

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

For

ECOSMART

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EXECUTIVE SUMMARY

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

Ecosmart New Zealand Limited is a company which installs solar panels for residential customers at their request. It also offers them an option, as a trader, to purchase electricity.

Ecosmart trades both NHH and HHR customers. At the time of the audit, 4 ICPs were reconciled as NHH, and 23 as HHR. Ecosmart uses JC Consulting to create and submit reconciliation files to meet their obligations described in the Code. As a part of this assessment of compliance we audited JC Consulting.

Ecosmart works closely with JC Consulting who provides the reconciliation services and it also acts as a consultant in the areas such as switching.

The audit found 4 non-compliances. Non-compliances are in the area of updates to the registry, using a switch event read and electricity supplied volumes based on network files. The overall level of compliance is good.

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 6 which results in an indicative audit frequency of 18 months. We agree with the recommendation on the condition that Ecosmart does not significantly increase the number of traded ICPs and continue to use JC Consulting as their agent for the reconciliation services.

We thank Ecosmart for their full and complete cooperation in this audit. Their response to any request for information or clarification was answered in a timely manner.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Changes to registry information	3.3	10 of Schedule 11.1	Seven updates to the registry were later than five business days	Medium	Low	2	Identified
Traders must use the same reading – standard switch	4.4	6(1) of Schedule 11.3	Switch event read was not used for 2 ICPs	Medium	Low	2	Identified
Gaining trader changes to switch meter reading – switch move	4.11	12 of Schedule 11.3	Switch event read was not used for one ICP. A switch event read was too high by 12 kWh	Strong	Low	1	Identified
Energy supplied information provided to the reconciliation manager	11.3	15.7	Energy supplied is currently calculated by JC Consulting from the previous months Initial Network volumes.	Medium	Low	2	Identified
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR aggregates information provision to the reconciliation manager	Strong	Low	1	Not required. The Code change required a line up with RN file specification. Breach risk rating excluded from total
Future Risk Rating						7	

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

Based on Table 1 of the Guidelines for Reconciliation Participant audit, the next audit should happen within the next 18 months. We agree with the recommendation on condition that Ecosmart does not increase number of traded ICPs and still use JC Consulting as their agent for the reconciliation services.

RECOMMENDATIONS

Subject	Section	Description	Recommendation
			Nil

ISSUES

Subject	Section	Description	Issue
			Nil

1. ADMINISTRATIVE

1.1. Exemptions from Obligations to Comply with Code (Section 11)

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

Section 11 of the Electricity Industry Act provides for the Electricity Authority to exempt any participant from compliance with all or any of the clauses.

Audit observation

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

Audit commentary

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

1.2. Structure of Organisation

At the time of this audit, Ecosmart consisted of one person, Daryn Leaity (Founding Director).

1.3. Persons involved in this audit

Name	Title	Company
Daryn Leaity	Founding Director	Ecosmart
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

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

Audit observation

Ecosmart uses JCC Consulting to create and submit files to the reconciliation manager.

Audit commentary

As a part of this audit we audited work done by JC Consulting for Ecosmart.

1.5. Hardware and Software

Switching is conducted via web interface. The company does not use any specific software to perform tasks covered by this audit. The majority of tasks covered by clause 15.38 of Part 15 are contracted out to the agent, John Candy Consulting.

1.6. Breaches or Breach Allegations

No breach or breach allegations have been lodged against Ecosmart since the last audit.

1.7. ICP Data

Metering Category	(31/07/18)	(July 2017)	(Feb 2017)
1	27	9	3
2	0	0	0
3	0	0	0
4	0	0	0
5	0	0	0
9	0	0	0

Status	Number of ICPs (31/07/18)	Number of ICPs (July 2017)	Number of ICPs (Feb 2017)
Active (2,0)	27	9	3
Inactive – new connection in progress (1,12)	0	0	0
Inactive – electrically disconnected vacant property (1,4)	0	0	0
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	0	0
Inactive – electrically disconnected at pole fuse (1,8)	0	0	0
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0	0
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	0
Inactive – electrically disconnected at meter box switch (1,11)	0	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	0	0	0

Inactive – reconciled elsewhere (1,5)	0	0	0
Decommissioned (3)	0	0	0

1.8. Authorisation Received

Ecosmart provided a letter of authorisation to TEG & Associates permitting the collection of data from other parties for matters directly related to the audit.

1.9. Scope of Audit

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

The audit was carried out on 3rd August 2018 in the Ecosmart office. The audit covers the following processes under clause 15.38 of Part 15, performed by Ecosmart:

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

1.10. Summary of previous audit

The previous audit was conducted on 31/07/2017 by Ewa Glowacka. The following non-compliances were identified

Subject	Clause	Non-Compliance	Comment
Requirement to provide accurate and complete information	15.2	HHR volume not reconciled for a day when a meter change (NHH to HHR) occurs	Cleared
Traders must use the same reading	6 of Schedule 11.3	The switch event read provided by the losing trader was not used for ICP 0007903355TUE94	Still exist
Provision of ICP information to registry	10 of Schedule 11.1	Trader event for 0000381448WEC26 and 0000711125TU959 was backdated by 22 and 13BD	Still exist
Submission information to RM	15.4	HHR volume not reconciled for a day when a meter change (NHH to HHR) occurs	Cleared

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

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

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

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

Audit observation

The LIS file dated 31/7/18 was reviewed. The Event Detail (EDA) file for the period 01/07/2017 to 30/7/2018 was examined to determine how quickly Ecosmart provides information to the registry and corrects information which was identified as inaccurate.

Audit commentary

We found that all the information in the registry is correct. We asked Ecosmart if they were requested to provide any information by the Authority or participants. The requests from other participants were mainly related to switching. There were no requests from the Authority.

Audit outcome

Compliant

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

The provision of information was reviewed in section 8, 9, 11, and 12.

Audit commentary

Overall Ecosmart meets their obligations described in clause 15.35. All information was provided in a timely manner to the reconciliation manager and other participants.

Audit outcome

Compliant

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

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

Audit observation

Metering data from remotely read meters is downloaded by Ecosmart using FileZilla.

Audit commentary

Once data is downloaded, a copy of data is uploaded to Dropbox where it is picked up by JC Consulting and used for reconciliation services.

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 (clause 21(4)(c)).*

Audit observation

Ecosmart uses the registry web interface for switching and information updates. The reconciliation services are provided by JC Consulting.

Metering data provided by MEPs is uploaded from their servers. Ecosmart communicates with other participants via email e.g. notification of sending RR file. All emails are archived.

Audit commentary

During this audit we audited JC Consulting and confirm that all communication with the reconciliation manager is recorded. The Registry web interface has a built-in functionality to record all communications between a participant and the registry.

Audit outcome

Compliant

2.5. Retailer responsibility for electricity conveyed - participant obligations (Clause 10.4)

Code reference

Clause 10.4

Code related audit information

If a participant must obtain a consumer's consent, approval, or authorisation, the participant must ensure it:

- *extends to the full term of the arrangement*
- *covers any participants who may need to rely on that consent.*

Audit observation

We sighted the Ecosmart's Terms and Conditions and confirm that it covers any participant for the full term of the arrangement.

Audit commentary

Terms and Conditions are attached to a sign-up form. Ecosmart does not actively look for customers, all customers gained by the company are word-of-mouth.

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

Access to the customers' installations is covered in section 7 of the Terms and Conditions.

Audit commentary

Ecosmart will use its best endeavours to provide access to premises. Any Health & Safety requirements imposed by a customer must be taken into consideration. Ecosmart meters are read remotely by MEPs not by meter readers

Audit outcome

Compliant

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

Code reference

Clause 10.35(1) & (2)

Code related audit information

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

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

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

Audit observation

Ecosmart trades category 1 metering installations only. For this type of installation, the metering installation is always located close to a point of connection. Ecosmart does not have any ICPs, where a compensation factor is required.

Audit commentary

A review of the LIS file dated 31/07/18 confirmed that all metering installations are category 1.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

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

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

Audit observation

We checked the Ecosmart's Terms and Conditions and confirm that they contain the appropriate clauses to allow the transfer of ICPs when a "default trader" situation arises. It is section 13.7

Audit commentary

Compliance confirmed based on a review of Terms and Conditions.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

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

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

Audit observation

Since the last audit, Ecosmart gained one new installation (ICP 0000043646WEEFE).

Audit commentary

We walked through the registry entries and confirm that Ecosmart accepted the ICP when notified by a network and then change the status to "1,12". The MEP is NGCM. Ecosmart already had an arrangement in place with this MEP before this ICP was connected.

Audit outcome

Compliant

2.10. Temporary Electrical Connection of an ICP (Clause 10.33(1))

Code reference

Clause 10.33(1)

Code related audit information

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

- *they are recorded in the registry as being responsible for the ICP; and*
- *1 or more certified metering installations are in place at the ICP in accordance with Part 10; and*
- *for an ICP that has not previously been electrically connected, the network owner has given written approval.*

Audit observation

Ecosmart was not asked by any MEP to temporarily electrically connect a point of connection.

Audit commentary

Compliance confirmed by a verbal assurance from Ecosmart

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:

- *they are recorded in the registry as being responsible for the ICP; and*
- *1 or more certified metering installations are in place at the ICP in accordance with Part 10; and*
- *for an ICP that has not previously been electrically connected, the network owner has given written approval.*

Audit observation

We reviewed a new connection process and walked through the only new connection gained by Ecosmart.

Audit commentary

A review of the registry information confirmed that Ecosmart accepted responsibility for the ICP. WEL network issued the ICP and has therefore given a written approval for electrical connection to their network. A meter was installed before the installation was electrically connected.

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

Ecosmart trades on a number of networks, eight in total. Ecosmart has an arrangement with all relevant networks.

Audit commentary

Ecosmart demonstrated the existence of a trading arrangement for all networks to which their ICPs are connected.

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

Ecosmart has arrangements with all MEPs which are recorded against ICPs traded by them.

Audit commentary

Ecosmart has an arrangement with all MEPs which provide metering services to them. The MEP is always nominated after acceptance of a new ICP or when a change of metering is requested.

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

Ecosmart traded only one new connection since the last audit.

Audit commentary

The connection is on the Waikato network and an ICP was issued and passed to Ecosmart asking for approval. The ICP was accepted by Ecosmart.

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 file was evaluated as a part of this audit.

Audit commentary

As per the new connection process, as Ecosmart is notified of an ICP identifier, it changes the status of the ICP to “new connection in progress (1,12)” and nominates an MEP. Once a meter is installed and an installation electrically connected, the ICP status is changed to “active”.

As a new customer switches in to Ecosmart, the company validates information recorded in the registry.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

We analysed the EDA file for the period 01/07/2017 to 30/07/218.

Audit commentary

The table below shows the level of compliance for status changes, trader events such as profile, type of reconciliation:

Activity	Reason code	No of updates	No of updates later than 5BD	Date range of updates [BD]	Comment
Status (2,0)	active	1	0	0	0000043646WEEFE
Status (1,12)	new connection in progress	1	0		0000043646WEEFE
Trader		11	7 (63.7%)	7 to 26	

Seven updates were outside of five business days. These updates were related to profile and type of reconciliation used in submission files.

The same non-compliance was recorded during the last audit.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 22-Aug-17 To: 31-May-18	Seven updates to the registry were later than five business days 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 there are some improvements that can be made to them. Ecosmart is a trader with a small number of ICPs. There are not many activities happens in the registry, which requires even more vigilance to meet compliance with this clause. The audit risk rating is low because there is no impact on the settlement outcome.		
Actions taken to resolve the issue		Completion date	Remedial action status
Backdated changes to reflect data availability, while non-compliant we believe that accuracy is more important than timeliness.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
If practical we will not be backdating records			

3.4. Trader responsibility for an ICP (Clause 11.18)

Code reference

Clause 11.18

Code related audit information

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

A trader ceases to be responsible for an ICP if:

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

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

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

Audit observation

The LIS file dated 31/07/18 was analysed and we confirm that all ICPs have an MEP recorded in the registry. The new connection process was examined, and an MEP is nominated at the same time as the ICP status is changed to “new connection in progress”.

Audit commentary

All ICPs traded by Ecosmart have the status “active”. The company understands that as soon as they are recorded in the registry as accepting responsibility, that responsibility will only cease when an ICP switches out to another trader.

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 new connection process was examined in detail. We analysed the LIS file to check for correctness of information.

Audit commentary

All registry entries were correct and provided within five business days of trading.

The process for MEP nomination is sound. As soon as a customer asks for a connection, the registry status is changed to “new connection in progress” and a MEP is nominated.

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 LIS file was analysed.

Audit commentary

We confirm that all ICPs had correct ANZSIC code assigned.

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

Ecosmart does not trade unmetered load.

Audit commentary

Ecosmart policy is not to trade unmetered load. In a situation where UML is assigned retrospectively by a network; JC Consulting will be notified and include unmetered load volume in NHHVOLS.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 11.1

Code related audit information

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

- *the associated electrical installations are electrically connected (clause 17(1)(a))*

- the trader must provide information related to the ICP in accordance with Part 15, to the reconciliation manager for the purpose of compiling reconciliation information (clause 17(1)(b)).

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

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

Audit observation

Ecosmart trades 27 ICPs. All of them had the status of “Active”. All ICPs had a MEP assigned and are certified metering installations. Volume information is provided to the reconciliation manager by JC Consulting

Audit commentary

Compliance confirmed based on the LIS file and a review of reconciliation files.

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

All ICPs traded by Ecosmart have the status of “active” assigned in the registry.

Audit commentary

The only situation where Ecosmart used the “inactive” status was for a new connection. The assigned status was “new connection in progress (1,12)”.

Audit outcome

Non-compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

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

Audit commentary

Ecosmart has not been approached by any distributor asking for updates. As far as the company is concerned, they do not see the possibility of such queries.

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

Since the last audit Ecosmart gained 19 ICPs using the standard switch process. The EDA file for the period 01/07/17 to 30/07/18 was evaluated.

Audit commentary

For all switches, the registry was notified no later than two business days after the arrangement came into effect. Ecosmart does not have a website to allow customers to sign up. The customers to whom Ecosmart sells energy are mostly family and friends.

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 must disregard every event date established by the losing trader for a customer who has been with the losing trader for less than 2 calendar months (clause 4(2) of Schedule 11.3).

Audit observation

The switch breach report for the period covered by this audit was reviewed.

Audit commentary

No breaches were recorded. Two ICPs switched out using the standard switch process.

Audit outcome

Compliant

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

Code reference

Clause 5 Schedule 11.3

Code related audit information

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

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

Audit observation

Two ICPs switched out using the standard switch process.

Audit commentary

We walked through the registry transactions and confirm that compliance with this clause was met.

Audit outcome

Compliant

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

- *the gaining trader may dispute the switch meter reading if the validated meter reading or permanent estimate provided by the losing trader differs by 200 kWh or more. (clause 6(b)).*

If the gaining trader disputes a switch meter reading because the switch event meter reading provided by the losing trader differs by 200 kWh or more, the gaining trader must, within 4 calendar months of the actual event date, provide to the losing trader a changed switch event meter reading supported by 2 validated meter readings.

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

Audit observation

We analysed the EDA file for the period 01/01/17 to 30/07/18.

Audit commentary

15 ICPs switched in to Ecosmart using the standard switch process. We sampled four ICPs and confirm the switch event read for three of them was used for reconciliation purposes. The switch event read for ICP 0000940345TU46C was not used, the difference was 100 kWh. According to the CS file provided by Genesis, the switch event read was actual but once AMS provided data to Ecosmart it was evident that the read given was not correct. Ecosmart did not send the RR file because it is mostly rejected without giving a reason.

In two instances Ecosmart sent RR files (0079050163WE539 and 0000790518TU37E) with switch event reads from an AMI certified meter. Ecosmart sent AMI reads for 0079050163WE539 but Genesis did not accept the switch event read, no reason was given. The RR file was not sent within 5 business days because the read from the MEP was not available. The difference between reads was 10 kWh.

It was discussed with the EA as to how Ecosmart can meet compliance and their comment was that “*ECOS should be estimating the HHR consumption between the switch event meter read and the next AMI (actual NHH read) using the difference between these two reads. This would mean that ECOS uses the same switch event meter reading as the losing trader and meets the requirements of 6(1)(a) of Schedule 11.3. or ECOS is NHH then they can use their NHH process to ensure all volumes are submitted for reconciliation*”.

Ecosmart can adopt the first suggestion suggested by the EA to meet compliance but it has not been very clear if this method will be seen as compliant. The second suggestion is not in line with the Ecosmart business model.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.4 With: 6(1) of Schedule 11.3 From: 18-Jul-17 To: 01-Aug-18	Switch event read was not used for two ICPs Potential impact: None 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. In the case of two ICPs no switch event read was used because RR file for one ICP was not accepted by a gaining trader. Ecosmart is aware of their non-compliance but a solution which they would like to adopt put them into a non-compliant situation because original data will be overwritten. Ecosmart is a very small trader therefore the impact on settlement outcomes is minimal		
Actions taken to resolve the issue		Completion date	Remedial action status
The instruction to reprofile data if agreement on an RR is not reached was issued after the events identified, so we were working on the previous instruction that no valid HHR data was to be replaced.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Now we have had updated guidance from the EA we will reprofile submission data (leaving billing data untouched), especially as the effects are usually minor			

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

We analysed the EDA file for the period 01/01/17 to 30/07/18.

Audit commentary

We analysed two ICPs which Ecosmart gained. For one the RR file was sent because Ecosmart did not agree with the switch event reads. The RR file was rejected.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

- *a proposed event date (clause 9(2)(a)); and*
- *that the switch type is "MI" (clause 9(2)(b)); and*

- one or more profile codes of a profile at the ICP. (clause 9(2)(c))

Audit observation

Ecosmart gained four ICPs using the switch move process.

Audit commentary

Based on an analysis of the EDA file we confirm that compliance with this clause was met.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

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

 - o confirmation of the switch event date; and
 - o a valid switch response code; and
 - o final information as required under clause 11; or*
- *10(1)(b) If the losing trader does not accept the event date proposed by the gaining trader, the losing trader must acknowledge the switch request to the registry manager and determine a different event date that—

 - o is not earlier than the gaining trader's proposed event date, and
 - o is no later than 10 business days after the date the losing trader receives notice; or*
- *10(1)(c) request that the switch be withdrawn in accordance with clause 17.*

Audit observation

The EDA file for the period covered by this audit was analysed.

Audit commentary

Ecosmart lost one ICP using the switch move process. The switch was finalised within the timeframe specified in this clause.

Audit outcome

Compliant

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

If the losing trader determines a different date, 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 for the period covered by this audit was analysed.

Audit commentary

Ecosmart accepted a switch event proposed a 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 for the period covered by this audit was analysed.

Audit commentary

We analysed transitions in the registry in relation to one lost ICP using a switch move process and compliance is confirmed.

Audit outcome

Compliant

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

Code reference

Clause 12 Schedule 11.3

Code related audit information

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

- *if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or*

- *if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter reading. In this case, the gaining trader, within 4 calendar months of the actual event date, 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

Ecosmart gained three ICPs using the switch move process.

Audit commentary

We confirm compliance based on evidence provided by Ecosmart. Switch Event reads provided in CS files were used for reconciliation files. Ecosmart sent one RR files for switch move, it was accepted. We identified one ICP 0000033713HR6EF, for which the switch event read was not used. The read provided by GEOL was too high by 12 kWh. It means that 12 kWh were submitted for reconciliation by both a gaining and losing trader.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.11 With: 12 of Schedule 11.3 From: 25-Dec-17 To: 25-Dec-17	Switch event read was not used for one ICP. A switch event read was too high by 12 kWh Potential impact: None 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. There is a good process in place. For one ICP a switch event read was not used because it was too high by 12 kWh. The impact on settlement outcomes was minor. Audit risk rating recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The instruction to reprofile data if agreement on an RR is not reached was issued after the events identified, so we were working on the previous instruction that no valid HHR data was to be replaced.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Now we have had updated guidance from the EA we will reprofile submission data (leaving billing data untouched), especially as the effects are usually minor (12kwh = ~\$1.00)			

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

Code reference

Clause 13 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 through or assume responsibility for:

- a half hour metering installation (that is not a category 1 or 2 metering installation) at an ICP with a submission type of half hour in the registry and an AMI flag of "N"; or
- a half hour metering installation at an ICP that has a submission type of half hour in the registry and an AMI flag of "N" and is traded by the losing trader as non-half hour; or
- a non-half hour metering installation at an ICP at which the losing trader trades electricity through a half hour metering installation with an AMI flag of "N".

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 period covered by this audit was analysed.

Audit commentary

No switches using the gained trader switch process happened during the period covered by this audit. If such a situation occurs Ecosmart will be able to follow the process. The company works closely with JC Consulting, who acts as their consultant.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The EDA file for the period covered by this audit was analysed.

Audit commentary

No ICPs switched away using the gained trader switch process during the period covered by this audit. If such a situation occurs Ecosmart will be able to follow the process.

Audit outcome

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The EDA file for the period covered by this audit was analysed.

Audit commentary

No ICPs were gained using the gained trader switch process during the period covered by this audit. If such a situation occurs Ecosmart will be able to follow the process.

Audit outcome

Compliant

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

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

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

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

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*
 - o *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
 - and*

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

Audit observation

The EDA file and Switch Breach Report were analysed.

Audit commentary

Ecosmart sent four NW files. We checked the reason code for all of them and confirm that it was correct. NW files were sent within a few business days after sending initial NT.

Audit outcome

Compliant

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

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

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

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

Audit observation

It was discussed during the audit. Meter readings are received from MEPs. Ecosmart relies on MEPs to provide accurate readings but, as is described in relevant sections, extensive validation is conducted upon uploading readings to the RM TOOL.

Audit commentary

Ecosmart understands its obligations under this clause and will adhere to it.

Audit outcome

Compliant

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

Code reference

Clause 11.15AA to 11.15AB

Code related audit information

A trader that buys electricity from the clearing manager may elect to have a switch saving protection by giving notice to the Authority in writing.

If a protected trader enters into an arrangement with a customer of another trader (the losing trader), or a trader enters into an arrangement with a customer of a protected trader, to commence trading electricity with the customer, the losing trader must not, by any means, initiate contact with the customer to attempt to persuade the customer to terminate the arrangement during the period from the receipt of the NT to the event date of the switch including by:

11.15AB(4)(a)- making a counter offer to the customer; or

11.15AB(4)(b)- offering an enticement to the customer.

Audit observation

Ecosmart is part of the Switch saving protection scheme. Since last year the company's business policy is to let a customer go when a request of switch received.

Audit commentary

Compliance confirmed based on a statement from the company. According to the EDA file provided by the company, no NW file with the reason code "CX" was sent to a gaining trader.

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 dated 31/7/18 was analysed.

Audit commentary

Ecosmart does not trade shared unmetered load. If the registry is updated retrospectively by a network, it will be automatically detected and submitted by the reconciliation manager.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (2)(b)

Code related audit information

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

Audit observation

The LIS file dated 31/7/18 was analysed.

Audit commentary

Ecosmart does not trade unmetered load.

Audit outcome

Non-compliant

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

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

Audit observation

The LIS file dated 31/7/18 was analysed.

Audit commentary

Ecosmart does not trade unmetered load.

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

Ecosmart does not trade distributed unmetered load.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

The LIS file was analysed to assess compliance. All installations traded by Ecosmart are metered as per the LIS file. No subtraction is used to calculate submission information.

Audit commentary

Ecosmart uses the quantity of electricity measured by HHR and NHH metering installations to quantify of electricity conveyed through the point of connection.

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

This clause is not applicable.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

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

Code related audit information

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

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

Audit observation

Ecosmart submits data to the reconciliation manager using profile HHR, RPS, and PV1. These profiles are recorded in the registry against ICPs.

Audit commentary

Metering installations traded by Ecosmart do not use control devices for reconciliation purposes.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

Processes relating to defective metering were examined. JC Consulting, the agent, has a stringent validation process for identifying metering installations.

Audit commentary

Ecosmart did not have any notifications of any defective metering installations since the last audit.

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

Ecosmart receives metering data from AMS and Metrix, which are responsible for the collection. One NHH meter is read by Ecosmart or a customer.

Audit commentary

Compliance with this clause is covered in the AMS and Metrix audit reports. ICP 0000801342TU7FF is read manually using a documented process.

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

One meter (ICP 0000801342TU7FF) is read by Ecosmart.

Audit commentary

Ecosmart has the process documented and meets the Code requirements. A photo is taken of the meter register and additional checks are conducted. Photos are archived.

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

JC Consulting submits NHH volumes to the reconciliation manager.

Audit commentary

During the audit, we examined the application of meter readings by JC Consulting. Manual readings taken by Ecosmart are applied correctly. The application of reads was reviewed as a part of historical estimates checks in section 12.11 and found to be compliant.

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

Ecosmart trades 27 ICPs. All ICPs are read every month.

Audit commentary

Most of the ICPs traded by Ecosmart are read remotely by the MEPs. Only two ICPs are read manually. For one of them NGCM accepted a MEP nomination and shortly a smart meter will be installed.

Audit outcome

Compliant

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

Code reference

Clause 8(1) and (2) Schedule 15.2

Code related audit information

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

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

Audit observation

Ecosmart trades 27 ICPs. All ICPs are read every month.

Audit commentary

We reviewed the Meter Reading Frequency report and confirm that all ICPs are read annually, in fact they are read more often.

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 month, 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

Every month the Meter Reading Frequency report is provided to the Market Administrator. It is submitted by JC Consulting on behalf of Ecosmart.

Audit commentary

Ecosmart provided a copy of the reports for the last four months and we confirm compliance with this clause.

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

Two ICPs (0002072080CNB78 and 0165881895LC2DB) are read remotely by Metrix.

Audit commentary

Metrix compliance with this clause was covered during their MEP audit.

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

AMS (NGCM) provides reads for HHR installations (23).

Audit commentary

Compliance with this clause is covered by the AMS MEP audit.

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 exception.

Audit observation

AMS (NGCM) provides reads for HHR installations (23).

Audit commentary

Compliance with this clause is covered by the AMS MEP audit.

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

AMS (NGCM) provides reads for HHR installations (23).

Audit commentary

Compliance with this clause is covered by the AMS MEP audit.

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

Ecosmart receives HHR data from AMS.

Audit commentary

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

Audit outcome

Compliant

7.2. Archiving and storage of raw meter data (Clause 18 Schedule 15.2)

Code reference

Clause 18 Schedule 15.2

Code related audit information

A reconciliation participant who is responsible for interrogating a metering installation must archive all raw meter data and any changes to the raw meter data for at least 48 months, in accordance with clause 8(6) of Schedule 10.6.

Procedures must be in place to ensure that raw meter data cannot be accessed by unauthorised personnel.

Meter readings cannot be modified without an audit trail being created.

Audit observation

HHR data is received from AMS who archive raw meter data. Ecosmart keeps a copy of all HHR data. MEPs are responsible for archiving raw meter data.

Audit commentary

AMS is responsible for meeting compliance with this clause. It was reviewed during their audits.

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

Ecosmart only uses the HHR, RPS, and PV1 profiles for reconciliation submissions. No external control equipment is used.

Audit commentary

Compliance was not assessed because this clause is not applicable.

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 errors are detected during validation of non-half hour meter readings, one of the following must be undertaken:

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

19(1)(b) - replacement of the original meter reading by another meter reading (even if the replacement meter reading may be at a different date)

19(1)(c) - if the original meter reading cannot be confirmed or replaced by a meter reading from another interrogation, then an estimated reading is substituted, and the estimated reading is marked as an estimate and it is subsequently replaced in accordance with clause 4(2).

Audit observation

If necessary, correction of NHH meter readings is done by JC Consulting.

Audit commentary

When a NHH read provided by Metrix is considered to be inaccurate, Metrix is asked to interrogate the meter again. If a meter read traditionally read by Ecosmart does not pass validation, the site is visited and read again.

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 errors are detected during validation of half hour metering information the correction must be as follows:

19(2)(a) - if a check meter or data storage device is installed at the metering installation, data from this source may be substituted

19(2)(b) - in the absence of any check meter or data storage device, data may be substituted from another period if the total of all substituted intervals matches the total consumption recorded on the meter, if available, and the pattern of consumption is considered materially similar to the period in error.

Audit observation

Correction of half-hour meter readings will be performed by JC Consulting when the need arises. The RM TOOL has such functionality built-in. Ecosmart will be notified when this occurs.

Audit commentary

It was discussed during the audit and JC Consulting confirm that such a situation has not occurred.

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

If error compensation and loss compensation are carried out as part of the process of determining accurate data, the compensation process must be documented and must comply with audit trail requirements.

Audit observation

Ecosmart trades category 1 metering installations only.

Audit commentary

Analysis of the LIS file confirmed that that no error compensation or loss compensation needs to be applied. If in the future, if such an ICP switches to Ecosmart, John Candy Consulting's system allows the application of the correction factor based on the registry information.

Audit outcome

Compliant

8.4. Correction of HHR and NHH raw meter data (Clause 22(1) and (2) Schedule 15.2)

Code reference

Clause 22(1) and (2) 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:

22(2)(a) - the date of the correction or alteration

22(2)(b) - the time of the correction or alteration

22(2)(c) - the operator identifier of the reconciliation participant

22(2)(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

22(2)(e) - the technique used to arrive at the corrected data

22(2)(f) - the reason for the correction or alteration.

Audit observation

The raw data is never overwritten. It is stored by MEPS or, in the case of one ICP, by Ecosmart.

Audit commentary

The company stated that, since the last audit, there were no instances of HHR data which required correction/alteration. HHR raw data is never overwritten because raw data is always stored by the MEPs. The software used by JC Consulting has a built-in functionality which records a journal of each data correction.

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 RM TOOL used by JC Consulting has a built-in function which allows the identification of actual and estimated readings, which are used for reconciliation purposes.

Audit commentary

We confirm compliance based on a review of readings for NHH ICPs as a part of a review of RR and CS files.

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

Volume information is derived from validated meter readings. Readings are received from MEPs and readings conducted by Ecosmart. If actual data is not available, JC Consulting estimates using its own algorithm for NHH ICPs. For HHR ICPs it profiles data using in the daily shape of the same time last week or similar period.

Audit commentary

The RM TOOL uses both validated and estimated readings to create submission files. It was reviewed as a part of the validation of reconciliation files.

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

Ecosmart provided two raw meter data examples from NGCM.

Audit commentary

We compared readings received from MEPs with readings stored by the RM TOOL and confirm that volume information was not rounded or truncated.

Audit outcome

Compliant

9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

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

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

Audit observation

If the need arises JC Consulting estimates HHR data using a built-in functionality in the RM TOOL.

Audit commentary

The company stated that there has been no need for any HHR data estimation since the last audit.

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 readings (3) are imported into the RM TOOL, which validates data looking for too high, or too low, or negative consumption.

Audit commentary

Additional checks are conducted during before submission files are submitted.

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

Audit observation

Meters are electronically interrogated by AMS and Metrix. Data is uploaded to the RM TOOL. Upon data upload, the RM TOOL conducts certain validations, which happens in the background.

Audit commentary

One of the checks conducted by the RM TOOL is a comparison between register reads and interval data, which is a reliable check to discover any inconsistencies.

Audit outcome

Compliant

10. PROVISION OF METERING INFORMATION TO THE PRICING MANAGER 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 pricing manager and 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

This clause is not applicable.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.137

Code related audit information

Each generator must provide the pricing manager and 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 pricing manager and 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

This clause is not applicable.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.138

Code related audit information

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

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

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

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

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

Audit observation

This clause is not applicable.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.140

Code related audit information

If the generator provides half-hourly metering information to the pricing manager or 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

This clause is not applicable.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

Ecosmart submits data using profile RPS, HHR, and PV1.

Audit commentary

We reviewed reconciliation files for the last three months and confirm the profile HHR, RPS and PV1 is used.

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

JC Consulting creates and submits ICP days files to the reconciliation manager on behalf of Ecosmart.

Audit commentary

JC Consulting provided ICP days files for Feb'17 to June'18. The review of files showed that there were no discrepancies between ICP days recorded by the registry and ICP days calculated by JC Consulting.

Audit outcome

Compliant

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

Code reference

Clause 15.7

Code related audit information

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

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

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

Audit observation

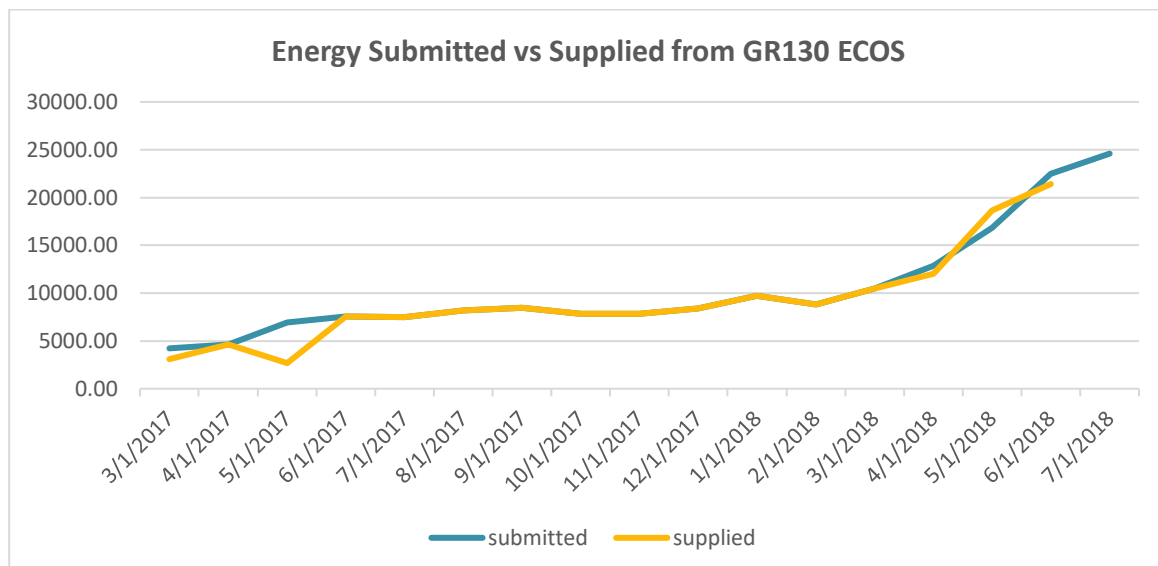
Electricity supplied information is provided every month to the reconciliation by JC Consulting.

Audit commentary

Energy supplied is currently calculated by JC Consulting from the previous months Initial Network volumes. This is because Ecosmart had not set up any "as Billed" reporting in his system. Ecosmart is now in the process of finalising energy supplied reporting from his financial records, and in the near future they will be moving the energy supplied reporting to this basis. Once we have validated the energy supplied reporting we will wash up the previous volumes.

No-compliance is identified.

The graph below shows a comparison between volumes submitted and supplied. Over 17 months submitted volumes were higher by 0.13%.



Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.3 With: 15.7 From: 01-Jul-17 To: 30-Aug-18	Energy supplied is currently calculated by Jc Consulting from the previous months Initial Network volumes. Potential impact: None 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 data is not coming from a billing system because it is still under development, however volumes submitted to networks are very accurate based on meter readings. There is no impact on settlement outcomes. Audit risk low.		
Actions taken to resolve the issue		Completion date	Remedial action status
ECOS Is building functionality to report energy supplied volumes correctly			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

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

JC Consulting creates and submits HHRAGGR files to the reconciliation manager on behalf of Ecosmart.

Audit commentary

JC Consulting provided ICP days files for Feb'17 to June'18. We confirm that volumes in HHRAGGR and HHRVOLS are the same.

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-Jul-17 To: 30-Jun-18	HHRAGGR files do not contain electricity supplied information Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Ecosmart submits submissions volumes as per the reconciliation manager specification.		
Actions taken to resolve the issue		Completion date	Remedial action status
Double Jeopardy - remedy is in the hands of the EA			Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

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

Audit observation

Ecosmart receives HHR data from AMS.

Audit commentary

Compliance with this clause is covered by AMS audit conducted by Veritek.

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

JC Consulting acts as the agent. The company creates and submits data to the reconciliation manager.

Audit commentary

We checked GR-170NHH and GR-170HHR and confirm that submission volumes were submitted by JC Consulting in a timely manner. No breaches were recorded.

Audit outcome

Compliant

12.3. Allocation of submission information (Clause 15.5)

Code reference

Clause 15.5

Code related audit information

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

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

Audit observation

JC Consulting prepares and submits reconciliation files.

Audit commentary

Metering data is provided to JC Consulting by Ecosmart using Dropbox. Then data is imported to the RM TOOL where it is validated. Allocation of volumes to each ICP (traded by Ecosmart) to the NSP is based on information recorded in the registry. Before each reconciliation cycle the LIS file is imported into the RM TOOL.

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

This clause is not applicable.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

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

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

Audit observation

This clause is not applicable.

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

This clause is not applicable.

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

JC Consulting submits revision files every month on day 13. The process for the calculation of initial and subsequent submission volumes was examined.

Audit commentary

The revisions files will be submitted to the RM as per the revision schedule. Ecosmart provided a set of submission files including revisions. The RM TOOL has a built-in functionality that as soon as meter readings are corrected, for example by receiving RR file, it flows through to submission volumes.

We checked GR170 NHH and GR170 HHR and compliance is confirmed.

Audit outcome

Compliant

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

Code reference

Clause 4 Schedule 15.2

Code related audit information

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

Volume information created using estimated readings must be subsequently replaced at the earliest opportunity by the reconciliation participant by volume information that has been created using validated meter readings or permanent estimates by, at the latest, the month 14 revision cycle.

A permanent estimate may be used in place of a validated meter reading, but only if, despite having used reasonable endeavours; the reconciliation participant has been unable to obtain a validated meter reading.

Audit observation

We reviewed submission volumes for Feb'17 to Apr'17. Files were submitted during the period covered by this audit.

Audit commentary

We confirm that submissions for 14 revision cycles had no forward estimates for NHH ICPs. It has to be noted that Ecosmart trades a very small number of NHH ICPs, which are read regularly therefore forwards estimates are not often submitted.

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 must comprise the following:

- *half hour volume information 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)(b)):*
 - a) *half hour volume information for the ICP; or*
 - b) *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 apply to the raw meter data (clause 2(3)):*
 - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))*
 - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report. (clause 2(3)(b))*

Audit observation

JC Consulting prepares reconciliation files on behalf of Ecosmart. The company trades NHH and HHR, category 1 metering installations only.

Audit commentary

We walked through the creation of reconciliation files. JC Consulting has a comprehensive “Submission checklist”, which lists all tasks which need to be done before uploading files to the RM portal. We compared the contents of the reconciliation files with ICPs recorded in the registry for the months of June’18 and May’18 and confirm that volumes for all ICPs were submitted.

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

JC Consulting acts as the agent to Ecosmart providing the reconciliation services for NHH ICPs.

Audit commentary

We did not ask JC Consulting to provide examples for traditionally checked scenarios. Ecosmart trades only 3 NHH ICPs which are read regularly. There has been a small number of “activities” in relation to NHH ICPs therefore there will be almost no “live” examples available. JC Consulting provided examples for a scenario when HHR meter is installed during month and the profile is changed from NHH to HHR. We confirm that volumes were calculated correctly.

We know the capabilities of the RM TOOL from working with other traders and we are confident that compliance is met for other scenarios if such situation occurs.

Audit outcome

Compliant

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

Code reference

Clause 4 and 5 Schedule 15.3

Code related audit information

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

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

Audit observation

The RM TOOL has a built-in functionality which allocates volumes using straight line estimation when actual reads are not available.

Audit commentary

If a need arises the RM TOOL uses a straight-line estimation for day 4 submissions. It is later overwritten by volumes which are created using the seasonal adjustment shape provided by the reconciliation manager.

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

NHH ICPs are a small part of the Ecosmart business because their business strategy is to trade only HHR ICPs. As soon as NHH ICP switches in, the company requests an MEP to upgrade to HHR. If estimation is required, the average from the relevant previous period will be used.

Audit commentary

The volumes traded as NHH for any balancing area were well below 100,000 kWh therefore we did not test the percentage of error in relation to forward estimates.

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

Ecosmart submits volumes using profile RPS, HHR and PV1.

Audit commentary

The only situation when a profile is changed is when a “vanilla” meter is replaced by a smart meter. A final read is taken and recorded in the RM TOOL every time. Two examples were provided.

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

Submission information provided to the reconciliation manager must be aggregated to the following level:

- *NSP code (clause 8(a))*
- *reconciliation type (clause 8(b))*
- *profile (clause 8(c))*
- *loss category code (clause 8(d))*
- *flow direction (clause 8(e))*
- *dedicated NSP (clause 8(f))*
- *trading period for half hour metered ICPs and consumption period or day for all other ICPs. (clause 8(g))*

Audit observation

JC Consulting provided reconciliation files for the period Feb'17 to June'18.

Audit commentary

Analyses of the provided files confirmed that volumes were aggregated correctly.
compliance.

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

Ecosmart downloads data from MEP's servers and passes to JC Consulting.

Audit commentary

Metering data is not rounded or truncated during uploading to the RM TOOL. JC Consulting provided two examples.

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 reviewed submission volumes for Feb'17 to Mar'18. Files were submitted during the period covered by this audit.

Audit commentary

Our analysis showed that compliance with the above clause was met. In fact, the company achieved a very good result. The proportion of submission information per NSP comprised of historical estimates was 100% for rev 3,7 and 14.

Audit outcome

Compliant

CONCLUSION

PARTICIPANT RESPONSE