

ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT

VERITEK

For

PRIME ENERGY LIMITED
NZBN: 9429031626552
HHR MATERIAL CHANGE

Prepared by: Tara Gannon

Date audit commenced: 23 June 2021

Date audit report completed: 30 June 2021

TABLE OF CONTENTS

Executive summary	6
Audit summary	7
Non-compliances	7
Recommendations	7
Issues	7
1. Administrative.....	8
1.1. Exemptions from Obligations to Comply with Code (Section 11)	8
1.2. Structure of Organisation	8
1.3. Persons involved in this audit.....	9
1.4. Use of Agents (Clause 15.34).....	9
1.5. Hardware and Software	10
1.6. Breaches or Breach Allegations.....	10
1.7. ICP Data	10
1.8. Authorisation Received	11
1.9. Scope of Audit	11
1.10. Summary of previous audit	13
2. Operational Infrastructure	16
2.1. Relevant information (Clause 10.6, 11.2, 15.2).....	16
2.2. Provision of information (Clause 15.35).....	16
2.3. Data transmission (Clause 20 Schedule 15.2)	17
2.4. Audit trails (Clause 21 Schedule 15.2).....	17
2.5. Retailer responsibility for electricity conveyed - participant obligations (Clause 10.4).....	18
2.6. Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))	19
2.7. Physical location of metering installations (Clause 10.35(1)&(2))	19
2.8. Trader contracts to permit assignment by the Authority (Clause 11.15B)	20
2.9. Connection of an ICP (Clause 10.32)	21
2.10. Temporary Electrical Connection of an ICP (Clause 10.33)	21
2.11. Electrical Connection of Point of Connection (Clause 10.33A)	22
2.12. Arrangements for line function services (Clause 11.16)	22
2.13. Arrangements for metering equipment provision (Clause 10.36)	23
2.14. Connecting ICPs then withdrawing switch (Clause 10.33A(5))	23
2.15. Electrical disconnection of ICPs (Clause 10.33B).....	24
2.16. Removal or breakage of seals (Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7)	24
2.17. Meter bridging (Clause 10.33C and 2A of Schedule 15.2).....	25
2.18. Use of ICP identifiers on invoices (Clause 11.30)	26
2.19. Provision of information on dispute resolution scheme (Clause 11.30A).....	26
2.20. Provision of information on electricity plan comparison site (Clause 11.30B)	27
3. Maintaining registry information.....	28
3.1. Obtaining ICP identifiers (Clause 11.3).....	28
3.2. Providing registry information (Clause 11.7(2))	29
3.3. Changes to registry information (Clause 10 Schedule 11.1)	29
3.4. Trader responsibility for an ICP (Clause 11.18)	30
3.5. Provision of information to the registry manager (Clause 9 Schedule 11.1)	31
3.6. ANZSIC codes (Clause 9 (1(k) of Schedule 11.1).....	32

3.7.	Changes to unmetered load (Clause 9(1)(f) of Schedule 11.1)	32
3.8.	Management of “active” status (Clause 17 Schedule 11.1)	33
3.9.	Management of “inactive” status (Clause 19 Schedule 11.1)	33
3.10.	ICPs at new or ready status for 24 months (Clause 15 Schedule 11.1)	34
4.	Performing customer and embedded generator switching	35
4.1.	Inform registry of switch request for ICPs - standard switch (Clause 2 Schedule 11.3)	35
4.2.	Losing trader response to switch request and event dates - standard switch (Clauses 3 and 4 Schedule 11.3)	35
4.3.	Losing trader must provide final information - standard switch (Clause 5 Schedule 11.3)	36
4.4.	Retailers must use same reading - standard switch (Clause 6(1) and 6A Schedule 11.3)	36
4.5.	Non-half hour switch event meter reading - standard switch (Clause 6(2) and (3) Schedule 11.3)	37
4.6.	Disputes - standard switch (Clause 7 Schedule 11.3)	37
4.7.	Gaining trader informs registry of switch request - switch move (Clause 9 Schedule 11.3)	38
4.8.	Losing trader provides information - switch move (Clause 10(1) Schedule 11.3)	38
4.9.	Losing trader determines a different date - switch move (Clause 10(2) Schedule 11.3)	39
4.10.	Losing trader must provide final information - switch move (Clause 11 Schedule 11.3)	39
4.11.	Gaining trader changes to switch meter reading - switch move (Clause 12 Schedule 11.3)	40
4.12.	Gaining trader informs registry of switch request - gaining trader switch (Clause 14 Schedule 11.3)	41
4.13.	Losing trader provision of information - gaining trader switch (Clause 15 Schedule 11.3)	42
4.14.	Gaining trader to advise the registry manager - gaining trader switch (Clause 16 Schedule 11.3)	42
4.15.	Withdrawal of switch requests (Clauses 17 and 18 Schedule 11.3)	43
4.16.	Metering information (Clause 21 Schedule 11.3)	44
4.17.	Switch protection (Clause 11.15AA to 11.15AB)	44
5.	Maintenance of unmetered load	45
5.1.	Maintaining shared unmetered load (Clause 11.14)	45
5.2.	Unmetered threshold (Clause 10.14 (2)(b))	46
5.3.	Unmetered threshold exceeded (Clause 10.14 (5))	46
5.4.	Distributed unmetered load (Clause 11 Schedule 15.3, Clause 15.37B)	47
6.	Gathering raw meter data	48
6.1.	Electricity conveyed & notification by embedded generators (Clause 10.13, Clause 10.24 and 15.13)	48
6.2.	Responsibility for metering at GIP (Clause 10.26 (6), (7) and (8))	48
6.3.	Certification of control devices (Clause 33 Schedule 10.7 and clause 2(2) Schedule 15.3)	49
6.4.	Reporting of defective metering installations (Clause 10.43(2) and (3))	49
6.5.	Collection of information by certified reconciliation participant (Clause 2 Schedule 15.2)	50
6.6.	Derivation of meter readings (Clause 3(1), 3(2) and 5 Schedule 15.2)	51
6.7.	NHH meter reading application (Clause 6 Schedule 15.2)	51
6.8.	Interrogate meters once (Clause 7(1) and (2) Schedule 15.2)	52
6.9.	NHH meters interrogated annually (Clause 8(1) and (2) Schedule 15.2)	52
6.10.	NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)	53
6.11.	NHH meter interrogation log (Clause 10 Schedule 15.2)	53
6.12.	HHR data collection (Clause 11(1) Schedule 15.2)	54
6.13.	HHR interrogation data requirement (Clause 11(2) Schedule 15.2)	54
6.14.	HHR interrogation log requirements (Clause 11(3) Schedule 15.2)	55
7.	Storing raw meter data	56

7.1.	Trading period duration (Clause 13 Schedule 15.2)	56
7.2.	Archiving and storage of raw meter data (Clause 18 Schedule 15.2)	56
7.3.	Non metering information collected / archived (Clause 21(5) Schedule 15.2)	57
8.	Creating and managing (including validating, estimating, storing, correcting and archiving) volume information.....	58
8.1.	Correction of NHH meter readings (Clause 19(1) Schedule 15.2)	58
8.2.	Correction of HHR metering information (Clause 19(2) Schedule 15.2)	58
8.3.	Error and loss compensation arrangements (Clause 19(3) Schedule 15.2)	59
8.4.	Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)	59
9.	Estimating and validating volume information.....	61
9.1.	Identification of readings (Clause 3(3) Schedule 15.2)	61
9.2.	Derivation of volume information (Clause 3(4) Schedule 15.2)	61
9.3.	Meter data used to derive volume information (Clause 3(5) Schedule 15.2)	62
9.4.	Half hour estimates (Clause 15 Schedule 15.2)	63
9.5.	NHH metering information data validation (Clause 16 Schedule 15.2)	64
9.6.	Electronic meter readings and estimated readings (Clause 17 Schedule 15.2)	64
10.	Provision of metering information to the GRID OWNER in accordance with subpart 4 of Part 13 (clause 15.38(1)(f))	66
10.1.	Generators to provide HHR metering information (Clause 13.136)	66
10.2.	Unoffered & intermittent generation provision of metering information (Clause 13.137) ...	66
10.3.	Loss adjustment of HHR metering information (Clause 13.138)	67
10.4.	Notification of the provision of HHR metering information (Clause 13.140)	67
11.	Provision of submission information for reconciliation.....	68
11.1.	Buying and selling notifications (Clause 15.3)	68
11.2.	Calculation of ICP days (Clause 15.6)	68
11.3.	Electricity supplied information provision to the reconciliation manager (Clause 15.7)	69
11.4.	HHR aggregates information provision to the reconciliation manager (Clause 15.8)	70
12.	Submission computation	72
12.1.	Daylight saving adjustment (Clause 15.36)	72
12.2.	Creation of submission information (Clause 15.4)	72
12.3.	Allocation of submission information (Clause 15.5)	73
12.4.	Grid owner volumes information (Clause 15.9)	73
12.5.	Provision of NSP submission information (Clause 15.10)	74
12.6.	Grid connected generation (Clause 15.11)	74
12.7.	Accuracy of submission information (Clause 15.12)	75
12.8.	Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)	75
12.9.	Reconciliation participants to prepare information (Clause 2 Schedule 15.3)	76
12.10.	Historical estimates and forward estimates (Clause 3 Schedule 15.3)	77
12.11.	Historical estimate process (Clause 4 and 5 Schedule 15.3)	77
12.12.	Forward estimate process (Clause 6 Schedule 15.3)	78
12.13.	Compulsory meter reading after profile change (Clause 7 Schedule 15.3)	78
13.	Submission format and timing	79
13.1.	Provision of submission information to the RM (Clause 8 Schedule 15.3)	79
13.2.	Reporting resolution (Clause 9 Schedule 15.3)	80
13.3.	Historical estimate reporting to RM (Clause 10 Schedule 15.3)	80

Conclusion	82
Participant response	82

EXECUTIVE SUMMARY

Prime Energy Limited (Prime) currently a NHH trader.

14 ICPs with HHR metering are currently subject to an arrangement with another trader. The other trader is recorded as the trader on the registry and is responsible for meeting all Code obligations in relation to the ICPs. Prime is the other trader's customer for these ICPs, and on charges the individual tenants within each building based on check meter information.

Prime is intending to switch the 14 ICPs to their new PRMH participant code, and cease the arrangement with the other trader. They do not intend to upgrade any existing ICPs to HHR, complete HHR new connections, or switch in any other HHR ICPs. The switches will be backdated to 1 June 2021.

AMS will collect HHR data for AMCI meters, validate all HHR data, prepare any estimates and corrections required, and produce HHR volumes, HHR aggregates, and ICP days reconciliation submissions as an agent.

ICP 0179566571LC66A has a category 3 FCLM meter, which Prime will arrange to be replaced with an AMCI meter once the ICP has switched in. From switch in until the meter is replaced, **EDMI** will provide HHR data to Prime, which Prime will then provide to AMS.

Prime will be responsible for producing billed submissions, switching, and registry information management.

Clause 8(1) of Schedule 15.1 requires that if a reconciliation participant intends to make a "material" change to any certified facilities, processes, or procedures then the changes must be subject to an audit prior to the change taking place. This audit was therefore performed at the request of Prime so that it can be supplied to the Electricity Authority to satisfy the requirements of Clause 8(1). The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2.

Compliance was assessed for all areas which could be impacted by the material change. Two non-compliances were identified:

- the previous audit issue relating to rounding of NHH data on receipt is still present, and in the process of being resolved - the material change is not expected to cause any further non-compliance in this area, and
- there is one technical non-compliance relating to a discrepancy between the Code and the reconciliation manager functional specification with regard to the HHR aggregates file; the Code requires the file to contain "electricity supplied" information and the functional specification requires submission information but given that the purpose of the file is to generate submission related reports, it appears the Code may be incorrect.

One minor recommendation is made to check and update ANZSIC codes when the HHR ICPs switch in.

I recommend that the next audit date remains 26 August 2022. The matters raised are shown in the tables below:

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	NHH raw meter data is rounded upon receipt and not when volume information is created.	None	Low	5	Identified
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR aggregates file does not contain electricity supplied information.	Strong	Low	1	Identified
Future Risk Rating						7	

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

RECOMMENDATIONS

Subject	Section	Description	Recommendation
ANZSIC codes	3.6	Check the ANZSIC codes for the new HHR ICPs switching in.	The current ANZSIC codes recorded by the existing trader may not be correct once the ICPs switch to Prime. I recommend the ANZSIC codes are checked and updated when the ICPs switch in.

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

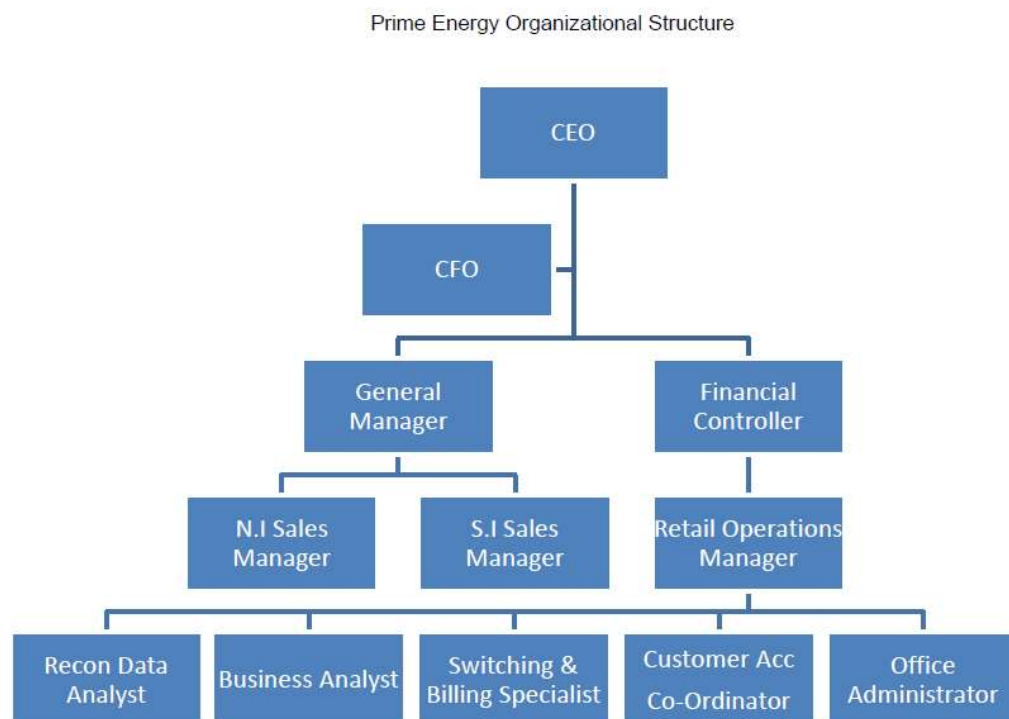
Current code exemptions were reviewed on the Electricity Authority website.

Audit commentary

There are no exemptions in place that are relevant to the scope of this audit.

1.2. Structure of Organisation

Prime provided a copy of their structure.



1.3. Persons involved in this audit

Auditor:

Tara Gannon

Veritek Limited

Electricity Authority Approved Auditor

Prime Energy personnel assisting with this audit:

Name	Title
Shainaz Rafiq	Retail Operations Manager

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

Use of agents was discussed with Prime.

Audit commentary

- NHH** Prime will continue to use Wells for manual data collection where the meter is not AMI capable, or the MEP cannot provide readings.
- AMS, IntelliHUB, Arc Innovations, and FCLM provide data as MEPs and are subject to a separate audit regime. AMS also provides data for Smartco meters.
- Future compliance for NHH ICPs is not expected to be affected by the material change.
- HHR** AMS will collect HHR data for AMCI meters, validate all HHR data, prepare any estimates and corrections required, and produce HHR volumes, HHR aggregates and ICP days reconciliation submissions as an agent.
- ICP 0179566571LC66A has a category 3 FCLM meter, which Prime will arrange to be replaced with an AMCI meter once the ICP has switched in. From switch in until the meter is replaced, **EDMI** will provide HHR data to Prime, which Prime will then provide to AMS.

1.5. Hardware and Software

Prime

Prime uses the Orion system for functions included in the scope of the audit. Access to Orion is restricted using logins and passwords.

Amazon and in-house backups are performed.

Agents

Agent hardware and software is discussed in their agent audit reports.

1.6. Breaches or Breach Allegations

There have been no breaches relevant to the scope of this audit since their previous audit in March 2021.

1.7. ICP Data

All active ICPs are summarised by metering category in the table below. All ten active ICPs with a metering category of 9 or blank are unmetered load ICPs.

Metering Category	Jun 2021	Dec 2020	2020	2019	2018	2017
1	1,137	1,092	1,173	1,110	1,045	784
2	159	142	143	141	126	69
3	-	-	-	-	-	-
4	-	-	-	-	-	-
5	-	-	-	-	-	-
9	7	4	6	6	6	6
Blank	3	4	6	9	9	6

Prime's ICPs are summarised by status in the table below:

Status	Number of ICPs (Jun 2021)	Number of ICPs (Dec 2020)	Number of ICPs (2020)	Number of ICPs (2019)	Number of ICPs (2018)
Active (2,0)	1,306	1,092	1,328	1,266	1,186
Inactive – new connection in progress (1,12)	10	7	6	11	3
Inactive – electrically disconnected vacant property (1,4)	10	9	5	3	3
Inactive – electrically disconnected remotely by AMI meter (1,7)	13	11	8	4	1

Inactive – electrically disconnected at pole fuse (1,8)	1	2	2	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	3	2	1	4	5
Inactive – electrically disconnected at meter box fuse (1,10)	-	1	2	1	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	1	1	1	1	4
Inactive – reconciled elsewhere (1,5)	-	-	-	-	-
Decommissioned (3)	147	136	118	97	83

1.8. Authorisation Received

A letter of authorisation was not required.

1.9. Scope of Audit

Prime is intending to switch the 14 ICPs to a new PRMH participant code, and cease the trading arrangement with the other trader. They do not intend to upgrade any existing ICPs to HHR, complete HHR new connections, or switch in any other HHR ICPs.

AMS will collect HHR data for AMCI meters, and validate all HHR data, prepare any estimates and corrections required, and produce HHR volumes, HHR aggregates and ICP days reconciliation submissions as an agent.

ICP 0179566571LC66A has a category 3 FCLM meter, which Prime will arrange to be replaced with an AMCI meter once the ICP has switched in. From switch in until the meter is replaced, **EDMI** will provide HHR data to Prime, which Prime will then provide to AMS.

Prime will be responsible for producing billed submissions, switching, and registry information management.

Clause 8(1) of Schedule 15.1 requires that if a reconciliation participant intends to make a “material” change to any certified facilities, processes, or procedures then the changes must be subject to an audit prior to the change taking place. This audit was therefore performed at the request of Prime so that it can be supplied to the Electricity Authority to satisfy the requirements of Clause 8(1). The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2, and was conducted remotely.

The table below shows the tasks under clause 15.38 of part 15, for which Prime Energy requires certification. This table also lists those agents who assist with these tasks:

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	
(b) – Gathering and storing raw meter data	Wells – NHH AMS – HHR EDMI – HHR data for ICP 0179566571LC66A until it is replaced with an AMCI meter
(c)(iii) - Creation and management of volume information	AMS - HHR
(d) (i) – Calculation of ICP days	AMS - HHR
(d)(ii) - delivery of electricity supplied information under clause 15.7	
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	
(e) – Provision of submission information for reconciliation	AMS - HHR
(f) - Provision of metering information to the Grid Owner	

The material change does not affect any services provided by Wells, who have been separately audited as an agent.

AMS, Arc Innovations, FCLM, and IntelliHUB are subject to a separate audit regime as MEPs. They are not acting as agents to Prime.

1.10. Summary of previous audit

Prime's previous audit report conducted in March 2021 by Rebecca Elliot of Veritek Limited. The summary tables below show the statuses of the non-compliances raised in the previous audit. No recommendations or issues were raised. Further comment is made in the relevant sections of this report.

Subject	Section	Clause	Non-compliance	Status
Submission of audit report	1.11	16A.13	Audit report not provided to the Authority by the participant by the due date.	Cleared.
Relevant information	2.1	10.6, 11.2, 15.2	A small number of registry discrepancies. A small number of submission inaccuracies.	Cleared, the previous audit confirmed that the registry and submission data discrepancies were resolved.
Electrical Connection of Point of Connection	2.11	10.33A	One ICP was reconnected but was not recertified within five business days.	Timeliness of certification was not assessed as part of the material change audit.
Changes to registry information	3.3	10 Schedule 11.1	Nine late status updates. Six late trader updates.	Timeliness of updates was not assessed as part of the material change audit.
Provision of information to the registry manager	3.5	9 Schedule 11.1	The registry was not updated within five business days of commencement of trading for four ICPs.	Timeliness of updates was not assessed as part of the material change audit.
ANZSIC codes	3.6	9 (1)(k) of Schedule 11.1	Four ANZSIC codes were incorrectly recorded.	Cleared.
Management of "active" status	3.8	9 (1)(f) of Schedule 11.1	ICP 1002091475LC7B8 had an incorrect first active date applied and was corrected during the audit.	Cleared before the previous audit was finalised.
Management of "inactive" status	3.9	19 Schedule 11.1	ICP 0395203449LC28E recorded with the incorrect disconnection date. This was corrected during the audit.	Cleared before the previous audit was finalised.

Subject	Section	Clause	Non-compliance	Status
Inform registry of switch request for ICPs - standard switch	4.1	2 Schedule 11.3	At least one TR switch notified to the registry late.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Losing trader response to switch request and event dates - standard switch	4.2	3 Schedule 11.3	One AN file sent one day late.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Losing trader must provide final information - standard switch	4.3	5 Schedule 11.3	One incorrect last actual read sent as an estimate with the incorrect last read date of the five files sampled.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	Three AN files sent with an event date earlier than the gaining traders requested date.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Losing trader must provide final information - switch move	4.10	11 Schedule 11.3	One incorrect average daily consumption sent of the sample checked. The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	One late switch withdrawal.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Metering information	4.16	21 of schedule 11.3	The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Electricity conveyed & notification by	6.1	10.13	While meter was bridged, energy was not metered and quantified according	Cleared.

Subject	Section	Clause	Non-compliance	Status
embedded generators			to the code for ICP 0006434266RN50.	
NHH meter reading application	6.7	6 Schedule 15.2	The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.	NHH switching is not affected by the material change, and compliance will be reassessed during the next reconciliation participant audit.
Meter data used to derive volume information	9.3	3(5) Schedule 15.2	Raw meter data is rounded upon receipt and not when volume information is created.	Still existing.
Calculation of ICP days	11.2	15.6	<p>The AV110 report includes inactive ICP days.</p> <p>The AV110 calculates the ICP days from the date the ICP was entered into Orion, which may differ from the actual start date.</p> <p>Incorrect ICP days reported for two ICPs.</p>	Cleared. NHH submission is not affected by the material change.
Accuracy of submission information	12.7	15.12	<p>Reads sent in the CS file that are different to that recorded in Orion.</p> <p>Volumes not zeroed out for one ICP for the submission months of November and December 2019.</p> <p>Inactive days are included in the AV110 submissions.</p>	Cleared.
Historical estimate reporting to RM	13.3	10 Schedule 15.3	Historic estimate thresholds were not met for some revisions.	NHH submission is not affected by the material change, and compliance will be assessed during the next reconciliation participant audit.

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

I considered whether the new HHR processes were likely to result in incorrect or misleading information. I viewed process documentation and test results.

Audit commentary

NHH The material change will not affect NHH data validation. A small number of registry and submission data discrepancies identified during the previous audit were resolved before the report was finalised.

HHR AMS will be responsible for HHR data validation, and compliance is recorded in their agent audit report. Prime has provided AMS with a list of the ICPs which are expected to switch in. No gains or losses are expected in the foreseeable future, but if this occurs AMS will be advised. Prime will provide registry access so that AMS can run registry list reports for PRMH for validation.

Prime will hold the HHR ICPs in Orion to produce AV120 submissions only, and will ensure that the correct network and NSP are recorded for each ICP.

Audit outcome

Compliant

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

Processes to provide information were reviewed.

Audit commentary

File timeliness depends on people and processes and will be checked during the first audit after go-live.

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

The material change will not affect NHH data transmission. HHR data transmission processes are covered in the agent audit reports.

Audit commentary

NHH Future compliance for NHH data is not expected to be affected by the material change.

HHR Compliance is recorded in AMS and EDMi's audit reports.
ICP 0179566571LC66A has a category 3 FCLM meter, which Prime will arrange to be replaced with an AMCI meter once the ICP has switched in. Until the meter can be replaced, EDMi will provide HHR data and Prime will provide this to AMS via SFTP.

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

The material change will not affect NHH audit trails.

HHR audit trails are covered in AMS' audit report.

Audit commentary

NHH Future compliance for NHH data is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' audit report.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

Meters are expected to be located at the point of connection.

Audit commentary

Prime is not expected to supply any ICPs with error or loss compensation.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

The material change will not affect NHH processes, and Prime does not intend to complete any HHR new connections.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit for NHH ICPs. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

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

Audit observation

The material change will not affect NHH processes, and Prime does not intend to complete any HHR new connections.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit for NHH ICPs. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(1)

Code related audit information

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

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

Audit observation

The material change will not affect NHH processes.

HHR processes were checked.

Audit commentary

- | | |
|------------|---|
| NHH | Compliance was recorded in Prime's March 2021 reconciliation participant audit for NHH ICPs. Future compliance is not expected to be affected by the material change. |
| HHR | Prime does not intend to compete HHR new connections, and HHR meters are not expected to be bridged. Bridging would only occur under exceptional circumstances.

All 14 ICPs which will be switched in currently have active status and current full HHR meter certification. |

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

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

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

Audit observation

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

Work requiring seals to be removed or broken is expected to be completed by the MEP. The MEPs are required to ensure that only qualified personnel perform work, and manage and trace seals. MEPs do not usually provide details of seals in their job completion paperwork.

Prime will use work completion paperwork to confirm the correct ICP attributes including status and profile, and update Orion and the registry.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

Prime only allows bridging to occur under exceptional circumstances. If a HHR meter is bridged consumption during the bridged period will be estimated based on the check meter information.

Audit outcome

Compliant

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

Code reference

Clause 11.30

Code related audit information

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

Audit observation

The process to ensure that the ICP identifier is printed on every invoice or document relating to the sale of electricity was discussed, and an invoice was reviewed.

Audit commentary

Review of an example invoice confirmed that the ICP number is included.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Utilities Disputes is provided to customers was reviewed. Prime's website and a sample of customer communications were reviewed.

Audit commentary

Clear and prominent information on Utilities Disputes is provided to customers:

- on Prime's website under complaints,
- on Prime's invoices, and
- in email footers used to respond to queries from customers and in outbound communications.

Where a customer telephones Prime with a query, the conversation is followed up with an email which contains information on Utilities Disputes in the footer.

Audit outcome

Compliant

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Powerswitch is provided to customers was reviewed.

Audit commentary

The new HHR ICPs do not have residential ANZSIC codes, and Prime is not required to communicate information on Powerswitch to the affected customers.

Prime will provide information on Powerswitch to its customers with residential ANZSIC codes and this will be assessed during their next reconciliation participant audit.

Audit outcome

Compliant

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

The material change will not affect NHH processes, and Prime does not intend to complete any HHR new connections.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit for NHH ICPs. Future compliance is not expected to be affected by the material change.

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 new connection process was reviewed.

Audit commentary

The new connection process was assessed in **sections 2.9** and **3.5**. The processes will ensure that trader information is populated as required by this clause.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

The material change will not affect NHH processes.

Timeliness and accuracy of HHR registry updates will be checked during the first audit after go-live.

Audit commentary

NHH Future compliance for NHH ICPs is not expected to be affected by the material change.

HHR Prime will update registry status and trader information manually using the registry web interface. Timeliness and accuracy of HHR registry updates will be checked during the first audit after go-live.

Audit outcome

Compliant

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

The material change will not affect NHH processes. The proposed HHR processes were reviewed.

Audit commentary

- | | |
|------------|--|
| NHH | Compliance was recorded in Prime's March 2021 reconciliation participant audit for NHH ICPs. Future compliance is not expected to be affected by the material change. |
| HHR | <p>Prime does not intend to complete any HHR new connections. All 14 HHR ICPs which will switch in are metered, with no unmetered load connected.</p> <p>HHR ICPs which are inactive or decommissioned will be maintained in AMS' systems. HHR metering is present and a final interrogation will be completed before meter removal if an ICP is decommissioned.</p> |

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 material change will not affect NHH processes, and Prime does not intend to complete any HHR new connections.

Audit commentary

- | | |
|------------|---|
| NHH | Future compliance for NHH ICPs is not expected to be affected by the material change. |
| HHR | HHR new connections are not expected to be completed. Prime will update registry status and trader information manually using the registry web interface. Timeliness and accuracy of HHR registry updates will be checked during the first audit after go-live. |

Audit outcome

Compliant

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

These processes will not change when Prime becomes a HHR trader.

Audit commentary

- NHH** Future compliance for NHH ICPs is not expected to be affected by the material change. The four NHH ICPs which were found to have incorrect ANZSIC codes in the previous audit have been corrected.
- HHR** All 14 ICPs which will switch in have valid ANZSIC codes. I recommend that the ANZSIC codes for the ICPs are checked and updated as necessary on switch in; seven of the ICPs have D264 (On Selling Electricity and Electricity Market Operation) and one ICP has D26 (Electricity Supply) assigned, because Prime Energy is the trader's customer.

Description	Recommendation	Audited party comment	Remedial action
Check the ANZSIC codes for the new HHR ICPs switching in.	The current ANZSIC codes recorded by the existing trader may not be correct once the ICPs switch to Prime. I recommend the ANZSIC codes are checked and updated when the ICPs switch in.	We will update the ANZSIC codes during the switch process	Identified

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

These processes will not change when Prime becomes a HHR trader.

All 14 HHR ICPs which will switch in are metered, and have no unmetered load connected.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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 material change will not affect NHH processes. The proposed HHR processes were reviewed.

Audit commentary

NHH Future compliance for NHH ICPs is not expected to be affected by the material change.

HHR Prime's system will record only one active customer per HHR ICP.
Prime will update registry status information manually using the registry web interface.
The accuracy of HHR registry updates will be checked during the first audit after go-live.

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 material change will not affect NHH processes. The proposed HHR processes were reviewed.

Audit commentary

NHH Future compliance for NHH ICPs is not expected to be affected by the material change.

HHR Prime will update registry status information manually using the registry web interface. The accuracy of HHR registry updates will be checked during the first audit after go-live.

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

The material change will not affect NHH processes, and Prime does not intend to complete any HHR new connections.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit for NHH ICPs. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

A gaining trader must advise the registry manager of a switch no later than 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 material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

The material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

The material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 two 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 material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

- *10(1)(a) If the losing trader accepts the event date proposed by the gaining trader, the losing trader must complete the switch by providing to the registry manager:*

- *confirmation of the switch event date; and*
 - *a valid switch response code; and*
 - *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—*
 - *is not earlier than the gaining trader’s proposed event date, and*
 - *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 material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

- *the event date (clause 11(a)); and*

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

Audit observation

The material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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 material change will not affect NHH processes.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 proposed HHR gains process was reviewed.

Audit commentary

Prime will create NT files manually using the registry user interface. Timeliness and accuracy of HHR NT will be checked during the first audit after go-live.

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 proposed HHR loss process was reviewed.

Audit commentary

If HHR ICPs switch out, Prime will create AN files manually on the registry. Prime will monitor the switch breach history report to identify AN files which are due. Timeliness and accuracy of HHR AN files will be checked during the first audit after go-live.

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 proposed HHR gains process was reviewed.

Audit commentary

Prime will create CS files manually using the registry user interface. Prime will monitor the switch breach history report to identify CS files which are due. Timeliness and accuracy of HHR CS files will be checked during the first audit after go-live.

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 two calendar months after the event date of the switch.

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

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

Audit observation

The material change will not affect NHH processes. The HHR withdrawal process was reviewed.

Audit commentary

NHH Future compliance for NHH ICPs is not expected to be affected by the material change.

HHR HHR NW and AW files will be created manually using the registry user interface. Only the 14 expected HHR ICPs will switch in, and HHR withdrawals are not expected. Timeliness and accuracy of HHR withdrawals and acknowledgements will be checked during the first audit after go-live.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader.

All 14 HHR ICPs which will switch in are metered, and have no unmetered load connected.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader. All 14 HHR ICPs which will switch in are metered, and have no unmetered load connected.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

These processes will not change when Prime becomes a HHR trader. All 14 HHR ICPs which will switch in are metered, and have no unmetered load connected.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

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

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

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

Audit observation

These processes will not change when Prime becomes a HHR trader. All 14 HHR ICPs which will switch in are metered, and have no unmetered load connected.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

Processes were reviewed.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR All 14 HHR ICPs are active and metered, with no unmetered load or distributed generation attached. Electricity will be quantified in accordance with the code and no submission information will be determined by subtraction.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

The participant responsible for the metering installation must:

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

Audit observation

The NSP table was reviewed.

Audit commentary

Review of the NSP table confirmed that Prime is not responsible for any GIPs.

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 material change will not affect NHH processes, and HHR profile will be used for HHR ICPs.

Audit commentary

None of the profiles used or intended to be used by Prime require certification of control devices.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

The material change will not affect NHH processes. HHR processes were examined.

Audit commentary

- NHH** Future compliance is not expected to be affected by the material change.
- HHR** AMS and EDM I support Prime's compliance by advising them of any potential meter issues identified during data validation. Prime will approve site visits where potential meter defects are identified.

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

The material change will not affect NHH processes. HHR processes were examined.

Audit commentary

- NHH** Future compliance is not expected to be affected by the material change.

HHR EDM I will collect the meter data for ICP 0179566571LC66A which is a category 3 FCLM meter, until it is displaced with an AMCI meter. Compliance is recorded in the EDM I agent audit report.

AMS collects the meter data for the other 13 ICPs. Compliance is recorded in the AMS agent audit 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:

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

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

Audit observation

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 material change will not affect this process unless upgrades or downgrades occur.

Audit commentary

Prime is intending to switch in 14 ICPs with existing HHR metering and submission type. They do not intend to complete any upgrades or downgrades, or switch in other ICPs with HHR metering.

Future compliance is not expected to be affected by the material change.

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 material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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 material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

This is covered in AMS and EDMI's audit reports.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

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

This is covered in AMS and EDMI's audit reports.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

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

This is covered in AMS and EDMI's audit reports.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

Audit outcome

Compliant

7. STORING RAW METER DATA

7.1. Trading period duration (Clause 13 Schedule 15.2)

Code reference

Clause 13 Schedule 15.2

Code related audit information

The trading period duration, normally 30 minutes, must be within $\pm 0.1\%$ (± 2 seconds).

Audit observation

This is covered in AMS and EDM's audit reports.

Audit commentary

Compliance is recorded in the agent audit reports.

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

The material change will not affect NHH processes.

The HHR process was reviewed. AMS will archive and store raw meter data.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

7.3. Non metering information collected / archived (Clause 21(5) Schedule 15.2)

Code reference

Clause 21(5) Schedule 15.2

Code related audit information

All relevant non-metering information, such as external control equipment operation logs, used in the determination of profile data must be collected, and archived in accordance with clause 18.

Audit observation

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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 with the second meter reading (even if the second meter reading is at a different date)

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

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

Audit observation

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The HHR correction process was reviewed.

Audit commentary

AMS will process HHR corrections as Prime's agent. Where errors are detected during validation of half-hour metering information, and check metering data is not available, then data from a period with a quantity and profile similar to that expected is used.

Compliance is recorded in AMS' agent audit report.

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

AMS will apply error and loss compensation factors as Prime's agent if they are required.

Audit commentary

It is not expected that any ICPs supplied by Prime will require error or loss compensation.

Compliance is recorded in AMS' agent audit report.

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

The material change will not affect NHH processes.

AMS will correct HHR data, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report.

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

The material change will not affect NHH processes.

AMS will be responsible for identification of HHR readings, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

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

Code reference

Clause 3(4) Schedule 15.2

Code related audit information

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

3(4)(a) - validated meter readings

3(4)(b) - estimated readings

3(4)(c) - permanent estimates.

Audit observation

The material change will not affect NHH processes.

AMS will be responsible for this process for HHR ICPs, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report. Volumes will be derived from validated or estimated data.

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

The material change will not affect NHH processes.

AMS will be responsible for this process for HHR ICPs, and compliance was assessed during their agent audit.

Audit commentary

- NHH** Future compliance is not expected to be affected by the material change.
- AMI readings are rounded to zero decimal places on import into Orion. Prime has raised an IT support job to allow decimal places to be recorded on readings in Orion, and is waiting for the change to be implemented.
- HHR** EDMI will collect the meter data for ICP 0179566571LC66A which is a category 3 FCLM meter, until it is displaced with an AMCI meter. Compliance is recorded in the EDMI agent audit report. The compensation factor will be applied prior to meter data being provided to Prime and AMS, and the data will not be rounded.
- AMS will directly retrieve the unrounded metering data for the other 13 meters.
- AMS will prepare submission information for all 14 Prime ICPs based on the unrounded raw meter data, submissions will be appropriately rounded at the point that submission information is created.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 9.3 With: Clause 3(5) of schedule 15.2 From: 01-Dec-19 To: 30-Jun-21	NHH raw meter data is rounded upon receipt and not when volume information is created. Potential impact: Low Actual impact: Low Audit history: Twice Controls: None Breach risk rating: 5

Audit risk rating	Rationale for audit risk rating		
Low	<p>There are no controls to prevent rounding of raw meter data, the system is designed to round as soon as the data arrives. A solution is being developed.</p> <p>There is little impact because no metered consumption information is “missing”, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
We have been using Orion Billing system since 2020 & back then electricity used to be billed to whole numbers. We raised a job with our systems IT team post our recent audit & things are looking good. We are waiting for them to implement the change in our test environment, and once testing is completed with desired outcome, the change will be deployed to our live environment.		Job was created 04/2021	Identified
Preventative actions taken to ensure no further issue will occur		Completion date	
The rounding happens during the read import via the interface. Once the rounding is fixed, this issue will be cleared & all reads will be stored at 3 decimal places.		Nov/Dec 2021 (the latest)	

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

AMS will be responsible for this process, and compliance was assessed during their agent audit.

Audit commentary

Compliance is recorded in AMS' agent audit report.

When AMS has not received HHR data prior to the deadline for providing submission information, estimated data will be provided.

Each ICP with missing data is reviewed individually to determine the consumption pattern, and identify a period of similar consumption. If consumption during the same week day and trading period is similar, the “autofill” function is used to create an estimate. Otherwise, estimated data is copied and pasted from a similar day and trading period, taking into account the season, day of week and any public holidays. Where there is less than two weeks of history available, AMS does not usually create an estimate and

provides data in the first revision after it becomes available. Prime will assist by liaising with the customer to obtain information on consumption patterns where necessary.

Estimated data is replaced with actual data, and the 10% threshold is usually met.

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

These processes will not change when Prime becomes a HHR trader.

Audit commentary

Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

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

The material change will not affect NHH processes.

AMS will be responsible for this process for HHR ICPs, and compliance was assessed during their agent audit.

Audit commentary

NHH Compliance was recorded in Prime’s March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS’ agent audit report.
EDMI will collect the meter data for ICP 0179566571LC66A which is a category 3 FCLM meter, until it is displaced with an AMCI meter. Compliance is recorded in the EDM I agent audit report, and meter events which may affect accuracy will be provided to Prime and AMS.

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

The NSP table on the registry was reviewed.

Audit commentary

Prime is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

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

The NSP table on the registry was reviewed.

Audit commentary

Prime is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

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

The NSP table on the registry was reviewed.

Audit commentary

Prime is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

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

The NSP table on the registry was reviewed.

Audit commentary

Prime is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

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

Prime currently uses the RPS and PV1 profile, and will add the HHR profile as part of the material change. Trading notifications are not required for any of these profiles.

Audit commentary

Trading notifications are not required for the RPS, PV1 or HHR profile.

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 material change will not affect NHH processes.

AMS will be responsible for this process for HHR ICPs, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

I re-checked non-compliances recorded in the previous audit:

- 1) Inactive ICP days are included in the NHH AV110 report, because consumption is calculated and reported for active and inactive ICP days in the AV080 report; this ensures that any consumption during inactive periods is captured and reported,
- 2) ICPs were included in the report from the date they are entered into Orion, which may differ from the physical switch in date or new connection date; Prime validates ICP days against a registry list with history and makes any corrections required prior to submission, and
- 3) two ICPs had incorrect ICP days submitted, and corrections were processed before the previous audit was finalised.

HHR Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

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

Code reference

Clause 15.7

Code related audit information

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

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

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

Audit observation

The material change will not affect NHH processes, and the HHR process was reviewed.

Audit commentary

NHH Compliance was recorded in Prime's March 2021 reconciliation participant audit. Future compliance is not expected to be affected by the material change.

HHR AMS will provide the total volumes for each HHR ICP to Prime via SFTP. Prime will bill these volumes to the ICPs in Orion, and generate the PRMH AV120 submission. Because Prime invoices the check meters to individual tenants, rather than a single invoice for the total volume, the invoices against these gateway ICPs will be written off.

The ICPs will be set up in Orion as "contestable" with the PRMH trader code. This enables submission information to be created separately to the PRME code used for NHH

ICPs. Prime will only generate the AV120 for PRMH, AMS will generate the AV090, AV140 and AV110.

Aggregation factors for the HHR ICPs will be validated on switch in, as part of Prime's existing registry validation processes.

Prime provided a sample AV120 file for PRMH and I confirmed that the file format and content was correct.

Audit outcome

Compliant

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

Code reference

Clause 15.8

Code related audit information

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

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

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

Audit observation

AMS will be responsible for this process, and compliance was assessed during their agent audit.

Audit commentary

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

AMS' audit confirmed that their processes to produce and validate submissions are compliant. GR-090 ICP missing files will be examined by AMS following each submission.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 11.4 With: Clause 15.8 From: 30-Jun-21 To: 30-Jun-21	HHR aggregates file does not contain electricity supplied information. Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong, and the impact as low, because the requirement to report electricity supplied information is an error in the code, and AMS is providing submission information as expected. In most cases, billed volumes would match reported volumes.		
Actions taken to resolve the issue		Completion date	Remedial action status
This is an error within the code. AV-120 will have the billed data not AV-090 or AV-140.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
NFA		N/A	

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

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

Audit observation

AMS will be responsible for this process, and compliance was assessed during their agent audit.

Audit commentary

Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

12.2. Creation of submission information (Clause 15.4)

Code reference

Clause 15.4

Code related audit information

By 1600 hours on the 4th business day of each reconciliation period, the reconciliation participant must deliver submission information to the reconciliation manager for all NSPs for which the reconciliation participant is recorded in the registry as having traded electricity during the consumption period immediately before that reconciliation period (in accordance with Schedule 15.3).

By 1600 hours on the 13th business day of each reconciliation period, the reconciliation participant must deliver submission information to the reconciliation manager for all points of connection for which the reconciliation participant is recorded in the registry as having traded electricity during any consumption period being reconciled in accordance with clauses 15.27 and 15.28, and in respect of which it has obtained revised submission information (in accordance with Schedule 15.3).

Audit observation

The material change will not affect NHH processes.

AMS will be responsible for HHR submission, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

12.3. Allocation of submission information (Clause 15.5)

Code reference

Clause 15.5

Code related audit information

In preparing and submitting submission information, the reconciliation participant must allocate volume information for each ICP to the NSP indicated by the data held in the registry for the relevant consumption period at the time the reconciliation participant assembles the submission information. Volume information must be derived in accordance with Schedule 15.2.

However, if, in relation to a point of connection at which the reconciliation participant trades electricity, a notification given by an embedded generator under clause 15.13 for an embedded generating station is in force, the reconciliation participant is not required to comply with the above in relation to electricity generated by the embedded generating station.

Audit observation

The material change will not affect NHH processes.

AMS will be responsible for HHR submission, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report. AMS will send copies of the submitted files to Prime for review.

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

Review of the NSP table confirmed that Prime is not a grid owner.

Audit commentary

Prime is not a grid owner.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

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

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

Audit observation

The registry list and NSP table were reviewed.

Audit commentary

Prime does not own any local or embedded networks and is not required to provide NSP submission information.

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

The registry list and NSP table were reviewed.

Audit commentary

Prime is not a grid connected generator.

Audit outcome

Not applicable

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

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

Audit observation

The material change will not affect NHH processes.

The proposed HHR process was reviewed.

Audit commentary

- NHH** Future compliance is not expected to be affected by the material change.
- Non-compliances identified in the previous audit were confirmed to be resolved:
- 1) Inactive ICP days are included in the NHH AV110 report; consumption is only reported where the ICP status is active, and this practice ensures that all inactive consumption is captured and reported,
 - 2) volumes were not zeroed out for one ICP for the submission months of November and December 2019; a correction was processed prior to the audit being finalised, and
 - 3) Orion did not reflect the agreed switch event reading for ICP 0000520320WP068; I confirmed that the readings have been corrected.
- HHR** Compliance is recorded in AMS' agent audit report. AMS will send copies of the submitted files to Prime for review.

Audit outcome

Compliant

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

Code reference

Clause 4 Schedule 15.2

Code related audit information

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

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

If, despite having used reasonable endeavours for at least 12 months, a reconciliation participant has been unable to obtain a validated meter reading, the reconciliation participant must replace volume

information created using an estimated reading with volume information created using a permanent estimate in place of a validated meter reading.

Audit observation

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 2 Schedule 15.3

Code related audit information

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

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

Audit observation

The material change will not affect NHH processes.

AMS will be responsible for this process, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change

HHR Compliance is recorded in AMS' agent audit report.

All 14 ICPs have final certified HHR metering, and the HHR profile and submission type will be applied.

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 15.3

Code related audit information

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

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

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

Audit observation

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

The material change will not affect this process, except where upgrades to HHR and downgrades to NHH occur.

Audit commentary

Prime is intending to switch in 14 ICPs with existing HHR metering and submission type. They do not intend to complete any upgrades or downgrades, or switch in other ICPs with HHR metering.

Future compliance is not expected to be affected by the material change.

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

The material change will not affect NHH processes.

AMS will be responsible for this process, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

The material change will not affect NHH processes.

AMS will be responsible for this process, and compliance was assessed during their agent audit.

Audit commentary

NHH Future compliance is not expected to be affected by the material change.

HHR Compliance is recorded in AMS' agent audit report.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 15.3

Code related audit information

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

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

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

Audit observation

The material change will not affect this process.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

CONCLUSION

Compliance was assessed for all areas which could be impacted by the material change. Two non-compliances were identified:

- the previous audit issue relating to rounding of NHH data on receipt is still present, and in the process of being resolved; the material change is not expected to cause any further non-compliance in this area, and
- there is one technical non-compliance relating to a discrepancy between the Code and the reconciliation manager functional specification with regard to the HHR aggregates file; the Code requires the file to contain “electricity supplied” information and the functional specification requires submission information but given that the purpose of the file is to generate submission related reports, it appears the Code may be incorrect.

One minor recommendation is made to check and update ANZSIC codes when the HHR ICPs switch in.

I recommend that the next audit date remains 26 August 2022.

PARTICIPANT RESPONSE

Prime have reviewed this report and their comments are contained within its body.