

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

For

**POWER EDGE LIMITED(EDGE)
(6934498)**

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Audit report due date: 16-Jul-21

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EXECUTIVE SUMMARY

This reconciliation participant audit was performed at the request of Power Edge Limited (EDGE) 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.

Power Edge, as a tier 1 trader, is responsible for 17 ICPs. 4 ICPs are reconciled as HHR and 13 ICPs as NHH. The company trades a number of ICPs as a tier 2 trader. Tier 2 trading is not covered by this audit.

The company's business strategy is to offer their services to customers who want to have or already have embedded generation installed.

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.

This is the first full audit conducted for this company. A desktop audit was conducted last year. The desktop audit covered compliance to trade NHH and HHR ICPs. All switching/registry management was to be conducted by JC Consulting at PowerEdge's request. JC Consulting was appointed as the agent to provide the reconciliation services. Since the desktop audit the company decided to conduct the registry management/switching themselves under JC Consulting supervision. The company employees attended the registry course in May 2021.

The audit found 8 non-compliance issues, one recommendation was made, and no issues are raised.

The audit period was 16/09/2020 to 31/05/2021.

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 10 which results in an indicative audit frequency of 18 months. We agree with the result.

We thank Power Edge's staff for their full and complete cooperation in this audit.

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 a small number of ICPs	Strong	Low	1	Identified
Provision of information on electricity plan comparison site	2.20	11.30 B	No information about Powerswitch was provided on the EDGE communications to customers about electricity services and bills	Strong	Low	1	Cleared
Changes to the registry information	3.3	10 Schedule 11.1	Four late trader updates to the registry information	Moderate	Low	2	Identified
Provision of information to the registry	3.5	9 Schedule 11.1	Profile and type of reconciliation for one ICP is incorrect in the registry	Strong	Low	1	Identified
Gaining trader informs registry of switch request - switch move	4.7	9 of Schedule 11.3	Two switches Move ICP were backdated	Strong	Low	1	Identified
Losing trader determines a different date - switch move	4.9	10(2) of Schedule 11.3	For 2 switches the switch event date proposed by the gaining trader was backdated	Strong	Low	1	Identified
Electricity supplied information provision to the reconciliation manager	11.3	15.7	Supplied volumes are sourced from the previous month's network volumes not from EDGE's billing system	Weak	Low	3	Identified
HHR aggregates information provision to the	11.4	15.8	HHRAGGR files do not contain electricity supplied information	Strong	Low	1	Not required. The Code change required a

reconciliation manager							line up with RN file specification. Breach risk rating excluded from total
Reconciliation participants to prepare information	12.9	2 of Schedule 15.3	0000201879UNC9F is reconciled as HHR but registry shows RPS PV1 profile and a reconciliation type NHH	Strong	Low	1	Identified
Future Risk Rating						10	

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
Losing trader must provide final information - switch move	4.10	If MEP changes and a meter is changed, the registry does not allow a participant to record two different meters on the same day	Delay switch for at least one day

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

Power Edge has not applied for any exemptions.

Audit commentary

No exemptions are required for this participant's initial trading.

1.2. Structure of Organisation

Roy Netzer is a director. The company employs one person.

1.3. Persons involved in this audit

Name	Title	Company
Roy Netzer	Director	Power Edge
Ronit Netzer	Accounts	Power Edge
John Candy	Director	JC Consulting
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

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

Audit observation

Agents were discussed. PowerEdge engaged JC Consulting who is responsible for calculating and submitting reconciliation files.

Audit commentary

JC Consulting is the agent to deliver Electricity Market settlement files (initial submissions and consecutive revisions) to the reconciliation manager. The Meter Read Frequency report is created and

emailed to the Authority. Additional information from the registry and the Reconciliation Manager (seasonal adjustment data) is obtained on PowerEdge's behalf.

EDGE has an arrangement with WELLS for the manual meter reading of one ICP (0000330239WEC91). During this audit we reviewed the WELLS agent report dated 01/04/2021. No non-compliances were found related to EDGE's operation.

1.5. Hardware and Software

Power Edge does not use any specific software to perform tasks covered by this audit. JC Consulting uses the JC RM TOOL access database, which is backed up to the cloud using both Microsoft OneDrive and Dropbox.

Power Edge bills their customers themselves using Ultimate.

1.6. Breaches or Breach Allegations

No breaches or breach allegations were identified.

1.7. ICP Data

Metering Category	(08/06/2021)	(date)	(date)
1	17		
2	0		
3	0		
4	0		
5	0		
9	0		

Status	Number of ICPs (08/06/2021)	Number of ICPs (date)	Number of ICPs (date)
Active (2,0)	17		
Inactive – new connection in progress (1,12)	0		
Inactive – electrically disconnected vacant property (1,4)	0		
Inactive – electrically disconnected remotely by AMI meter (1,7)	0		
Inactive – electrically disconnected at pole fuse (1,8)	0		
Inactive – electrically disconnected due to	0		

meter disconnected (1,9)			
Inactive – electrically disconnected at meter box fuse (1,10)	0		
Inactive – electrically disconnected at meter box switch (1,11)	0		
Inactive – electrically disconnected ready for decommissioning (1,6)	0		
Inactive – reconciled elsewhere (1,5)	0		
Decommissioned (3)	0		

1.8. Authorisation Received

An authorisation letter was not required.

1.9. Scope of Audit

This reconciliation participant audit was performed at the request of Power Edge Ltd 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 27 June 2021 at Power Edge's office in 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	✓	JC Consulting
(c)(iv) - Creation and management of dispatchable load information	✗	

(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓	JC Consulting
(d)(ii) - delivery of electricity supplied information under clause 15.7	✓	JC Consulting
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓	JC Consulting
(e) – Provision of submission information for reconciliation	✓	JC Consulting

1.10. Summary of previous audit

There is no history of a previous audit for this participant.

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 08/06/2021 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 Platinum Power 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

JC Consulting polls weekly the registry notification. Switching files are retrieved daily. Using the switch breach reporting tool, push notifications are sent to EDGE of outstanding activities to be performed.

Registry data is synchronized with JC Consulting RM systems weekly and immediately prior to settlement runs to ensure alignment with the registry. All submissions are based on registry attributes (including metering) and data received from meter data providers.

Issue	2021 Qty	Comments
ICP Status = 002, MEP = blank, UNM Flag = N	0	
ICP Status = 002, Generation Capacity is not blank,	15	All meters are Export/Import
Highest Metering Category >2 with residential ANZSIC code assigned (000000)	0	
ANZSIC code = blank or T994, T994000, T99, T999, T999999, T995, T995000, T997, T997000, T998, T998000	0	
ICP with B or G Inst Type, or non null Fuel or Gen Capacity that do not have a corresponding Injection Register	0	
Highest Metering Category greater than 2, Submission	0	

Type HHR = No		
Highest Metering Category = 9, UNM Flag=N	0	0
All active ICPs with Initial Energisation Date populated during a defined period	0	
All Active ICPs (ICP Status = 2) with Shared ICP List not blank	0	
All ICPs at ICP Status 001,12	0	
Submission Type HHR = Y, Profile does not contain HH	1	0000201879UNC9F, corrected during the audit
Submission Type HHR and Submission Type NHH both = Y	0	
All active ICPs where Distributor has indicated UML (UML Load Details not NULL), but Retailer has none (UNM Flag = N)	0	
All active ICPs with load in excess of 6kWh (Daily Unmetered kWh greater than 16.4 daily)	0	
All active ICPs with load between 3-6k kWh (Daily Unmetered kWh between 8.2-16.4 daily)	0	
All active ICPs with Engineered profile (Daily Unmetered kWh = ENG)	0	

Incorrect registry and submission files information are listed below:

Section	Description
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"> Profile and type of reconciliation for one ICP is incorrect in the registry
12.9	<ul style="list-style-type: none"> 0000201879UNC9F is reconciled as HHR but registry shows RPS PV1 profile and a reconciliation type NHH

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.1 With: 11.2 & 15.2 From: 16-Sep-20 To: 31-May-21	Incorrect information in the registry for a small number of ICPs Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating

Low	The controls are recorded as strong. Registry information is effectively monitored. Audit risk rating is recorded as low because the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Registry training		12/5/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Review Registry functional specification v22 32		13/5/2021	

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

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

Audit commentary

EDGE 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

JC Consulting downloads data from MEPs on behalf of EDGE. EDGE is provided with a copy of metering data for billing purposes. WELLS provide readings for one manually read ICP.

Audit commentary

Once metering data is downloaded from the service providers' servers it is uploaded to the RM TOOL. JC Consulting uses only secure transmission functions, password protected, or SFTP for the transmission of all data.

The data transfer process was reviewed during the MEPs audit and found compliant.

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

Switching is conducted by EDGE using the registry web interface which has audit trails.

JC Consulting will retain an audit trail of downloaded metering data via FileZilla. The audit trail of reconciliation files is recorded by the RM portal.

The audit trail for data validation, estimation and creation of reconciliation files is recorded in the RM TOOL.

Audit commentary

As a part of this audit, we reviewed the JC Consulting operation. The audit confirms that a complete audit trail was viewed for all data gathering, validation and processing functions. The log of these activities includes the activity identifier, date and time and 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

EDGE provided a copy of the Terms and Conditions which was reviewed by the Authority.

Audit commentary

Terms and Conditions provide relevant information for the customer to meet the requirements of this clause.

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

EDGE provided a copy of the Terms and Conditions which was reviewed by the Authority.

Audit commentary

A copy of the Terms and Conditions was sighted and contains the required information for access arrangements. It is covered in section 19.

Audit outcome

Compliant

2.7. Physical location of metering installations (Clause 10.35(1)&(2))

Code reference

Clause 10.35(1)&(2)

Code related audit information

A reconciliation participant responsible for ensuring there is a category 1 metering installation or category 2 metering installation must ensure that the metering installation is located as physically close to a point of connection as practical in the circumstances.

A reconciliation participant responsible for ensuring there is a category 3 or higher metering installation must:

- a) if practical in the circumstances, ensure that the metering installation is located at a point of connection; or*
- b) if it is not practical in the circumstances to locate the metering installation at the point of connection, calculate the quantity of electricity conveyed through the point of connection using a loss compensation process approved by the certifying ATH.*

Audit observation

The requirements of this clause were discussed. We reviewed the LIS file dated 08/06/2021.

Audit commentary

The company confirmed they do not have any installations to which metering data loss compensation has to be applied. At the time of this audit, only category 1 metering installations were traded. It is electricity industry practice to have metering installations located close to a point of connection.

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

EDGE provided a copy of the Terms and Conditions which was reviewed by the Authority.

Audit commentary

The compliance with this clause is covered in section 24 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

This was discussed during the audit. We reviewed the EDA file for the audit period to identify all new connections.

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

- *for a point of connection to the grid – the grid owner has approved the connection*

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

Audit observation

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

Audit observation

The 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

EDGE does not trade new connections. A review of the Audit Compliance report and PR-255 file confirmed that EDGE 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 EDGE 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

EDGE 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 a review of the agreements provided by the company.

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 EDGE 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

EDGE demonstrated that arrangements are in place with all MEPs. MEP arrangements are in place with Intellihub, LMGL, AMS, and FCLM.

Audit outcome

Compliant

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

Code reference

Clause 10.33B

Code related audit information

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

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

Audit observation

This was discussed with EDGE's staff during the audit.

Audit commentary

The company understands their obligations and will follow the Code requirements. No such situation occurred during the period covered by this audit. All gained ICPs had the status "active" in the registry.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

This clause came in to force on 01/02/2021. It was discussed with EDGE's staff during the audit.

Audit commentary

The company understands their obligations. During this audit period the company requested the electrical disconnection of 5 ICPs located in the apartment building, the Crest. The company provided copy of communication with the MEP.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

- *reset a load control switch, bridge or unbridge a load control switch – if the load control switch does not control a time block meter channel*
- *electrically connect load or generation, of the load or generation has been disconnected at the meter*

- *electrically disconnect load or generation, if the trader has exhausted all other appropriate methods of electrical disconnection*
- *bridge the meter*

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

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

Audit observation

This clause came in to force on 01/02/2021. We discussed it during the audit.

Audit commentary

EDGE stated that it is not their company policy to remove or break seals. The company does not have the expertise to work on electrical installations. Any work on installations traded by EDGE will be performed by the responsible MEP or a person/company authorised by them.

Audit outcome

Compliant

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

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

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

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

If the trader bridges a meter, the trader must:

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

The trader must determine meter readings as follows:

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

Audit observation

This clause came in to force on 01/02/2021. We discussed it during the audit.

Audit commentary

EDGE stated that it is not their company policy to bridge/bypass meters. It was not requested during this audit period, and they are not planning to do it in the future.

Standard reporting by JC Consulting is used to highlight meters with zero consumption, as a trigger to detect bridged (or other faults with) metering. In the unlikely event of a bridged meter occurrence, replacement volumes will be assessed and submitted to the reconciliation manager.

Audit outcome

Compliant

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

Code reference

Clause 11.30

Code related audit information

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

Audit observation

We asked the company to provide an example of their invoice to assess compliance with this clause.

Audit commentary

EDGE provided a sample of their invoice. We confirm that the relevant ICP identifiers are printed on every invoice.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

This was reviewed during the audit.

Audit commentary

We confirm that the company website contains the link to Utilities Dispute. It will be quoted during communications with the customer.

Audit outcome

Compliant

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

This was reviewed during the audit.

Audit commentary

We confirm that the company website contains the link to PowerSwitch. At the time of audit, it was not quoted during communications to customers about electricity services and bills. It was fixed during the audit.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.20 With: 11.30B From: 02-Feb-21 To: 31-May-21	No information about Powerswitch was provided on the EDGE communications to customers about electricity services and bills Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating
Low	The controls are rated as strong. The lack of information about PowerSwitch, during communications to customers about electricity services and bills was fixed during the audit. There was no impact on settlement outcomes. Audit risk rating is low.

Actions taken to resolve the issue	Completion date	Remedial action status
Added to all emails	5/7/2021	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
Added to emails	5/7/2021	

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. The process is well documented.

Audit commentary

EDGE 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

EDGE 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.

Audit commentary

The Audit Compliance report recorded the following late updates of registry information:

- 1 MEP nomination was backdated by 19 business days
- 2 late updates of reconciliation type and the profile
- 1 late update of the profile

Overall percentage compliance was 42.68% and average business days between trader event and trader event input was 6.86.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 16-Sep-20 To: 31-May-21	Four late trader updates to the registry information Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating

Low	The controls are rated as moderate as they require some improvements to update the registry in a timely manner. There was minor impact on settlement outcomes because of the small number of ICPs. Audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Minimise backdating		24/6/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
When backdating get registry data on the same day		24/6/2021	

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 08/06/2021, 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 EDGE staff.

Audit commentary

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

EDGE fully understands that as soon as they are recorded in the registry as accepting responsibility, the responsibility will cease only when an ICP switches out to another trader and its code is recorded in the registry.

The decommissioning process describes the obligation before an installation is decommissioned. EDGE 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. No ICP was decommissioned during the period covered by this audit.

Processes and business rules note the requirements of this clause. EDGE do not intend to accept ICPs with UML, however if they do JC Consulting will be able to ensure that these are processed compliantly. UML processes will be drafted when required. EDGE are aware of the different types of UML.

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

The EDGE business model is to trade existing installations only, the Audit Compliance report did not identify any missing data for new installations.

We noticed that ICP 0000201879UNC9F has an incorrect profile. It was reconciled as HHR, but the profile recorded in the registry was "RPS PV1". It was corrected during the audit, the entry was backdated by 2 months.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: 9 of Schedule 11.1 From: 19-Apr-21 To: 31-May-21	Profile and type of reconciliation for one ICP was 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. 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
Registry training		12/5/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Review Registry functional specification v22 32		13/5/2021	

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 all ICPs

Audit commentary

We confirm all ICPs have the correct ANZSIC code recorded in the registry.

Audit outcome

Compliant

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

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

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

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

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

Audit observation

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

EDGE has a validation process in place to check for UML at the time of obtaining a customer. JC Consulting has processes in place if EDGE do inadvertently pick up UML, it will be reconciled accordingly.

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 be 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 and LIS files for the audit period were analysed.

Audit commentary

At the time of this audit, all ICPs had the “active” status. All installations are metered and all of them have valid metering certification.

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

At the time of this audit, all ICPs had the “active” status. During the audit period 5 ICPs were remotely disconnected. We followed through the paperwork provided by EDGE.

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. EDGE 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

The Standard Switch process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were examined for the period of this report. The process was discussed with EDGE's staff.

Audit commentary

EDGE is aware of the requirements of the Fair Trading Act 1986.

Power Edge sent 48 NTTR. The company uses the registry web interface to conduct switching.

3 NTTR were backdated. There was agreement between BCPL and EDGE at the time the BCPL customer switched to EDGE.

Audit outcome

Compliant

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

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

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

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

- *providing a request for withdrawal of the switch in accordance with clause 17 (clause 3(c) of Schedule 11.3).*

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

Audit observation

The Standard Switch process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were examined for the period of this report. The process was discussed with EDGE's staff.

Audit commentary

EDGE received 1 NTTR, to which they responded by sending the AN file the following day. The valid switch response code was used.

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

We analysed the Event Listing file (EDA) and the Switch Breach History details report for the period of this audit. The process was discussed with EDGE's staff.

The process to manage the sending of the CS file within five business days of the event date was examined.

The accuracy of the content of the CS files was confirmed by the checking of one record. The content checked included:

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

Audit commentary

Power Edge lost 1 ICPs (1002075565LCFEC) in this audit period using the Standard Switch process. We assessed the CS file sent to the gaining trader and we found the information in the CS file to be correct.

Registry Functional Specification v22.21 states that average daily consumption within the CS file should be the average kWh per day for the last read period. EDGE 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.

Audit outcome

Compliant

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

We analysed the Event Listing file (EDA) and the Switch Breach History details report for the period of this audit. The process was discussed with EDGE's staff.

Audit commentary

EDGE did not send or received any RR files for standard switch.

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

We analysed the Event Listing file (EDA) and the Switch Breach History details report for the period of this audit.

Audit commentary

EDGE did not send or received any RR files for standard switches.

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 losing retailers. If such a situation were to occur in the future it would be resolved in accordance with this clause.

Audit commentary

EDGE confirmed that no disputes occurred in the period covered by this audit which would require a resolution. There were no switching activities. EDGE stated that they would not decline to accept another retailer's validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

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

Audit observation

The Switch Move process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were analysed for the time period of this audit. The process was discussed with EDGE’s staff.

EDGE is aware of the requirements of the Fair Trading Act 1986.

Audit commentary

EDGE sent 2 NTMI (1000756171UN10A and 1002075390LC4B2).

1000756171UN10A – EDGE sent NT on 15/09/21 to MEEN. The NT file was backdated by 14 BD. The ICP was an EDGE customer for only 1 day. It switched to MERI on 16/09/21. It is part of EDGE’s strategy to switch customers without solar to MERI and serve them as a tier 2 retailer.

1002075390LC4B2 - this switch was backdated by 42 BD. It was discussed during the audit. This ICP was located at the Crest apartment and there was a mix up regarding meters being assigned to incorrect ICPs. To sort out this confusion took time, therefore, the switch was backdated.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.7 With: 9 of Schedule 11.3 From: 15-Sep-20 To: 02-Oct-20	Two switches Move ICP were backdated Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong. Registry information is effectively monitored. Audit risk rating is recorded as low because the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Registry training		12/5/2021	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Review Registry functional specification v22 32	13/5/2021	

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

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

Audit observation

The Switch Move process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were analysed for the period of this audit. The process was discussed with EDGE's staff.

Audit commentary

EDGE received 48 NTMI from gaining traders. The Switch Beach report did not record any late AN files.

Most of the ICPs switched to Meridian Energy and were backdated. Both parties agreed on a switch event date

It was part of EGDE's strategy to trade the majority of their ICPs as a tier 2 trader.

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

The Switch Move process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were analysed for the period of this audit. The process was discussed with EDGE's staff.

EDGE lost 48 ICPs using the Switch Move process.

Audit commentary

Analysis of the CS files sent by EDGE showed that for ICP 0000016069HB869, the event proposed date by MERI was not accepted. EDGE determined a new date, 3 BD in the future, which is compliant.

For two ICPs (0001436655UN64D and 1001250811UN959) the determined new event date was in the past by 3BD and 1BD respectively, which is noted as non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.9 With: 10(2) of Schedule 11.3 From: 28-Feb-21 To: 01-May-21	For 2 switched ICPs the switch event date proposed by the gaining trader was backdated Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong. EDGE controls the process well, these two ICPs were an exception. Audit risk rating is recorded as low because the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Registry training		12/5/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Ensuring that there is at least 24hr between events		24/6/2021	

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

The Switch Move process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were analysed for the time period of this audit. The process was discussed with EDGE's staff.

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

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

Audit commentary

The accuracy of the content of the CS files was confirmed by checking a sample of ten transfer CS files. The information recorded in the files was correct.

The Registry Functional Specification v22.21 states that average daily consumption within the CS file should be the average kWh per day for the last read period. EDGE 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.

We noted that for 5 ICPs the switch meter reading was "0". Upon closer investigation it was shown that the reason that switch event meter readings were "0" was because the meters were changed the day before the switch.

It is already widely known that one of the registry's shortcomings is that it does not allow for the assigning of two meters and two MEPs within the same day. It is as result of fact that the registry granularity is a day.

Our recommendation is to delay a switch by one day to allow for the reconciliation of all volumes.

Audit outcome

Compliant

Description	Recommendation	Audited party comment	Remedial action
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If MEP changes and a meter is changed, the registry does not allow a participant to record two different meters on the same day	Delay the switch for at least one day		
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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

The Switch Move process was examined and found compliant. The Event Listing file (EDA) and the Switch Breach History details report were analysed for the period of this audit. The process was discussed with EDGE's staff.

Audit commentary

EDGE sent 1 RR file which was accepted.

EDGE received 2 RR files which were accepted. We checked reconciliation files and confirm that a switch event meter reading was used to calculate submission volumes.

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 this audit period was analysed. It was discussed during the audit. The company understands the gaining trader switch process.

Audit commentary

EDGE did not use this type of switch to gain any customers in this audit period.

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 this audit period was analysed. It was discussed during the audit. The company understands the gaining trader switch process.

Audit commentary

EDGE was not notified of this type of switch in this audit period.

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 this audit period was analysed. It was discussed during the audit. The company understands the gaining trader switch process.

Audit commentary

EDGE did not use this type of switch to gain any customers in this audit period.

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

We analysed the Event Listing file (EDA) and the Switch Breach History details report for the period of this audit. The usage of the advisory code was discussed.

Audit commentary

EDGE sent 7 NW files within the time specified by the Code. The correct advisory codes were used.

Audit outcome

Compliant

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The meter reading process in relation to the switching process was examined.

Audit commentary

EDGE is aware of their responsibilities for ensuring meter readings are managed and costs met, where relevant, by them.

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

This was discussed during the audit. The company has knowledge of their obligation.

Audit commentary

EDGE does not have binding terms or contracts with any consumers. The company stated that the customers are not offered any good deals to encourage them not to switch.

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 and the Audit Compliance Report were analysed.

Audit commentary

EDGE has not traded SUML in the period covered by this audit.

There are no shared unmetered load ICPs traded by EDGE. JC Consulting checks on a weekly basis to see if any of the networks have entered any historic SUML and, if any is found, it will be reconciled.

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 and the Audit Compliance Report were analysed.

Audit commentary

EDGE has not traded any unmetered load in the period covered by this audit.

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 and the Audit Compliance Report were analysed.

Audit commentary

EDGE has not traded any unmetered load in the period covered by this audit.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

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

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

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

Audit observation

The LIS file was analysed, and it was discussed during the audit.

Audit commentary

EDGE does not trade any distributed unmetered load and do not have such plans. This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

- *there 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 was analysed. All installations traded by EDGE are metered. No subtraction method is used to determine submission information provided to the reconciliation manager.

Audit commentary

All installations traded by EDGE have embedded generation installed (solar). It is the company's business strategy to offer their services to customers who want to have or already have embedded generation installed.

We checked submission files and confirmed that embedded generation (solar) volumes are submitted.

The company is aware of bridged metering circumstances and do not intend on instructing these to occur. JC Consulting validates data provided by MEPS and runs reports to identify anomalies in meter readings which could indicate bridged/bypassed meters.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

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

The participant responsible for the metering installation must:

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

Audit observation

EDGE is not responsible for any GIPs.

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 and reconciliation files provided by EDGE were examined.

Audit commentary

EDGE uses the RPS and PV1 profile. No control devices are needed therefore they have never approached a MEP asking for a control device to be certified.

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 related to defective installations was examined and discussed with EDGE's staff.

There is standard reporting to highlight meters with zero consumption, as a trigger to detect bridged (or other faults with) metering. In the unlikely event of a bridged meter occurrence, replacement volumes will be assessed and submitted to the reconciliation manager.

Event logs provided by MEPs are monitored by JC Consulting.

Audit commentary

JC Consulting validates data provided by MEPs and runs reports to identify anomalies in meter readings which could indicate defective metering installations. EDGE has not identified any defective metering installations which could be not fit for purpose.

In a situation when a defective metering installation is identified, EDGE will be notified by JC Consulting. According to the process EDGE will approach the relevant MEP asking them to investigate and for appropriate action to be taken.

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

Meter readings are collected by MEPs and downloaded by JC Consulting from their servers. One ICP is read by WELLS.

Audit commentary

Compliance with this clause is assessed during the MEPs audit. We reviewed the WELLS agent report.

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:

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

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

Audit observation

Meter readings are provided by MEPs and WELLS (one ICP).

The company does not accept customer reads

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 RM TOOL.

We reviewed the WELLS agent report to confirm compliance.

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 switch read from the CS file is used as a start read for NHH ICPs. Consecutive readings from MEPS apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation.

Audit commentary

Compliance confirmed based on scenarios provided to JC Consulting described in **section 12.11**.

Audit outcome

Compliant

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

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The EDA file was examined to identify ICPs which have switched out since the company started trading.

Audit commentary

According to the EDA file, EDGE lost 50 ICPs, which is not quite correct. 40 of them switched to MERI to become the tier 2 EDGE customers.

All meters were read during the period of being a customer of EDGE as a tier 1 trader.

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 and Meter Frequency reports were reviewed.

Audit commentary

EDGE has not been trading for 12 months yet. This clause is not applicable.

Audit outcome

Not applicable

6.10. NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)

Code reference

Clause 9(1) and (2) Schedule 15.2

Code related audit information

In relation to each NSP, each reconciliation participant must ensure that for each NHH ICP at which the reconciliation participant trades continuously for each 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 and Meter Frequency reports were reviewed for the period Sept 2020 to May 2021

Audit commentary

JC Consulting provides monthly Meter frequency reports to the Authority on behalf of EDGE.

We reviewed the Meter Readings Frequency reports for the audit period to check if the company had 100% attainment of reads.

Compliance was achieved in the audit period.

Audit outcome

Compliant

6.11. NHH meter interrogation log (Clause 10 Schedule 15.2)

Code reference

Clause 10 Schedule 15.2

Code related audit information

The following information must be logged as the result of each interrogation of the NHH metering:

10(a) - the means to establish the identity of the individual meter reader

10(b) - the ICP identifier of the ICP, and the meter and register identification

10(c) - the method being used for the interrogation and the device ID of equipment being used for interrogation of the meter.

10(d) - the date and time of the meter interrogation.

Audit observation

Meter readings for remotely read meters are provided by MEPs. WELLS reads one meter.

Audit commentary

Assessment with this clause is part of the MEPs audit. We reviewed the WELLS agent report to confirm compliance.

Audit outcome

Compliant

6.12. HHR data collection (Clause 11(1) Schedule 15.2)

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

Raw meter data from all electronically interrogated metering installations must be obtained via the services access interface.

This may be carried out by a portable device or remotely.

Audit observation

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

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

6.14. HHR interrogation log requirements (Clause 11(3) Schedule 15.2)

Code reference

Clause 11(3) Schedule 15.2

Code related audit information

The interrogation log forms part of the interrogation audit trail and, as a minimum, must contain the following information:

11(3)(a)- the date of interrogation

11(3)(b)- the time of commencement of interrogation

11(3)(c)- the operator identification (if available)

11(3)(d)- the unique identifier of the meter or data storage device

11(3)(e)- the clock errors outside the range specified in Table 1 of clause 2

11(3)(f)- the method of interrogation

11(3)(g)- the identifier of the reading device used for interrogation (if applicable).

Audit observation

HHR 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

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 (4 ICPs) 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 JC Consulting for at least 48 months.

A review of JC Consulting RM TOOL'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 EDGE.

Audit commentary

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

Audit outcome

Compliant

8. CREATING AND MANAGING (INCLUDING VALIDATING, ESTIMATING, STORING, CORRECTING AND ARCHIVING) VOLUME INFORMATION

8.1. Correction of NHH meter readings (Clause 19(1) Schedule 15.2)

Code reference

Clause 19(1) Schedule 15.2

Code related audit information

If 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

Correction of NHH readings, if necessary, is completed by JC Consulting as EDGE's agent.

Audit commentary

If correction of NHH readings is necessary it will be done in conjunction with EDGE. It will be done in the RM TOOL; any changes will have an audit trail. JC Consulting confirmed that there were no corrections of NHH data in the period covered by this audit.

Audit outcome

Compliant

8.2. Correction of HHR metering information (Clause 19(2) Schedule 15.2)

Code reference

Clause 19(2) Schedule 15.2

Code related audit information

If 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

Correction of HHR readings, if necessary, is completed by JC Consulting as EDGE's agent.

Audit commentary

If correction of HHR readings is necessary it will be done in conjunction with EDGE. MEP will be contacted and requested to interrogate meter again and provide data.

JC Consulting confirmed that there were no corrections of HHR data in the period covered by this audit.

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

It was discussed during the audit. EDGE trades category 1 metering installations.

Audit commentary

The company stated no error or loss compensation needs to be applied to metering data.

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

EDGE only receives a copy of raw data, which is never overwritten by its agent, JC Consulting.

JC Consulting 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.

JC Consulting only corrects working data, and they keep an appropriate audit trail.

The company stated that there were no instances of meter data which required correction/alteration.

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

Data received from MEPs is actual and flagged as actual. Any estimated data is flagged accordingly in the RM TOOL.

Audit commentary

We reviewed a sample of six readings in the RM TOOL and confirmed they were correctly labelled. Each register read or interval read has a flag assigned.

Audit outcome

Compliant

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

Code reference

Clause 3(4) Schedule 15.2

Code related audit information

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

3(4)(a) - validated meter readings

3(4)(b) - estimated readings

3(4)(c) - permanent estimates.

Audit observation

JC Consulting provided a submission summary of reconciliation files on behalf of EDGE. The summary allows us to evaluate what types of readings were used to calculate volumes submitted to the reconciliation manager.

Audit commentary

We reviewed the data provided by JC Consulting in **section 11 and 12** to confirm that volumes were based on readings as required.

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 collected by MEPs and WELLS.

Audit commentary

Metering data is imported to the RM TOOL. Data is neither truncated nor rounded. We viewed readings in the RM TOOL and compliance is confirmed.

Audit outcome

Compliant

9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

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

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

Audit observation

HHR estimates are created by JC Consulting as EDGE's agent.

The HHR estimation process was examined including a review of the RM processes document

Audit commentary

When HHR data has not been received prior to the deadline for providing submission information, estimated data is provided.

Missing data requiring estimation is identified through JCC's pre submission checks. JC Consulting creates estimates where they are required and communicates these to EDGE via email.

There is a requirement to use "reasonable endeavours" to ensure this data is accurate to within 10%. The process documented by JC Consulting is sufficient to achieve compliance.

In the audit period, JC Consulting did not estimate HHR data for EDGE.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

NHH metering information data validation is conducted by JC Consulting. We reviewed the process and found it compliant.

Audit commentary

JC Consulting adopted a validation process for NHH reads which consists of checking for high, low reads, consumption detected >10% of rollover amount, consumption on de energised sites, missing reads, negative consumption.

Audit outcome

Compliant

9.6. Electronic meter readings and estimated readings (Clause 17 Schedule 15.2)

Code reference

Clause 17 Schedule 15.2

Code related audit information

Each validity check of electronically interrogated meter readings and estimate readings must be at a frequency that will allow a further interrogation of the data storage device before the data is overwritten within the data storage device and before this data can be used for any purpose under the Code.

Each validity check of a meter reading obtained by electronic interrogation or an estimated reading must include:

17(4)(a) - checks for missing data

17(4)(b) - checks for invalid dates and times

17(4)(c) - checks of unexpected 0 values

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

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

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

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

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

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

Audit observation

JC Consulting receives remotely read metering data from MEPS.

Audit commentary

When data is uploaded into the RM TOOL a validity check of meter readings is conducted and an exception report is created. MEPS are advised if there is an issue. There were no issues with metering data which were referred to MEPS. The event logs are reviewed.

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

EDGE is not a generator.

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

EDGE is not a generator.

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

EDGE is not a generator.

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

EDGE is not a generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

The LIS file was used to identify which profiles are used by EDGE.

Audit commentary

For submissions Platinum Power use the HHR, RPS and PV1 profile. Trading notifications were not required.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

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

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

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

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

Audit observation

The ICP days are reported to the reconciliation manager by JC Consulting as EDGE's agent. For audit purposes JC Consulting provided ICPDAYS and GR-100 for this audit period.

Audit commentary

Analysis of the GR-100 showed some discrepancies between ICPdays calculated by the registry and EDGE's calculations. It is evident for day 4 submissions for Feb 2021 to May 2021. The table below shows the details:

Month	Sum of Registry ICP days	Sum of EDGE ICP days	Difference [%]
Feb 2021	689	773	-12.2%
Mar 2021	584	663	-13.5%
May 2021	540	554	-2.6%

The differences were fully cleared by rev 3. It was discussed during the audit. The discrepancies were caused by the backdating of switches by MERI at the request of EDGE as EDGE was “shifting” some ICPs to their tier 2 trader operation.

Audit outcome

Compliant

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

Code reference

Clause 15.7

Code related audit information

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

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

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

Audit observation

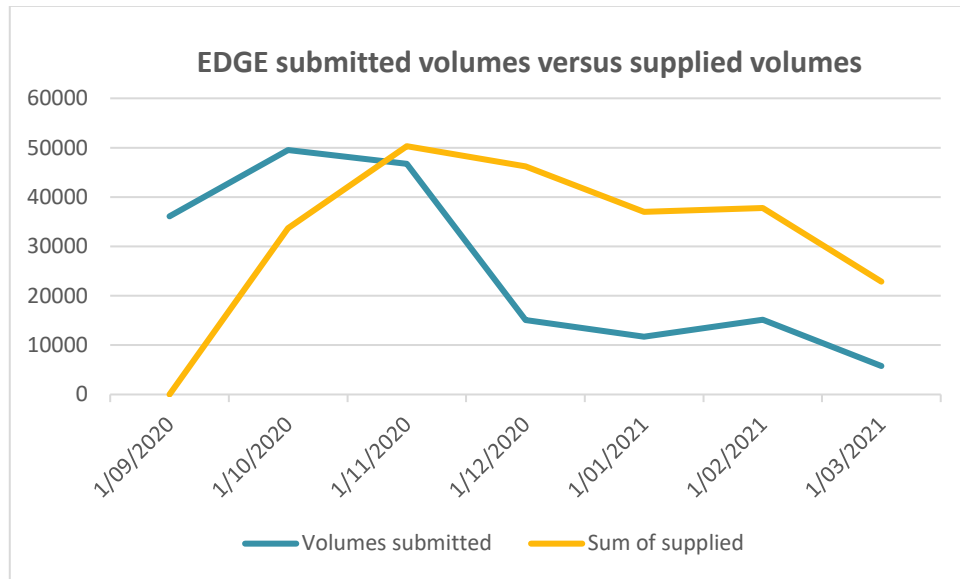
JC Consulting submits a BILLED file every month for the current month and scheduled revisions on behalf of EDGE. EDGE does not provide billed volumes from their billing system. It is currently sourced from the previous month’s network volumes.

Audit commentary

Billed volumes are derived by JC Consulting from networks volume.

The graph below shows a comparison between submitted and supplied volumes (rev3). The graph has an “unusual” shape because EDGE “shifts” ICPs from EDGE to MERI and trades them as a tier 2 retailer. This strategy allows EDGE to mitigate high spot prices for their customers. Many switches are backdated which will impact Meridians’ compliance but it was agreed by both parties.

The difference in volumes is because EDGE often moves ICPs into a Tier 2 arrangement with backdated switches, rendering the ESUBSUP analysis pretty meaningless, but the billed volumes are submitted.



Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.3 With: 15.7 From: 16-Sep-20 To: 31-May-21	Supplied volumes are sourced from the previous month's network volumes not from EDGE's billing system Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as weak. Billed volumes are not provided from the EDGE billing system. There was minor impact on settlement outcomes because of the small number of ICPs. Audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Sending billing information to JC		24/7/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Sending billing report to JC		monthly	

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 the audit period.

Audit commentary

We compared HHRAGGR and HHRVOLS for Jan 2021 to May 2021. The differences between the volumes and aggregates were negligible.

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

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

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.4 With: 15.8 From: 01-Jan-21 To: 31-May-21	HHRAGGR files do not contain electricity supplied information Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	EDGE 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		Completion	

occur	date	

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

EDGE provided reconciliation data for 6 months. Reconciliation files are submitted by JC Consulting. We checked for alleged breaches regarding late files.

Audit commentary

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

We confirmed that EDGE 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 JC Consulting.

Audit commentary

JC Consulting refreshes information from the registry prior to running reconciliation reports to ensure the accuracy of data (ICP statuses, NSP allocation, loss factor codes). We confirm that the AV-080 files were consistent with the registry information for months Jan 2021 to May 2021. We compared consecutive submissions and confirmed all contained the same NSPs.

The RM TOOL has the functionality to submit zero volumes for an NSP which no longer has any ICPs where a particular combination of NSP and loss factor code exists.

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

EDGE 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

EDGE is not an embedded network owner.

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

EDGE is not a generator.

Audit commentary

EDGE is not an embedded network owner.

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

We reviewed reconciliation files for Dec 2020 to May 2021. All relevant revisions were submitted on day 13 by JC Consulting. We reviewed GR-170 HHR and GR-170NHH.

Audit commentary

A review of alleged breaches confirmed that no reconciliation submissions were made late.

JC Consulting provided evidence that any updates to metering information are submitted to the RM. On day 4 JC Consulting used EDGE's own profile to calculate NHH submissions. They are replaced as soon as GR-030 is available.

We reviewed GR-170NHH to compare consecutive submissions. We observed that the rev3 volumes submission for Dec 2020 to Feb 2021 were nearly 50% lower than the day 4 submissions. It was discussed with EDGE. The explanation was that the differences in submission volumes were a result of "shifting" ICPs from a tier 1 to tier 2 operation. A number of ICPs switched away to Meridian Energy, switches were backdated.

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

EDGE has not been trading for 12 months yet.

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

The LIS files were examined. EDGE trades both HHR & NHH ICPs using the profile HHR, RPS, and PV1. Reconciliation files are submitted by JC Consulting.

Audit commentary

No ICPs with unmetered load are supplied.

EDGE only uses the profile HHR, RPS, and PV1; no certified control devices were used to create volumes.

We crosschecked the registry file and reconciliation files for three months and confirm that volumes were submitted for all ICPs.

ICP 0000201879UNC9F - network has not record embedded generation, import/export meter was installed on 19/04/2021 and volumes are submitted. HHR volumes are submitted but the registry shows the submission type as NHH, profile RPS and PV1.

Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 12.9 With: 2 of Schedule 15.3 From: 16-Sep-20 To: 31-May-21	0000201879UNC9F is reconciled as HHR but registry shows RPS PV1 profile and a reconciliation type NHH 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.as they require some improvements to update the registry in a timely manner. There was minor impact on settlement outcomes because only one ICPs is incorrect, volumes are submitted. Audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Registry Training		12/5/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Review Registry functional specification v22 32		13/5/2021	

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

We reviewed NHHVOLS for Jan2021 to May2021.

Audit commentary

Historical and forward estimates were included and identified correctly.

Audit outcome

Compliant

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

Code reference

Clause 4 and 5 Schedule 15.3

Code related audit information

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

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

Audit observation

According to the EDA files for the period covered by this audit there were no changes to ICPs statuses.

Audit commentary

We asked JC Consulting to provide examples of calculations relevant to EDGE. Most meters are read remotely, in most cases, no forward estimates are calculated. There are 2 non-AMI meters which are read by WELLS.

The scenarios provided are listed below:

- ICP gained
- ICP lost
- Reads span a month

We confirm that calculations were correct.

Audit outcome

Compliant

12.12. Forward estimate process (Clause 6 Schedule 15.3)

Code reference

Clause 6 Schedule 15.3

Code related audit information

Forward estimates may be used only in respect of any period for which an historical estimate cannot be calculated.

The methodology used for calculating a forward estimate may be determined by the reconciliation participant, only if it ensures that the accuracy is within the percentage of error specified by the Authority.

Audit observation

Forward estimates are calculated by JC Consulting if required.

Audit commentary

Forward estimates are based on the average daily consumption provided by the losing trader in the CS file, or historic consumption.

We checked GR-170NHH to analyse variances between consecutive submissions. There were small variances between revisions or not at all.

EDGE does not trade any balancing area where the total energy supplied is more than 100,000 kWh.

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

We reviewed the EDA file for the audit period. The process for meter replacement was discussed with EDGE's staff.

Audit commentary

Every time a meter is changed, the final reading is taken and used for reconciliation purposes.

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'21 – May'21.

Audit commentary

Submission information was 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

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 submission file for Jan'21 – May'21.

Audit commentary

Submission information for NHH and HHR is rounded to two decimal places. It was discussed during the audit as to how submission information was calculated, and JC Consulting confirm that submission volumes are rounded, using a method prescribed by this clause, at the end of calculations.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 15.3

Code related audit information

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

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

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

Audit observation

JC Consulting creates and submits reconciliation files for NHH ICPs. We reviewed NHHVOLS and GR-170 NHH created by the reconciliation manager for the audit period.

Audit commentary

JC Consulting creates and submits reconciliation files. We reviewed NHHVOLS and GR-170 NHH created by the reconciliation manager for the audit period.

Audit outcome

We checked revision 3 and 7 submitted in the audit period. All submissions NHHVOLS met this clause requirement.

Compliant

CONCLUSION

PARTICIPANT RESPONSE