

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

For

OURPOWER LIMITED
(NZBN 942903259827)

Prepared by: Ewa Glowacka – TEG & Associates Ltd

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EXECUTIVE SUMMARY

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of OurPower Limited to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits version 7.2.

OurPower Limited trades using two codes OURP and OPHL.

OPHL uses JC Consulting to provide switching events, registry updates and reconciliation services. Switching and registry updates are processed manually using the registry interface in accordance with the Code. Submission files are created using the RM TOOL. At the time of the audit OPHL was responsible for 6 HHR ICPs (generation). OPHL did not complete any new connections in the audit period. All ICPs are active, there are no plans to disconnect or decommission them. All meters are read remotely (AMI and C&I).

OURP – uses their own system to do switching, registry maintenance, and creation of reconciliation files. The system is run by OURP's personnel. OURP was responsible for a mixture of NHH and HHR ICPs (total 2,796 ICPs). ICPs are only located on the WEL Networks. During the audit period, OurPower commenced trading a small number of NHH ICPs for short periods until HHR meters were installed. In the long term WEL Networks will be the only MEP providing metering services.

The process for the management of NHH ICPs includes the following scenarios:

1. If the metering installation at the ICP is certified as NHH and there is a WEL Network meter (a revenue meter) at the site but WASN is not the MEP, WASN will be nominated as the MEP and NHH submission will occur until the installation is certified as HHR. The aim is within 7 – 14 days of the switch.
2. If there is no WASN meter on site, an inspection will occur to ensure a WASN meter can be installed. NHH submission will occur until the WASN meter is installed and the installation recertified as HHR.
3. If there is no WEL Meter the ICP will still switch to OURP. The aim is to install a new meter and certify installation as HHR within 7 – 14 days of the switch. The average daily consumption will be used to calculate a consumption until a WASN meter is installed. Once a WASN meter is installed the consumption is calculated between the final removal read from the other MEP meter and the switch event meter reading provided by the losing trader in the CS file. The consumption is reconciled as NHH.

Audit period for OPHL was 01/03/2020 to 15/07/2021, and for OURP it was 01/09/2019 to 15/07/2021.

We identified 13 non-compliances, 2 recommendations and one issue. The overall compliance is good. The number of non-compliances seems to be high but in our view none of the matters have resulted in material reconciliation issues.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 22 which results in an indicative audit frequency of 12 months. We agree with the outcome from the matrix provided by the Authority.

We thank the OurPower Ltd staff for their full and complete cooperation in this audit.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	11.2	OURP - Incorrect submission flag for 1 ICP Incorrect status for 1 ICP	Moderate	Low	2	Cleared
Provision of information	2.2	15.35	OURP - Late submission files in 2 months	Strong	Low	1	Identified
Providing registry information	3.2	11.17(2)	OURP – One ICP has an incorrect type of reconciliation recorded in the registry	Strong	Low	1	Identified
Changes to registry information	3.3	10 of Schedule 11.1	OURP – Some late status and trader event updates	Moderate	Low	2	Identified
Management of “inactive” status	3.9	19 of Schedule 11.1	OURP – One ICP has incorrect “inactive” status recorded in the registry. Volumes are recorded and submitted	Strong	Low	1	Identified
Losing trader response to switch request and event dates - standard switch	4.2	3 of Schedule 11.3	OURP – 3 late AN files	Strong	Low	1	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	OUR – 1 CS file late by one day; Incorrect date “Last Read Date” in the CS files created automatically	Moderate	Low	2	Identified

			Average daily consumption in CS files does not meet registry functional specification				
Retailers must use same reading - standard switch	4.4	6(1) and 6A of Schedule 11.3	OUR – 1 AC file late For 3 ICPs that switched with the estimated reading on WEL Network meters OURP's start read did not match the losing trades CS read	Moderate	Low	2	Identified
Losing trader must provide final information - switch move	4.10	11 of Schedule 11.3	OUR – 2 CS files late Incorrect date "Last Read Date" in the CS files created automatically Average daily consumption in CS files does not meet registry functional specification	Moderate	Low	2	Identified
Withdrawal of switch	4.15	17 of Schedule 11.3	OUR – 2 AW files late Incorrect application of "CX" code; it is hard coded in the Retail system	Moderate	Low	2	Identified
Creation of submission information	12.2	15.4	OURP – late submission files in two months	Moderate	Low	2	Identified
Accuracy of	12.7	15.12	OPHL – one	Moderate	Low	2	Identified

submission information			incorrect file OURP – For five ICPs, the start read applied by OurPower was inconsistent with the CS read				
Historical estimate reporting to RM	11.3	10 of Schedule 5.3	OURP - Historical estimates target not met for few revision 3, 7, and 14 for 5 months	Moderate	Low	2	Identified
Future Risk Rating						22	

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

RECOMMENDATIONS

Subject	Section	Description	Recommendation
Arrangements for metering for metering equipment provision	2.13	Arrangements with other MEPs do not fully meet obligation stated in clause 10.36	Apply for an exemption
Calculation of ICP days	11.2	OURP - ICP days are counted for all ICPs including “decommissioned” and “inactive”	OURP - ICP days (AV-110) files includes days of responsibility for “active” ICPs only (energy supplied to)

ISSUES

Subject	Section	Description	Issue
Meter data used to derive volume information	9.3	OPHL – HHR data provided by AMCI is rounded to 2 DP	OPHL - AMCI does not provide data which is stored from the metering installation

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



1.3. Persons involved in this audit

Name	Title
Steven Robertson	Commercial Analyst
Alister Haszard	Consultant
Maneesh Gupta	Customer Services Representative
John Candy	Director of JC Consulting
Ewa Glowacka	Electricity Authority Approved Auditor

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.

Audit commentary

OPHL

OPHL uses JC Consulting to create and submit files to the reconciliation manager. Switching and population of registry information is also done by JC Consulting using the registry web interface. AccuCal provides data for one ICP, and AMCI for five ICPs.

As a part of this audit we audited work performed by JC Consulting and AccuCal.

We reviewed the AMS HHR audit report dated 04/06/2021. No non-compliances were recorded relating to OPHL.

OURP

OURP does not engage any agents.

1.5. Hardware and Software

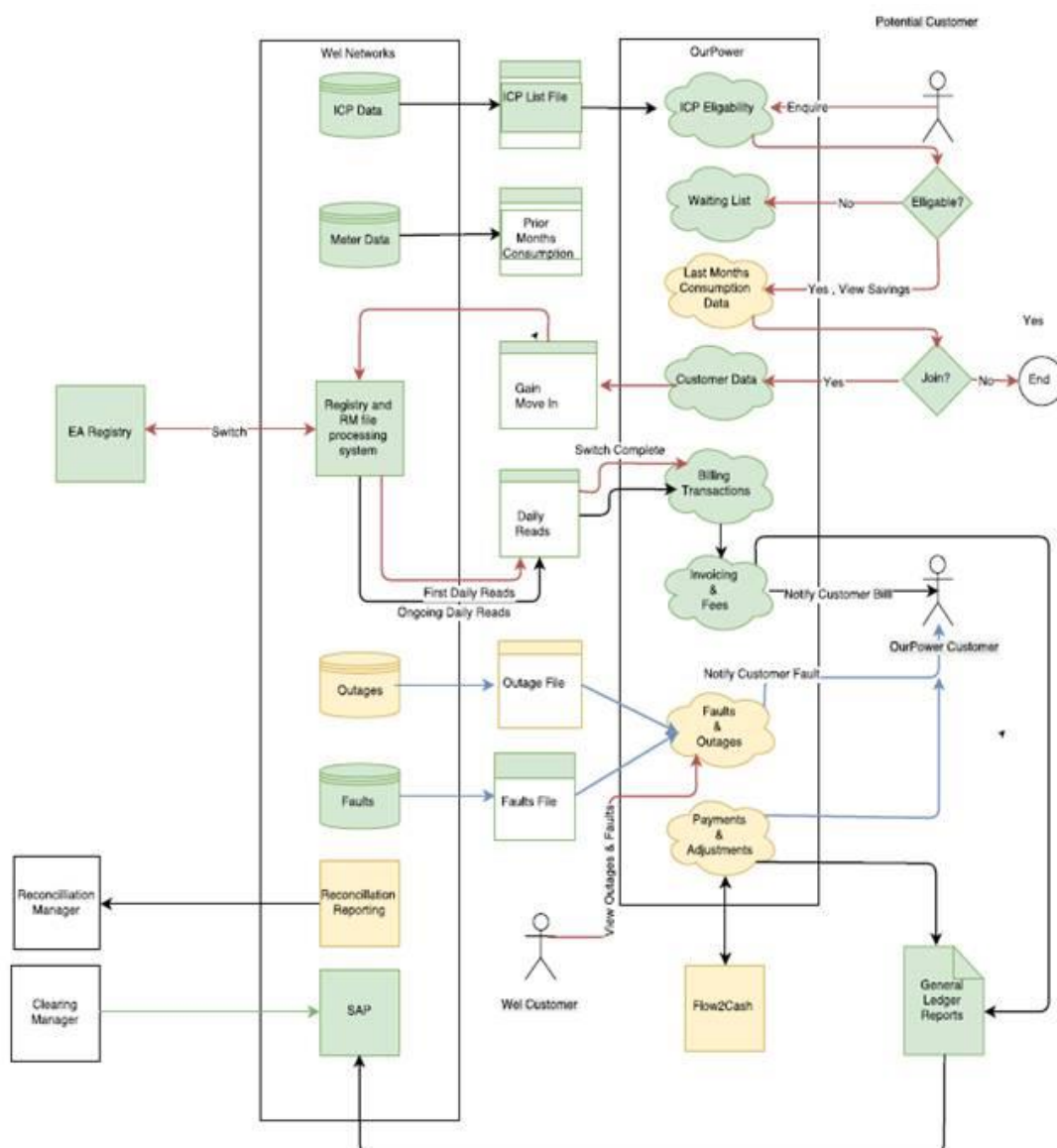
OPHL

The main systems are as follows:

- Switching is conducted via web interface
- Access Database (RM TOOL) run by JC Consulting for submissions

OURP

The diagram below shows the processes and systems at a high level. A bespoke reconciliation system has been developed, and WEL Networks' existing interface to the registry is used. The Microsoft Azure cloud computing service is used, which creates backups to the cloud.



1.6. Breaches or Breach Allegations

OPHL

Name of breach	Date	Clause	Description	Comment
2104OURP2	17/03/21	15.2(1)(a)	OPHL failed to submit complete information to the reconciliation manager. OPHL submit R14 NHH data, but the data contained 0 volumes in this file, down from 1.9MWh from R7 for January 2020. RM notified OPHL to confirm if these	

			figures were correct. OPHL came back notifying that this was an error, and that their volumes were not 0, and were going to resubmit R14.	
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OURP

The following breaches were recorded

Number of breach	Date	Clause	Description	Comment
2104OURP1	4/03/2021	15.4(2)	Reconciliation files for OURP didn't generate correctly and were submitted late as a result	It was a self-breach
2103OURP1:		15.4(2)	OurPower submitted reconciliation information after the deadline. System conflict from new email management system blocked system notification emails of files ready for submission. System conflict fixed.	
2003WELN2	05/03/2020	15.4(1)	Failed to provide submission information to the RM by 4pm business day 7. Procedure error had submission time at COB and not 4pm.	

1.7. ICP Data

OPHL

Metering Category	22/07/2021	(2020)	(2018)	(2017)
1	1	2	1	1,231
2	1	1	1	213
3	2	2	2	24
4	2	2	2	10
5	0	0	0	0
9	0	0	0	84

Status	Number of ICPs (22/07/2021)	Number of ICPs (20/02/20)	Number of ICPs (2018)	Number of ICPs (2017)
Active (2,0)	6	7	6	1,454
Inactive – new connection in	0	0	0	0

progress (1,12)				
Inactive – electrically disconnected vacant property (1,4)	0	0	0	7
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	0	0	1
Inactive – electrically disconnected at pole fuse (1,8)	0	0	0	1
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0	1	0
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	0	0
Inactive – electrically disconnected at meter box switch (1,11)	0	0	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	1	1	1	4
Inactive – reconciled elsewhere (1,5)	0	0	0	0
Decommissioned (3)	109	109	109	96

OURP

Metering Category	22/07/2021	2019	(date)	(date)
1		880		
2		0		
3		0		
4		0		
5		0		
9		0		

Status	Number of ICPs (current audit date)	Number of ICPs (2019)	Number of ICPs (date)
Active (2,0)		880	
Inactive – new connection in progress (1,12)		0	
Inactive – electrically disconnected vacant property (1,4)		1	
Inactive – electrically disconnected		2	

remotely by AMI meter (1,7)			
Inactive – electrically disconnected at pole fuse (1,8)		0	
Inactive – electrically disconnected due to meter disconnected (1,9)		0	
Inactive – electrically disconnected at meter box fuse (1,10)		0	
Inactive – electrically disconnected at meter box switch (1,11)		0	
Inactive – electrically disconnected ready for decommissioning (1,6)		0	
Inactive – reconciled elsewhere (1,5)		0	
Decommissioned (3)		0	

1.8. Authorisation Received

Authorisation was provided as requested.

1.9. Scope of Audit

This reconciliation participant audit was performed at the request of Opunake Hydro (OPHL) as required by clause 5 and 7 of Schedule 15.1 to support the application for recertification. The audit was carried out on 5 August 2021. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.1.

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Relevant to audit	Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	✓	JCC Consulting (OPHL)
(b) – Gathering and storing raw meter data	✓	AccuCal (1 HHR ICP), AMCI (5 ICPs)
(c)(i) - Creation and management of HHR volume information	✗	
(c)(ii) - Creation and management of NHH volume information	✗	
(c)(ii) - Creation and management of HHR and NHH volume information	✓	JCC Consulting (OPHL)
(c)(iv) - Creation and management of dispatchable load information	✗	

(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓	JCC Consulting (OPHL)
(d)(ii) - delivery of electricity supplied information under clause 15.7	✓	JCC Consulting (OPHL)
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓	JCC Consulting (OPHL)
(e) – Provision of submission information for reconciliation	✓	JCC Consulting (OPHL)
(f) - Provision of metering information to the grid owner in accordance with subpart 4 of part 13	✗	

1.10. Summary of previous audit

OPHL

The previous audit was conducted in February 2020 by Ewa Glowacka of TEG & Associates. Non-compliances are shown in the table:

Subject	Section	Clause	Non Compliance	Comment
Provision of information to the registry manager	3.5	9 of Schedule 11.3	One trader entry (MEP nominations) for a new connection was recorded later than 5BD (35 days)	Cleared
Losing trader response to switch request and event dates - standard switch	4.2	3of Schedule 11.3	AN file was sent one day late	Cleared
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR aggregates information provision to the reconciliation manager	Not required. The Code change required a line up with RN file specification. Breach risk rating excluded from total

OURP

The previous audit was conducted in October 2019 by Steve Woods of Veritek. Non-compliances are shown in the table. Cleared non-compliances are not shown.

Subject	Section	Clause	Non-Compliance	Comment
Relevant information	2.1	10.6, 11.2, 15.2	1 incorrect status For three ICPs, the start read applied by OurPower was inconsistent with the CS read. ICP 0000780936WE7F7 was missing from the Day 13 file for January 2019	Still exists

			Some NHH FE and HE issues exist.	
MEP arrangements	2.13	10.36	Arrangements not in place with MTRX, FCLM or NGCM	Cleared
Changes to registry information	3.3	10 Schedule 11.1	Some late status and trader event updates	Still exits
Losing trader must provide final information - standard switch	4.3	5 Schedule 11.3	Average daily consumption calculation in CS files does not meet the functional specification.	Still exits
Retailers must use same reading - standard switch	4.4	Clause 6(1) and 6A Schedule 11.3	For three ICPs that switched in with estimated readings on WEL Networks meters, OURP's start read did not match the losing trader's CS read.	Cleared
Losing trader must provide final information - switch move	4.10	11 Schedule 11.3	One ICP has an incorrect switch event meter reading. Average daily consumption calculation in CS files does not meet the functional specification.	Still exits
Gaining trader changes to switch meter reading - switch move	4.11	12 Schedule 11.3	2 late AC files	Cleared
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	Five incorrect NW rejections One late NW Two AW files were issued late	Still exits
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR aggregates files do not contain electricity supplied information. ICP 0000780936WE7F7 did not have volume information submitted until R3 for January 2019	Still exits
Accuracy of submission information	12.7	15.12	For three ICPs, the start read applied by OurPower was inconsistent with the CS read. ICP 0000780936WE7F7 was missing from the Day 13 file for January 2019.	Still exits

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

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

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

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

Audit observation

The LIS file dated 22/07/21 was examined to identify any inaccuracies. The Event Detail (EDA) file, Metering Installation Information (PR-255), and the Audit Compliance report for the audit period were examined.

The process to find and correct incorrect information was examined. The registry validation process was examined in detail in relation to the achievement of this requirement. OURP developed many reports within the Retail database to achieve compliance.

Audit commentary

OPHL

JC Consulting validates submission information against the registry. We found registry information to be correct.

OURP

The ICP information recorded in OURP's database (Retail) reflects what is recorded in the registry, there are not expected to be any discrepancies between OURP's database and the registry except timing differences.

Section	Issue
3.2	ICP 0000141366WE182 had incorrect submission flag. It was NHH instead HHR. It has been incorrect since Jan 2020 and was corrected during the audit.
3.9	ICP 0002935513WE5AC has incorrect "inactive" status recorded in the registry. Volumes are recorded and submitted every month. The job has been used to visit a site, but it is on hold because of Covid lockdown.
4.4 and 4.11	Five switches where the estimated CS read provided by the losing trader differed from the start read applied by OurPower, resulting in over submission of 1,038 kWh
4.15	Incorrect application of "CX" code; it is hard coded in the Retail system

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: 11.2 From: 07-Feb-20 To: 05-Aug-21	OURP - Incorrect submission flag for 1 ICP Incorrect status for 1 ICP 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. The audit risk rating is recorded as low because it is only one ICP therefore any impact to the market was minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Identified issues corrected as soon as practical to do so		Sept 2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
The Reconciliation check report we have added checks for incorrect submission flags and added Checks for ICP incorrect status with consumption		26/08/2021	

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

We reviewed the process for file submission performed by JC Consulting and OURP. Alleged breaches during the audit period were reviewed.

Audit commentary

OPHL

We found JC Consulting's processes to be compliant. No RM files were submitted late.

OURP

Processes for providing information were reviewed and observed throughout the audit. Alleged breaches during the audit period were reviewed. In **section 1.6** we noted 3 breaches. One of them was a self-breach.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.2 With: 15.35 From: 01-Mar-20 To: 01-Mar-21	OURP - Late submission files in 2 months Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Files were submitted promptly once breach was identified.		Pre-August 2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Processes and calendars were updated following the breaches to reduce risk of late submission		Pre-August 2021	

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

Once per month JC Consulting downloads data from the AMCI server on behalf of OPHL. AccuCal provide data for one ICP 1000586630PC607 via secure email. Metering data is emailed to OPHL for billing purposes.

OURP HHR data is provided by WEL Networks, as the MEP (WASN) , via SFTP server. Meters are read every 4 hours.

Audit commentary

OPHL

Once metering data is downloaded from the service providers' servers it is uploaded to the RM TOOL.

OURP

All data is transferred to OURP 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

We checked the audit trail for all data gathering, validation, and correction.

Audit commentary

OPHL

JC Consulting retains an audit trail of downloaded data via FileZilla.

It was confirmed during the audit that the audit trail for data gathering, validation and processing functions is archived. For any changes to data in the RM TOOL, logs are created showing the date and time of the activity, an activity identifier, and the operator identifier.

OURP

OUR's database includes an audit trail for ICPs and meter reading information.

HHR data is stored in WASN's database. WEL Networks' MEP audit confirmed that this data cannot be modified without an audit trail being created. The copy of HHR data is stored in a database called The Retail.

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

OPHL is a generator. No Terms and Conditions are required, this reconciliation participant will not be engaging customers for the purposes of providing energy services.

We reviewed OurPower's Terms and Conditions.

Audit commentary

OPHL

This clause is not applicable. Compliance was not assessed.

OURP

OurPower's terms and conditions include consent to access, for authorised parties, for the duration of the contract.

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

OPHL is a generator. No Terms and Conditions are required, this reconciliation participant will not be engaging customers for the purposes of providing energy services.

We reviewed OurPower's the Terms and Conditions.

Audit commentary

OPHL

This clause is not applicable. Compliance was not assessed.

OURP

OurPower's terms and conditions include consent to access, for authorised parties, for the duration of the contract.

Audit outcome

Compliant

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

Code reference

Clause 10.35(1)&(2)

Code related audit information

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

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

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

Audit observation

OPHL is responsible for category 1 to 4 metering installations.

OURP is responsible for category 1 metering installations only.

Audit commentary

OPHL

The company confirmed they do not have any installations to which metering data loss compensation has to be applied.

The generator installations have valid metering installation certification. They were certified by AccuCal with the exception of 0080013206PC15E. Its metering certification expiry date is 29/08/2021. We confirm no loss compensation is required to be applied to metering data before submission to the reconciliation manager.

OURP

The company confirmed they do not have any installations to which metering data loss compensation has to be applied. Category 1 metering installations are always close to a point of connection.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

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

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

Audit observation

OPHL is a generator. No Terms and Conditions are required. This reconciliation participant will not be engaging customers for the purposes of providing energy services.

We reviewed OurPower's the Terms and Conditions.

Audit commentary

OPHL

This clause is not applicable. Compliance was not assessed.

OURP

OurPower's terms and conditions contain the appropriate clauses to achieve compliance with this requirement.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

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

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

Audit observation

We checked the LIS and EDA files to determine whether any new connections were completed during the audit period.

The new connection process was discussed.

Audit commentary

OPHL

OPHL is registered as a generator. There are no plans to have new connections. This clause is not applicable

OURP

Review of the LIS and EDA files confirmed that OURP has not completed any new connections during the audit period. The new connection process is not documented.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

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

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

Audit observation

We checked the LIS and EDA files to determine whether any new connections were completed during the audit period.

Audit commentary

OPHL

OPHL is registered as a generator. There are no plans to have new connections. This clause is not applicable

OURP

No new connections were completed during the audit period, and no temporary connections were identified.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(1)

Code related audit information

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

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

Audit observation

The new connection and reconnection processes were discussed.

The LIS and EDA files and the Audit Compliance report were examined to determine whether any new connections or reconnections were completed during the audit period.

Audit commentary

OPHL

We did not identify any disconnections/reconnections during the audit period.

No bridged meters were identified during the audit period.

OURP

No new connections were conducted.

260 reconnections were completed during the audit period. The audit compliance report did not identify any reconnected ICPs without a certified metering installation.

No bridged meters were identified during the audit period.

Audit outcome

Compliant

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

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

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

Audit observation

OURP only intends to operate on WEL Networks, and an arrangement is in place.

OPHL currently trades only on the PowerCo network, and arrangements are in place.

Audit commentary

OPHL

OPHL currently trades only on the PowerCo network, and arrangements are in place.

OURP

OurPower only operates on the WEL Network, and an agreement is in place.

Audit outcome

Compliant

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

The registry files and the Audit Compliance report were examined.

In the long term, OURP only intends to supply ICPs where WEL Networks is the MEP. An arrangement is in place.

Audit commentary

OPHL

According to the LIS file, AMCI and AccuCal provide the MEP services. OPHL does not expect to supply ICPs with other MEPs in the foreseeable future. OPHL does not intend to change the MEP for any existing ICPs. The arrangements are in place.

OURP

OURP intends to supply ICPs with WEL Networks as the MEP but there are instances where ICPs are switched in with another MEP's meter, which is then changed to a WEL meter within 7 – 14 days. OURP does have an arrangement in place with other MEPs but not contracts. The arrangement allows them to use their meters for a short time until a WASN meter is installed. The company does not receive meter readings from other MEPs. The final read is taken at the time that the meter is removed. The previous audit identified non-compliance because the arrangements with MEPs other than WASN were not covering all subclauses of 10.36. We discussed it during the audit, and it was clear to us that other MEPs meters are replaced very quickly by WASN's meters and provisions listed in subclause 10.36(a) to (c) are not required by OURP.

An option could be to apply to the Authority for exemption.

There is an arrangement in place with WASN.

Audit outcome

Compliant

Description	Recommendation	Audited party comment	Remedial action
Arrangements with other MEPs do not fully meet obligation stated in clause 10.36	Apply for an exemption	Agreed – OurPower will be applying for an exemption to this clause.	

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

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

Audit commentary

OPHL

OPHL only trades generation sites.

OURP

OURP is aware of their obligation and will meet their obligation.

We reviewed the EDA file and confirmed that such a situation did not occur.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

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

Audit commentary

OPHL

This clause is not applicable.

OURP

OURP is aware of their obligation and will meet their obligation.

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 unbridged 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

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

Audit commentary

OPHL

OPHL trades generation ICPs only. OPHL will not be removing or breaking seals.

OURP

OURP will not be removing or breaking seals. Only WEL networks is authorised to remove or break a seal.

Audit outcome

Compliant

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

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

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

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

If the trader bridges a meter, the trader must:

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

The trader must determine meter readings as follows:

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

Audit observation

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

Audit commentary

OPHL

OPHL trades generation ICPs only. This clause is not applicable.

OURP

OURP won't be bridging meters. Only WEL networks is authorised to bridge meters. Once a meter is bypassed it will notify WASN (MEP) to replace it.

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

It was discussed during the audit. We asked Opunake Hydro to provide an invoice for verification.

Audit commentary

OPHL

OPHL does not issue invoices to customers. This clause is not applicable.

OURP

OURP provided an invoice. We confirm that the ICP identifier is recorded on the invoice.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

It was discussed during the audit. We reviewed OURP's website and correspondence with customers.

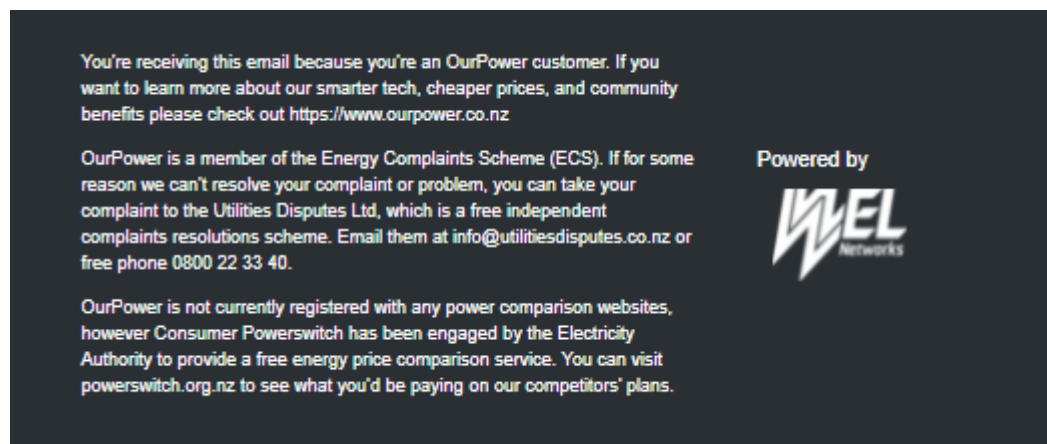
Audit commentary

OPHL

OPHL does not have a website. It trades generation ICPs only; it has no correspondence with customers.

OURP

We confirm that the company website contains the link to Utilities Dispute. It is quoted during communication with the customer.



Audit outcome

Compliant

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

It was discussed during the audit. We reviewed OURP's website and correspondence with customers.

Audit commentary

OPHL

OPHL does not have a website. It trades generation ICPs only; it has no correspondence with customers.

OURP/OPHL

We confirm that the company website contains the link to PowerSwitch. It is quoted during communication with the customer.

You're receiving this email because you're an OurPower customer. If you want to learn more about our smarter tech, cheaper prices, and community benefits please check out <https://www.ourpower.co.nz>

OurPower is a member of the Energy Complaints Scheme (ECS). If for some reason we can't resolve your complaint or problem, you can take your complaint to the Utilities Disputes Ltd, which is a free independent complaints resolutions scheme. Email them at info@utilitiesdisputes.co.nz or free phone 0800 22 33 40.

OurPower is not currently registered with any power comparison websites, however Consumer Powerswitch has been engaged by the Electricity Authority to provide a free energy price comparison service. You can visit powerswitch.org.nz to see what you'd be paying on our competitors' plans.

Powered by



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 LIS and EDA files for the audit period were reviewed.

Audit commentary

OPHL

OPHL does not intend to trade new connections. A review of the registry list and event detail report confirmed that OPHL has not completed any new connections during the audit period.

OURP

OURP does not intend to trade new connections. A review of the registry list and event detail report confirmed that OURP has not completed any new connections during the audit period.

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 LIS and EDA files for the audit period were reviewed.

Audit commentary

OPHL

OPHL does not intend to trade new connections. A review of the registry list and event detail report confirmed that OPHL has not completed any new connections during the audit period.

We reviewed the LIS file and confirmed that all the information are provided as per this clause.

OURP

OURP does not intend to trade new connections. Review of the registry list and event detail report confirmed that OPHL has not completed any new connections during the audit period.

We reviewed LIS file and confirmed that all information is provided as per this clause. We found that ICP 0000141366WE182 had HHR profile recorded in the registry and an incorrect submission flag. It was NHH instead HHR. It was corrected during the audit.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.2 With: 11.17(2) From: 28-Jan-20 To: 31-Jul-21	OURP – One ICP has an incorrect type of reconciliation recorded in the registry Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as strong, good management of status information. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Flag has been corrected in registry to HHR		August 2021	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
At Reconciliation time will be picked up by 2.1 Action		26/08/2021	

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 EDA file and the Audit Compliance Report files for the audit period were analysed.

In this section we have examined the event detail report for the audit period to identify all late status updates, MEP nominations, and trader updates.

Audit commentary

OPHL

There were no changes to the registry information during the audit period.

OURP

OURP updates status information in the Retail database, and the updated status flows to the registry on every 30 minutes.

Updates to “active” status

The Audit Compliances report could only be run for the period of one year, therefore, the information for OURP is split into two parts because the audit period is longer than one year.

Audit period	Number of ICPs updated more than 5 business days after physical reconnection	Percentage Compliance	Average Business Days between Status Event and Status Input Date
01/09/2019 – 31/08/2020	6	93.26%	1.62
01/09/2020 to 15/07/2021	6	95.49%	1.04

We discussed 5 ICPs from the first part of the audit period. The reason for the late updates was the fact that ICPs were disconnected before they switched to OURP so the registry status could only be updated after the switch was complete.

Updates to “inactive” status

Audit period	Number of ICPs updated more than 5 business days after physical disconnection	Percentage Compliance	Average Business Days between Status Event and Status Input Date

01/09/2019 – 31/08/2020	1	98.77%	0.63
01/09/2020 to 15/07/2021	No late updates		

All disconnections are conducted remotely by WASN.

Trader updates

Audit period	Number of ICPs updated more than 5 business		Percentage Compliance	Average Business Days between Status Event and Status Input Date
01/09/19 – 31/08/20	MEP change	8	95.05%	3.43
	Change of profile and recon flag	22		
01/09/20 - 15/07/21	MEP change	4	95.52%	3.38
	Change of profile and recon flag	65		

Once a new ICP switches in, a job request is issued to install WASN's meter. Once it is complete, WASN is nominated as the new MEP. The new meter details are uploaded to the registry by the MEP. OURP waits for the MEP to update the registry as the system will not change the profile until the MEP updates the registry with the meter details. It results in late changes by OURP to the profile and type of reconciliation.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 01-Sep-19 To: 15-Jul-21	OURP – Some late status and trader event updates Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Flags are updated manually as soon as OurPower are notified that the switch is completed in the registry.		Ongoing	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Procedure and reporting being reviewed to ensure that flags can be updated as soon as possible after switch completes.	March 2022	

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

OurPower does not undertake new connections. The audit compliance report was examined to identify any active ICPs that do not have an MEP recorded. The process for decommissioning was examined. The LIS files were examined to identify decommissioned ICPs

Audit commentary

OPHL

All ICPs had MEPs assigned. No ICPs were decommissioned during the audit period.

OURP

All ICPs had MEPs assigned. 2 ICPs were decommissioned during the audit period. Final reads were taken and OURP notified. We followed through two examples and confirm that all volumes were reconciled.

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 registry files and the Audit Compliance reports were reviewed.

Audit commentary

OPHL

OPHL does not intend to trade new connections. A review of the registry files confirmed that OPHL has not completed any new connections during the audit period.

OURP

OURP does not intend to trade new connections. A review of the registry files confirmed that OPHL has not traded any new connections during the audit period.

In **section 3.2**, we found that ICP 0000141366WE182 had an incorrect submission flag. It was NHH instead HHR. It was corrected during the audit.

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

The process to manage ANZISC codes was examined. The LIS files were reviewed to check ANZISC codes were valid.

Audit commentary

OPHL

All active ICPs had a valid ANZISC code recorded. ANZISC codes are unlikely to change for OPHL's existing ICPs.

OURP

A review of the LIS file found all ICPs had a valid domestic ANZISC code. We chose ten ICPs to check ANZISC codes against Google street view. Assigned ANZISC codes were found to be correct.

Audit outcome

Compliant

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

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

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

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

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

Audit observation

The LIS files and Audit Compliance reports were checked.

Audit commentary

OPHL

All OPHL ICPs are metered. There are no plans to trade UML ICPs. OPHL is responsible for generation ICPs only.

OURP

OURP policy is to accept applications from customers who do not have unmetered load connected.

A review of the LIS file confirmed that there is no unmetered load against OURP's ICPs.

If unmetered load is recorded by the distributor (WEL Networks) at a later stage, the customer will be asked to switch out. OURP has exception reporting in place to monitor UML.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The process for status changes to active was discussed.

The EDA file and the Audit Compliance report were reviewed to identify all status changes to inactive during the audit period.

Processes used by OURP ensure there is only one party per ICP and that all active ICPs have a MEP.

Audit commentary

OPHL

All OPHL ICPs have the “active” status in the registry. OPHL does not plan to disconnect any ICP.

Each of the currently supplied ICPs is metered and has one customer.

OURP

There are processes to ensure there is only one party per ICP and that all active ICPs have a MEP.

We reviewed the GR-090 (ICPMISS) report for 4 months to identify status discrepancies. We identified one ICP 0002935513WE5AC for which volumes are submitted but the registry status is “electrically disconnected via AMI meter”.

The ICP status in the registry is updated by OURP’s system.

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 process for status changes to inactive was discussed.

The EDA file and the Audit Compliance report were reviewed to identify all status changes to inactive during the audit period.

Audit commentary

OPHL

All OPHL ICPs have the “active” status in the registry. OPHL does not plan to disconnect any ICP.

The EDA file was examined to identify all status changes to “inactive”. There were no such changes.

OURP

We reviewed the GR-090 (ICPMISS) report for 4 months to identify status discrepancies. We identified one ICP 0002935513WE5AC for which volumes are submitted but the registry status is “electrically disconnected via AMI meter”. It was discussed with the company and a job has been used to visit a site, but it is on hold because of Covid lockdown.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.9 With: 19 of Schedule 11.1 From: 17-Dec-19 To: 31-Jul-21	OURP – One ICP has an incorrect “inactive” status recorded in the registry. Volumes are recorded and submitted Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as strong, good management of status information. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Identified issues corrected as soon as practical to do so		September 2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Daily Check on all inactive status with consumption corrected (emailed to Staff) At Reconciliation time will be picked up by 2.1 Action		21/8/21 26/8/21	

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

It is a distributor's code obligation to monitor any ICP which has had the status of "New" or "Ready" for 24 calendar months or more. It is expected that a trader be able to respond to such queries from distributors.

Audit commentary

OPHL

OPHL does not trade new connections.

OURP

OURP has not dealt with any new connections during the audit period. It is unlikely they will be selected as the expected retailer for any new connections. OURP only supplies ICPs that have been connected on the WEL Network.

There are no ICPs in "new" or "ready" status.

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 EDA file was reviewed to determine whether any standard switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

The standard switch process was examined and discussed with OURP's staff.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

OURP processes are compliant with the requirements of the Fair Trading Act 1986.

Customers join OURP via website. The ICPs are checked to determine whether they meet the supply criteria being connected to the WEL network. No credit check is performed. The NT file is automatically sent within 3 hours.

OURP sent 2,100 NTTR. All transfer NT files were sent within two business days. A review of the EDA file showed that, for 5 ICPs, it appeared that the NT files were sent later than 2 BD. Upon closer analysis we identified that OURP sent NT files in time but gaining traders (WISE and CLUB) did not accepted the proposed switch date and moved it back by a few days, which resulted in the backdating of the switch.

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 EDA file was reviewed to determine whether any standard switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

The standard switch process was examined and discussed with OURP's staff.

We reviewed the AN response codes and the setting of event dates.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

OURP received 206 NTTR, to which they responded by sending the AN file the following day.

The Switch Breach report identified 3 late AN files.

The requirement of 50% of the event dates must be no more than 5 business days after the date of notification was met. Only one ICP had the proposed date moved forward by 8 BD.

The valid switch response code of "AD" was used as all meters used by OURP are advanced meters.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.2 With: 3 of Schedule 11.3 From: 01-Sep-19 To: 15-Jul-21	OURP – 3 late AN files Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating

Low	Controls are recorded as strong, good management of switching. AN are sent automatically. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Identified issues corrected as soon as practical to do so			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Will not happen again as we were rewiring sites as the switch was happening.			

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 EDA file was reviewed to determine whether any standard switches occurred. The Switch Breach report was reviewed to identify any non-compliances. The standard switch process was examined and discussed with OURP's staff.

The accuracy of the content of CS files was confirmed by checking a sample of 5 records. We checked the correct identification of meter readings and correct date of last meter reading, accuracy of meter readings (flag), and accuracy of average daily consumption.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

CS files are sent automatically. 214 CS files were sent. According to the Switch Breach report one CS file was late by one day.

The Registry Functional Specification v22.21 states that average daily consumption within the CS file should be the average kWh per day for the last read period. OURP receives daily readings, so the last read period is technically one day. OURP calculates the average daily consumption as the consumption

over a month. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

It was noted as non-compliance in the last audit, but the company decided to stay in breach as information provided for average daily consumption is more accurate and less misleading than the required process, which is compliant with clause 11.2.

We checked the average daily consumption for all transfer CS files. There were 11 ICPs with consumption over 50 kWh per day. In all cases this was an accurate reflection of consumption.

We checked 10 CS files and observed that a date of last read day was the same as a transfer date.

Clause 6 Schedule 15.2 states

“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.”

After checking readings in the OUPR’s system (Retail), we concluded that readings were correct but the Last Read Date in the CS file was incorrect. CS files are created automatically. We identified one CS file which was manually entered via the web interface and it was correct. It shows that OURP understands the requirement. It was discussed with the company and it is a setting in the software which needs to be changed.

All switch event reads were flagged as actual except one ICP. There were no CS files that contained daily kWh of zero.

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.3</p> <p>With: 5 of Schedule 11.3</p> <p>From: 01-Sep-19</p> <p>To: 31-Jul-21</p>	<p>OUR – 1 CS file late by one day</p> <p>Incorrect date “Last Read Date” in the CS file created automatically</p> <p>Average daily consumption in CS files does not meet registry functional specification</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. Management of switching is good, average daily consumption in CS file is accurate. Incorrect “Last Read Date” requires change of the Retail system.</p> <p>The impact on settlement and participants is minor because most of traders don’t pay attention to “Last Read Date”; therefore the audit risk rating is low.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
Average daily consumption provides more accurate measure to new retailer. No action being undertaken.	n/a	Identified
Changed the last date to the correct date in the CS file		
Preventative actions taken to ensure no further issues will occur	Completion date	
Average daily consumption provides more accurate measure to new retailer. No action being undertaken.	5/8/2021	

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The EDA file was reviewed to identify RR and AC files. The Switch Breach report was reviewed to identify any non-compliances.

The process for the management of read change requests was examined and discussed with OURP's staff.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

A review of the EDA file confirmed that 22 RR files were sent by OURP and one RR file was received. 4 of the 22 RR files were rejected, the rest of them were accepted in the registry. We checked the files which were rejected. All of them were estimated reads provided by the losing traders. In all cases were two meters on site, one of them was WEL meter and a second one another MEP. The losing traders were using a meter with another MEP and when the switch was complete OURP used readings from the WEL to complete the switch. The WEL meter present on the installation was already interrogated by WASN to retrieve data used by network.

After the switch is complete OURP immediately nominates WEL Networks as the MEP, and uses readings from the WEL network meter from the beginning of the switch.

As per the Code, the losing trader's CS switch event meter reading for the other MEP's meter has to contain an actual or a best estimate of consumption up to the end of their last day of responsibility. The Code does not specifically cater for such situations. The losing trader's read covers the period to the end of their responsibility and OURP's meter data starts immediately on the first day of their responsibility, all consumption should be captured and the traders will effectively be using the same reading because both meters record the same volumes.

The Switch Breach report noted one late AC file (0002701912WE85F)

We checked four ICPs in detail where the losing trader had provided estimated readings in the switch file. OurPower is expected to use these readings unless they send an RR. The table below shows that the reads were not used for three ICPs, leading to potential billing and submission inaccuracy. In all three cases listed below, there was an existing WEL meter.

ICP	Switch Date	Meter serial	Meter channel	OURP start reading	CS estimated reading	Difference [kWh]	Comment
0002808295WE10B	12/01/21	218960071	1	131	195	-64	Used WEL meter
		218960071	2	192	210	-18	
		218960071	3	760	826	-66	
		218960071	4	2349	3716	-1367	
0000590636WE8C1	05/01/21	9862094	1	58893	58525	368	Used WEL meter
		9862097	2	86124	86062	62	
0000502033WE70C	18/01/21	211123396	1	32083	32220	-137	Used WEL meter
		211123396	2	23398	23754	-356	
Total						-1,577	

OURP has a good process to validate switch reads and to send RR files where necessary, the process did not operate as expected for the three sampled ICPs.

OURP submitted more volumes than if they used estimated CS switch event meter readings.

Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 4.4 With: 6(1) and 6A of Schedule 11.3 From: 01-Sep-19 To: 31-Jul-21	OUR – 1 AC file late For 3 ICPs that switched with the estimated reading on WEL Network meters OURP's start read did not match the losing trades CS read Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as we consider them sufficient to ensure that all consumption is captured most of the time. The issue relates to a small subset of switches where a WEL Networks meter is used for settlement and is switched to OurPower on an estimated CS reading.		
Actions taken to resolve the issue		Completion date	Remedial action status
This only happens when we have a WEL meter on site and we use the reads from this not the current MEPs meter readings. This issue is when the other Trader sends incorrect reads, we will drop our RR file limit to stop this			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Drop RR File tolerance. AC process in place since 2020			

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

The EDA file was reviewed to determine whether such a situation occurred. The Switch Breach report was reviewed to identify any non-compliances.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

A review of the EDA files confirmed that a situation, as described in the clause, did not occur. OURP's strategy is to reconcile all ICPs as HHR. All switches which occurred in the audit period were NHH switches. Depending on the metering situation, a WEL meter was installed or another MEPs meter was removed and OURP started using the existing WEL meter, which was already interrogated for network purposes.

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 process for the management of read change requests was examined and discussed with OurPower's staff.

OurPower stated that they will not decline to accept another retailer's validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances.

Audit commentary

OPHL

OurPower confirmed that no disputes occurred in the period covered by this audit which would require a resolution

OURP

OurPower confirmed that no disputes occurred in the period covered by this audit which would require a resolution

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

The switch move process applies where a gaining trader has an arrangement with a customer or embedded generator to trade electricity at an ICP using non half-hour metering or an unmetered ICP, or

to assume responsibility for such an ICP, and no other trader has an agreement to trade electricity at that ICP, this is referred to as a switch move and the following provisions apply:

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

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

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

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

Audit observation

The EDA file was reviewed to determine whether any switch move switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

The switch move process was examined and discussed with OURP’s staff.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

OURP processes are compliant with the requirements of the Fair Trading Act 1986.

Customers join OURP via website. The ICPs are checked to determine whether they meet the supply criteria being connected to the WEL network, the NT file is automatically sent within 3 hours. The switch type is selected based on the information the customer provided at the time of application. The date they specify on their application is used in the NT file.

OURP sent 777 NTMI. All NT files were checked were sent within two business days. We noted some NTs were backdated. We chose 5 most backdated ICPs and OURP provided evidence that it was done at a customer’s request.

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 EDA file was reviewed to determine whether any switch move switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

The switch move process was examined and discussed with OURP’s staff.

We reviewed the AN response codes and the setting of events date.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

OURP received 590 NTTR, to which they responded by sending the AN file the following day.

The Switch Breach report did not identify any late AN files.

The valid switch response code of “AD” was used as all meters used by OURP are advanced meters. All ANs had proposed event dates matching the gaining trader’s proposed date.

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 EDA file was reviewed to determine whether any switch move switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

We reviewed the AN the setting of event dates.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

Switches were completed as required by this clause. There were no late AN files.

All switch move AN files had proposed event dates that matched the date requested by the gaining trader.

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 EDA file was reviewed to determine whether any switch move switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

The switch move process was examined and discussed with OURP's staff.

The accuracy of the content of CS files was confirmed by checking a sample of 5 records. We checked correct identification of meter readings and correct date of last meter reading, accuracy of meter readings, and accuracy of average daily consumption.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

CS files are sent automatically. 560 CS files were sent. According to the Switch Breach report two CS files were late.

The Registry Functional Specification v22.21 states that average daily consumption within the CS file should be the average kWh per day for the last read period. OURP receives daily readings, so the last read period is technically one day. OURP calculates the average daily consumption as the consumption over a month. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

It was noted as non-compliance in the last audit, but the company decided to stay in breach as information provided for average daily consumption is more accurate and less misleading than the required process, which is compliant with clause 11.2

We checked the average daily consumption for all transfer CS files. There were 13 with consumption over 50 kWh per day. We checked 3 entries and they were an accurate reflection of consumption.

We checked 5 CS files and observed that the date of last read day was the same as the transfer date.

Clause 6 Schedule 15.2 states

“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.”

After checking readings in the OUPR’s system, we concluded that readings were correct but the Last Read Date was incorrect. CS files are created automatically. We identified one CS file which was manually entered via the web interface and it was correct. It shows that OURP understands the requirement. It was discussed with the company and it is a setting in the software which needs to be changed.

62 files contained daily kWh of zero. We checked 10 ICPs to confirm that calculation of Average Daily Consumption was correct.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.10</p> <p>With: 11 of Schedule 11.3</p> <p>From: 01-Sep-19</p> <p>To: 31-Jul-21</p>	<p>OUR – 2 CS files late</p> <p>Incorrect date “Last Read Date” in the CS file created automatically</p> <p>Average daily consumption in CS files does not meet registry functional specification</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. Management of switching is good, average daily consumption in CS file is accurate. Incorrect “Last Read Date” requires change of the Retail system.</p> <p>The impact on settlement and participants is minor because most of traders don’t pay attention to “Last Read Date”; therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

Average daily consumption provides more accurate measure to new retailer. No action being undertaken.	5/8/2021	Identified
Incorrect last read date – Fixed in 4.3		
Preventative actions taken to ensure no further issues will occur	Completion date	
Average daily consumption provides more accurate measure to new retailer. No action being undertaken.		

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 EDA file was reviewed to identify RR and AC files. The Switch Breach report was reviewed to identify any non-compliances.

The process for the management of read change requests was examined and discussed with OURP's staff.

Audit commentary

OPHL

OPHL has not used this type of switch in the audit period. The company does not intend to switch in new ICPs in the foreseeable future.

OURP

A review of the EDA file confirmed that 12 RR files were sent by OURP and 11 RR files were received . 5 of the 12 RR files were rejected, the rest of them were accepted in the registry. We reviewed 4 rejected RR files by other traders, in all cases the switch event meter reading provided in the CS files had a flag "E". OURP provided actual reads in RR files.

In two cases OURP used actual were WASN already the MEP, the actual reads provided by OURP were rejected. Some of the feedback from other traders is that RR files are rejected unless they are accompanied by an email detailing the reason for the RR. The Code does not stipulate that an email must be sent.

ICP	Switch Date	Meter serial	Meter channel	OURP start reading	CS estimated reading	Difference [kWh]	Comment
0001512615WE388	01/03/20	10051717	1	31910	30508	1402	WASN MEP; actual read was used
		10051717	2	11444	11454	-10	
0000603010WEB8D	18/01/20	10012670	1	25649	25273	376	WASN MEP; actual read was used
		10012670	2	19625	19611	14	
0000603618WEF9F	08/06/21	209134361	1	52755	52540	215	WEL meter used
		209134361	2	4196	4179	17	
0001410142WEE64	25/02/21	212295275	1	35185	34978	207	WEL meter used
		212295275	2	27084	26984	100	
					Total	2,321	

In two cases the losing traders was using a meter with a different MEP and when the switch is complete, OURP used the WEL meter, which is already present on the installation being already interrogated by WEL as a MEP. After the switch is complete OURP immediately nominates WEL Networks as the MEP, and uses readings from WEL network meter from the beginning of the switch.

As per the Code, the losing trader's CS switch event meter reading for the other MEP's meter has to contain an actual or a best estimate of consumption up to the end of their last day of responsibility. The Code does not specifically cater for situations such as this. The losing trader's read covers the period to the end of their responsibility and OURP's meter data starts immediately on the first day of their responsibility, all consumption should be captured and the traders will effectively be using the same reading because both meters record the same volumes.

It is the same situation as described in **section 4.4**. We decided not to note as not compliance because it would recording the same non-compliance twice. The same process is used for transfer and switch move switches.

Audit outcome

Compliant

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

Code reference

Clause 14 Schedule 11.3

Code related audit information

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

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

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

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

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

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

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

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

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

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

Audit observation

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

Audit commentary

OPHL

No gaining trader switches occurred during the period; compliance was not assessed.

OURP

No gaining trader switches occurred during the period; compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

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

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

Audit observation

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

Audit commentary

OPHL

No gaining trader switches occurred during the period; compliance was not assessed.

OURP

No gaining trader switches occurred during the period; compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

OPHL

No gaining trader switches occurred during the period; compliance was not assessed.

OURP

No gaining trader switches occurred during the period; compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The EDA files were reviewed to identify all switch withdrawal requests and an acceptance or rejection (NW and AW files) issued by OurPower Limited; the content of the files was reviewed.

The Switch Breach Report was checked for any late NW and AW files. The report noted 2 AW files were late.

The switch withdrawal process was examined.

Audit commentary

OPHL

OPHL did not send or received any NW files.

OURP

The table below shows the reason code used in NW issued by OURP, total of 146. 21 NW files were rejected.

NW reason code	
CX	140
MI	5
DF	1
Total	146

NWCX code was used in 96% cases. It was discussed during the audit. The comment was that the “CX” reason code is hard-coded in the Retail database and has to be changed manually if another situation arises. In most cases it is not changed because NWs are sent by the system.

225 NWs were issued to OURP and 42 of these were rejected. I reviewed a sample of 4 OURP rejections. OURP comment was:

OURP received withdrawal after meter replacement was completed and first invoice had already been produced on customer's account. We asked the retailer to send us TR switch to re-acquire the site

I checked the registry and GENE sent NTTR in next few days.

Analysis of the EDA file found 3 NW (0000023449WE97F, 0000033501WE82B, 0000041638WEB78) were issued more than two calendar months after the switch date.

Two late AW files were identified on the switch breach report.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.15 With: 17 of Schedule 11.3 From: 01-Sep-19 To: 31-Jul-21	OUR – 2 AW files late 1 NW file late Incorrect application of “CX” code, it is almost the only code used, it is hard coded in the Retail system Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status

		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Review of process to identify withdrawals and respond within time. Update to system to allow user to provide alternative dates	20/8/2021.	

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The meter reading process in relation to the switching process was examined. All reads are received from MEPs or agents

Audit commentary

OPHL

All reads are received from AMCI or AccuCal.

OURP

All meter readings used in the switching process are validated meter readings or permanent estimates (exceptional circumstances). Only actual readings have been provided to date. OURP's policies regarding the management of meter reading expenses is compliant.

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

OurPower Limited is not part of the Switch saving protection program. The EDA file was analysed to identify all withdrawn switches with a CX code applied prior to the switch completion date for any switch save protected retailer.

Audit commentary

OPHL

The EDA file was checked and found no NWCX coded switch withdrawal requests were sent.

OURP

The company stated that no win-back activity is conducted with lost customers during or after the switch.

The event detail report identified 140 CX coded switch withdrawal requests; all were sent after the switch was completed. In **section 4.15** we noted non-compliance because the reason code of CX is hard coded. In some instances it is not appropriate.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

The LIS file was analysed. OurPower's intention is not to trade SUML or UML.

Audit commentary

OPHL

There are no shared unmetered load ICPs traded by OPHL. JC Consulting checks weekly to see if any of the networks have entered any historic SUML.

OURP

OURP does not supply any ICPs with shared unmetered load and does not intend to.

If unmetered load is recorded by the distributor (WEL Networks) at a later stage, the customer will be asked to switch out. OURP has exception reporting in place to monitor UML.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (2)(b)

Code related audit information

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

Audit observation

The process to identify and monitor unmetered load was discussed. The registry files were reviewed to identify all unmetered load.

Audit commentary

OPHL

No unmetered load was traded in the audit period.

OURP

OURP does not supply any ICPs with unmetered load and does not intend to.

Audit outcome

Not applicable

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

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

Audit observation

The process to identify and monitor unmetered load was discussed. The registry files were reviewed to identify all unmetered load.

Audit commentary

OPHL

No unmetered load was traded in the audit period.

OURP

OURP does not supply any ICPs with unmetered load and does not intend to.

Audit outcome

Not applicable

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

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

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

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

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

Audit observation

It was discussed during the audit. Registry files were reviewed.

Audit commentary

OPHL

OPHL does not supply distributed unmetered load and does not intend to.

OURP

OURP does not supply distributed unmetered load and does not intend to.

Audit outcome

Not applicable

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

The LIS and EDA files were reviewed

Audit commentary

OPHL

Opunake Hydro trades 3 ICPs for which embedded generation is recorded (category 3 and 4 metering installations). We cross checked submission files against registry files and confirm that import volumes (HHR) for all ICPs are submitted.

OURP

All active ICPs have a MEP, and at least one meter channel. No submission information is determined using subtraction.

No new connections were connected during the audit period.

Analysis of the registry list and submission data found OURP supplies 18 ICPs with distributed generation indicated by the distributor. All installations have import/export metering installed, and energy is measured in accordance with the Code. Submission is occurring correctly for all 18 ICPs.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

The participant responsible for the metering installation must:

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

Audit observation

OurPower is not responsible for any GIPs.

Audit commentary

OPHL

OPHL is not responsible for any GIPs.

OURP

OURP 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 LIS file was reviewed to identify which profiles are used for reconciliation purposes to determine if any used profiles require certification of any control devices.

Audit commentary

OPHL

OPHL uses the HHR profile. No control devices are required.

OURP

OURP does not use any profiles requiring 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 led it to believe a metering installation could be inaccurate, defective, or not fit for purpose they must:

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

Audit observation

The process related to defective installations was examined.

Audit commentary

OPHL

Any defective installations are identified through the meter reading validation process conducted by JC Consulting or they are notified by MEPs. If such an issue arises, a SR will be raised asking for an investigation and replacement of a meter if necessary

No defective meters have been identified during the period covered by this audit.

OURP

Defective meters are typically identified through the HHR volume validation process, monitoring of AMI events, or from information provided by the MEP or customer. Upon identifying a possible defective meter, a field services job will be raised to investigate. The company identified one faulty meter (0078010070WE77C) , which was replaced.

Audit outcome

Compliant

6.5. Collection of information by certified reconciliation participant (Clause 2 Schedule 15.2)

Code reference

Clause 2 Schedule 15.2

Code related audit information

Only a certified reconciliation participant may collect raw meter data, unless only the MEP can interrogate the meter, or the MEP has an arrangement which prevents the reconciliation participant from electronically interrogating the meter:

2(2) - The reconciliation participant must collect raw meter data used to determine volume information from the services interface or the metering installation or from the MEP.

2(3) - The reconciliation participant must ensure the interrogation cycle is such that it does not exceed the maximum interrogation cycle in the registry .

2(4) - The reconciliation participant must interrogate the meter at least once every maximum interrogation cycle.

2(5) - When electronically interrogating the meter the participant must:

- a) ensure the system is to within +/- 5 seconds of NZST or NZDST
- b) compare the meter time to the system time
- c) determine the time error of the metering installation
- d) if the error is less than the maximum permitted error, correct the meter's clock
- e) if the time error is greater than the maximum permitted error then:
 - i) correct the metering installation's clock
 - ii) compare the metering installation's time with the system time
 - iii) correct any affected raw meter data.
- f) download the event log.

2(6) – The interrogation systems must record:

- the time
- the date
- the extent of any change made to the meter clock.

Audit observation

Meter readings are collected by MEP, AMCI and AccuCal. Meter data from AMCI is downloaded from servers by JC Consulting and imported to the RM TOOL. AccuCal provides data using passworded email.

Audit commentary

OPHL

Compliance with this clause in relation to clock synchronisation is validated during the AMS audit. AccuCal stated that the clock of the computer which reads one ICP for OPHL is automatically synchronised to MSL time.

OURP

All data is provided by the MEP, OURP does not collect data. Compliance with this clause is recorded in WASN's 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

Data collection was examined. OurPower Limited does not collect data themselves. Data is provided by the MEP and agents.

Audit commentary

OPHL

All meters are read remotely for OPHL by AccuCal and AMCI. There are no customer or participant reads.

OURP

HHR AMI data is provided by WASN. Interrogation requirements and clock synchronization was reviewed as part of their MEP audit.

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

At the time of this audit OurPower, using trader code OURP, was responsible for 11 ICPs. OurPower Ltd's intention is to trade HHR ICPs only. Once the switch is complete the existing meter is replaced by WASN's meter.

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

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

The system is designed to correctly apply meter readings to the end of the day for submission and to the beginning of the day for switching.

Audit outcome

Compliant

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

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The EDA file was examined to identify ICPs which have switched out being reconciled as NHH during the audit period.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

All ICPs, which switched out during the audit period, had submission type HHR. This clause does not apply.

Audit outcome

Not applicable

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

Code reference

Clause 8(1) and (2) Schedule 15.2

Code related audit information

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

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

Audit observation

Review of the registry files confirmed that no NHH ICPs had been with OurPower Ltd for 12 months.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

A review of the EDA file confirmed that no NHH ICPs had been with OURP for 12 months.

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

A review of the registry files confirmed that no NHH ICPs had been with OurPower Ltd for 4 months.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

A review of the EDA file confirmed that no NHH ICPs had been with OURP for 4 months.

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

NHH meters are not manually read. The final reading after meter removal read is used to calculate consumption.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

NHH meters are not manually or remotely read. The final reading after meter removal is used to calculate consumption. Once an ICP switches in, a WEL meter is installed and any other MEP meter is removed.

Audit outcome

Compliant

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

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

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

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

Audit observation

HHR data is collected by WEL Networks, as a MEP, and two agents AMCI and AccuCal.

Audit commentary

OPHL

HHR data is collected by WEL Networks, as a MEP. Compliance was assessed as part of their MEP audit.

OURP

Compliance with this clause was assessed during the AMCI audit. The audit confirmed compliance with this clause.

We assessed AccuCal's compliance during this audit and found it met the obligation of this clause. AccuCal uses proprietary software to read EDM1 meters.

Audit outcome

Compliant

6.13. HHR interrogation data requirement (Clause 11(2) Schedule 15.2)

Code reference

Clause 11(2) Schedule 15.2

Code related audit information

The following information is collected during each interrogation:

11(2)(a) - the unique identifier of the data storage device

11(2)(b) - the time from the data storage device at the commencement of the download unless the time is within specification and the interrogation log automatically records the time of interrogation

11(2)(c) - the metering information, which represents the quantity of electricity conveyed at the point of connection, including the date and time stamp or index marker for each half hour period. This may be limited to the metering information accumulated since the last interrogation

11(2)(d) - the event log, which may be limited to the events information accumulated since the last interrogation

11(2)(e) - an interrogation log generated by the interrogation software to record details of all interrogations.

The interrogation log must be examined by the reconciliation participant responsible for collecting the data and appropriate action must be taken if problems are apparent or an automated software function flags exceptions.

Audit observation

HHR data is collected by WEL Networks, as a MEP, and two agents AMCI and AccuCal.

Audit commentary

OPHL

HHR data is collected by WEL Networks as a MEP. Compliance was assessed as part of their MEP audit.

OURP

Compliance with this clause was assessed during the AMCI audit. The audit confirmed compliance with this clause.

We assessed AccuCal's compliance during this audit and found it met the obligation of this clause. AccuCal uses proprietary software to read EDMl meters.

Audit outcome

Compliant

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

Code reference

Clause 11(3) Schedule 15.2

Code related audit information

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

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

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

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

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

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

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

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

Audit observation

HHR data is collected by WEL Networks as a MEP and two agents AMCI and AccuCal.

Audit commentary

OPHL

HHR data is collected by WEL Networks as a MEP. Compliance was assessed as part of their MEP audit.

OURP

Compliance with this clause was assessed during the AMCI audit. The audit confirmed compliance with this clause.

We assessed AccuCal's compliance during this audit and found it met the obligation of this clause. AccuCal uses proprietary software to read EDMl meters.

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

Trading period duration was reviewed as part of the WASN and AMS HHR audits.

Audit commentary

OPHL

The trading period is managed by AMS. It was assessed during their audit.

We reviewed data provided by AccuCal and confirm that the trading period duration is 30 minutes.

OURP

Compliance with this clause is recorded in the WEL Networks and AMS HHR 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

Meter data is received from AccuCal, AMCI, and WASN who archives raw meter data. OurPower keeps a copy of all HHR data.

Audit commentary

OPHL

The trading period is managed by AMS. It was assessed during their audit.

We reviewed data provided by AccuCal and confirm that the trading period duration is 30 minutes.

OURP

Compliance with this clause is recorded in the WEL Networks audit report.

Only actual reads provided by WASN are recorded in the OURP's database (Retail), and an audit trail is created when reads are loaded. Access to modify readings is restricted through log on privileges.

OURP retain all historic meter reading data for over 48 months.

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

OurPower only uses RPS and HHR profiles for reconciliation submissions. Processes to record non-metering information were discussed. No external control equipment is used.

Audit commentary

OPHL

This clause is not applicable to the OPHL's operation.

OURP

No non-metering information is collected by OURP.

Audit outcome

Not applicable

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

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

Code reference

Clause 19(1) Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

NHH reads are provided to OURP when the NHH meter is removed and WASN's meter installed. Reading validation is in place for high and low consumption.

We checked the process for correction and whether there were any examples.

Audit commentary

OPHL

OPHL is not responsible for NHH ICPs.

OURP

The meter readings will need to be corrected because they will be from AMI. OURP has a process for correction and it has an appropriate audit trail.

There were no examples of NHH meter readings corrections during the audit period.

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

Processes for correction were reviewed.

Audit commentary

OPHL

No HHR corrections were made during the period covered by this audit. JC Consulting conducts very thorough HHR data validation to detect possible data inaccuracies.

OURP

We checked the HHR aggregates files for differences between revisions over 14 months to identify potential corrections and estimates. The differences between subsequent revisions were negligible.

Audit outcome

Compliant

8.3. Error and loss compensation arrangements (Clause 19(3) Schedule 15.2)

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

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

Audit observation

Error and loss compensation was discussed during the audit.

Audit commentary

OPHL

OPHL do not have any installations where error and loss compensation has to be used as a part of the process for determining accurate data.

OURP

OURP do not deal with any error or loss compensation arrangements. OURP has only supplied ICPs with category 1 metering installations.

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 processes for estimation were reviewed.

Audit commentary

OPHL

No corrections have occurred in the audit period. JC Consulting receives only a copy of raw meter data. Retention of raw meter data is the responsibility of AMCI, AccuCal. It was covered in the AMS HHR audit and found compliant. AccuCal confirmed that it retains raw meter data.

OURP

HHR raw meter data is retained by WASN. HHR raw meter data is not altered or edited. OURP hold a copy of raw meter data. When estimates or corrections occur in OURP's system, they are created and saved into the "reconciliation channel estimates table" and the raw data is maintained unedited.

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 estimation processes and classifications were examined during this audit.

We checked that the CS switch event meter readings are correctly identified and that the NHH submission process correctly identified forward estimates vs historic estimates.

Audit commentary

OPHL

We reviewed a sample of 3 readings in the RM TOOL and confirmed they were correctly labelled. We traced them from the source file to the RM TOOL. Each register read or interval read has a flag assigned.

OURP

CS readings are correctly labelled. NHH forward estimates are identified as estimates.

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 processes for derivation of volumes were reviewed.

Audit commentary

OPHL

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

OURP

All reads are received from WASN from the services interface or from meter change records when the WEL meter is installed. OURP does not conduct any reconciliation participant readings or accept customer readings.

Where AMI readings are received, volumes are sourced from the AMI metering information. Where data is missing there is a function within the system to create estimates.

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

Meter data is collected by WASNN and agents, AMCI and AccuCal.

Audit commentary

OPHL

We took a sample of 3 ICPs and compared data received from AMCI and AccuCal and data stored in the RM TOOL. We confirmed that data was neither rounded nor truncated. Data provided by AccuCal is provided with 3 decimal places. Data provided by AMCI contains 2 decimal places, which is recorded as an issue. AMCI works closely with EDM, which reads meters on their behalf, to address the issue.

OURP

WASN is responsible for data collection, and this is reviewed as part of their MEP audit. The MEP retains raw, unrounded data.

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

Audit outcome

Compliant

Description	Issue	Remedial action
OPHL – HHR data provided by AMCI is rounded to 2 DP	OPHL - AMCI does not provide data which is stored from the metering installation	

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

We checked the estimation process for HHR ICPs.

Audit commentary

OPHL

The method which is used depends on how many intervals needs to be estimated.

If reads are available spanning the missing period, then the RM TOOL has the functionality to gap fill using the average profile for the last 7 days scaled to fit the missing volume. (Preferred method)

If there is not enough HHR data it is done via a spreadsheet tool using a sampled profile, for the required periods, factored to fit the missing volume. Estimated data imported into the RM TOOL is labelled as “estimated” against each interval. In both scenarios estimated data is scaled to match the total kWh. The RM TOOL records the name of the file, date and time of when it is imported.

OURP

Where trading period data is missing, OURP manually creates an estimate based on the surrounding readings which is recorded in the reconciliation submission information. The profiles for the affected trading periods are also used.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

NHH validation processes were confirmed by review and walking through some examples.

Audit commentary

OPHL

OPHL is not responsible for NHH ICPs

OURP

When data is uploaded to the OURP system it records the ICP number, serial number, and number of register. Invalid dates and times are checked. The system also checks high and low readings, and unexpected values. Entry is fails validation of high and low settings are colour coded (red).

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

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

Audit commentary

OPHL

When data is uploaded into the RM TOOL a validity check of meter readings is conducted and an exception report is created. AMCI or AccuCal are advised if there is an issue. According to the service agreement with AMCI and AccuCal, the companies have an obligation to advise of meter events. The

data is received by JC Consulting. No events were reported which could affect the integrity of metering data in the audit period.

OURP

Electronic meter reading information is provided to OURP by WASN. Meters are interrogated every 4 hours therefore there is little risk that data can be overwritten.

Checks are in place as follows:

- a) Missing data is identified in the database
- b) Dates and times are required to be correct before data can be loaded
- c) Zero values are expected, and the sum check validation will ensure only expected zeros are “passed”
- d) OURP reports on high, low, and negative consumption to ensure data is within expected flow patterns
- e) A sum check validation occurs to identify differences between register reads and interval data
- f) All relevant events are monitored to identify issues

Audit outcome

Compliant

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

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

Code reference

Clause 13.136

Code related audit information

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

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

Audit observation

Opunake Hydro is not required to submit information to the grid owner.

Audit commentary

This clause is not applicable.

Audit outcome

Not applicable

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

Code reference

Clause 13.137

Code related audit information

Each generator must provide the 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

Opunake Hydro is not required to submit information to the grid owner.

Audit commentary

This clause is not applicable.

Audit outcome

Not applicable

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

Code reference

Clause 13.138

Code related audit information

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

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

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

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

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

Audit observation

Opunake Hydro is not required to submit information to the grid owner.

Audit commentary

This clause is not applicable.

Audit outcome

Not applicable

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

Code reference

Clause 13.140

Code related audit information

If the generator provides half-hourly metering information to 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

Opunake Hydro is not required to submit information to the grid owner.

Audit commentary

This clause is not applicable.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

A review of the LIS file identified which profiles are used by OPHL/OURP.

Audit commentary

OPHL

OPHL uses only the HHR profile and is not planning to use other profiles.

OURP

OURP only uses HHR and RPS profiles; buying and selling notifications are not required.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

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

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

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

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

Audit observation

On behalf of OPHL, JC Consulting creates and submits ICPDAYS files to the reconciliation manager. The company provided the submission files and GR-100 for the audit period.

The process for the calculation of ICP days used by OURP was examined. We reviewed variances for 22 months of GR100 reports.

Audit commentary

OPHL

We reviewed the ICPDAYS file (AV-110) submitted to the reconciliation manager and GR-100. The registry calculated ICP days match ICP days calculated by JC Consulting.

OURP

Validation between the registry and OURP's data occurs at the beginning of each reconciliation cycle to ensure accuracy.

The following table shows the ICP days difference between OURP's database and the RM GR100 file for 22 months. Negative percentage figures indicate that OURP's ICPDAYS are higher than those contained on the registry, and positive percentage figures indicate that the OURP's ICPDAYS are lower than those contained on the Registry

Month	R0	R1	R3	R7	R14
Sept-19	-0.44%	-0.48%	-0.48%	-0.48%	-0.48%
Oct-19	-0.75%	-0.84%	-0.83%	-0.83%	-0.83%
Nov-19	-0.82%	-0.83%	-0.83%	-0.83%	-0.83%
Dec-19	-0.80%	-0.98%	-0.83%	-0.83%	-0.83%
Jan-20	-0.91%	-0.97%	-0.93%	-0.92%	-0.92%
Feb-20	-0.53%	-0.60%	-0.60%	-0.62%	-0.39%
Mar-20	-0.55%	-0.57%	-0.61%	-0.61%	-0.38%
Apr-20	-0.83%	-0.83%	-0.83%	-0.83%	
May-20	-0.60%	-0.62%	-0.62%	-0.62%	
June-20	-0.45%	-0.43%	-0.49%		
July-20	-0.39%	-0.39%	-0.40%		
Aug-20	-0.42%	-0.42%	-0.42%		
Sept-20	-0.61%	-0.59%	-0.61%		
Oct-20	-0.81%	-0.81%	-0.81%		
Nov-20	-0.81%	-0.62%	-0.62%		
Dec-20	-0.73%	-0.77%	-0.74%		
Jan-21	-0.69%	-0.68%	-0.46%		
Feb-21	-0.68%	-0.69%	-0.47%		
Mar-21	-0.85%	-0.78%	-0.82%		
Apr-21	-0.82%	-0.79%	-0.79%		
May-21	-0.85%	-0.84%			

June-21	-0.81%	-0.81%			
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The results were discussed during the audit. It is evident that OURP always counts more ICP days than the registry. Even after R14 the difference is still around 0.4% (179 days in Mar 2020), which is rather unusual. During discussions it became clear that OURP counts ICP days, not only for “active” ICPs to which energy is supplied, but also ICP days for “decommissioned” and “inactive” ICPs.

Audit outcome

Compliant

Description	Recommendation	Audited party comment	Remedial action
Calculation of ICP days	ICP days (AV-110) files should include days of responsibility for “active” ICPs only	Reporting is being updated to reflect only active ICPs	

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

Code reference

Clause 15.7

Code related audit information

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

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

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

Audit observation

The process for the calculation of billed volumes was discussed.

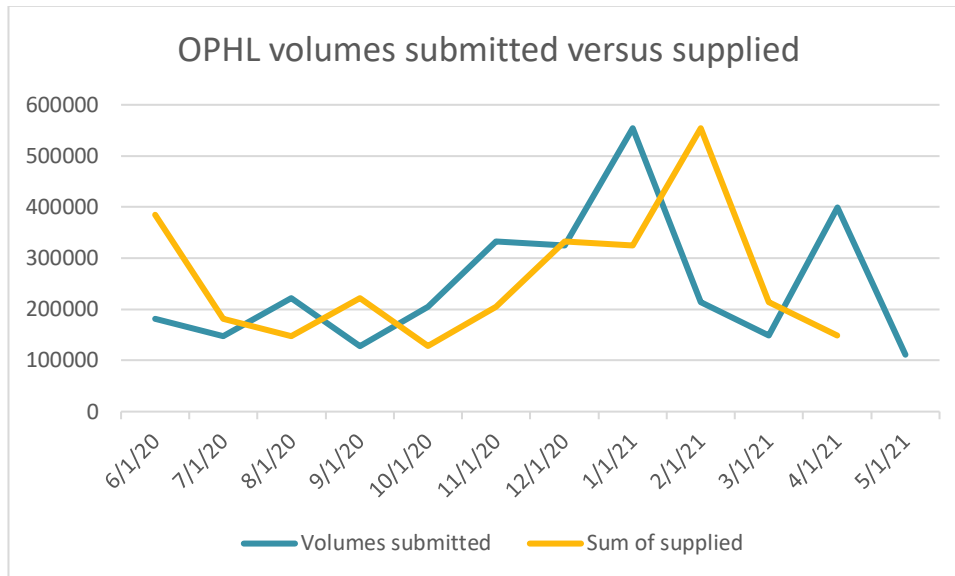
As a part of the process for file submission to the reconciliation manager, JC Consulting submits AV-120 (BILLED) every month for the current month and scheduled revisions.

GR130 reports for Jan 2020 to May 2021 were reviewed to confirm the relationship between billed and submitted data is reasonable.

Audit commentary

OPHL

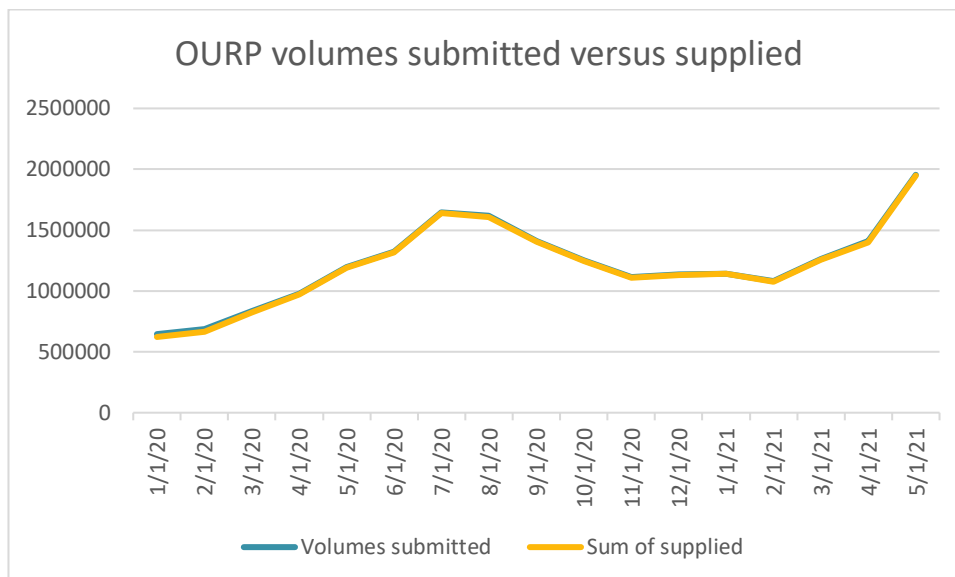
GR130 reports for June 2020 to May 2021 were reviewed to confirm whether the relationship between billed and submitted data is very good.



OURP

OURP invoices consumption daily, and produces statements for customers weekly. OURP produces an AV120 file each day, which includes all consumption billed from the beginning of the month until the date the report is run. The month end report is used for submission.

GR130 reports for Jan 2020 to May 2021 were reviewed to confirm whether the relationship between billed and submitted data is very good.



Audit outcome

Compliant

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

Code reference

Clause 15.8

Code related audit information

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

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

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

Audit observation

We examined the process for the calculation and aggregation of HHR data.

To assess compliance, we analysed the LIS file, EDA file, HHRAGGR and GR-090 files for the audit period. We matched HHR aggregates information with the HHR volumes data for 3 months.

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

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

Audit commentary

OPHL

OPHL trades 6 HHR ICPs. We compared volumes in HHRVOLS and HHRAGGR for March 2020 to May 2020. There were no differences between the volumes and aggregates. GR-090 did not identify any missing ICPs.

OURP

The analyses of GR-090 files (day 4) showed a number of discrepancies.

Month	Discrepancy type		Comment
	A (not included in HHRAGGR)	R (not in the reg list)	
March 2021	4	36	12 ICPs disconnected "0" kWh consumption as type R
April 2020	2	38	14 ICPs disconnected "0" kWh consumption as type R
May 2020	21	30	21 ICPs disconnected "0" kWh consumption as type R
June 2020	3	18	

The closer analyses identified a few reasons for the discrepancies

- Late switches.

- Majority of ICPs were not included in HHRAGGR because a change to the type of reconciliation to HHR was done in at the beginning of the month. For example, it was observed that on 03/06/2121 there was a bulk update to change a type of reconciliation to HHR backdated to a relevant day in May 2021, when WASN's meter was installed. This could be the reason why there were many late trader updates noted in the Audit Compliance report. It was discussed during the audit . It was a program error which stopped change in reconciliation , reconciled as NHH for day4 and split for day13.a
- Inclusion of disconnected ICPs in submissions.

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

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

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.4 With: 15.8 From: 01-Sep-19 To: 31-Jul-21	OPHL/OURP - HHRAGGR files do not contain electricity supplied information Potential impact: Low Actual impact: Low Audit history: Many times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	OPHL/OURP submits submissions volumes as per the reconciliation manager specification.		
Actions taken to resolve the issue		Completion date	Remedial action status
None		NA	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
None		NA	

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

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

Audit observation

HHR data is collected by MEPs and AMCI and AccuCal. All data provided is daylight saving adjusted.

Daylight savings processes for WEL Networks were reviewed as part of their MEP audit.

Audit commentary

OPHL

OPHL trades 6 HHR ICPs. Submission volumes are submitted by JC Consulting.

Compliance with this clause has been demonstrated by AMS HHR as part of their agent audit. AccuCal provided evidence of how data is daylight shifted.

OURP

Compliance with this clause is recorded in WASN's audit report.

The "trading period run on" technique is used for daylight saving adjustment. This was confirmed by checking data recorded for the end of daylight savings in Apr 2021 and beginning of daylight savings in September 2020. The correct number of trading periods were recorded for the sample of daylight savings adjustments reviewed.

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

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

Audit commentary

OPHL

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

OURP

The following breaches were recorded

Number of breach	Date	Clause	Description	Comment
2104OURP1	4/03/2021	15.4(2)	Reconciliation files for OURP didn't generate correctly and were submitted late as a result	It was self-breach
2103OURP1:		15.4(2)	OurPower submitted reconciliation information after the deadline. System conflict from new email management system blocked system notification emails of files ready for submission. System conflict fixed.	
2003WELN2	05/03/2020	15.4(1)	Failed to provide submission information to the RM by 4pm business day 7. Procedure error had submission time at COB and not 4pm.	

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 12.2 With: 15.4 From: 01-Mar-21 To: 30-Apr-21	OURP – late submission files in two months Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Files were submitted promptly once breach was identified.		Pre-August 2021	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Processes and calendars were updated following the breaches to reduce risk of late submission.	Pre-August 2021	

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 processes to ensure that submissions are accurate were discussed and observed.

Audit commentary

OPHL

OPHL trades 6 HHR ICPs. Submission volumes are submitted by JC Consulting.

We reviewed the process for the submission of files for HHR ICPs. We sampled two NSPs to validate if volumes were submitted to the NSP indicated in the registry.

OURP

Before each reconciliation run OURP runs a comparison between the registry and their own system

OURP reviews the reconciliation submissions by comparing between revisions for ICP days, number of ICPs and kWh. Outliers at ICP level are investigated. Validation occurs for the number of intervals in HHR data.

We sampled two NSPs to validate if volumes were submitted to the NSP indicated in the registry.

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

Opunake Hydro is not a grid owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Compliant

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

Opunake Hydro is not embedded network owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

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

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

Audit observation

Opunake Hydro is not a grid connected generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

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

Audit observation

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

Processes to ensure the accuracy of submission information were reviewed.

Audit commentary

OPHL

A review of alleged breaches confirmed that in April 2021 incorrect information was submitted, which was promptly corrected. As per section 1.6

“OPHL failed to submit complete information to the reconciliation manager. OPHL submit R14 NHH data, but the data contained 0 volumes in this file, down from 1.9MWh from R7 for January 2020. RM notified OPHL to confirm if these figures were correct. OPHL came back notifying that this was an error, and that their volumes were not 0, and were going to resubmit R14.”

It was submitted immediately (within hours) of when the issue was detected, and before the RM had processed the R14 washup, so there was no market impact.

OURP

HHR estimates are replaced with actual data where it is available and submitted through the revision process. No alleged breaches were recorded for late provision of information.

The following checks are done before a reconciliation run

- Half hour count
- Zero readings count
- Match Registers totals daily change with consumption
- Null readings
- Channel Status checks (loss power etc)
- Max and Min Values Daily
- Meter Events

The following submission accuracy issues were identified, and are recorded as non-compliance below:

ICP	Issue
0000047672WEE8C	Disconnected on 01/03/21. Volumes (1.18 kWh) were included in HHRAGG for 03/21 inc. rev3
0000170507WE4BD	Disconnected on 01/03/21. Volumes (1.64 kWh) were included in HHRAGG for 03/21 21 inc. rev3
	Five switches where the estimated CS read provided by the losing trader differed from the start read applied by OurPower, resulting in over submission of 1,038 kWh; this is discussed further in section 4.4 and 4.10

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 12.7 With: 15.12 From: 01-Jan-20 To: 31-Jul-21	OPHL – one incorrect file OURP – For five ICPs, the start read applied by OurPower was inconsistent with the CS read Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
See 4.4			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
See 4.4			

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

We checked whether there were any NHH ICPs that were traded for 14 months.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

No ICPs have been continuously traded for 14 months.

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

Submission processes and files were checked in several previous sections. JC Consulting submits files on behalf of OPHL. OPHL submits files themselves using their own system.

Audit commentary

OPHL

OPHL trades 6 HHR ICPs. Submission volumes will be provided by JC Consulting.

Opunake Hydro submits HHRAGGR, HHRVOLS, ICPDAYS, and BILLED. All volumes are submitted using the HHR profile. The company does not trade UML, SUML or NHH ICPs.

OURP

OURP trades both HHR and NHH ICPs. We confirm that

- NHH ICPs have submission information provided - NHHVOLS
- HHR ICPs have submission information provided – HHRVOLS and HHRAGGR
- no ICPs with unmetered load are supplied
- no profiles requiring a certified control device are used
- no loss or compensation arrangements are required

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

We checked historical and forwards estimates for NHH ICPs to assess compliance.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

Forward estimates and historic estimates have been conducted. Forward estimates are calculated until a HHR meter is installed and sometimes the forward estimates. The average daily consumption from the CS file is used to calculate the forward estimates until a WEL meter is installed and WASN become the MEP.

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

We checked historical estimates for NHH ICPs to assess compliance.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

Some ICPs are reconciled as NHH until the meter is changed to HHR. The NHH consumption is calculated by subtracting the switch event meter reading (CS file) from the NHH meter removal reading. All HE calculations are based on a “flat line” methodology because shape files are not used on day 4. Later on a profile is applied. The historic estimate calculations are automated and were demonstrated during the audit. We conducted a manual check to confirm accuracy for the most common scenarios. Accuracy is confirmed.

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

We checked forward estimates for NHH ICPs to assess compliance.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

Forward estimates will be based on the average daily consumption from CS files or a default value if the CS file figure is incorrect. OURP assesses that the average daily consumption provided in the CS file is reasonable.

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 EDA files were reviewed to identify ICPs which had a profile change.

Audit commentary

OPHL

There were no profile changes during this audit period.

OURP

OURPs' intention is to trade HHR ICPs only. Once the switch is complete, the existing meter is replaced by WASN's meter and the profile change is made from RPS to HHR. In all cases the meter reading from the meter removal notification was used.

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 company provided submission files for 12 months.

Audit commentary

OPHL

Submission files for OPHL are prepared by JC Consulting.

We reviewed the files and confirm that the format of submission files is compliant. We reviewed HHRVOLS and HHRAGGR in **section 11.4**.

OURP

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

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

The LIS file provided by the registry at the beginning of each month forms the starting point for all submissions to ensure aggregation is conducted correctly.

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

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

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

Audit observation

We reviewed HHRVOLS, HHRAGGR, and NHHVOLS files to confirm compliance.

Audit commentary

OPHL

Submission files for OPHL are prepared by JC Consulting.

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

OURP

It was discussed with OURP as to how submission information was calculated. OURP confirmed that submission volumes are rounded, using a method prescribed by this clause, at the end of calculations.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 15.3

Code related audit information

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

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

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

Audit observation

We checked NHHVOLS and GR170 NHH files to assess compliance.

Audit commentary

OPHL

OPHL trades HHR ICPs only.

OURP

We reviewed submitted files and GR-170NHH for the audit period (Jan 2020 to Mar 2021).

The table shows number of NSPs for which historic estimates percentage have not met the threshold specified in this clause

Month	R3	R7	R14
Jan-20	0	2	3
Feb-20	0	0	1
Mar-20	0	0	2
Oct-20	1	0	0
Mar-21	1	0	0

It was discussed during the audit. In our opinion probably calculation of historical estimates are not always correct. OURP installs meters within 7-14 days, probably longer during Covid lockdown, therefore by rev3 actual reads are available. It means it should not be any forwards estimates in the system.

Audit outcome

Non-compliant

Non-compliance	Description
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<p>Audit Ref: 13.3</p> <p>With: 10 of Schedule 15.3</p> <p>From: 01-Nov-19</p> <p>To: 31-Jul-21</p>	<p>OURP- Historical estimates target not met for few revision 3, 7, and 14 for 5 months</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are recorded as moderate, non-compliance with R3 is and 7 is small (volumes are ever decreasing). More detective controls need to be designed. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>The Reconciliation check report added a check for Historical estimates issues</p> <p>This had been done before audit but was not there for the audit period</p>		20/7/2021	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Picked up by Reconciliation Report		27/8/2021	

CONCLUSION

PARTICIPANT RESPONSE