

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**

For

**BRICKWORKS APARTMENTS
BODY CORPORATE 483436(BRCK)**

Prepared by: Ewa Glowacka of TEG & Associated

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EXECUTIVE SUMMARY

This distributor audit was performed at the request of Brickworks Apartments Body Corporate 483436 (BRCK) to encompass the Authority's request for annual audits, as required in clause 11.10 of Schedule 11, of the Electricity Industry Participation Code 2010, to assure compliance with the Code 2010. The relevant rules audited are as required by the Guidelines for Distributor Audits V7.1 issued by the Electricity Authority.

BRCK is an embedded network owner. BRCK's compliance is reliant on the compliance of Switch Utilities, as the contractor to BRCK. Switch Utilities engaged JC Consulting as the contractor to meet their obligations. All of the findings in relation to the functions covered by JC Consulting are covered in this audit report therefore there is no separate audit report for JC Consulting.

Two non-compliances were identified, however they did not have a market impact.

The audit period was 01/01/2018 and 31/10/2020.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 2 which results in an indicative audit frequency of 24 months. We recommend 36 months as Brickworks Apartments Body Corporate 483436 showed a sound level of compliance and understanding of their obligations.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Changes to registry information	4.1	8 of Schedule 11.1	9 late price code changes	Strong	Low	1	Identified
Updating loss factors	5.2	22 of Schedule 11.1	Loss factor code SUBRCK1 was not updated by 2 months in advance	Strong	Low	1	Identified
Future Risk Rating						2	
Indicative Next Audit Frequency						24 months	

Future risk rating	0-1	2-5	6-8	9-20	21-29	30+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Recommendation	Description

ISSUES

Subject	Section	Issue	Description

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

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

Audit commentary

BRCK 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

This is not applicable.

1.3. Persons involved in this audit

Name	Title	Company
Richard Mackie	Network Operations Coordinator	Switch Utilities Ltd
John Candy	Director	JC Consulting
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

- remains responsible for the contractor's fulfilment of the participants Code obligations*
- cannot assert that it is not responsible or liable for the obligation due to the action of a contractor*
- must ensure that the contractor has at least the specified level of skill, expertise, experience, or qualification that the participant would be required to have if it were performing the obligation itself*

Audit observation

Switch Utilities engaged JC Consulting as a contractor to meet the BRCK obligations of the Code.

Audit commentary

All functions conducted for BRCK by JC Consulting are covered in this audit.

1.5. Supplier list

Activities covered by the scope of this audit are conducted by JC Consulting.

1.6. Hardware and Software

The main system is Access Database (RM TOOL) provided and run by JC Consulting for reconciliation submissions. The company also use FileZilla and Microsoft Office 365. Data is backed up to Cloud, One Drive and Dropbox.

1.7. Breaches or Breach Allegations

There were no breaches or breach allegations lodged against BRCK in the period covered by this audit.

1.8. ICP and NSP Data

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
BRCK	BCK0011	160 HOBSONVILLE PT RD AUCKLAND	HEN0331	VECT	BCK0011BRCKE	EN	01/10/16	56
BRCK	BRCK0012	160 HOBSONVILLE PT RD AUCKLAND	HEN0331	VECT	BCK0012BRCKE	EN	01/10/16	17

Status	Number of ICPs (12/10/20)	Number of ICPs (2017)	Number of ICPs (2016)
New (999,0)	0	0	0
Ready (0,0)	0	0	0
Active (2,0)	73	73	73
Distributor (888,0)	0	0	0
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	0	0	0

meter box fuse (1,10)			
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

1.9. Authorisation Received

An authorisation letter was not required. All information was provided by Switch Utilities and JC Consulting.

1.10. Scope of Audit

This reconciliation participant audit was performed at the request of Body Corporate 483436 (BRCK) to encompass the Authority's request for annual audits, as required in clause 11.10 of Schedule 11, of the Electricity Industry Participation Code 2010

The scope of this audit is shown in the table below:

Tasks Requiring Certification Under Clause 16A.23 of Part 16A	Relevant to audit	Contractors Involved in Performance of Tasks
The creation of ICP identifiers for ICPs	✓	JC Consulting
The provision of ICP information to the registry and the maintenance of that information in the registry	✓	JC Consulting
The creation and maintenance of loss factors	✓	JC Consulting

1.11. Summary of previous audit

The previous audit (initial) was conducted in Dec'17 by Steve Woods of Veritek. No non-compliances were identified.

2. OPERATIONAL INFRASTRUCTURE

2.1. Requirement to provide complete and accurate information (Clause 11.2(1) and 10.6(1))

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

A participant must take all practicable steps to ensure that information that the participant is required to provide to any person under Parts 10 or 11 is:

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

Audit observation

We checked the Audit Compliance Summary Report, the LIS file for the audit period, and had discussions with Switch Utilities and JC Consulting' staff, to assess if all practicable steps had been taken to provide accurate information.

Audit commentary

Switch Utilities use the registry as their data repository and monitor registry notifications. Any corrections to data are updated as soon as possible, directly into the registry. Examination of the LIS file confirmed compliance.

A weekly report of registry activity is generated and reviewed by JC Consulting. The JC Consulting system retrieves tariff changes (EIEP files) on a daily basis. Any tariff changes requested by retailers are actioned the same day. Some of the tariff changes requested by retailers result in non-compliances, recorded in **section 4.1**, because they are backdated. BRCK's policy is to accept the date of change as specified by retailers.

Audit outcome

Compliant

2.2. Requirement to correct errors (Clause 11.2(2) and 10.6(2))

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

We checked the Audit Compliance Summary Report, the LIS file for the audit period, and had discussions with Switch Utilities and JC Consulting' staff.

Audit commentary

JC Consulting runs Activity Reports from the registry which covers switching, status changes and IECD activity. Monitoring these report allows JC Consulting to be aware of new or incorrect information and make corrections if necessary. A review of the registry files showed that there was no need to correct

any information, just changes requested by retailers. In fact, there were only 8 pricing updates requested by traders during the audit period.

Audit outcome

Compliant

3. CREATION OF ICPS

3.1. Distributors must create ICPs (Clause 11.4)

Code reference

Clause 11.4

Code related audit information

The distributor must create an ICP identifier in accordance with Clause 1 of Schedule 11.1 for each ICP on the distributor's network. This includes an ICP identifier for the point of connection at which an embedded network connects to the distributor's network.

Audit observation

The new connection process was reviewed and discussed with Switch Utilities. The registry files were examined.

Audit commentary

According to the process Switch Utilities will ask JC Consulting to create a new ICP if requested by a retailer. JC Consulting will use the registry interface. No new ICPs were created during the audit period.

No ICPs were created since the establishment of this network. All ICPs were transferred from Vector. There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.2. Participants may request distributors to create ICPs (Clause 11.5(3))

Code reference

Clause 11.5(3)

Code related audit information

The distributor, within 3 business days of receiving a request for the creation of an ICP identifier for an ICP, must either create a new ICP identifier or advise the participant of the reasons it is unable to comply with the request.

Audit observation

The new connection process was reviewed and discussed with Switch Utilities.

Audit commentary

There have been no new connections created since the inception of this embedded network and new connections are not expected. However, should this be required, it is expected that requests will be received via a retailer. Upon receipt, Switch Utilities will request that JC Consulting create and upload a new ICP to the registry and then provide the new ICP to the retailer.

Audit outcome

Compliant

3.3. Provision of ICP Information to the registry manager (Clause 11.7)

Code reference

Clause 11.7

Code related audit information

The distributor must provide information about ICPs on its network in accordance with Schedule 11.1.

Audit observation

The new connection process was discussed with Switch Utilities. The registry files were examined.

Audit commentary

Switch Utilities manage all ICPs on the BRCK network. The registry is used as the data repository, therefore, all details will be updated as required by this clause directly into the registry prior to electricity being traded. Examination of the registry LIS file found no ICPs were created during the audit period. There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.4. Timeliness of Provision of ICP Information to the registry manager (Clause 7(2) of Schedule 11.1)

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

The distributor must provide information specified in Clauses 7(1)(a) to 7(1)(o) of Schedule 11.1 as soon as practicable and prior to electricity being traded at the ICP.

Audit observation

The new connection process was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

Switch Utilities manage all ICPs on the BRCK network. The registry is used as the data repository therefore all details will be updated as required by this clause directly into the registry prior to electricity being traded. Examination of the registry LIS file found no ICPs were created during the audit period. There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.5. Timeliness of Provision of Initial Electrical Connection Date (Clause 7(2A) of Schedule 11.1)

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

The distributor must provide the information specified in subclause (1)(p) to the registry manager no later than 10 business days after the date on which the ICP is initially electrically connected.

Audit observation

The new connection process was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

Switch Utilities manage all ICPs on the BRCK network. The registry is used as the data repository therefore all details will be updated as required by this clause directly into the registry prior to electricity is traded. Examination of the registry LIS file found no ICPs were created during the audit period. There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.6. Connection of ICP that is not an NSP (Clause 11.17)

Code reference

Clause 11.17

Code related audit information

A distributor must, when connecting an ICP that is not an NSP, follow the connection process set out in Clause 10.31.

The distributor must not connect an ICP (except for an ICP across which unmetered load is shared) unless a trader is recorded in the registry as accepting responsibility for the ICP.

In respect of ICPs across which unmetered load is shared, the distributor must not connect an ICP unless a trader is recorded in the registry as accepting responsibility for the shared unmetered load, and all traders that are responsible for an ICP on the shared unmetered load have been advised.

Audit observation

The new connection process was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

Switch Utilities manage all ICPs on the BRCK network. The registry is used as the data repository therefore all details will be updated as required by this clause directly into the registry prior to electricity is traded. No new connections were initially electrically connected during the audit period.

There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.7. Connection of ICP that is not an NSP (Clause 10.31)

Code reference

Clause 10.31

Code related audit information

A distributor must not connect an ICP that is not an NSP unless requested to do so by the trader trading at the ICP, or if there is only shared unmetered load at the ICP and each trader has been advised.

Audit observation

The new connection process was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

Switch Utilities manage all ICPs on the BRCK network. The registry is used as the data repository therefore all details will be updated as required by this clause directly into the registry prior to electricity is traded. No new connections were initially electrically connected during the audit period. There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.8. Temporary electrical connection of ICP that is not an NSP (Clause 10.31A)

Code reference

Clause 10.31A

Code related audit information

A distributor may only temporarily electrically connect an ICP that is not an NSP if requested by an MEP for a purpose set out in clause 10.31A(2), and the MEP:

- *has been authorised to make the request by the trader responsible for the ICP; and*
- *the MEP has an arrangement with that trader to provide metering services.*

If the ICP is only shared unmetered load, the distributor must advise the traders of the intention to temporarily connect the ICP unless:

advising all traders would impose a material cost on the distributor, and

in the distributor's reasonable opinion, the advice would not result in any material benefit to any of the traders.

Audit observation

The new connection process was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

Examination of the registry LIS file found no ICPs were created during the audit period. There are no plans to create new ICPs in the foreseeable future.

Audit outcome

Compliant

3.9. Connection of NSP that is not point of connection to grid (Clause 10.30)

Code reference

Clause 10.30

Code related audit information

A distributor must not connect an NSP on its network that is not a point of connection to the grid unless requested to do so by the reconciliation participant responsible for ensuring there is a metering installation for the point of connection.

The distributor must, within 5 business days of connecting the NSP that is not a point of connection to the grid, advise the reconciliation manager of the following in the prescribed form:

- *the NSP that has been connected*
- *the date of the connection*

- the participant identifier of the MEP for each metering installation for the NSP
- the certification expiry date of each metering installation for the NSP.

Audit observation

The registry NSP table was examined.

Audit commentary

No new NSPs have been electrically connected during the audit period.

Audit outcome

Compliant

3.10. Temporary electrical connection of NSP that is not point of connection to grid (Clause 10.30(A))

Code reference

Clause 10.30(A)

Code related audit information

A distributor may only temporarily electrically connect an NSP that is not a point of connection to the grid if requested by an MEP for a purpose set out in clause 10.30A(3), and the MEP:

- *has been authorised to make the request by the reconciliation participant responsible for the NSP; and*
- *the MEP has an arrangement with that reconciliation participant to provide metering services.*

Audit observation

The registry NSP table was examined.

Audit commentary

No new NSPs have been electrically connected during the audit period.

Audit outcome

Compliant

3.11. Definition of ICP identifier (Clause 1(1) Schedule 11.1)

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

Each ICP created by the distributor in accordance with Clause 11.4 must have a unique identifier, called the "ICP identifier", determined in accordance with the following format:

xxxxxxxxxxccc where:

- *xxxxxxxxxx is a numerical sequence provided by the distributor*
- *xx is a code that ensures the ICP is unique (assigned by the Authority to the issuing distributor)*
- *ccc is a checksum generated according to the algorithm provided by the Authority.*

Audit observation

The new connection process was discussed with Switch Utilities. The registry files were examined.

Audit commentary

Examination of the registry list file found no ICPs were created during the audit period.

According to the process, Switch Utilities will ask JC Consulting to create a new ICP, if requested by a retailer. JC Consulting will use the registry interface to upload a new ICP. The company has a full understanding of their obligation under this clause. The two-letter code to be used for ICPs under BRCK's ownership is BR.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

Each ICP must have a single loss category that is referenced to identify the associated loss factors.

Audit observation

We checked the Audit Compliance Summary Report and the LIS file. This area was also discussed with a number of Switch Utilities/JC Consulting's staff.

Audit commentary

Each active ICP only has a single loss category, which clearly identifies the relevant loss factor.

Audit outcome

Compliant

3.13. Management of "new" status (Clause 13 Schedule 11.1)

Code reference

Clause 13 Schedule 11.1

Code related audit information

The ICP status of "New" must be managed by the distributor to indicate:

- *the associated electrical installations are in the construction phase (Clause 13(a) of Schedule 11.1)*
- *the ICP is not ready for activation (Clause 13(b) of Schedule 11.1).*

Audit observation

The new connection process was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

No new ICPs were created in the audit period. The examination of registry files showed that the "new" status has not been used during the audit period.

Audit outcome

Compliant

3.14. Monitoring of "new" & "ready" statuses (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 has had the status of “Ready” for 24 months or more:

- *the distributor must ask the trader who intends to trade at the ICP whether the ICP should continue to have that status (Clause 15(2)(a) of Schedule 11.1)*
- *the distributor must decommission the ICP if the trader advises that the ICP should not continue to have that status (Clause 15(2)(b) of Schedule 11.1).*

Audit observation

This was discussed with Switch Utilities. The LIS files and Audit Compliance reports were examined.

Audit commentary

We did not identify any ICPs at had the status of “new” or “ready”. All ICPs have the status “active” assigned. No new ICPs were created during the audit period.

Audit outcome

Compliant

3.15. Embedded generation loss category (Clause 7(6) Schedule 11.1)

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

If the ICP connects the distributor's network to an embedded generating station that has a capacity of 10 MW or more (clause 7(1)(f) of Schedule 11.1):

- *The loss category code must be unique; and*
- *The distributor must provide the following to the reconciliation manager:*
 - o *the unique loss category code assigned to the ICP*
 - o *the ICP identifier of the ICP*
 - o *the NSP identifier of the NSP to which the ICP is connected*
 - o *the plant name of the embedded generating station.*

Audit observation

The LIS file was examined.

Audit commentary

BRCK does not supply any embedded generators.

Audit outcome

Compliant

3.16. Electrical connection of a point of connection (Clause 10.33A)

Code reference

Clause 10.33A(4)

Code related audit information

No participant may electrically connect a point of connection or authorise the electrical connection of a point of connection, other than a reconciliation participant.

Audit observation

The LIS file was examined.

Audit commentary

No new ICPs were created during the audit period. The company has a good understanding of their obligation.

Audit outcome

Compliant

4. MAINTENANCE OF REGISTRY INFORMATION

4.1. Changes to registry information (Clause 8 Schedule 11.1)

Code reference

Clause 8 Schedule 11.1

Code related audit information

If information held by the registry that relates to an ICP for which the distributor is responsible changes, the distributor must give written notice to the registry manager of that change.

Notification must be given by the distributor within 3 business days after the change takes effect, unless the change is to the NSP identifier of the NSP to which the ICP is usually connected (other than a change that is the result of the commissioning or decommissioning of an NSP).

In those cases, notification must be given no later than 8 business days after the change takes effect.

If the change to the NSP identifier is for more than 10 business days, the notification must be provided no later than the 13th business day and be backdated to the date the change took effect.

In the case of decommissioning an ICP, notification must be given by the later of 3 business days after the registry manager has advised the distributor that the ICP is ready to be decommissioned, or 3 business days after the distributor has decommissioned the ICP.

Audit observation

The EDA file and Audit Compliance reports for the audit period were reviewed.

Audit commentary

We examined the EDA file for the audit period to assess compliance. The results are shown below:

Activity	Year	Total number of updates	No of updates within 3BD	No of updates later than 3BD	Average notification [BD]	Percentage compliant
Address	2017	0				
	2020					
Status (3)	2017	0				
	2020					
Pricing	2017	0	0	0	0	
	2020	6	2	4	6	34%

We identified a small number of changes to the registry information.

All price code changes were done on the request of traders. BRCK's policy is to accept a date from which the retailer wants to make a change of price code, regardless of whether it means being outside of the 3 business days, as stipulated by the Code.

Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 4.1 With: Clause 8 of Schedule 11.1 From: 01-Oct-17 To: 30-Sep-20	9 late price code changes Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are rated as strong because changes are made immediately based on retailer requests. The impact on settlement and participants is none because the only late updates were related to price code changes. Audit risk rating is low	
Actions taken to resolve the issue	Completion date	Remedial action status
Pricing Update: We acted promptly as soon as we received the requests from the retailers. We update pricing according to the UoSA and our pricing policy and to not do so would disadvantage the retailer. We note that the EA has already recommended that the restrictions to pricing updates be relaxed and we endorse that recommendation.		Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We believe we have taken the appropriate actions.		

4.2. Notice of NSP for each ICP (Clauses 7(1), (4) and (5) Schedule 11.1)

Code reference

Clauses 7(1), 7(4) and 7(5) Schedule 11.1

Code related audit information

Under Clause 7(1)(b) of Schedule 11.1, the distributor must provide to the registry manager the NSP identifier of the NSP to which the ICP is usually connected.

If the distributor cannot identify the NSP that an ICP is connected to, the distributor must nominate the NSP that the distributor thinks is most likely to be connected to the ICP, taking into account the flow of electricity within its network, and the ICP is deemed to be connected to the nominated NSP.

Audit observation

The LIS file and the NSP mapping table in the registry were reviewed.

Audit commentary

We examined the EDA file to identify any ICPs which had a change of NSP during the audit period. All ICPs are connected to two NSPs (BCK0011 and BCK0012.) Due to the nature of embedded networks there is no uncertainty regarding the ICP and NSP relationships. A check of the LIS file confirmed compliance.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

The distributor must advise a customer (or any person authorised by the customer) or embedded generator of the customer or embedded generator's ICP identifier within 3 business days after receiving a request for that information.

Audit observation

The management of customer queries was discussed with Switch Utilities.

Audit commentary

Switch Utilities does not receive direct requests for ICP identifiers, but if such requests were received, they would be provided immediately.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

Each ICP identifier must have a location address that allows the ICP to be readily located.

Audit observation

The LIS file and the Audit Compliance reports were examined.

Audit commentary

The review of the registry files found that all ICPs have unique addresses with enough information to allow the ICPs to be readily located.

Audit outcome

Compliant

4.5. Electrically disconnecting an ICP (Clause 3 Schedule 11.1)

Code reference

Clause 3 Schedule 11.1

Code related audit information

Each ICP created after 7 October 2002 must be able to be electrically disconnected without electrically disconnecting another ICP, except for ICPs that are the point of connection between a network and an embedded network, or ICPs that represent the consumption calculated by the difference between the total consumption for the embedded network and all other ICPs on the embedded network.

Audit observation

The management of this process was discussed during the audit.

Audit commentary

Switch Utilities stated that all ICPs comply with this clause. They have a good understanding of this requirement.

Audit outcome

Compliant

4.6. Distributors to Provide ICP Information to the Registry manager (Clause 7(1) Schedule 11.1)

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

For each ICP on the distributor's network, the distributor must provide the following information to the registry manager:

- *the location address of the ICP identifier (Clause 7(1)(a) of Schedule 11.1)*
- *the NSP identifier of the NSP to which the ICP is usually connected (Clause 7(1)(b) of Schedule 11.1)*
- *the installation type code assigned to the ICP (Clause 7(1)(c) of Schedule 11.1)*
- *the reconciliation type code assigned to the ICP (Clause 7(1)(d) of Schedule 11.1)*
- *the loss category code and loss factors for each loss category code assigned to the ICP (Clause 7(1)(e) of Schedule 11.1)*
- *if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (Clause 7(1)(f) of Schedule 11.1):*
 - a) *the unique loss category code assigned to the ICP*
 - b) *the ICP identifier of the ICP*
 - c) *the NSP identifier of the NSP to which the ICP is connected*
 - d) *the plant name of the embedded generating station*
- *the price category code assigned to the ICP, which may be a placeholder price category code only if the distributor is unable to assign the actual price category code because the capacity or volume information required to assign the actual price category code cannot be determined before electricity is traded at the ICP (Clause 7(1)(g) of Schedule 11.1)*
- *if the price category code requires a value for the capacity of the ICP, the chargeable capacity of the ICP as follows (Clause 7(1)(h) of Schedule 11.1):*
 - a) *a placeholder chargeable capacity if the distributor is unable to determine the actual chargeable capacity*
 - b) *a blank chargeable capacity if the capacity value can be determined for a billing period from metering information collected for that billing period*
 - c) *if there is more than one capacity value at the ICP, and at least one, but not all, of those capacity values can be determined for a billing period from the metering information collected for that billing period-*
 - (i) no capacity value recorded in the registry field for the chargeable capacity; and*
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded*

- d) *if there is more than one capacity value at the ICP, and none of those capacity values can be determined for a billing period from the metering information collected for that billing period-*
 - (i) the annual capacity value recorded in the registry field for the chargeable capacity; and*
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded*
- e) *the actual chargeable capacity of the ICP in any other case*
- *the distributor installation details for the ICP determined by the price category code assigned to the ICP (if any), which may be placeholder distributor installation details only if the distributor is unable to assign the actual distributor installation details because the capacity or volume information required to assign the actual distributor installation details cannot be determined before electricity is traded at the ICP (Clause 7(1)(i) of Schedule 11.1)*
- *the participant identifier of the first trader who has entered into an arrangement to sell or purchase electricity at the ICP (only if the information is provided by the first trader) (Clause 7(1)(j) of Schedule 11.1)*
- *the status of the ICP (Clause 7(1)(k) of Schedule 11.1)*
- *designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than 1 NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) the nameplate capacity of the generator; and*
 - b) the fuel type*
- *the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

The management of the process for the provision of information was discussed during the audit. The Audit Compliance Report and the LIS file for the audit period were reviewed.

Audit commentary

Any changes to the registry information are instigated by Switch Utilities on request of its owner or a retailer. JC Consulting acts as the contractor which populates information in the registry on Switch Utilities instruction. Examination of the LIS file and Audit Compliance reports confirmed that ICP information had been populated correctly. There has been no unmetered load or embedded generation added during the audit period. There are no such plans for the future.

Audit outcome

Compliant

4.7. Provision of information to registry after the trading of electricity at the ICP commences (Clause 7(3) Schedule 11.1)

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

The distributor must provide the following information to the registry manager no later than 10 business days after the trading of electricity at the ICP commences:

- *the actual price category code assigned to the ICP (Clause 7(3)(a) of Schedule 11.1)*
- *the actual chargeable capacity of the ICP determined by the price category code assigned to the ICP (if any) (Clause 7(3)(b) of Schedule 11.1)*
- *the actual distributor installation details of the ICP determined by the price category code assigned to the ICP (if any) (Clause 7(3)(c) of Schedule 11.1).*

Audit observation

The LIS file dated 12/10/20 was examined. We discussed the management of new connections with Switch Utilities.

Audit commentary

The review of the LIS file showed that no new ICPs were created during the audit period therefore there was no requirement to provide this information.

Audit outcome

Compliant

4.8. GPS coordinates (Clause 7(8) and (9) Schedule 11.1)

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

If a distributor populates the GPS coordinates (optional), it must meet the NZTM2000 standard in a format specified by the Authority.

Audit observation

The LIS file was examined to confirm compliance.

Audit commentary

GPS co-ordinates are not populated in the registry.

Audit outcome

Compliant

4.9. Management of “ready” status (Clause 14 Schedule 11.1)

Code reference

Clause 14 Schedule 11.1

Code related audit information

The ICP status of “Ready” must be managed by the distributor and indicates that:

- *the associated electrical installations are ready for connecting to the electricity supply (Clause 14(1)(a) of Schedule 11.1); or*
- *the ICP is ready for activation by a trader (Clause 14(1)(b) of Schedule 11.1)*

Before an ICP is given the "Ready" status in accordance with Clause 14(1) of Schedule 11.1, the distributor must:

- *identify the trader that has taken responsibility for the ICP (Clause 14(2)(a) of Schedule 11.1)*
- *ensure the ICP has a single price category (Clause 14(2)(b) of Schedule 11.1).*

Audit observation

The registry files were reviewed. The new connection process was reviewed and discussed with Switch Utilities during the audit.

Audit commentary

The review showed that "ready" status was not used during the audit period because no ICPs were created during the audit period.

No new ICPs were created, there are no such plans for the future.

Audit outcome

Compliant

4.10. Management of "distributor" status (Clause 16 Schedule 11.1)

Code reference

Clause 16 Schedule 11.1

Code related audit information

The ICP status of "distributor" must be managed by the distributor and indicates that the ICP record represents a shared unmetered load installation or the point of connection between an embedded network and its parent network.

Audit observation

The registry files were reviewed to ascertain if the "distributor" status was used. The new connection process was reviewed and discussed with Switch Utilities during the audit.

Audit commentary

The distributor status was not used at all during the audit period.

Audit outcome

Compliant

4.11. Management of "decommissioned" status (Clause 20 Schedule 11.1)

Code reference

Clause 20 Schedule 11.1

Code related audit information

The ICP status of "decommissioned" must be managed by the distributor and indicates that the ICP is permanently removed from future switching and reconciliation processes (Clause 20(1) of Schedule 11.1).

Decommissioning only occurs when:

- *electrical installations associated with the ICP are physically removed (Clause 20(2)(a) of Schedule 11.1); or*

- *there is a change in the allocation of electrical loads between ICPs with the effect of making the ICP obsolete (Clause 20(2)(b) of Schedule 11.1); or*
- *in the case of a distributor-only ICP for an embedded network, the embedded network no longer exists (Clause 20(2)(c) of Schedule 11.1).*

Audit observation

The registry list file as at 12/10/20 was examined. It was discussed with Switch Utilities.

Audit commentary

JC Consulting manages this via their monitoring report that checks for any changes made by retailers. Upon receipt of all requests for decommissioning a physical site visit will be carried to confirm the physical disconnection has taken place. No decommissions have taken place during the audit period.

Audit outcome

Compliant

4.12. Maintenance of price category codes (Clause 23 Schedule 11.1)

Code reference

Clause 23 Schedule 11.1

Code related audit information

The distributor must keep up to date the table in the registry of the price category codes that may be assigned to ICPs on each distributor's network by entering in the table any new price category codes.

Each entry must specify the date on which each price category code takes effect, which must not be earlier than 2 months after the date the code is entered in the table.

A price category code takes effect on the specified date.

Audit observation

The Price Category code table on the registry was examined.

Audit commentary

No new price category codes were recorded to the registry during the audit period.

Audit outcome

Compliant

5. CREATION AND MAINTENANCE OF LOSS FACTORS

5.1. Updating table of loss category codes (Clause 21 Schedule 11.1)

Code reference

Clause 21 Schedule 11.1

Code related audit information

The distributor must keep the registry up to date with the loss category codes that may be assigned to ICPs on the distributor's network.

The distributor must specify the date on which each loss category code takes effect.

A loss category code takes effect on the specified date.

Audit observation

The loss category code table on the registry was reviewed.

Audit commentary

BRCK has not created any new loss category codes during the audit period.

Audit outcome

Compliant

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

Each loss category code must have a maximum of 2 loss factors per calendar month. Each loss factor must cover a range of trading periods within that month so that all trading periods have a single applicable loss factor.

If the distributor wishes to replace an existing loss factor on the table in the registry, the distributor must enter the replaced loss factor on the table in the registry.

Audit observation

The loss category code table on the registry was reviewed.

Audit commentary

The loss factor value for the following code was updated during the audit period in accordance with this clause:

Loss category code	Start date	Date updated
SUBRCK1	01/05/2019	04/03/2019

Loss factors should be updated 2 months in advance. The update was 4 days late which results in non-compliance. The loss factor was updated as a follow up of changes to the Vector loss factor for the gate meter.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 5.2</p> <p>With: Clause 22 of Schedule 11.1</p> <p>From: 01-May-20</p> <p>To: 04-May-20</p>	<p>Loss factor code SUBRCK1 was not updated by 2 months in advance</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong. The impact on settlement and participants is none because the value of the loss factor code was late only by 3 BD therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
SULN prefers to do all price and loss factor updates at the same time and proceeded with this preference.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Calendar event trigger set to earlier date to allow or more time for notifications and updates. Secondary calendar events set up as a time limit reminder. Process documents updated with loss factor notice period and instructions to delay effective date if necessary, to accommodate notice period.			

6. CREATION AND MAINTENANCE OF NSPS (INCLUDING DECOMMISSIONING OF NSPS AND TRANSFER OF ICPS)

6.1. Creation and decommissioning of NSPs (Clause 11.8 and Clause 25 Schedule 11.1)

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

If the distributor is creating or decommissioning an NSP that is an interconnection point between 2 local networks, the distributor must give written notice to the reconciliation manager of the creation or decommissioning.

If the embedded network owner is creating or decommissioning an NSP that is an interconnection point between 2 embedded networks, the embedded network owner must give written notice to the reconciliation manager of the creation or decommissioning.

If the distributor is creating or decommissioning an NSP that is a point of connection between an embedded network and another network, the distributor must give written notice to the reconciliation manager of the creation or decommissioning.

If the distributor wishes to change the record in the registry of an ICP that is not recorded as being usually connected to an NSP in the distributor's network, so that the ICP is recorded as being usually connected to an NSP in the distributor's network (a "transfer"), the distributor must:

- *give written notice to the reconciliation manager*
- *give written notice to the Authority*
- *give written notice to each affected reconciliation participant*
- *comply with Schedule 11.2.*

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

No NSPs were created or decommissioned, and no NSPs transferred from BRCK to other networks during the audit period.

NSP BCK0011 and BCK0012 were created with a start date of 01/10/2016. During the audit period no new NSP was created and there are no plans to create additional NSPs in the future.

Audit outcome

Compliant

6.2. Provision of NSP information (Clause 26(1) and (2) Schedule 11.1)

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

If the distributor wishes to create an NSP or transfer an ICP as described above, the distributor must request that the reconciliation manager create a unique NSP identifier for the relevant NSP.

The request must be made at least 10 business days before the NSP is electrically connected, in respect of an NSP that is an interconnection point between 2 local networks. In all other cases, the request must be made at least 1 month before the NSP is electrically connected or the ICP is transferred.

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

No new NSPs were created or transferred during the audit period.

Audit outcome

Compliant

6.3. Notice of balancing areas (Clause 24(1) and Clause 26(3) Schedule 11.1)

Code reference

Clause 24(1) and Clause 26(3) Schedule 11.1

Code related audit information

If a participant has notified the creation of an NSP on the distributor's network, the distributor must give written notice to the reconciliation manager of the following:

- *if the NSP is to be located in a new balancing area, all relevant details necessary for the new balancing area to be created and notification that the NSP to be created is to be assigned to the new balancing area*
- *in all other cases, notification of the balancing area in which the NSP is located.*

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

There were no balancing area changes during the audit period.

Audit outcome

Compliant

6.4. Notice of supporting embedded network NSP information (Clause 26(4) Schedule 11.1)

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

If a participant notifies the creation of an NSP, or the transfer of an ICP to an NSP that is a point of connection between a network and an embedded network owned by the distributor, the distributor must give notice to the reconciliation manager at least 1 month before the creation or transfer of:

- *the network on which the NSP will be located after the creation or transfer (Clause 26(4)(a))*
- *the ICP identifier for the ICP that connects the network and the embedded network (Clause 26(4)(b))*
- *the date on which the creation or transfer will take effect (Clause 26(4)(c)).*

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

No NSPs were created or changed during the audit period.

No ICPs had a change of NSP during the audit period.

Audit outcome

Compliant

6.5. Maintenance of balancing area information (Clause 24(2) and (3) Schedule 11.1)

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

The distributor must give written notice to the reconciliation manager of any change to balancing areas associated with an NSP supplying the distributor's network. The notification must specify the date and trading period from which the change takes effect and be given no later than 3 business days after the change takes effect.

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

No balancing areas were changed during the audit period.

Audit outcome

Compliant

6.6. Notice when an ICP becomes an NSP (Clause 27 Schedule 11.1)

Code reference

Clause 27 Schedule 11.1

Code related audit information

If a transfer of an ICP results in an ICP becoming an NSP at which an embedded network connects to a network, or in an ICP becoming an NSP that is an interconnection point, in respect of the distributor's network, the distributor must give written notice to any trader trading at the ICP of the transfer at least 1 month before the transfer.

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

No existing ICPs on the BRCK network became NSPs during the audit period.

Audit outcome

Compliant

6.7. Notification of transfer of ICPs (Clause 1 to 4 Schedule 11.2)

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

If the distributor wishes to transfer an ICP, the distributor must give written notice to the Authority in the prescribed form, no later than 3 business days before the transfer takes effect.

Audit observation

The registry LIS file was reviewed.

Audit commentary

No ICPs were transferred from other networks during the audit period.

Audit outcome

Compliant

6.8. Responsibility for metering information for NSP that is not a POC to the grid (Clause 10.25(1) and 10.25(3))

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

A network owner must, for each NSP that is not a point of connection to the grid for which it is responsible, ensure that:

- *there is 1 or more metering installations (Clause 10.25(1)(a)); and*
- *the electricity is conveyed and quantified in accordance with the Code (Clause 10.25(1)(b))*

For each NSP covered in 10.25(1) the network owner must, no later than 20 business days after a metering installation at the NSP is recertified advise the reconciliation manager of:

- *the reconciliation participant for the NSP*
- *the participant identifier of the metering equipment provider for the metering installation*
- *the certification expiry date of the metering installation*

Audit observation

The Network Supply Points table on the Authority website was reviewed.

The metering installation certification was sighted.

It was discussed with Switch Utilities.

Audit commentary

According to the Network Supply Points table FCLM is the MEP for the gate meters. The BCK0011 installation was certified by WELLS and the certification expires on 10/08/2026. BCK0012 was also certified by WELLS, the certification expires on 23/07/2026.

We noticed that the certification expiry date in the Network Supply Points table was incorrect. It appears that WELLS recertified the meters, but the table was not updated. It is an historic issue, outside of this audit period. It was discussed with Switch Utilities and the table was updated.

Audit outcome

Compliant

6.9. Responsibility for metering information when creating an NSP that is not a POC to the grid (Clause 10.25(2))

Code reference

Clause 10.25(2)

Code related audit information

If the network owner proposes the creation of a new NSP which is not a point of connection to the grid it must:

- *assume responsibility for being the metering equipment provider (Clause 10.25(2)(a)(i)); or*
- *contract with a metering equipment provider to be the MEP (Clause 10.25(2)(a)(ii)); and*
- *no later than 20 business days after identifying the MEP advise the reconciliation manager in the prescribed form of:*
 - a) the reconciliation participant for the NSP (Clause 10.25(2)(b)(i)); and*
 - b) the MEP for the NSP (Clause 10.25(2)(b)(ii)); and*
 - c) no later than 20 business days after the date of certification of each metering installation, advise the reconciliation participant for the NSP of the certification expiry date (Clause 10.25(2)(c)).*

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed.

Audit commentary

No NSPs were created during the audit period.

Audit outcome

Compliant

6.10. Obligations concerning change in network owner (Clause 29 Schedule 11.1)

Code reference

Clause 29 Schedule 11.1

Code related audit information

If a network owner acquires all or part of a network, the network owner must give written notice to:

- *the previous network owner (Clause 29(1)(a) of Schedule 11.1)*
- *the reconciliation manager (Clause 29(1)(b) of Schedule 11.1)*
- *the Authority (Clause 29(1)(c) of Schedule 11.1)*
- *every reconciliation participant who trades at an ICP connected to the acquired network or part of the network acquired (Clause 29(1)(d) of Schedule 11.1).*

At least 1 month notification is required before the acquisition (Clause 29(2) of Schedule 11.1).

The notification must specify the ICPs to be amended to reflect the acquisition and the effective date of the acquisition (Clause 29(3) of Schedule 11.1).

Audit observation

The registry NSP mapping table and was the Network Supply Pints table on the Authority website were reviewed. It was discussed with the Switch Utilities' staff.

Audit commentary

BRCK has not acquired any networks during the audit period.

Audit outcome

Compliant

6.11. Change of MEP for embedded network gate meter (Clause 10.22(1)(b))

Code reference

Clause 10.22(1)(b)

Code related audit information

If the MEP for an ICP which is also an NSP changes the participant responsible for the provision of the metering installation under Clause 10.25, the participant must advise the reconciliation manager and the gaining MEP.

Audit observation

The Network Supply Points table on the Authority website was reviewed. It was discussed with the Switch Utilities' staff.

Audit commentary

There have been no MEP changes during the audit period.

Audit outcome

Compliant

6.12. Confirmation of consent for transfer of ICPs (Clauses 5 and 8 Schedule 11.2)

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

The distributor must give the Authority confirmation that it has received written consent to the proposed transfer from:

- *the distributor whose network is associated with the NSP to which the ICP is recorded as being connected immediately before the notification (unless the notification relates to the creation of an embedded network) (Clause 5(a) of Schedule 11.2)*
- *every trader trading at an ICP being supplied from the NSP to which the notification relates (Clause 5(b) of Schedule 11.2).*

The notification must include any information requested by the Authority (Clause 8 of Schedule 11.2).

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed. It was discussed with the Switch Utilities' staff.

Audit commentary

BRCK has not acquired any networks during the audit period. There are no such plans for the foreseeable future. Compliance was not assessed.

Audit outcome

Not applicable

6.13. Transfer of ICPs for embedded network (Clause 6 Schedule 11.2)

Code reference

Clause 6 Schedule 11.2

Code related audit information

If the notification relates to an embedded network, it must relate to every ICP on the embedded network.

Audit observation

The registry NSP mapping table and the Network Supply Points table on the Authority website were reviewed. It was discussed with the Switch Utilities' staff.

Audit commentary

BRCK has not acquired any networks within the audit period. There are no such plans for the foreseeable future. Compliance was not assessed.

Audit outcome

Not applicable

7. MAINTENANCE OF SHARED UNMETERED LOAD

7.1. Notification of shared unmetered load ICP list (Clause 11.14(2) and (4))

Code reference

Clause 11.14(2) and (4)

Code related audit information

The distributor must give written notice to the registry manager and each trader responsible for the ICPs across which the unmetered load is shared of the ICP identifiers of those ICPs.

A distributor who receives notification from a trader relating to a change under Clause 11.14(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 of the addition or omission of the ICP.

Audit observation

The registry file dated 12/10/20 was reviewed. It was discussed with the BRCK staff.

Audit commentary

There is no shared unmetered load in the registry. There are no plans to have shared unmetered load as Elevate is an apartment building.

Audit outcome

Compliant

7.2. Changes to shared unmetered load (Clause 11.14(5))

Code reference

Clause 11.14(5)

Code related audit information

If the distributor becomes aware of a 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 or decommissioning as soon as practicable after the change or decommissioning.

Audit observation

The registry file dated 12/10/20 was reviewed. It was discussed with the BRCK staff.

Audit commentary

The review of the LIS file showed that no shared unmetered load is present on this network.

Audit outcome

Not applicable

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

A participant must take all practicable steps to ensure that information that the participant is required to provide to any person under Part 11 is:

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

Audit observation

The “Guidelines on the calculation and the use of loss factors for reconciliation purposes v2.1” is still a draft. The calculation of loss factors was reviewed.

Audit commentary

Switch Utilities, on behalf of BRCK, derives loss factors for loss category codes from the published Vector network loss factors. It is expected that ICPs on embedded networks will have the same loss factor as a similar type of connection on the parent network. We checked the calculations, they are correct.

On 01/04/19 Vector increased the loss factor VECW3 from 1.0384 to 1.0408. BRCK recalculated their loss factor in Mar’19 and changed SUBRCK1 from 1.0095 to 1.0102. The company policy is to make annual changes to pricing and losses if appropriate.

Audit outcome

Compliant

CONCLUSION

PARTICIPANT RESPONSE

Switch Utilities (SULN) agree with the findings of this report, however as the non-compliances have no market impact, we query whether an audit frequency of 36 months would be more appropriate

Richard Mackie

Networks Operations Coordinator