

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

For

ELECTRIC KIWI LIMITED

Prepared by: Ewa Glowacka of TEG & Associates Ltd

Date audit commenced: 18 January 2021

Date audit report completed: 16 February 2021

Audit report due date: 16-Feb-21

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EXECUTIVE SUMMARY

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

Since the last audit Electric Kiwi gained 38,306 HHR ICPs. The company only accepts installations for which volumes are recorded by remotely read smart meters.

To verify the compliance of switching, registry updates, and the calculation of reconciliation submissions we conducted judgement -based sampling by selecting typical examples of the population or looking at extreme examples of non-compliance within switching transactions.

The audit found 9 non-compliance issues, 2 recommendations are made, and no issues are raised. The customer base has increased significantly in the last 12 months. The level of compliance has improved which can be credited to the strong controls implemented by Electric Kiwi.

Improvements have been made in the following areas since the last audit:

- Corrected metering data flows through to reconciliation files
- Correct NSPs assigned to ICPs
- No late NT file and RR files
- Correct reason code in AN files

The audit period was 01/01/2020 to 31/12/2020.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 14 which results in an indicative audit frequency of 18 months. We agree with the result.

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

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	11.2 & 15.2	Incorrect information in the registry for small number of ICPs	Moderate	Low	2	Identified
Changes to registry information	3.3	10 of Schedule 11.1	Some late status and trader updates	Strong	Low	1	Identified
Provision of information to the registry manager	3.5	9 of Schedule 11.1	Profile and type of reconciliation incorrect in the registry	Strong	Low	1	Identified
ANZSIC codes	3.6	9(1)(k) of Schedule 11.1	2 ICPs had the code "T994" recorded; ANZSIC code "T30*" was assigned to premises where construction was possibly complete	Moderate	Low	2	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Incorrect switch event meter reading provided in CS file for some Arc Innovation meters	Moderate	Low	2	Identified
Losing trader must provide final information – switch move	4.10	11 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Incorrect switch event meter reading provided in CS file for some Arc Innovation meters	Moderate	Low	2	Identified
Withdrawal of switch requests	4.15	17 of Schedule 11.3	61 late NW files (more than 2 months)	Strong	Low	1	Identified
Electricity conveyed & notification by embedded generators	6.1	10.13 & 15.2	Energy is not metered and quantified according to the Code where meters are bridged	Strong	Low	1	Identified
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHRAGGR files do not contain electricity supplied information	Strong	Low	1	Not required. The Code change required a line up with RN file specification. Breach risk

							rating excluded from total
Reconciliation participants to prepare information	12.9	2 of 15.3	Incorrect profile used for UML submissions in Nov'20 and Dec'20	Strong	Low	1	
Future Risk Rating						14	

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

RECOMMENDATIONS

Subject	Section	Description	Recommendation
Relevant information	2.1	The installation flag "B" recorded by distributors which could be incorrect. Import/Export meter is not installed	Establishing a process to check a correctness of the installation flag during a customer sign up and monitor changes of the installation flag uploaded by distributors when an ICP is Electric Kiwi is responsible for such ICP.
ANZSIC codes	3.6	ANZSIC codes are assigned to a number of ICPs indicating that they are still under construction, which is most likely incorrect. Electric Kiwi does not trade new connections	During a customer sign up process ascertain if their premise is still under construction or is complete. Change ANZSIC code in the registry accordingly

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

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

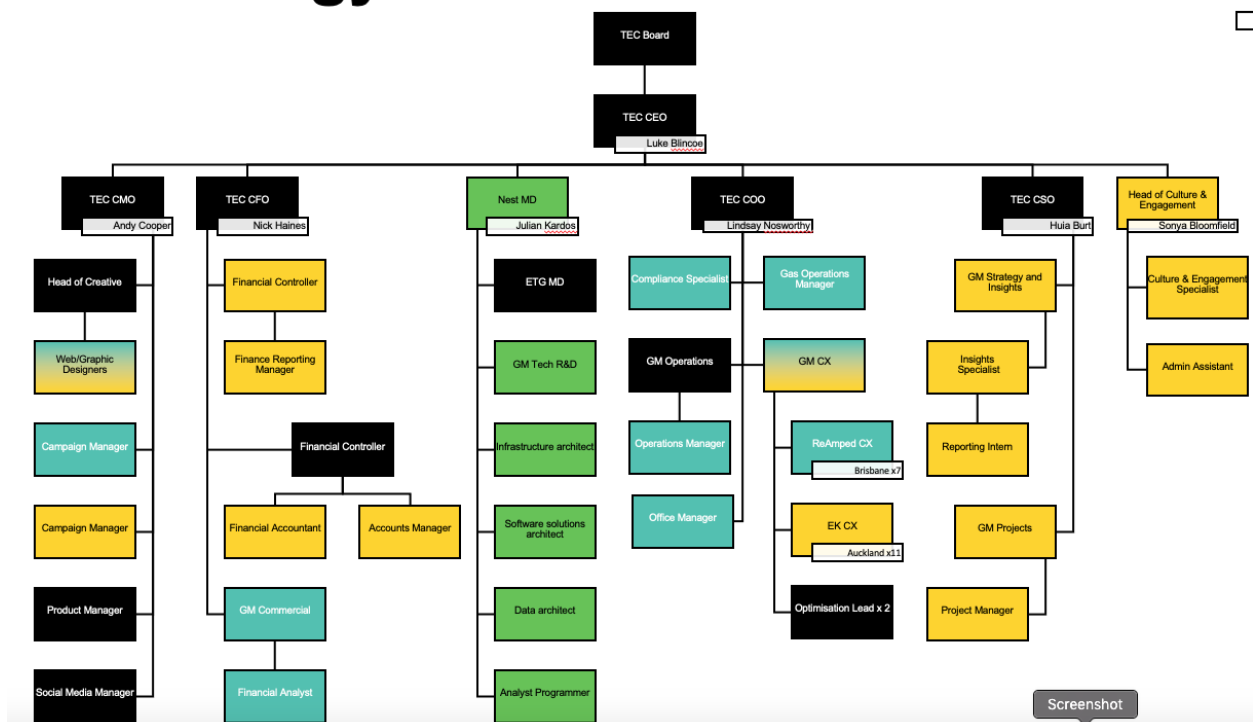
Audit commentary

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

1.2. Structure of Organisation

Electric Kiwi provided a copy of their organization structure for the relevant parts of their business.

The Energy Collective Structure



1.3. Persons involved in this audit

Name	Title	Company
Christopher Rao	Business Optimisation Manager	Electric Kiwi
Alex Zuehlke	Business Optimisation Lead	Electric Kiwi
Nalend Chandra	Customer Experience	Electric Kiwi
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

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

Audit observation

Electric Kiwi does not use any agents to fulfil their obligations to obtain certification.

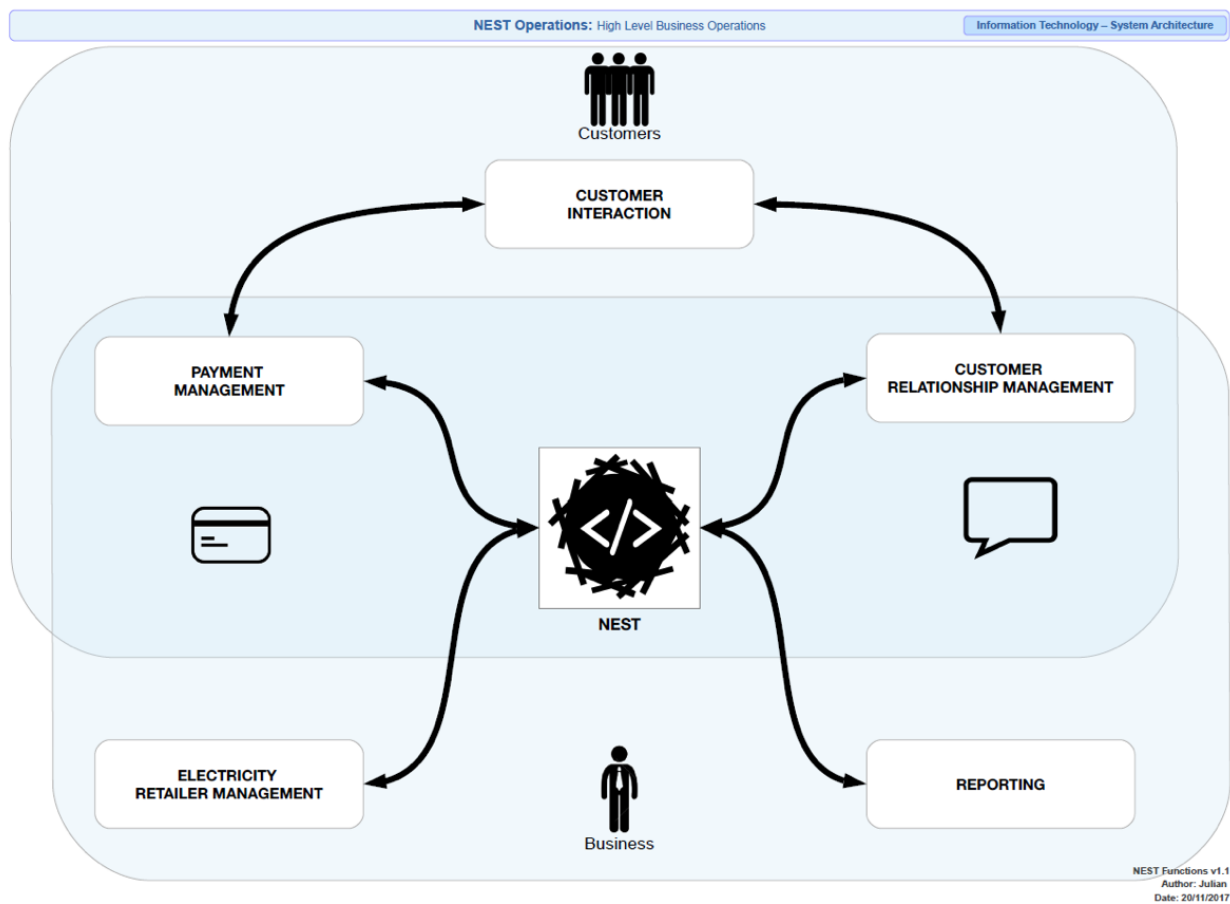
Audit commentary

Electric Kiwi does not use any agents. All functions are performed by Electric Kiwi's staff. Meter readings are received from MEPs.

1.5. Hardware and Software

Electric Kiwi uses an IT platform, developed in-house, called "NEST", which is used to manage their day to day operations, reconciliation, and billing.

This is a cloud-based system and is continuously backed up.



1.6. Breaches or Breach Allegations

There have been no alleged breaches relevant to the scope of this audit during the audit period.

1.7. ICP Data

Active ICPs are summarised by meter category in the table below:

Metering Category	(06/01/2021)	(2019)	(2018)	(2017)	(2016)
1	72,413	34,115	19,522	6,814	778
2	17	9	8	4	2
3	0	0	0	0	0
4	0	0	0	0	0
5	0	0	0	0	0
9	9	14	6	0	0

Status	Number of ICPs (06/01/2021)	Number of ICPs (2020)	Number of ICPs (2019)	Number of ICPs (2018)	Number of ICPs (2016)
Active (2,0)	72,430	48,735	33,858	19,141	6,675
Inactive – new connection in progress (1,12)	0	0	0	0	0
Inactive – electrically disconnected vacant property (1,4)	631	360	177	87	16
Inactive – electrically disconnected remotely by AMI meter (1,7)	44	61	65	289	125
Inactive – electrically disconnected at pole fuse (1,8)	0	1	1	2	1
Inactive – electrically disconnected due to meter disconnected (1,9)	1	0	0	0	0
Inactive – electrically disconnected at meter box fuse (1,10)	1	1	0	1	0
Inactive – electrically disconnected at meter box switch (1,11)	0	1	0	0	1
Inactive – electrically disconnected ready for decommissioning (1,6)	12	4	2	2	0
Inactive – reconciled elsewhere (1,5)	0	0	0	0	0
Decommissioned (3)	166	77	35	14	2

1.8. Authorisation Received

An authorization letter was not required.

1.9. Scope of Audit

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

The audit was carried out on 18th & 19th January 2021 at Ferry Building, Auckland.

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Relevant to audit	Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	✓	
(b) – Gathering and storing raw meter data	✓	
(c)(i) - Creation and management of HHR volume information	✓	
(c)(ii) - Creation and management of NHH volume information	✗	
(c)(ii) - Creation and management of HHR and NHH volume information	✗	
(c)(iv) - Creation and management of dispatchable load information	✗	
(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓	
(d)(ii) - delivery of electricity supplied information under clause 15.7	✓	
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓	
(e) – Provision of submission information for reconciliation	✓	
(f) - Provision of metering information to the grid owner in accordance with subpart 4 of part 13	✗	

1.10. Summary of previous audit

Electric Kiwi provided a copy of their previous audit conducted in January 2020 by Steve Woods of Veritek. The summary tables below show the status 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	Comment
Relevant information	Error! Reference source not	11.2	Five corrections did not flow through to submission files.	Still exits

	found.			
Changes to registry information	Error! Reference source not found.	10 of Schedule 11.1	Some late status and trader updates.	Still exists
Losing trader response to switch request and event dates - standard switch	Error! Reference source not found.	3 and 4 of Schedule 11.3	Incorrect use of the AA switch response code.	Cleared
Losing trader must provide final information – standard switch	Error! Reference source not found.	5 of Schedule 11.3	At least two average daily consumption errors.	Still exists but for a different reason
Retailers must use the same readings	Error! Reference source not found.	6(1) of Schedule 11.3	Two late RR files.	Cleared
Gaining trader informs registry of switch request - switch move	4.7	9 Schedule 11.3	Two late NT files	Cleared
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	Three AN files had proposed dates later than 10 business after the NT. 12 AN files had event dates earlier than the proposed event date.	Still exists
Losing trader determines a different date - switch mov	4.9	10(2) Schedule 11.3	Incorrect use of the AA switch response code.	Cleared
Losing trader provides information – switch move	Error! Reference source not found.	11 of Schedule 11.3	At least two average daily consumption errors	Still exists but for a different reason
Gaining trader changes to switch meter reading – switch move	Error! Reference source not found.	12 of Schedule 11.3	9 late RR files.	Cleared
Withdrawal of switch requests	Error! Reference source not found.	17 of Schedule 11.3	2 incorrect NW codes. 54 switch withdrawal requests were backdated greater than two months from the event date.	Still exists
Electricity conveyed	6.1	10.13 and clause 15.2	Energy is not metered and quantified according to the code where meters are bridged.	Still exists
Correction of HHR metering information	8.2	19(2) Schedule 15.2	Five corrections did not flow through to submission files.	Cleared
ICP days	11.2	15.6	ICP days submitted for the incorrect NSP for approx. 100 ICPs	Cleared

HHR aggregates information provision to the reconciliation manager	Error! Reference source not found.	15.8	HHRAGGR files do not contain electricity supplied information HHR aggregates file does not contain electricity supplied information. Incorrect NSP used for approx. 100 ICPs in February 2019.	Still exists, only in relation to that HHR aggregates file does not contain electricity supplied information.
Allocation of submission information	12.3	15.5	Incorrect NSP for approx. 100 ICPs in February 2019.	Cleared
Accuracy of submission information	12.7	15.12	Five corrections did not flow through to submission files.	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

To assess compliance with these clauses we examined the process of validating information in the registry. The LIS file dated 06/01/2021 was examined to identify any inaccuracies. The Event Detail (EDA) file for the period of audit and the Audit Compliance report were examined to determine how quickly Electric Kiwi provide information to the registry, and correct information which is identified as inaccurate and confirm that all information is correct and not misleading.

The process to find and correct incorrect information was examined. The registry validation process was examined in detail in relation to the achievement of this requirement.

Audit commentary

To meet compliance with the above clauses, Electric Kiwi runs daily and weekly monitoring reports, as follows:

- Exception reporting for various parts of the business e.g., metering management (Flight Path) which is monitored daily, weekly, or monthly
- LIS file checker which is run weekly based on the LIS file provided by the registry
- NEST pulls in the EDA file daily with an audit trail recorded
- Tech team monitors the live Logs for any exceptions which are reported daily and resolved via the Powerhouse prioritisation dashboard
- Billed volumes versus Supplied volumes are monitored monthly

All exceptions identified are resolved as soon as possible.

Analysis of the LIS file and Metering Installation Information (PR-255) showed the following discrepancies identified during the audit:

Issue	2021 Qty	2020 Qty	2019 Qty	Comments
ICP Status = 002, MEP = blank, UNM Flag = N	0	0	0	
ICP Status = 002, Generation Capacity is not blank,	332	Not listed	53	All meters are Export/Import

Highest Metering Category >2 with residential ANZSIC code assigned (000000)	4	3	0																																							
ANZSIC code = blank or T994, T994000, T99, T999, T999999, T995, T995000, T997, T997000, T998, T998000	2	0	3	0000971700TU70B – Gained on 9/12/20) 0923766054LCB0C (gained on 9/12/20) It was corrected during the audit																																						
ICP with B or G Inst Type, or non null Fuel or Gen Capacity that do not have a corresponding Injection Register	19	2	3	Submission is occurring correctly. Incorrect Installation Flag recorded by distributors. No EG is installed. We would recommend establishing a process to check the correctness of the installation flag during a customer sign up and monitor changes to the installation flag uploaded by a distributor.																																						
				<table><tr><td>0000029252WE540</td><td>NGCM</td></tr><tr><td>0000041606CP7C9</td><td>NGCM</td></tr><tr><td>0000100898UN774</td><td>NGCM</td></tr><tr><td>0000108645UNE66</td><td>NGCM</td></tr><tr><td>0000162590UN170</td><td>NGCM</td></tr><tr><td>0000162911UN473</td><td>MTRX</td></tr><tr><td>0000163096UN45A</td><td>NGCM</td></tr><tr><td>0000163320UN464</td><td>NGCM</td></tr><tr><td>0000163362UN644</td><td>NGCM</td></tr><tr><td>0000372200TU347</td><td>NGCM</td></tr><tr><td>0006913032RND05</td><td>NGCM</td></tr><tr><td>0007101788RN44D</td><td>ARCS</td></tr><tr><td>0007109373RNB8F</td><td>NGCM</td></tr><tr><td>0007191726RN80D</td><td>NGCM</td></tr><tr><td>0007194718RNB4E</td><td>NGCM</td></tr><tr><td>0495909289LCC8C</td><td>NGCM</td></tr><tr><td>1001116162UNB2C</td><td>MTRX</td></tr><tr><td>1001255656LCD09</td><td>MTRX</td></tr><tr><td>1001286322UN8FE</td><td>NGCM</td></tr></table>	0000029252WE540	NGCM	0000041606CP7C9	NGCM	0000100898UN774	NGCM	0000108645UNE66	NGCM	0000162590UN170	NGCM	0000162911UN473	MTRX	0000163096UN45A	NGCM	0000163320UN464	NGCM	0000163362UN644	NGCM	0000372200TU347	NGCM	0006913032RND05	NGCM	0007101788RN44D	ARCS	0007109373RNB8F	NGCM	0007191726RN80D	NGCM	0007194718RNB4E	NGCM	0495909289LCC8C	NGCM	1001116162UNB2C	MTRX	1001255656LCD09	MTRX	1001286322UN8FE	NGCM
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				0007194718RNB4E	NGCM																																					
				0495909289LCC8C	NGCM																																					
				1001116162UNB2C	MTRX																																					
				1001255656LCD09	MTRX																																					
1001286322UN8FE	NGCM																																									
Highest Metering Category greater than 2, Submission Type HHR = No	0	0	0																																							
Highest Metering Category = 9, UNM Flag=N	0		0	0																																						
All active ICPs with Initial Energisation Date populated during a defined period	0	0	0																																							
All Active ICPs (ICP Status = 2) with Shared ICP List not blank	0	0	1																																							
All ICPs at ICP Status 001,12	0	0	0																																							
Submission Type HHR = Y, Profile does not contain HH	00	0	0	0																																						

Submission Type HHR and Submission Type NHH both = Y	0	0	0	0
All active ICPs where Distributor has indicated UML (UML Load Details not NULL), but Retailer has none (UNM Flag = N)	1	0	1	0023039862WEE8E switch out to GENE on 23/12/2020. Network uploaded details on 23/12/2020, which mean ELKI never traded UML.
All active ICPs with load in excess of 6kWh (Daily Unmetered kWh greater than 16.4 daily)	0	0	0	
All active ICPs with load between 3-6k kWh (Daily Unmetered kWh between 8.2-16.4 daily)	0	0	0	
All active ICPs with Engineered profile (Daily Unmetered kWh = ENG)	0	0	0	

Incorrect registry and submission files information are listed below:

Section	Description
3.6	<ul style="list-style-type: none"> Incorrect ANZSIC code in the registry for 2 ICPs; ANZSIC code "T30*" was assigned to premises where construction was possibly complete
3.3	<ul style="list-style-type: none"> Registry information updates were greater than 5 business days from the event date.
3.5	<ul style="list-style-type: none"> Incorrect profile recorded in the registry for 3 UML ICPs
12.9	<ul style="list-style-type: none"> Incorrect profile used in submission files for 3 UML ICPs

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 2.1</p> <p>With: 11.2 & 15.2</p> <p>From: 01-Jan-20</p> <p>To: 31-Dec-20</p>	<p>Incorrect information in the registry for small number of ICPs</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>Audit risk rating is recorded as low because the impact on settlement and participants is minor.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Electric Kiwi will review sign up logic to create a follow up ticket for our CX Team in relation to “B” installation flags with subsequent actions to follow up and resolve.	31 Aug 2021	

Description	Recommendation	Audited party comment	Remedial action
The installation flag “B” recorded by distributors could be incorrect. Import/Export meter is not installed	Establishing a process to check the correctness of the installation flag during a customer sign up and also monitor changes to the installation flag uploaded by distributors when Electric Kiwi is responsible for such ICP.		

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 for the provision of information were reviewed and observed throughout the audit.

Audit commentary

Electric Kiwi is compliant with regard to the timeliness, of information and the format of information in accordance with Part 15. The company provided many examples to support this statement.

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

To assess compliance with these clauses we examined the process of validating information in the registry. The LIS file dated 06/01/2021 was examined to identify any inaccuracies. The Event Detail (EDA) file for the audit period was reviewed.

Audit commentary

Once metering data is downloaded from a MEPs server it is uploaded to NEST. Any transfer of data is fully automated.

We traced a sample of data for two ICPs per MEP from the source files to NEST to confirm the data transmission process. All volumes matched.

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

Electric Kiwi sends and receives data to and from the registry. It is an automated process. Each upload is recorded by the software. Reconciliation files are uploaded via the RM portal, which records date, time

and a participant's login details. Metering data provided by MEPs is automatically uploaded by NEST. Once the data is uploaded it is moved to an archive directory.

Electric Kiwi communicates with other participants via email e.g., notification of sending RR file. Emails are archived.

Audit commentary

NEST has a built-in functionality to record a complete audit trail for all data gathering, validation, and processing data. Audit trails include the activity identifier, date and time, and an operator identifier.

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

We reviewed Electric Kiwi's current customer terms and conditions.

Audit commentary

Electric Kiwi published their Terms and Conditions on their website. The document states that the agreement applies from the agreed date and to the date a customer applies to switch to another electricity supplier. The agreement covers any other participants such as MEPs or a distributor.

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

We reviewed Electric Kiwi's current customer terms and conditions.

Audit commentary

Electric Kiwi's terms and conditions include consent to access for authorised parties for the duration of the contract. Electric Kiwi will give at least 10 BD notice if they or their representative or the network company need to construct, upgrade, repair, or maintain any equipment. A notice will be provided in writing, text message or email.

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:

- if practical in the circumstances, ensure that the metering installation is located at a point of connection; or*
- 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

Electric Kiwi trades 72,413 category 1 metering installations and 17 category 2 metering installations. Category 1 metering installations are located as physically close to a point of supply as practical.

Audit commentary

Compliance confirmed based on the characteristics of the installations traded by Electric Kiwi. There are 17 ICPs which require a multiplier to be applied to metering data, but it is related to CTs ratio and not because the metering installation is not located close to a point of connection.

There were no ICPs where loss compensation occurs.

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

We reviewed Electric Kiwi's current customer terms and conditions.

Audit commentary

Section 11.10 of the Terms and Conditions covers a situation where Electric Kiwi commit a relevant event of default as defined under the Code. Compliance confirmed based on a review of the Terms and Conditions.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

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

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

Audit observation

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

Audit commentary

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

New connection process is not documented.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

- *for a point of connection to the grid – the grid owner has approved the connection*
- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
 - *the reconciliation participant is recorded in the registry as the trader responsible for the ICP*
 - *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

Electric Kiwi does not accept new connections. Only established installations are traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 10.33A(1)

Code related audit information

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

- *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 reconciliation participant is recorded in the registry as the trader responsible for the ICP*
- *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

The new connection and reconnection processes were discussed.

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

Audit commentary

Electric Kiwi does not trade new connections. The review of the Audit Compliance report and PR-255 file confirmed that Electric Kiwi does not trade uncertified metering installations.

Audit outcome

Compliant

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

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

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

Audit observation

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

Audit commentary

Electric Kiwi stated that they have arrangements in place for line function services where they intend to trade. MEP arrangements are in place with all relevant MEPs.

Compliance confirmed based on Electric Kiwi's statement.

Audit outcome

Compliant

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

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

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

Audit commentary

MEP arrangements are in place with all relevant MEPs.

Electric Kiwi demonstrated that arrangements are in place with all relevant MEPs.

Audit outcome

Compliant

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 11.7(2)

Code related audit information

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

Audit observation

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

Audit commentary

Electric Kiwi's processes are designed to ensure that trader information is populated as required by this clause. Any late information updates were recorded as non-compliance in **section 3.3** and **3.5**.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

We examined the LIS and EDA files and the Audit Compliance report for the period covered by this audit. We sampled the most backdated registry updates with Electric Kiwi.

Audit commentary

The table below shows the summary of updates in the registry.

Status update	Year	Total number of updates	No of updates within 5BD	No of updates later than 5BD	Average notification days [BD]	Percentage compliant
Change to active (2,0)	2019	1,715	1,455	260		85.0%
	2020	1,836	1,616	220	3.83	88.02%
	2021	2,894	2,716	178	2.29	93.85%
Change to electrically disconnected	2019	1,516	1,454	62		96%
	2020	1,903	1,856	47	1.41	97.53%
	2021	3,025	2,966	59	0.90	98.08%
Traders update	2020	444	358	86	5.72	80.63%
	2021	721	659	62	15.56	91.41%

Overall compliance is very good. Below we describe the sampling of late updates to identify reasons.

Trader updates

62 trader updates were late. Out of 62 updates, 26 late updates were caused by changing the HHZ profile to HHR. A bulk update was conducted on 04/02/2020 backdating to 28/07/2018. This was part of a clean-up process for ELKI owned MTRX ICPs before ELKI applied to the EA for the HHZ profile to be retired. Submissions were not affected because the HHZ profile was recorded in the registry only.

We sampled 20 late trader changes, excluding changes of HHZ profile to HHR, and were found to be caused by:

- 2 examples of updates to the ANZSIC code – one ICP had a change from “E301” to “0000” after a customer confirmed that a house construction was complete; second ICP has incorrect ANZSIC code of “D261”, which was “inherited” from GEOL.
- 18 late updates related to changes of MEPs when meters were changed. ELKI provided a detailed explanation for each update. Some of these were human error (not updating registry in time) others were caused by a “breakdown” in communication between parties.

Status updates

A sample of 23 late status changes to active were reviewed and were found to be caused by:

- 2 backdated switches in
- 8 examples of the losing trader changing the status to inactive for a period prior to Electric Kiwi
- 11 processing errors identified by validation checks
- 2 examples of complex investigations to determine the correct status.

A sample of 20 late updates to inactive were reviewed and were found to be caused by many different situations. For each of them Electric Kiwi provided detailed explanations. Some of them are listed below:

- 3 examples where Electric Kiwi re-entered a “ready for decommissioning” for properties which were destroyed by fire or a customer merged 2 ICPs into 1 ICP
- 4 examples of complex investigations to determine the correct status
- 5 processing errors identified by validation checks

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 01-Jan-20 To: 31-Dec-20	Some late status and trader updates Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating

Low	The controls are rated as strong. The Electric Kiwi customer base has grown significantly since the last audit. It is a credit to the company that their level of compliance has improved. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Preventative actions taken to ensure no further issues will occur		Completion date	Identified
Audit Compliance Reporting has been established that will be run quarterly to identify issues sooner.		31 May 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

We examined the LIS file, dated 06/01/2021, the Audit Compliance report and the EDA file for the audit period, to identify any rejected MEP nominations and any Active ICPs that do not have a MEP recorded in the registry.

The MEP nomination and decommissioning processes were examined and discussed with Electric Kiwi's staff.

Audit commentary

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

ELKI nominates the MEP based on the notification received of meter changes by the relevant MEP. There were no MEP nominations rejected during this audit period.

The decommissioning process describes Electric Kiwis' obligation before an installation is decommissioned. Electric Kiwi arranges a meter interrogation prior to or upon meter removal and notifies the MEP. There are some situations when a final read can't be obtained because of a house fire or the meter was removed by an unknown person.

A typical sample of 5 decommissioned ICPs were checked to confirm the process, the company has good controls in place.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

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

We noted that an incorrect profile is used for ICP 0006498159RN342 with attached UML load. The profile is recorded as HHR, which is incorrect because Electric Kiwi submits volumes in three files HHRAGGR, HHRVOLS, and NNHVOLS. It should be noted as HHR and RPS. Submission type should be HHR=Y and NHH=Y.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: 9 of Schedule 11.1 From: 01-Jan-20 To: 31-Dec-20	Profile and type of reconciliation incorrect in the registry 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 rated as strong. Electric Kiwi traded UML ICPs on rare occasions. A strong process is in place. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Preventative actions taken to ensure no further issues will occur		Completion date	Identified
Electric Kiwi will re-apply for exemption status in relation to UML		1 March 2021	

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

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

We checked a diverse sample of 30 ICPs, including all 4 ICPs with category 2 metering installations with ANZSIC code "0", to assess the validity of the ANZSIC codes selected.

Audit commentary

Analysis of the registry list identified 2 ICPs with the T994 code, which were corrected during the audit. It was confirmed that code "0" assigned to 4 category 2 metering installations was correct.

ANZSIC codes are checked when ICPs switch in with specific emphasis on non-residential codes. ANZSIC codes are set based on information provided in the customer application and on a conversation with the customer.

The sampling of 40 ICPs identified that some have an incorrect ANZSIC code assigned, which means that the process described above does not work well. There are 180 ICPs traded by ELKI with the code "E30", "E301*", and "E302*" assigned. These codes relate to installations under construction. We used Google Maps link available on the registry to validate the correctness of this information. We can confirm that the codes assigned are incorrect, they were assigned by the previous traders as Electric Kiwi does not trade new connections.

We provided a list of 18 ICPs with the ANZSIC code which we considered to be possibly incorrect. ELKI confirmed that for 2 ICPs the code was incorrect, and the registry was updated. For the 13 ICPs remaining ELKI commented that they contacted the customers to confirm if the construction of their houses was complete, but the customers did not reply.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.6 With: 9(1)(k) of Schedule 11.1 From: 01-Jan-20 To: 31-Dec-20	2 ICPs had the code "T994" recorded; ANZSIC code "T30*" was assigned to premises where construction was possibly complete 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. The current process needs to be more stringent to validate the ANZSIC code during the sign up process. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Preventative actions taken to ensure no further issues will occur		Completion date	Identified
Electric Kiwi already includes a step in the sign-up process to confirm with customers the ANZSIC code where indicated that construction is still underway. The process requires an additional follow up step where customers do not respond within 2 weeks of contact.		31 March 2021	

Description	Recommendation	Audited party comment	Remedial action
ANZSIC codes are assigned to a number of ICPs indicating that they are still under construction, which is most likely incorrect. Electric Kiwi does not trade new connections	During the customer sign up process, ascertain if their premises is still under construction or complete. Change ANZSIC code in the registry accordingly		

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

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

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

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

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

Audit observation

The process to identify and monitor unmetered load was discussed. The registry files and the Audit Compliance report were reviewed to identify all ICPs with unmetered load.

Audit commentary

Applications to become a customer are not expected to be accepted if the ICP has unmetered load connected. It appears to be human error that resulted in the acceptance of this ICP.

The Audit Compliance report identified 2 UML ICPs traded by Electric Kiwi.

1. ICP (0006498159RN342), which was gained on 21/12/2020. At the time of writing this report Electric Kiwi sent a NWMI, which was rejected. NWMI was sent again, no response from CTCT has been received yet.

There have been no changes to this ICP since the switch. Submission occurred in accordance with the Code by sending NHHVOLS.

2. ICP 0023039862WEE8E was with ELKI from 13/12/20, network updated the registry on 23/12/20. ELKI showed some correspondence from WAIK asking for a confirmation. Switch to GENE on 23/12/2020.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

A comparison between NEST and the registry occurs twice per month to ensure status information is correct. We also checked ICPs where consumption was present on inactive ICPs. Reporting is in place to identify these examples and the status is corrected as required. We sampled 10 inactive ICPs and confirm that volumes were submitted to the reconciliation manager. Electric Kiwi's process is to submit data for all ICPs regardless of status.

The timeliness of registry updates is recorded in **section 3.3**, non-compliance was noted.

Audit outcome

Compliant

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

Code reference

Clause 19 Schedule 11.1

Code related audit information

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

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

Audit observation

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

Audit commentary

According to the process Electric Kiwi conducts disconnections remotely and updates the registry once confirmation of the disconnection is provided by the MEP. Electric Kiwi provided “paperwork” for each type of disconnection.

Electric Kiwi provided a list of 7 ICPs with the highest consumption recorded during an inactive period. After the investigation of an ICP with consumption of 3398.14 kWh, it was concluded that it was caused by an incorrect estimation routine because of corrupt data. The consumption was “zero out” the evidence was provided.

6 other ICPs were investigated and volumes will be reconciled.

No incorrect statuses were identified.

The timeliness of registry updates is recorded in **section 3.3**, non-compliance was noted.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

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

Audit observation

Audit commentary

We confirm the process is well documented and easy to follow.

Initial contact with a new customer is via the Electric Kiwi website. The website does a preliminary assessment of customers from the point of view of the metering installed at their premises. Only installations for which consumption is measured by remotely read smart meters are accepted. It is specified in the Terms and Conditions published on the website. Electric Kiwi sends a confirmation of agreement. The customer is asked to confirm a meter serial number to avoid switching the wrong premises due to possible incorrect address information in the registry.

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

Since the last audit there were 18,674 NTTR. There were 12 standard switches which were backdated. We reviewed all of them and our conclusion was that losing traders used a transfer date to complete the switch, which was earlier than the date requested by Electric Kiwi.

The 44 backdated NT files checked were sent within two business days of pre-conditions being cleared.

Audit outcome

Compliant

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

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

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

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

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

Audit observation

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

Audit commentary

We confirm the process is well documented and easy to follow.

The exchange of data with the registry is performed via SFTP server. Switching files are downloaded automatically.

The Switch Breach report confirmed that all AN files were sent within the allowable timeframes.

The clause requires that in a 12-month period a trader is to establish a proposed event date that is no more than 5 BD for at least 50% of switches away. Electric Kiwi provided the evidence that for 99.81% of standard switches a proposed event date was 5 BD or less.

We assessed if the response code is used correctly in AN files. ELKI used "AA", "AD", "OC", and "PD" codes.

ELKI sent 6,514 AN files in response to the notice of a switch from the registry manager. The company used the response code of "AA" in 96.2%. We sampled 5 ICPs for each type of reason code and confirm it was used correctly.

The previous audit noted non-compliance because Electric Kiwi was using the response code of AA incorrectly when in most cases, AD should have been used. The reason for non-compliance was based on the memo from the Authority dated 05/08/2016, clarifying the correct use of response codes. According to the memo the response code "AA" can be used if none of the other response codes apply.

We discussed this with the Authority while conducting this audit. The Authority provided us with the memo dated 03/05/2019 which provided further clarification as to what response code should be used in what situation. It appears that the memo was not distributed widely within the industry.

In the absence of site-specific context, we recommend the following priority order for use of switch response codes.

Code	Description
PD	Premises de-energised (disconnected), but not yet recorded in the registry
OC	Occupied premises ¹
CO	Contracted customer ²

AD	<i>Advanced Metering Infrastructure metering infrastructure present but not yet recorded elsewhere in the registry</i>
MP	<i>Metering is pre-paid, including AMI pre-pay that needs reprogramming</i>
MU	<i>Unmetered supply</i>
AA	<i>Acknowledge and accept</i>

Based on this memo, we confirm that Electric Kiwi is compliant.

Audit outcome

Compliant

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

Code reference

Clause 5 Schedule 11.3

Code related audit information

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

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

Audit observation

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

The accuracy of the content of the CS files was confirmed by checking 20 CS files for which Electric Kiwi received RR files from a gaining trader.

Audit commentary

The accuracy of the content of the CS files was confirmed by checking a sample of 20 records. The content checked included:

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

CS files with average daily kWh that were zero (6 ICPs), or over 100 kWh(12 ICPs) were identified. It was identified as a non-compliance in the last audit.

Electric Kiwi provided evidence that the calculation was correct. The previous non-compliance was the result of new staff members not having sufficient training. The issue was addressed.

1.4% of CS files contained estimated switch event meter readings. Estimations are used when actual reads are not available at the time of switch.

A sampling of 20 CS files, for which Electric Kiwi received RR files from a gaining trader, showed that NEST has a “problem” with ARCS meters. In the sample it contributed to 9 ICPs. Electric Kiwi commented that they had issues with consumption records for these meters due to multiple registers and NEST sending incorrect reads in CS files. It is corrected later by accepting RR file from a gaining trader. There is a fix in place but not yet implemented.

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

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

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: 5 of Schedule 11.3 From: 01-Jan-20 To: 31-Dec-20	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Incorrect switch event meter reading provided in CS files for some Arc Innovation meters Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as moderate. Electric Kiwi assured us that the fix for ARC meters has been developed but not yet implemented. It created unnecessary traffic of RR files. ARCS meters will be replaced by NGCM in the future but currently ELKI trades 4,500 ARCS meters. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Preventative actions taken to ensure no further issues will occur		Completion date	Identified
System improvements have already been scoped and are ready for prioritization		31 August 2021	

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

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

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

Audit commentary

Switch reads are checked by comparing actual AMI data to the switch read to determine whether a RR file is required. Sometimes an AMI midnight read may not be available and so it's derived by deducting the sum of the trading periods for that day to determine the expected start read. It is an automated process.

We checked the content of rejected and accepted files and the Electric Kiwi data was correct in all cases. There were many examples where the difference between the CS read and the RR read was less than 1 kWh because some retailers truncate and some round.

We conducted sampling of the RR files, which we put into two groups. RR files sent by ELKI and RR files received by ELKI

1. Electric Kiwi sent 2,837 RR files for transfer switches; 1,084 RR files were rejected by other traders. We randomly selected 12 RR files which were accepted by losing traders and 12 RR files which were rejected.
2. Electric Kiwi received 126 RR files, 94 of them they rejected.

We randomly selected 20 RR files which were accepted by ELKI and 5 RR files which were rejected by them.

We checked the content of accepted and rejected files and discussed this with Electric Kiwi. The company provided evidence which confirmed that RR readings which they accepted were used for reconciliation. One RR file which was rejected had a difference of 1 kWh which could be the result of

methodology of truncating or rounding used by other traders. The company used their AMI read. One RR file was sent later than 5 BD. 3 RR files were rejected because ELKI had their actual AMI reading which they used as a start reading.

The Switch Breach report did not identify any late RR or AC files.

Audit outcome

Compliant

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

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

Audit commentary

The above clauses do not apply to all switches because Electric Kiwi is a HHR trader only.

Electric Kiwi sent 2,835 RRs files within 5 BD. 1,082 of those RRs were rejected. It is possible that some of those were accepted after a few “rounds”.

Electric Kiwi commented that, in some cases, it is difficult to meet the 5 BD deadline because of a lack of cooperation from the MEPs to provide data within 5 BDs after a switch.

Around 400 RR files sent within five business days were rejected. Some of the RR files were rejected because the difference between reads was 1 kWh. The current Code does not specify that an AMI read used as a switch event meter reading must be taken at midnight, which could lead to discrepancies between reads provided by two traders.

All RR files sent by a losing trader within 5 BD (AMI read) were accepted unless the difference was 1 kWh which could be caused by a different way of rounding or truncation.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

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

Audit observation

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

Audit commentary

At the time of signing up a customer they must specify if they are moving into a premise and the date of move in. Electric Kiwi allows a customer to go back one month. If a customer wants to go even further back, they need to contact the office.

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

In the audit period Electric Kiwi sent 24,351 NTMI. All NT files were sent within two business days of conditions being met by a customer.

We checked 15 backdated NT files. Electric Kiwi provided detailed comments explaining reasons for these switches being backdated.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

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

Audit observation

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

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

Audit commentary

The Switch Breach report confirmed all AN files were sent within the allowable timeframes.

The last audit noted non-compliance because 3 ANs had proposed event dates later than 10 business days after receipt of the NT, and 12 ANs had a proposed transfer date earlier than the gaining trader's proposed date. We checked all AN files sent in this audit period and confirm all of them met compliance with above clause.

Audit outcome

Compliant

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

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

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

Audit observation

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

Audit commentary

We confirm the process is well documented and easy to follow.

The exchange of data with the registry is performed via SFTP server. Switching files are downloaded automatically.

The Switch Breach report confirmed all AN files were sent within the allowable timeframes.

We assessed if the response code is used correctly in AN files. ELKI used "AA", "AD", "OC", and "PD" codes.

ELKI sent 11,248 AN files in response to a notice of a switch from the registry manager. The company used the response code of "AA" in 55.1%. We sampled 5 ICPs for each type of reason code and confirm it was used correctly.

The previous audit noted non-compliance because Electric Kiwi was using the response code of AA incorrectly when in most cases, AD should be used. The reason for non-compliance was based on the Authority memo dated 05/08/2016 clarifying the correct use of response codes. According to the memo the response code "AA" can be used if none of the other response codes apply.

We discussed this with the Authority while conducting this audit. The Authority provided us with the memo dated 03/05/2019 which provided further clarification of what response code should be used in what situation. It appears that the memo was not distributed widely within the industry in general.

In the absence of site-specific context, we recommend the following priority order for use of switch response codes.

Code	Description
PD	Premises de-energised (disconnected), but not yet recorded in the registry
OC	Occupied premises ¹
CO	Contracted customer ²
AD	Advanced Metering Infrastructure metering infrastructure present but not yet recorded elsewhere in the registry
MP	Metering is pre-paid, including AMI pre-pay that needs reprogramming
MU	Unmetered supply
AA	Acknowledge and accept

Based on this memo, we confirm that Electric Kiwi is compliant.

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

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

The accuracy of the content of the CS files was confirmed by checking 20 randomly chosen CS files.

Audit commentary

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

The accuracy of the content of the CS files was confirmed by checking a sample of 20 records. The content checked included:

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

CS files with average daily kWh that were zero (69 ICPs), or over 100 kWh(11 ICPs) were identified. It was identified as non-compliance in the last audit.

Electric Kiwi provided evidence that the calculation was correct. The previous non-compliance was the result of new staff members not having sufficient training. The issue was addressed.

0.6% of switch event meter readings were estimates. Estimations are used when actual reads are not available at the time of switch.

A sampling of 20 CS files, for which Electric Kiwi received RR files from gaining traders, showed that NEST has a "problem" with Arc Innovations meters. In the sample it contributed to 2 ICPs. Electric Kiwi commented that they had issues with consumption records for these meters due to multiple registers and NEST sending incorrect reads in the CS files. It is later corrected by accepting RR files from a gaining trader. There is a fix in place, but it is not yet implemented.

The last audit noted that Registry Functional Specification v22.32 states that average daily consumption within the CS file should be the average kWh per day for the last read period. Electric Kiwi receives daily

readings, so the last read period is technically one day. Estimated daily consumption is calculated as the average daily consumption over the past billing period. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

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

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: 11 of Schedule 11.3 From: 01-Jan-20 To: 31-Dec-20	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Incorrect switch event meter reading provided in Cs files for some Arc Innovation meters Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as moderate. Electric Kiwi assured us that the fix for ARC meters has been developed but not yet implemented. It created unnecessary traffic of RR files. ARCS meters will be replaced by NGCM in the future but currently ELKI trades 4,500 ARCS meters. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Preventative actions taken to ensure no further issues will occur		Completion date	Identified
System improvement has been scoped and is ready for prioritisation		31 August 2021	

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

Code reference

Clause 12 Schedule 11.3

Code related audit information

The gaining trader may use the switch event meter reading supplied by the losing trader or may, at its own cost, obtain its own switch event meter reading. If the gaining trader elects to use this new switch

event meter reading, the gaining trader must advise the losing trader of the switch event meter reading and the actual event date to which it refers as follows:

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

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

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

Audit observation

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

We conducted sampling of RR files sent by or received by Electric Kiwi.

Audit commentary

Switch reads are checked by comparing actual AMI data to the switch read to determine whether a RR file is required. Sometimes an AMI midnight read may not be available and so it's derived by deducting the sum of the trading periods for that day to determine the expected start read. It is an automated process.

We checked the content of rejected and accepted files and Electric Kiwi data was correct in all cases. There were many examples where the difference between the CS read and the RR read was less than 1 kWh because some retailers truncate and some round.

We conducted sampling of RR files, which we put into two groups. RR files sent by ELKI and RR files received by ELKI

1. Electric Kiwi sent 7,734 RR files for transfer switches; 1,723 RR files were rejected by other traders. We randomly selected 10 RR files which were accepted by losing traders and 11 RR files which were rejected.
2. Electric Kiwi received 204 RR files, 4 of them they rejected. We randomly selected 20 RR files which were accepted by ELKI and 4 RR files which were rejected by them.

We checked the content of accepted and rejected files and discussed with Electric Kiwi. The company provided evidence which confirmed that RR readings which they accepted were used for reconciliation. The majority of sampled RR files accepted by Electric Kiwi were ARCS meters. The company provided evidence that corrected switch event meter readings were used for reconciliation. 4 RR files rejected by Electric Kiwi had a difference of 1 kWh which could be the result of methodology of truncating or rounding used by other traders. The company used their AMI read.

The Switch Breach report did not identify any late RR or AC files.

Audit outcome

Compliant

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

Code reference

Clause 14 Schedule 11.3

Code related audit information

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

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

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

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

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

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

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

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

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The EDA file and Switch Breach Report for the period covered by this audit was analysed to assess compliance. The switch withdrawal process was analysed and discussed with Electric Kiwi's staff. The document describing the NW_AW process describes in detail what advisory code should be used in what circumstances.

Audit commentary

Electric Kiwi sent 3,045 NW files during the audit period. The table below shows the breakdown of reason codes used by ELKI. 268 NW files (8.8%) were rejected by the other trader.

Reason code	Number of ICPs	Percentage
CE	53	1.74%
CX	1113	36.55%
DF	627	20.59%
MI	32	1.05%
UA	2	0.07%
WP	686	22.53%
WS	532	17.47%

61 NW files (2.0%) were backdated more than 2 months. 31 late NW files had the advisory code “WP” (wrong premise). Electric Kiwi commented that many of the late NWs are only done because of wrong premises, and these are often discovered late due to the customer not knowing which property they signed up.

We randomly selected 10 NW files with a mixture of withdrawal codes of WS,WP, CX, DF. It was discussed with Electric Kiwi. For each withdrawal they were able to give details of correspondence.

Electric Kiwi received 2,518 NW files. 273 (11%) of these were rejected. All AW files were sent within 5 business days.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.15 With: 17 of Schedule 11.3 From: 01-Jan-20 To: 31-Dec-20	61 late NW files (more than 2 months) Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong. They are sufficient to mitigate risk in most cases. Only 1.4% NW files were late. The audit risk rating is low, a small number of files were affected.		
Actions taken to resolve the issue		Completion date	Remedial action status
No further actions to be taken			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Unable to implement further preventative actions.			

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

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

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 11.15AA to 11.15AC

Code related audit information

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

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

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

Audit observation

Electric Kiwi has been a part of the Switch Save Protection program since 2015. The program was terminated on 31/03/20. Win-back processes were examined to determine whether they were compliant. The EDA file for 06/12/2019 to 31/03/2020 was analysed to identify all withdrawn switches with a "CX" code applied prior to the switch completion date for any switch save protected retailer.

Audit commentary

The analysis of the EDA file showed that no “CX” coded switch withdrawal requests were sent prior to the switch completion date.

When Electric Kiwi is notified that a customer wants to switch out, an email is sent to a customer asking for confirmation that it is a valid request and asking for the reason for the switch away. No special deal is offered. Electric Kiwi provided a copy of the email template sent to a customer.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

The LIS file was reviewed to assess if ELKI trades shared unmetered load.

Audit commentary

We identified one ICP 0006498159RN342, which is shared unmetered load. ELKI gained this ICP on 21/12/2020. Applications to become a customer are not expected to be accepted if the ICP has unmetered load connected. It appears that it was overlooked in the Christmas period. The customer will be asked to switch to another trader. At the time of writing this report the ICP was in the process of switching to CTCT.

During the audit period Electric Kiwi had a few ICPs for which ORION uploaded information about shared streetlights attached to them. The company closely monitors the network registry updates and keeps a detailed spreadsheet in relation to UML.

When SUML/UML load is noticed, the company policy is to ask a customer to switch away as soon as possible.

Submissions occurred in accordance with the Code. Electric Kiwi submitted NHHVOLS to the reconciliation manager. The company provided copies of NHHVOLS files submitted in 2020 for review. We confirm submissions were correct.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (2)(b)

Code related audit information

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

Audit observation

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

Audit commentary

ELKI currently supplies one ICP with unmetered load. The ICP with unmetered load recorded did not have unmetered load of over 3,000 kWh per annum.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

Audit observation

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

Audit commentary

ELKI currently trades one ICP with attached shared unmetered load. The ICP with unmetered load recorded did not have unmetered load of over 3,000 kWh per annum.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

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

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

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

Audit observation

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

Audit commentary

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

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

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

Audit observation

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

Audit commentary

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

At the time of audit Electric Kiwi was trading 332 ICPs with generation, all of which have import/export meters installed. We cross checked submission files against registry files and confirm that import (I) volumes for all ICPs are submitted.

As per **section 2.1**, there are 19 ICPs with generation entered by the distributor. Customers never requested to have import/export meters installed.

Electric Kiwi never requests bridging meters.

Electric Kiwi provided a list of 8 ICPs where meters were bridged for various reasons. In each situation Electric Kiwi issues SR to unbridge the meter and estimates volumes for reconciliation purposes:

- 1) 0000129620TRE6C – notification from Vector
- 2) 0000019661DED1B – notification from Delta - the meter was bridged to restore power as a result of a fire on the street that the customer lives in.
- 3) 0342363956LC911 – customer switch in, premise was disconnected by a previous trader. Meter was temporary bridged to restore power by Delta because the meter was not responding. ELKI issued SR to unbridge the meter.
- 4) 1002035894UN737- customer switch in, premise was disconnected by a previous trader. Meter was temporary bridged by Delta to restore power because the meter was not responding. ELKI issued SR to Delta to unbridge the meter.
- 5) 0007119286RN732 – customer meter was bridged following a power outage in the area. Network did not notify ELKI that meter was bridged but internal check-ups identified zero consumption

- 6) 0000048066DE403- meter was bridged by a technician as the ripple relay was bridged by the faults tech to enable hot water supply.
- 7) 0000914310TU4DF – meter was bridged by private electrician because of lack of hot water. SR was sent to unbridge the meter
- 8) 0006490093RN238- Orion network advised us that they had to bridge the meter to restore power to the property

The last audit noted non-compliance because Electric Kiwi was responsible for ICPs which had bridged meters. It was disputed by Electric Kiwi because they did not request the bridging and it was the only option by the MEP/contractor to get the power turned on for the customer. It was confirmed during this audit that ELKI does not request bridging meters, it always occurs without their knowledge.

Electric Kiwi have daily checks in place to identify any bridged meters and rectify the issue as soon as possible.

The issue was discussed with the Authority. Their comment is quoted below:

“The Code requires ELKI to ensure that they are trading on compliant metered ICPs and that all electricity conveyed is quantified in accordance with the Code, so this is technically a non-compliance for ELKI.

ELKI need to ensure that their contractual arrangements with MEPs require the MEP to advise ELKI of any bridging which has occurred.”

In the new Part 10 of the Code issued on 01/02/2021, in clause 10.33C it describes conditions when trader may bridge a meter at an ICP. This clause does not help Electric Kiwi much because they never authorised the bridging of a meter.

Clause 10.33 (6) says *“The metering equipment provider receiving the notice under subclause (5)(c) must reinstate the meter so that all electricity flowing into the ICP flows through a certified metering installation within 5 business days of receiving the notice.”*

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.1 With: 10.13 and 15.2 From: 01-Jan-20 To: 31-Dec-20	Energy is not metered and quantified according to the Code where meters are bridged Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating
Low	The controls are rated as strong. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.

Actions taken to resolve the issue	Completion date	Remedial action status
Upon receiving advice from MEP that a site has been bridged, Electric Kiwi takes action to unbridge the meter and estimate usage for the period in question.		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
No preventative actions identified.		

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

Code reference

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

Code related audit information

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

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

The participant responsible for the metering installation must:

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

Audit observation

Electric Kiwi is not responsible for any connections to the grid.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

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

Code related audit information

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

The process for identifying defective metering was examined.

Audit commentary

Looking for faulty meters or bridged meters is a part of the validation process conducted by Electric Kiwi. Flight Path catches consecutive 0 reads from the MEP. Any unusual patterns or “zero” data is analysed, and appropriate action taken such as contacting a customer or talking to the relevant MEP.

AMS & ARCS provides a weekly report of verified faults, which specifies the data of the last successful read. The report is analysed by Electric Kiwi. If necessary a customer is contacted to confirm that a premises is vacant, or power is switched off due to renovation.

Electric Kiwi provided 10 examples of faulty meters. In all cases SR was raised, and the MEP advised. The company provided a detailed extract of correspondence between all parties (customer, MEP, Electric Kiwi).

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

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

Audit commentary

The interrogation systems requirements were examined as part of the MEP audits, and found to be compliant.

The MEPs provide clock synchronisation and event reports. When clock synchronisation notifications are received, they are used to determine whether any action is required.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

All validated meter readings must be derived from meter readings.

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

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

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

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

Audit observation

The data collection process was examined Electric Kiwi only trades HHR ICPs read remotely.

Electric Kiwi has a process in place to ask a customer for photo readings when preparing estimates where actual AMI data cannot be obtained due to communication issues.

Audit commentary

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

Electric Kiwi is aware of the requirements to ensure that photo readings are validated against a set of validated actual readings from another source. If photo readings are used to calculate consumption, the interval data is labelled as estimated. Photo reads assist in the creation of customer's invoices in special circumstances.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 15.2

Code related audit information

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

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

Audit observation

The LIS file was reviewed. ELKI trades only HHR ICPs.

Audit commentary

We reviewed switch event readings in CS files and RR files in relevant sections. All reads are correctly applied in accordance with this clause.

Audit outcome

Compliant

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

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

At the time of this audit (**section 5.1**), Electric Kiwi traded one HHR ICP 0006498159RN342 which had UML attached. It was 1/4 of 121W streetlight (30 W). Daily unmetered kWh was 0.354 kWh. Electric Kiwi gained this ICP on 23/12/2020. As this report was written Electric Kiwi contacted the customer and sent NWMI to CTCT.

Audit outcome

Compliant

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

Code reference

Clause 8(1) and (2) Schedule 15.2

Code related audit information

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

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

Audit observation

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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 MEPs. Compliance was assessed as part of their MEP audits.

Audit commentary

MEPs are responsible for HHR data collection, and compliance is recorded in their audit reports.

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

Metering data for all ICPs traded by Electric Kiwi is collected remotely by the MEPs. Interrogation requirements and clock synchronisation were reviewed as part of MEP audits.

Audit commentary

The interrogation systems requirements were examined as part of the MEP audits, and found to be compliant.

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

Metering data for all ICPs traded by Electric Kiwi is collected remotely by the MEPs. Interrogation requirements and clock synchronisation were reviewed as part of MEP audits.

Audit commentary

The interrogation systems requirements were examined as part of the MEP audits, and found to be compliant.

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

HHR data is provided by MEPs.

Audit commentary

MEPs are responsible for meeting compliance with this clause. It is reviewed during their audits. We reviewed data provided by MEPs and confirm that the trading period duration is 30 minutes.

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

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

Audit commentary

All meter reading data is archived and is retained by Electric Kiwi for at least 48 months.

A review of Electric Kiwi's audit trails confirmed that reads cannot be modified without an audit trail being created. Access to modify readings is restricted.

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

Non metering information is not collected by Electric Kiwi.

Audit commentary

Compliance was not assessed because this clause is not applicable to the Electric Kiwi operation.

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

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

Processes for correction and estimation were reviewed and discussed with Electric Kiwi's staff.

The company provided examples of 8 ICPs meter readings . It was a mixture of defective or bridged meters. We reviewed all of them to confirm the correction process.

Audit commentary

Faulty or bridged meters were identified through the data validation process, missing reads process, or information provided by the customer, or by network, or MEP.

The process for estimation/corrections is as follows:

- if register reads are not available, the consumption is estimated based on consumption history for the ICP
- if there is no profile history, the residual profile shape is used
- if register reads are available, the intervals are estimated so that the total kWh matches the difference between register reads, the profile for the intervals is the same as the same day of the previous week,

Each of estimates methods takes into account HoP (Hour of Power), which is an hour of free power which each Electric Kiwi's gets every day.

We reviewed the estimation calculation methodology for 8 bridged or faulty meters provided by the company. We found the method of estimation correct.

The last audit report identified non-compliance because 5 corrections did not flow through to submission files. We confirm that data correction for 8 ICPs sampled during the audit flowed through to submission files. The company confirmed that the fix in NEST to stop NEST from loading MEP catch up files for ICPs/time periods which were identified as having a bridged meter was implemented.

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

Error and loss compensation was discussed during the audit. 14 ICPs have a multiplier factor applied to metering data. A multiplier is applied because the installations are category 2.

Audit commentary

Electric Kiwi has not (applied or supplied?)supplied ICPs error or loss compensation.

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

Electric Kiwi trades HHR ICPs only. The report called Flight Path Report identifies ICPs metering data which requires closer analysis. If any correction or adjustment is required a journal will be created. It is the same journal which is created when metering data is estimated.

Audit commentary

Raw meter data is held by MEPs, and compliance is recorded in their MEP audits.

Electric Kiwi only corrects working data, and they keep an appropriate audit trail.

Retention of raw data was discussed in **section 7.2**, audit trail was discussed in **section 2.4**.

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

NEST has a built-in function which allows the identification of actual and estimated readings. At the time of audit, the system has been assigning a type of reading flag per day. If part of the day had to be estimated, NEST displays estimated readings on a separate screen with “E” flag.

Audit commentary

Flags of read types are recorded correctly in NEST. We checked approximately 10 examples to confirm compliance.

Audit outcome

Compliant

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

Code reference

Clause 3(4) Schedule 15.2

Code related audit information

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

3(4)(a) - validated meter readings

3(4)(b) - estimated readings

3(4)(c) - permanent estimates.

Audit observation

All readings received from the MEPs are validated upon upload to NEST.

Audit commentary

Volume information is derived from validated HHR readings provided by the MEP. NEST has the functionality to use both validated and estimated readings to create reconciliation files. The screen below shows a screenshot of Flight Pass, which catches consecutive 0 reads from the MEP, consumption records that are too high or too low compared to the most recent consumption records. Electric Kiwi also have a “Outlier CRON” which runs every day in NEST on billing charges (before the customer is invoiced). It is a bit technical, but basically it looks for outliers which are very high or very low compared to the last 50 days average.

Business Optimisation - Priority 1 - Metering Management	
Business optimisation reports to be executed daily	
P1 - Metering Management	
<u>A customer has active unmetered load</u>	A customer has active unmetered load against their connection. NEST does not support unmetered load so the customer must be requested to leave a_customer_has_active_unmetered_load
<u>A consumption record has a negative value</u>	A consumption record has negative values. Negative values are not supported by NEST and these should be manually updated using a manual estimation routine a_consumption_record_has_a_negative_value
<u>A customer has consecutive zero data in consumption records</u>	A meter is sending constant zero data to NEST for the last 5 days, or more. Its highly likely that the meter is not communicating a_customer_has_consecutive_zero_data_in_consumption_reads
<u>AMI Comms Flag Set to N</u>	The MEP has updated the AMI Comms flag to N in the registry. Please confirm if this meter is truly non communicating. If the flag stays N, then the customer will need to switch away ami_comms_flag_set_to_n
<u>Negative RR Start Read</u>	Nest has calculated the daily read start read as negative, which means the customer could be billed more. Please review and correct if required. negative_rr_start_read
<u>ICP has signed up with an invalid MEP</u>	An ICP has made it through sign up, but has an MEP or proposed MEP which cannot be served. Please review the ICP. If it's only a nomination, we can correct by setting back to the original MEP. Otherwise we need to switch the ICP away. icp_has_signed_up_with_an_invalid_mep
<u>An ICP has an NHH Meter</u>	An ICP with a NHH meter has signed up recently or the MEP has incorrectly updated the metering installation type. We need to investigate and ensure that the data issue is resolved or replace the meter with an HHR one. an_icp_has_an_nhh_meter
<u>Those ICPs that have exporting or solar installations without NA channel</u>	Properties that have an injection channel at the premise, generally from solar installations those icps that have exporting or solar installations but without NA channel Those_ICPs_that_have_exporting_or_solar_installations_without_NA_channel

Audit outcome

Compliant

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

Code reference

Clause 3(5) Schedule 15.2

Code related audit information

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

Audit observation

Metering data is neither rounded nor truncated upon uploading to NEST. Electric Kiwi provided 8 examples of data from AMS, ARCS, FCLM, and IHUB to demonstrate compliance.

Audit commentary

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

Audit outcome

Compliant

9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

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

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

Audit observation

The HHR estimate process was examined, and a sample of 10 estimates were reviewed. Revised data was compared to estimates where the estimates had been replaced.

Audit commentary

All HHR data and register reads are provided by MEPs. Electric Kiwi closely monitors completeness and accuracy of data. If there are any intervals missing the relevant MEP is contacted and asked for catch-up data. In most cases MEPs are not able to provide it. In such a situation metering data is estimated.

The process for estimation/corrections is as follows:

- if register reads are not available, the consumption is estimated based on consumption history for the ICP
- if there is no profile history, the residual profile shape is used
- if register reads are available, the intervals are estimated so that the total kWh matches the difference between register reads, the profile for the intervals is the same as the same day of the previous week,

Each of the estimates methods takes into account HoP (Hour of Power), which is an hour of free power which each Electric Kiwi client receives every day.

A sample of 10 estimates provided for each type of estimation to show how volumes are calculated were reviewed. We found that Electric Kiwi used reasonable endeavours to ensure that submitted information was within the percentage specified by the Authority in all cases reviewed.

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

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

Audit observation

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

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

Audit commentary

Electronic meter reading information is provided by MEPs. Meters are interrogated regularly, most of them daily.

NEST validates data upon import, checking for missing data, checking for invalid dates and times. Any files which fail validation are not imported. A special report is created.

In **section 9.2**, the screenshot of Flight Path shows some validation conducted.

Electric Kiwi receives logs from MEPs. ARCS, AMS, and IHUB provide a weekly report of verified faults.

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

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.137

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.138

Code related audit information

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

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

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

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

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

Audit observation

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.140

Code related audit information

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

Audit observation

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

Electric Kiwi only uses the HHR profile for reconciliation submissions. On rare occasion the RPS profile is used for submitting volumes for an ICP which has an UML component such as a shared streetlight.

Audit commentary

Electric Kiwi uses the HHR profile, which does not require a trading notification. We confirmed by checking the LIS file and submission files for Feb'20 to Dec'20.

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 5 NSPs with a small number of ICPs to confirm the AV110 ICP days calculation was correct.

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

Audit commentary

GR100 differences for the past 15 months are shown below:

Month	R0	R1	R3	R7	R14
Oct'19	0.00%	0.00%	0.00%	0.00%	0.00%
Nov'19	0.00%	0.01%	0.00%	0.00%	0.00%
Dec'19	0.01%	0.00%	0.00%	0.00%	
Jan'20	-0.02%	0.00%	0.00%	0.00%	
Feb'20	-0.01%	0.01%	0.00%	-0.01%	
Mar'20	0.01%	0.01%	0.00%	0.00%	
Apr'20	0.00%	0.01%	0.00%	0.00%	
May'20	0.04%	0.01%	0.00%	0.00%	
Jun'20	0.01%	0.00%	-0.01%	0.00%	
Jul'20	0.02%	0.01%	0.00%	0.00%	
Aug'20	0.00%	0.01%	0.00%		
Sept'20	0.01%	0.01%	0.00%		
Oct'20	0.00%	0.00%	0.00%		
Nov'20	0.00%	0.00%			
Dec'20	0.01%	0.01%			

The small differences between ICPs days calculated between the registry and NEST are caused by late, backdated or withdrawn switches.

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.

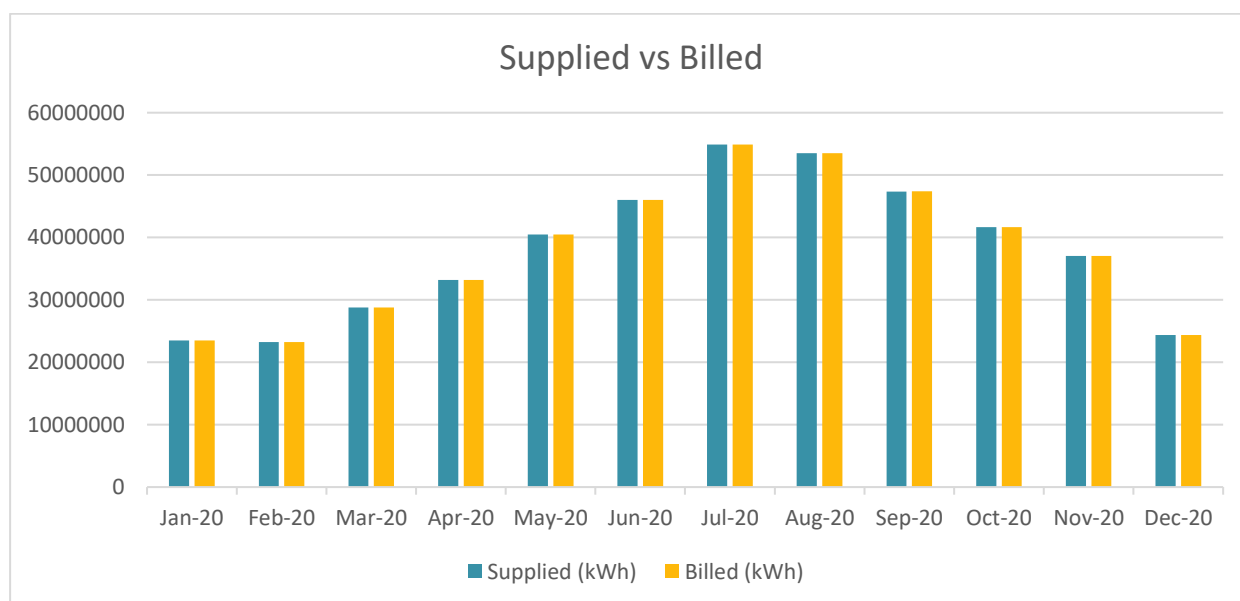
Audit observation

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

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

Audit commentary

Month	Supplied (kWh)	Billed (kWh)	Difference
Jan-20	23508764.68	23508691.67	73.01
Feb-20	23258026.66	23257597.4	429.26
Mar-20	28803185.68	28803586	-400.32
Apr-20	33197785.73	33198815.75	-1030.02
May-20	40457778.41	40458026.43	-248.02
Jun-20	46020034.41	46020638.19	-603.78
Jul-20	54898835.44	54900479.9	-1644.46
Aug-20	53491896.54	53492887.36	-990.82
Sep-20	47375056.07	47380493.36	-5437.29
Oct-20	41650116.18	41651223.21	-1107.03
Nov-20	37047333.74	37048164.79	-831.05
Dec-20	24382408.98	24382688.14	-279.16



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

We examined the process for the calculation and aggregation of HHR data. We compared HHR aggregates information with the HHR volumes data for 4 submissions.

The GR-090 “ICP missing” files were examined for October 2020.

Audit commentary

Electric Kiwi provided a set of submission files (AV140) for the month Jan’20 to Nov’20. The file shows volumes for each HHR ICP. AV-140 files are created by NEST using validated meter readings. To assess the correctness of the aggregation process we conducted the following checks:

- Comparison of 5 months of total submissions between HHRAGGR and HHRVOLS
- 5 ICPs with vacant consumption to confirm that vacant consumption is reported
- 5 ICPs with disconnected consumption to confirm that disconnected consumption is reported

The GR-090 “ICP missing” files were examined for October 2020. A total of 168 ICPs are listed. For 93 ICPs submission volumes are not in HHRAGGR and 75 ICPs are not included in the files but are not expected to be. The total number of ICPs for October 2020 was 71,342 therefore there is a discrepancy of 0.23%.

A sample of 8 differences were reviewed, and they were found to be caused by:

- 4 ICPs – withdrawn switches
- 1 ICP – backdated switch
- 1 ICP – not complete switch
- 2 ICPs – switched on 31/10/2020; no consumption was received, and NEST estimation routine had not run yet for 31/10/2020 by the time the RM file was generated.

We compared HHRAGGR and HHRVOLS for 5 months. The differences between the volumes and aggregates were small (between 0.0001% to 0.003%).

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

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

Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 11.4 With: 15.8 From: 01-Jan-20 To: 31-Dec-20	HHRAGGR files do not contain electricity supplied information Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Electric Kiwi submits submissions volumes as per the reconciliation manager specification.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No action required from Electric Kiwi			

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

HHR data is provided by MEPS. Data provided by MEPS is already adjusted for NZDT.

Audit commentary

Daylight savings processes for the MEPS were reviewed as part of their audits and found to be compliant.

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

Electric Kiwi provided reconciliation data for 6 months.

We checked for alleged breaches regarding late files.

Audit commentary

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

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

As a part of assessing compliance, we reviewed reconciliation files HHRAGGR, HHRVOLS, NNHVOLS and ICPDAYS and corresponding RM files GR-100, GR-090 and GR-170HHR. We confirm that all revisions were submitted as prescribed by this clause.

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

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

Audit commentary

Electric Kiwi has a process in place to compare data recorded in the registry and data stored in NEST during the month and before each reconciliation run. Electric Kiwi demonstrated that if they subsequently obtain more accurate information, they provide it to the reconciliation manager as part of the normal schedule of revision submissions. Every month, before day 13, revision files are submitted for month 3, 7, and 14.

An EDA file is uploaded to NEST daily to update records. Since 2019 NSP allocation is one of the variables that is checked .

The last audit identified non-compliance because approximately 100 ICPs had an incorrect NSP allocated in Feb'19. We sampled 5 NSPs to confirm the correct NSP was allocated as per the data held in the registry. We did not identify a re-occurrence of this non-compliance. Electric Kiwi implemented a monthly check of the GR090 to ensure all ICPs and their NSPs are correct.

Audit outcome

Compliant

12.4. Grid owner volumes information (Clause 15.9)

Code reference

Clause 15.9

Code related audit information

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

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

Audit observation

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

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

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

Audit observation

The review of registry file confirmed that ELKI does not own any local or embedded network.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

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

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

Audit observation

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

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

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

Audit observation

Electric Kiwi provided reconciliation data submitted in the last 4 months. We additionally requested all revisions for Jan'20.

We analysed the GR-170HHR for the last 18 months.

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

Audit commentary

Using GR-170HHR, we compared submitted volumes between day14 and consecutive submissions. The comparison is tabled below, there are small differences between consecutive submissions. Electric Kiwi mainly use actual data provided by MEPs. We did not observe a problem where correction did not flow through to submission files.

Month	day 13	Rev 3	Rev7	Rev 14	Rev 3/ day 13	Rev7/ day13	Rev 14/ day13
01/2019	15,633,376	15,626,681	15,628,574	15,629,328	-0.043%	-0.031%	-0.026%
02/2019	15,251,915	15,252,297	15,252,991	15,254,832	0.003%	0.007%	0.019%
03/2019	18,392,741	18,395,027	18,395,703	18,396,646	0.012%	0.016%	0.021%
04/2019	22,171,662	22,174,279	22,184,862	22,185,846	0.012%	0.060%	0.064%
05/2019	27,029,064	27,030,147	27,047,045	27,046,644	0.004%	0.067%	0.065%
06/2019	33,911,144	33,911,742	33,919,109	33,916,184	0.002%	0.023%	0.015%
07/2019	36,208,301	36,220,229	36,221,984	36,221,009	0.033%	0.038%	0.035%
08/2019	38,351,427	38,364,752	38,365,943	38,365,336	0.035%	0.038%	0.036%
09/2019	33,242,382	33,244,900	33,244,540	33,243,526	0.008%	0.006%	0.003%
10/2019	30,919,679	30,920,581	30,920,006	30,919,096	0.003%	0.001%	-0.002%
11/2019	24,458,628	24,460,126	24,459,861		0.006%	0.005%	
12/2019	23,583,226	23,584,422	23,585,188		0.005%	0.008%	
01/2020	23,552,626	23,554,008	23,554,103		0.006%	0.006%	
02/2020	23,273,435	23,277,761	23,279,586		0.019%	0.026%	
03/2020	28,799,729	28,804,387	28,808,223		0.016%	0.029%	
04/2020	33,191,399	33,201,392	33,203,181		0.030%	0.035%	
05/2020	40,462,011	40,475,545	40,476,928		0.033%	0.037%	
06/2020	46,034,640	46,052,641			0.039%		
07/2020	54,919,521	54,933,047			0.025%		
08/2020	53,504,776	53,515,562			0.020%		
09/2020	47,381,281	47,377,101			-0.009%		
10/2020	41,646,462						

11/2020	37,098,522						
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A review of alleged breaches confirmed that no reconciliation submissions were made late.

Audit outcome

Compliant

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

Code reference

Clause 4 Schedule 15.2

Code related audit information

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

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

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

Audit observation

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Electric Kiwi provided submission files submitted in the last 4 months. The company submitted HHRVOLS, HHRAGGR, ICPDAYS and NHHVOLS when relevant. NHHVOLS are submitted

Audit commentary

We assessed compliance with this clause and confirm as follows:

- all Electric Kiwi's metered ICPs are submitted as HHR
- one ICP with unmetered load (streetlight) had accurate submission but incorrect type of profile was used. ELKI used HHR profile instead RPS in Nov'20, and Dec'20 submissions
- no profiles requiring a certified control device were used
- no loss or compensation arrangements were required

Electric Kiwi's strategy is not to trade UML but from time to time it occurs. In the last year this was caused by networks uploading and backdating information about shared UML.

During the audit period, for the following ICPs with attached UML, volumes were submitted.

Month	ICP	NSP	Comment
11/20	0006011470RNF79	ISL0661	Switch out on 19/11/2020
11/20 & 12/20	0005731151RNC61	ISL0661	Switch out on 06/12/2020
12/20	0006498159RN342	ISL0661	ORON removed UML on 21/01/2021

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 12.9</p> <p>With: Clause 2 of Schedule 15.3</p> <p>From: 01-Jan-20</p>	<p>Incorrect profile used for UML submissions in Nov'20 and Dec'20</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p>

To: 31-Dec-20	Breach risk rating:1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong. Reconciliation processes are well documented, many checks are in place. There was a change of personnel and the documentation did not reflect what profiles should be used for UML in NHHVOLS file. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Changes have already been implemented to enable Electric Kiwi to use the correct profile for UML submissions		January 2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

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

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 4 and 5 Schedule 15.3

Code related audit information

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

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

Audit observation

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 15.3

Code related audit information

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

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

Audit observation

All ICPs were submitted as HHR. Submissions files were reviewed.

Audit commentary

In the past Electric Kiwi used HHZ profile but it was retired on 28/07/2018.

Audit outcome

Compliant

13. SUBMISSION FORMAT AND TIMING

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

Code reference

Clause 8 Schedule 15.3

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

We reviewed the submission file for Jan'20 – Nov'20 .

Audit commentary

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

- NSP code

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

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

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

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 15.3

Code related audit information

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

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

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

Audit observation

The LIS file was reviewed. ELKI trades only HHR ICPs. No NHH metered ICPs were traded.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

CONCLUSION

PARTICIPANT RESPONSE

Electric Kiwi would like to thank the EA for taking the time to review our audit as well as Ewa Glowacka of TEG & Associates Ltd for taking the time to perform our audit and prepare the report.

Over the past 12 months, Electric Kiwi have once again achieved significant growth, increasing our customer base from 34,115 ISPs at the end of 2019, to 72,413 ICPs in January 2021. This audit shows that continued focus on our operational processes, internally developed system and controls continue to maintain high levels of compliance, while keeping our customers at the heart of what we do.

A small number of improvements have been identified and Electric Kiwi will work to address these over the next few months.

As a final comment, Electric Kiwi would also like to note that several non-compliance items are outside of the control of retailers and encourage the EA to address:

1. Clause 15.8 relating to HHR aggregates information provision to the reconciliation manager, where a misalignment exists between the Code requirements and the RM file specification. Once a resolution has been identified by the Electricity Authority, Electric Kiwi will action to update file specifications accordingly. Until then, our view is that this should not be recorded as a compliance breach.
2. Assigning non-compliance points where there are an extremely low number of errors or based on customer provided information or failure to respond, does not indicate the kind of systemic issues and risks that an audit is designed to identify. A suggested improvement would be to mark as “compliant” if the sample results are less than a required threshold.