
Same as Clause 21 Schedule 11.3 issue - CS Creation Routine enhanced to automate additional date checks and provide last actual date when Estimates provided	31/10/2021	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Same as Clause 21 Schedule 11.3 issue - Processes updated to check last actual vs switch read prior to sending CS file	18/08/2021	

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

FOGY will not deal with any NHH data. HHR data is used and is estimated or corrected if necessary.

Audit commentary

FOGY will not deal with any NHH data. HHR data is used and is estimated or corrected if necessary.

Audit outcome

Compliant

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

Code reference

Clause 3(5) Schedule 15.2

Code related audit information

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

Audit observation

A sample of submission data was reviewed in **sections 11 and 12**, to confirm that volume was based on readings as required.

Audit commentary

Data is not rounded or truncated until the submission files are produced and then rounding occurs to two decimal places.

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

I checked the process for estimation and correction. The process is the same whether it is an estimation or a correction.

Audit commentary

There are two estimation methodologies. If a midnight read is available on either side of the period to be estimated, the system will automatically calculate and apportion the correct kWh figure between reads evenly across the relevant intervals. If register reads are not available, estimation is conducted manually based on similar historic consumption. The method used is at the user's discretion, and options include:

- a similar day, including days before or after the period to be estimated,
- uniform estimates, which may be based on CS averages and vary by time periods,
- linear estimates, and
- zeros.

If an estimate is conducted and actual data is subsequently provided by the MEP, the original estimated row is labelled as "duplicate" and is ignored for billing and submission. Estimates are identified at trading period and daily level, and the previous audit recommendation to display the source field (which contains the calculation method) has been implemented.

I checked a sample of five estimates and confirmed that FOGY had met the requirement to use reasonable errors and the estimates were within ± 2 kWh of the actual replacement data.

FOGY's services agreement for Metrix, Counties Power and Intellihub meters states that "an estimated value may be provided when an actual read is unavailable; and replacement/catch-up data will be provided if/when available." Intellihub provides estimates to FOGY where actual data is not available. The Intellihub Limited audit report records compliance for the estimation technique and audit trail, but records non-compliance for the provision of complete and accurate information, because replacement data is only provided for a 15-day period. This is recorded as non-compliance in **section 2.1**.

The previous audit recorded that ICP 0000109786UNDED had 12 intervals estimated on 29 January 2020 and 24 intervals estimated on 30 January 2020. FOGY requested the actual data for this ICP, but it was unable to be obtained and a permanent estimate was created.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

FOGY does not deal with any NHH data.

Audit commentary

FOGY does not deal with any NHH data.

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 0 values

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

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

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

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

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

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

Audit observation

I checked the validation processes to confirm compliance.

Audit commentary

HHR validation checks include:

- a sum-check validation between the sum of the intervals and the difference between midnight reads, the threshold is 0.01 kWh,
- a check that a midnight read and data for all intervals is present; missing data is identified in the database because any record with a “null” fails validation,
- if data is provided for a day which already has values populated, one of the rows will be marked as a “duplicate” and will not be used (I checked an example which confirmed compliance),
- zero values are expected, and the sum-check validation will ensure only expected zeros are “passed”,
- consumption for each ICP is checked against previous periods as part of the submission validation checks discussed in **section 12.2**, and
- a weekly check of ICPs with inactive status and non-zero consumption.

Meter event reports are received from the MEPs via SFTP, saved on FOGY’s file server. They are reviewed weekly to identify any issues that could affect meter accuracy which checked and followed up with the MEP as necessary. FOGY provided examples of meter events requiring action to date, confirming that appropriate action is taken to investigate and resolve any issues.

Audit outcome

Compliant

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

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

Code reference

Clause 13.136

Code related audit information

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

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

Audit observation

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit commentary

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit outcome

Not applicable

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

Code reference

Clause 13.137

Code related audit information

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

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

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

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

Audit observation

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit commentary

FOGY does not have responsibilities for the provision of information to the grid owner.

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

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit commentary

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit outcome

Not applicable

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

Code reference

Clause 13.140

Code related audit information

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

Audit observation

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit commentary

FOGY does not have responsibilities for the provision of information to the grid owner.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

The registry list was reviewed to determine which profiles were used.

Audit commentary

FOGY only uses the HHR profile, and trading notifications are not required.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

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

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

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

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

Audit observation

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

I reviewed the GR100 ICP days comparison and GR090 ICP missing reports for the audit period and investigated a sample of variances.

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

Audit commentary

The process for the calculation of ICP days was examined by checking ICP days submitted for May 2021 for 40 NSPs with a small number of ICPs against the active ICP days on the registry list with history. The ICP days calculation was confirmed to be correct for the NSPs checked.

Breach information provided by the Electricity Authority did not identify any late ICP days submissions.

GR090 ICP missing

The GR090 ICPMISS reports are reviewed to identify and resolve discrepancies.

I reviewed the 20 ICPs missing from the most submissions between March 2020 and April 2021 (including all ICPs missing from three or more submissions) and confirmed that they were missing because an inactive status was recorded on the registry, or a backdated withdrawal had been completed.

GR100 ICP days comparison

The GR100 ICPCOMP reports are reviewed to identify and resolve discrepancies. I reviewed the GR100 reports for March 2020 to April 2021 and found the differences are small and reasonable. The negative percentage figures in the table below indicate that the FOGY ICP days are higher than those on the registry.

Month	Ri	R1	R3	R7	R14
Mar 2020	-	-	-0.32%	-0.32%	0.00%
Apr 2020	-0.27%	-0.27%	-0.17%	-0.25%	-
May 2020	-0.09%	-0.31%	-0.09%	-0.31%	-
Jun 2020	-0.46%	-0.45%	-0.46%	-0.46%	-
Jul 2020	0.00%	-0.12%	-0.07%	-0.25%	-
Aug 2020	-0.30%	-0.28%	-0.27%	-0.27%	-
Sep 2020	-0.32%	0.06%	-0.31%	-0.26%	-
Oct 2020	-0.14%	-0.17%	-0.17%	0.00%	-
Nov 2020	-	-0.23%	-0.23%	-	-
Dec 2020	-0.31%	-0.38%	-0.31%	-	-
Jan 2021	-0.37%	-0.50%	-0.50%	-	-
Feb 2021	-0.54%	-0.68%	0.00%	-	-
Mar 2021	-0.49%	0.00%	-	-	-

Month	Ri	R1	R3	R7	R14
Apr 2021	0.08%	0.00%	-	-	-

I checked a sample of ICP days differences remaining at revision 3 or 7 for 23 NSPs and months. The differences related to inactive ICP days which were included in the AV110 report but excluded on the registry. Inactive ICP days are included in the HHR aggregates and ICP days submissions, particularly where an ICP has later become active or switched out.

For the November 2020 initial submission information there appears to be an error in the registry data, with zero ICP days recorded for all NSPs. FOGY's ICP days submission appears correct and the ICP days reported in the initial submission were within ± 12 days of their revision 1 and 3 submissions.

Audit outcome

Compliant

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

Code reference

Clause 15.7

Code related audit information

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

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

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

Audit observation

The process for the calculation of as billed volumes was examined by checking a sample of NSPs with a small number of ICPs to confirm the AV120 calculation was correct.

GR130 reports were reviewed to confirm whether the relationship between billed and submitted data appears reasonable.

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

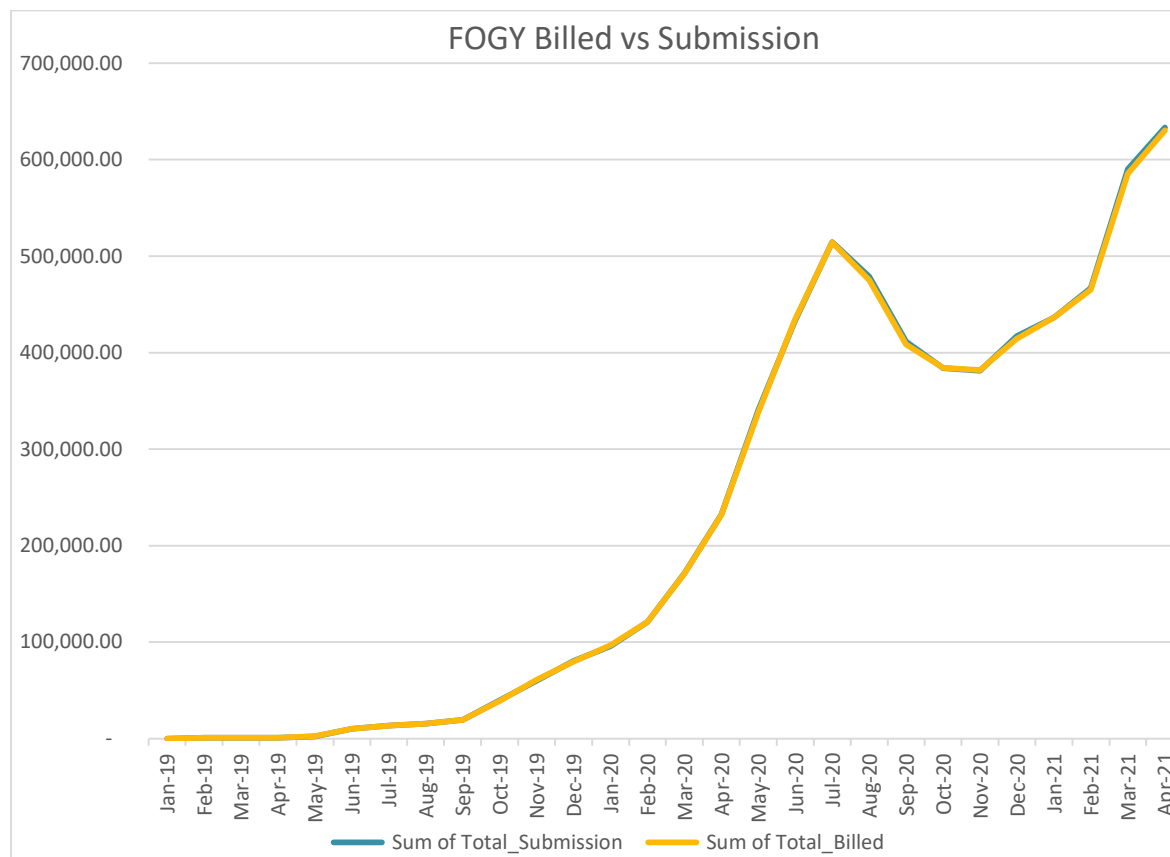
Audit commentary

ICPs are billed daily based on midnight readings, and the values are stored in the billing consumption table. The billing and submission data are synchronised, as both are based on daily consumption.

The process for the calculation of as billed volumes was examined by checking five NSPs against daily billing information. The AV120 billed consumption calculation was confirmed to be correct for the NSPs checked.

I checked the difference between submission and electricity supplied information from January 2019 to April 2021, and the results are shown chart below. The total difference between electricity supplied and

submission data is 0.4% for the year ended April 2021 and 0.3% for the two years ended April 2021 (submitted higher than billed). The difference between billed and submitted data appears reasonable.



No alleged breaches were recorded for late provision of submission information.

Audit outcome

Compliant

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

Code reference

Clause 15.8

Code related audit information

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

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

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

Audit observation

I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for a sample of submissions.

The GR090 ICP Missing files were examined. An extreme case sample of ICPs missing were checked.

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

Audit commentary

FOGY's HHR aggregates report contains submission information, not electricity supplied information as specified under clause 15.8. Although the reports FOGY produces are consistent with the Reconciliation Manager Functional Specification, this is recorded as a technical non-compliance below.

Report aggregation was checked by:

- tracing HHR data and readings from the MEP's source files to FOGY's database for three days each for seven ICPs; the volumes and readings were recorded and labelled correctly,
- tracing one month of HHR data from FOGY's database to the HHR aggregates submission for seven ICPs, which confirmed that the submissions were consistent with the data in the database, and
- matching the HHR volumes and aggregates files for 20 revisions during the audit period; I found that the volumes and aggregates files matched within ± 0.8 kWh.

The GR090 ICPMISS reports are reviewed to identify and resolve discrepancies. I reviewed the 20 ICPs missing from the most submissions between March 2020 and April 2021 (including all ICPs missing from three or more submissions) and confirmed that they were missing because an inactive status was recorded on the registry, or a backdated withdrawal had been completed.

No alleged breaches were recorded for late provision of submission information.

Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 of part 15 From: 28-Jan-19 To: 10-Aug-21	HHR aggregates file does not contain electricity supplied information. Potential impact: None Actual impact: None Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	FOGY is reporting submission volumes at ICP level as expected by the reconciliation manager.	
Actions taken to resolve the issue	Completion date	Remedial action status
FOGY continues to provide the data in the way the RM requires, and will work with the EA to resolve this Rule Conflict	30/09/2021	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
FOGY continues to provide the data in the way the RM requires, and will work with the EA to resolve this Rule Conflict	30/09/2021	

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

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

Audit observation

Daylight saving adjustment was checked during the audit.

Audit commentary

Daylight saving adjustment occurs in a compliant manner.

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

Processes to ensure that submissions are accurate were reviewed. Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

Audit commentary

HHR submission and correction processes were reviewed in **sections 11.4** and **8.2** and found to be compliant. HHR volumes are reviewed prior to submission, and these checks are discussed in **section 12.3**.

I checked 271 active vacant ICPs against the HHR aggregates submissions and confirmed that active vacant consumption is reported.

A weekly check of ICPs with inactive status and non-zero consumption is conducted. ICPs are moved to active status as necessary. I checked all 41 ICPs which had inactive vacant periods and found 31 had inactive periods which occurred between November 2020 and May 2021 (which HHR aggregates files were supplied for). I checked the HHR aggregates submissions for the inactive periods, and found four

ICPs had consumption reported, confirming that all consumption is captured and reported regardless of status.

- Two ICPs had a fraction of a kWh of consumption reported due to meter creep for remotely disconnected meters where the meter is consuming a small amount of energy.
- ICP 0000143911UNC1E had consumption during a period which was expected to be inactive, and the status was corrected to active for the affected period during the audit. This is recorded as non-compliance in **sections 2.1** and **3.9**. The consumption had occurred recently, and had it not been identified during the pre-audit review I expect it would have been identified and resolved through FOGY's validation process.
- One ICP had estimated consumption, but FOGY later discovered that there was genuinely no consumption during the period due to a fire at the property and corrected the estimate to zero for later revisions.

37 ICPs have distributed generation recorded by the distributor. All have X and I flow meter registers installed and HHR profiles. I checked the HHR aggregates submissions for the 36 ICPs which switched in prior to June 2021 and confirmed that non-zero injection flows had been submitted.

No alleged breaches were recorded for late provision of submission information.

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

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**.

Processes to ensure that submissions are accurate were reviewed.

Audit commentary

As discussed in **section 9.6**, FOGY's HHR data validation processes are compliant with the requirements of Clause 17 Schedule 15.2. FOGY completes pre submission reviews to ensure data is accurate, including comparisons to previous periods at ICP level.

Audit outcome

Compliant

12.4. Grid owner volumes information (Clause 15.9)

Code reference

Clause 15.9

Code related audit information

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

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

Audit observation

FOGY is not a grid owner.

Audit commentary

FOGY is not a grid owner.

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

FOGY is not an embedded network owner.

Audit commentary

FOGY is not an embedded network owner.

Audit outcome

Not applicable

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

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

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

Audit observation

FOGY does not have any grid connected generation.

Audit commentary

FOGY does not have any grid connected generation.

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

The revision process was checked during the audit to confirm compliance.

Audit commentary

All estimates are replaced with actual data where it is available, and revision files are provided whether data has changed or not.

Audit outcome

Compliant

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

Code reference

Clause 4 Schedule 15.2

Code related audit information

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

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

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

Audit observation

FOGY does not deal with NHH data. The presence of HHR estimates at revision 14 was checked.

Audit commentary

Where actual data cannot be obtained, FOGY contacts the MEP to request the missing data and if necessary, raises a field services order to resolve the issue preventing the data from being obtained.

Ten ICPs had some trading periods which actual data could not be obtained for by revision 14, and FOGY created permanent estimates based on the best information available. The ICPs affected are:

- 0000250372WA7FD
- 0000109786UNDED
- 0000161322WA3CD
- 0000518914NRACE
- 0000119052UN646
- 0000126111WAD07
- 0000812321TUECE
- 0001104468UNB56
- 0183343832LCBCF, and
- 0476945267LCD1E.

Audit outcome

Compliant

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

Code reference

Clause 2 Schedule 15.3

Code related audit information

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

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

Audit observation

Aggregation and content of reconciliation submissions was reviewed, and the registry list and AC020 reports were reviewed.

Audit commentary

All ICPs have meter category 1 and HHR submission type. No unmetered load is connected, no loss or compensation arrangements are required and no profiles requiring certification of load control devices are used.

Aggregation of the HHR volumes and aggregates files was checked and found to be compliant in **section 11.4.**

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 15.3

Code related audit information

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

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

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

Audit observation

FOGY does not deal with NHH data.

Audit commentary

FOGY does not deal with NHH data.

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 historic estimates of volume information for each ICP when the relevant seasonal adjustment shape is available.

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

Audit observation

FOGY does not deal with NHH data.

Audit commentary

FOGY does not deal with NHH data.

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

FOGY does not deal with NHH data.

Audit commentary

FOGY does not deal with NHH data.

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

The registry list and event detail report were reviewed to determine which profiles were used.

Audit commentary

FOGY only uses the HHR profile, and no profile changes occurred during the audit period.

Audit outcome

Compliant

13. SUBMISSION FORMAT AND TIMING

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

Code reference

Clause 8 Schedule 15.3

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

I checked processes to ensure the correct aggregation of submission information.

Audit commentary

Aggregation factors are determined directly from registry information. There were no examples of incorrect aggregation identified.

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

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

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

Audit observation

I reviewed the rounding of data on the AV090 and AV140 reports as part of the aggregation checks.

Audit commentary

Data is rounded to two decimal places.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 15.3

Code related audit information

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

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

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

Audit observation

FOGY does not deal with any NHH data.

Audit commentary

FOGY does not deal with any NHH data.

Audit outcome

Not applicable

14. GLOSSARY OF TERMS

E2 breach for switch move	NT Proposed Transfer Date and CS Actual Transfer date do not match; AND CS Actual Transfer Date is a) earlier than the NT Proposed Transfer Date; OR b) more than 10 business days after receipt of the NT.
E2 breach for transfer switch	CS Actual Transfer Date is more than 10 business days after receipt of the NT.
NA breach	NW arrival date is more than two calendar months after the CS Actual Transfer Date.
RR breach	RR arrival date is more than four calendar months from the CS Actual Transfer Date.

CONCLUSION

FOGY have made improvements following the last audit and implemented the recommendations made. Registry, reading, and reconciliation processes are robust and operating as expected.

The number of non-compliances and audit risk rating have increased from the last audit. There has been an increase from seven to 11 non-compliances, and the risk rating has increased from 11 to 18.

There has been an increase in switching activity during the audit period, and very small numbers of errors and late files occurred. The increase in risk rating is primarily due to a small number of CS files which had some inaccurate content. The impact of these issues was minor, but because a small number of reads and read types were incorrect the same few ICPs appeared as non-compliance in multiple sections of the report. Overall timeliness and accuracy of switching data is still high.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Based on the audit risk rating of 18, the indicative next audit date is in 12 months. Corrective actions have been identified to resolve all the non-compliances, and all recommendations will be adopted. I recommend that the next audit is completed in 15 months, on 28 November 2022.

PARTICIPANT RESPONSE

FOGY acknowledge the non-compliances that have been identified and have made process changes to ensure these are managed better should the same or similar issue arise again.

It is noted that due to the extraordinary conditions in the market this year (ongoing high spot prices and limited liquidity in the Hedge market), FOGY was forced to request approx. 400 customers to switch to other retailers and that some of the non-compliances are related specifically to the short term workload associated with the switches that resulted.

Other non-compliances related to manual processes that had to be done due to switching related complexities that the Automation is not able to address, which are often triggered due to other participant activity, although all reasonable efforts are always made to address these correctly in a timely manner

All Automated processes performed well and were compliant, and there are now additional checks and validations in place for any Manual interactions that may need to occur in the future, and the FOGY team have been provided additional training to support these processes.

FOGY will also be adopting the recommendation as outlined in the Audit report.