

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**

For

NORTHPOWER LTD

Prepared by: Allan Borcoski

Date audit commenced: 3 March 2020

Date audit report completed: 24 April 2020

Audit report due date: 28-Apr-20

TABLE OF CONTENTS

Executive summary	4
Audit summary	5
Non-compliances	5
1. Administrative.....	6
1.1. Exemptions from Obligations to Comply With Code (Section 11)	6
1.2. Structure of Organisation	6
1.3. Persons involved in this audit	7
1.4. Use of contractors (Clause 11.2A)	8
1.5. Supplier list	8
1.6. Hardware and Software	8
1.7. Breaches or Breach Allegations	9
1.8. ICP and NSP Data	9
1.9. Authorisation Received	10
1.10. Scope of Audit	10
1.11. Summary of previous audit	10
2. Operational Infrastructure.....	12
2.1. Requirement to provide complete and accurate information (Clause 11.2(1) and 10.6(1))	12
2.2. Requirement to correct errors (Clause 11.2(2) and 10.6(2)).....	14
3. Creation of ICPs.....	15
3.1. Distributors must create ICPs (Clause 11.4)	15
3.2. Timeliness of Provision of ICP Information to the registry manager (Clause 7(2) of Schedule 11.1)	15
3.3. Participants may request distributors to create ICPs (Clause 11.5(3))	16
3.4. Provision of ICP Information to the registry manager (Clause 11.7)	16
3.5. Timeliness of Provision of Initial Electrical Connection Date (Clause 7(2A) of Schedule 11.1)	17
3.6. Connection of ICP that is not an NSP (Clause 11.17)	20
3.7. Connection of ICP that is not an NSP (Clause 10.31)	22
3.8. Temporary electrical connection of ICP that is not an NSP (Clause 10.31A).....	25
3.9. Connection of NSP that is not point of connection to grid (Clause 10.30)	26
3.10. Temporary electrical connection of NSP that is not point of connection to grid (Clause 10.30(A))	26
3.11. Definition of ICP identifier (Clause 1(1) Schedule 11.1)	27
3.12. Loss category (Clause 6 Schedule 11.1)	28
3.13. Management of “new” status (Clause 13 Schedule 11.1)	28
3.14. Monitoring of “new” & “ready” statuses (Clause 15 Schedule 11.1)	29
3.15. Embedded generation loss category (Clause 7(6) Schedule 11.1)	29
3.16. Electrical connection of a point of connection (Clause 10.33A)	30
4. Maintenance of registry information.....	32
4.1. Changes to registry information (Clause 8 Schedule 11.1)	32
4.2. Notice of NSP for each ICP (Clauses 7(1),(4) and (5) Schedule 11.1)	36
4.3. Customer queries about ICP (Clause 11.31).....	37
4.4. ICP location address (Clause 2 Schedule 11.1)	37
4.5. Electrically disconnecting an ICP (Clause 3 Schedule 11.1)	38

4.6. Distributors to Provide ICP Information to the Registry manager (Clause 7(1) Schedule 11.1)	39
4.7. Provision of information to registry after the trading of electricity at the ICP commences (Clause 7(3) Schedule 11.1).....	43
4.8. GPS coordinates (Clause 7(8) and (9) Schedule 11.1)	44
4.9. Management of “ready” status (Clause 14 Schedule 11.1)	44
4.10. Management of “distributor” status (Clause 16 Schedule 11.1).....	47
4.11. Management of “decommissioned” status (Clause 20 Schedule 11.1).....	48
4.12. Maintenance of price category codes (Clause 23 Schedule 11.1).....	50
5. Creation and maintenance of loss factors.....	52
5.1. Updating table of loss category codes (Clause 21 Schedule 11.1).....	52
5.2. Updating loss factors (Clause 22 Schedule 11.1).....	52
6. Creation and maintenance of NSPs (including decommissioning of NSPs and transfer of ICPs)54	
6.1. Creation and decommissioning of NSPs (Clause 11.8 and Clause 25 Schedule 11.1)	54
6.2. Provision of NSP information (Clause 26(1) and (2) Schedule 11.1)	54
6.3. Notice of balancing areas (Clause 24(1) and Clause 26(3) Schedule 11.1)	55
6.4. We Notice of supporting embedded network NSP information (Clause 26(4) Schedule 11.1)	55
6.5. Maintenance of balancing area information (Clause 24(2) and (3) Schedule 11.1) .	56
6.6. Notice when an ICP becomes an NSP (Clause 27 Schedule 11.1)	56
6.7. Notification of transfer of ICPs (Clause 1 to 4 Schedule 11.2).....	57
6.8. Responsibility for metering information for NSP that is not a POC to the grid (Clause 10.25(1) and 10.25(3))	57
6.9. Responsibility for metering information when creating an NSP that is not a POC to the grid (Clause 10.25(2))	58
6.10. Obligations concerning change in network owner (Clause 29 Schedule 11.1)	58
6.11. Change of MEP for embedded network gate meter (Clause 10.22(1)(b)).....	59
6.12. Confirmation of consent for transfer of ICPs (Clauses 5 and 8 Schedule 11.2)	59
6.13. Transfer of ICPs for embedded network (Clause 6 Schedule 11.2).....	60
7. Maintenance of shared unmetered load	61
7.1. Notification of shared unmetered load ICP list (Clause 11.14(2) and (4)).....	61
7.2. Changes to shared unmetered load (Clause 11.14(5))	62
8. Calculation of loss factors.....	63
8.1. Creation of loss factors (Clause 11.2)	63
Conclusion	64
Participant response.....	64

EXECUTIVE SUMMARY

This distributor audit was performed at the request of Northpower (NPOW) as required by clause 11.10 of Part 11, to assure compliance with the Electricity Industry Participation Code 2010. The relevant rules audited are as required by the Guidelines for Distributor Audits V7.0 issued by the Electricity Authority.

Northpower consider data integrity a high priority within the business and this is evident with the diligence and endeavour staff put into maintaining accurate internal and registry information, exception monitoring of data is routine for example. Despite these efforts a relatively small level of information discrepancy was identified during the audit, though this is not uncommon with manual data entry. Larger scale information cleansing projects also ran during the audit period to clean-up address and privacy related information. It appears some of the information clean-up may have had the unintended and unfortunate consequence of contributing to non-compliance in other areas.

The main issue found during the audit was the non-compliance of section 4.9 *ICP registry status being made "Ready" prior to retailer acceptance of responsibility being received by Northpower*. This issue had been non-compliant in previous audit reports. Finding a resolution to this issue in the near future is suggested to prevent the potential for new areas of non-compliance in future. For example a new non-compliance was found during this audit in section 3.7 *a distributor must not connect an ICP that is not an NSP unless requested to do so by the retailer trading at the ICP*.

The new audit compliance summary report was introduced during the audit and it is suggested that it can be used to complement existing compliance monitoring in future.

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 Distribution Participant audit provides some guidance on this matter. The Future Risk Rating score is 14 which results in an indicative audit frequency of 12 months. We agree with this result.

We thank Northpower staff for their full and complete cooperation in this audit.

Audit period was 21/02/19 to 20/02/20

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Requirement to provide complete and accurate information	2.1	Clause 11.2(1) and 10.6(1)	Relatively low number of information inaccuracies identified during the audit	Strong	Low	1	Identified
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2a) of Schedule 11.1	8 New ICP connections had the IECD uploaded to the registry more than 10 days after the event date.	Moderate	Low	2	Identified
Connection of ICP that is not an NSP	3.6	11.17	10% of New ICP connections sampled had no retailer acceptance of responsibility recorded by Northpower.	Moderate	Low	2	Identified
Connection of ICP that is not an NSP	3.7	Clause 10.31	For a number of ICPs there is no retailer authorisation/request to connect recorded by Northpower	Moderate	Low	2	Identified
Changes to registry information	4.1	8 of Schedule 11.1	19% of registry information updates were greater than 3 business days from the event date.	Moderate	Low	2	Identified
ICP location address	4.4	Clause 2 of Schedule 11.1	2 ICPs with duplicate addresses (corrected during audit).	Strong	Low	1	Identified
Distributor to provide ICP information to the registry manager	4.6	7(1) of Schedule 11.1	Incorrect or missing information in the registry for addresses, distributed generation and Initial Electrical Connection Date	Moderate	Low	2	Identified

Management of "ready" status	4.9	Clause 14 of Schedule 11.1	ICP registry status was made "Ready" prior to retailer acceptance or confirmation of responsibility being received by Northpower.	Moderate	Low	2	Identified
Future Risk Rating						14	

Future risk rating	1-2	3-6	7-9	10-19	20-24	25+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

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.

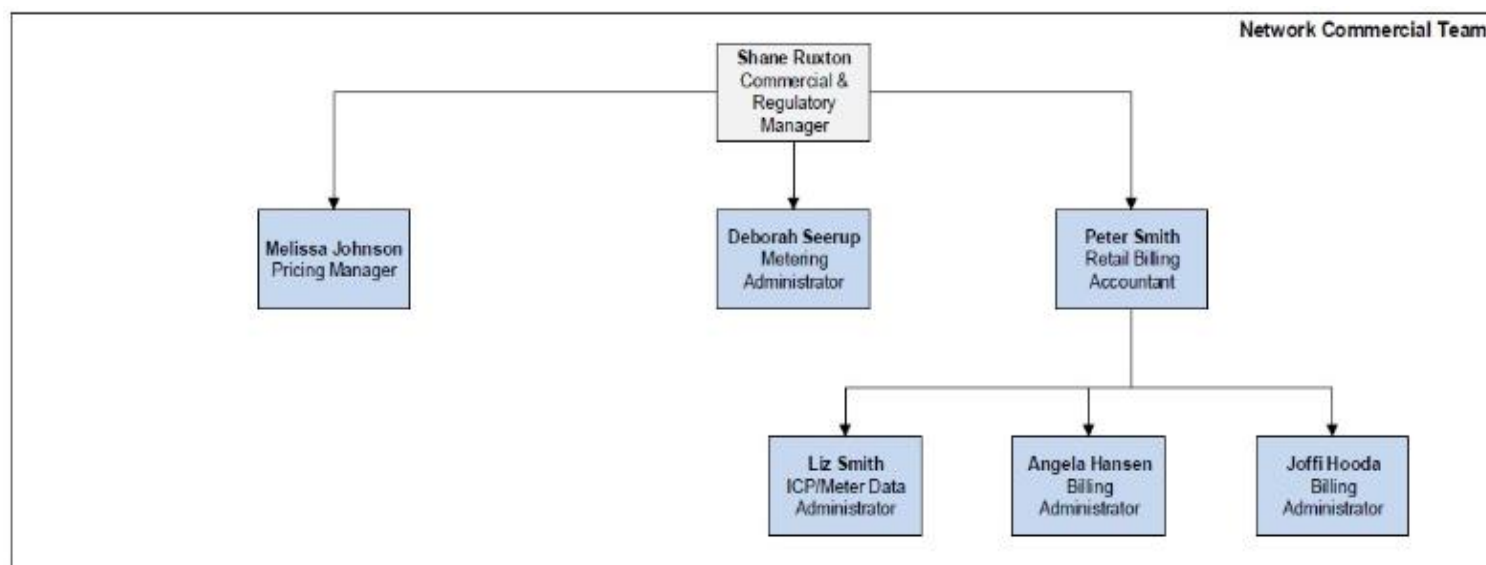
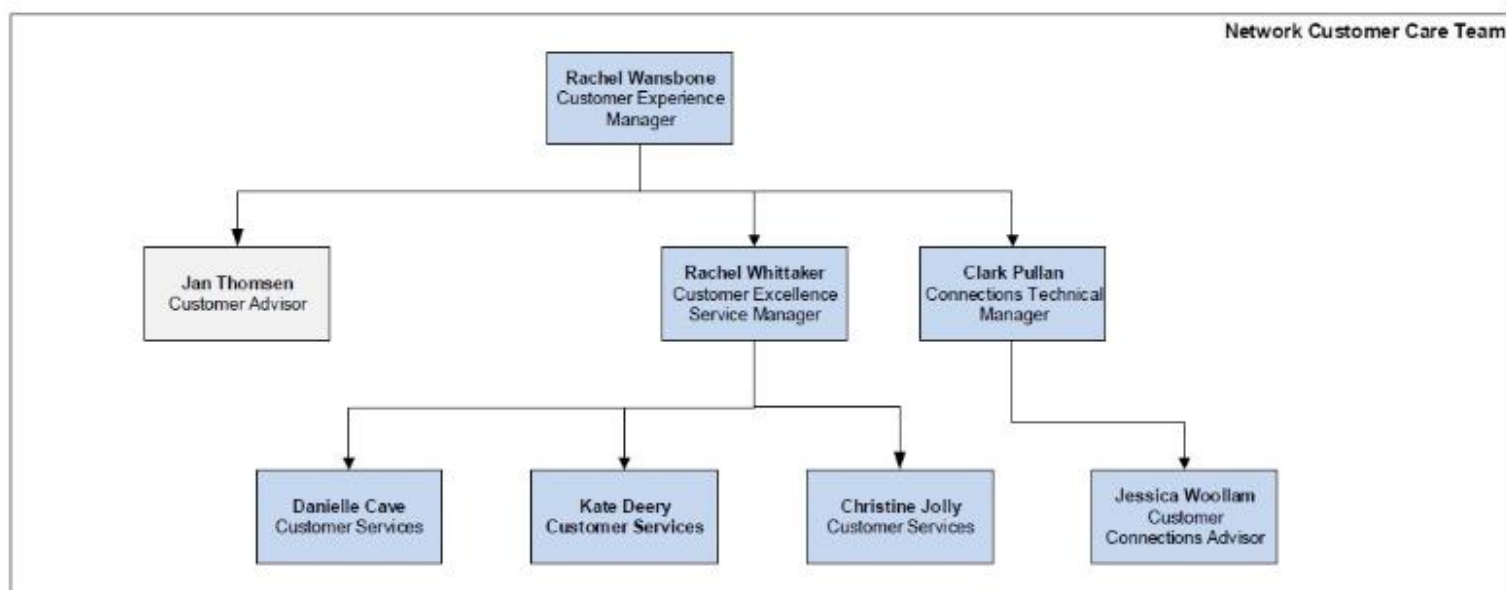
Audit observation

Northpower confirms there are no exemptions in place relevant to the scope of this audit.

Audit commentary

Checked on EA website and confirmed.

1.2. Structure of Organisation



1.3. Persons involved in this audit

Name	Title	Company
Peter Smith	<i>Retail Billing Accountant</i>	<i>Northpower Ltd</i>
Liz Smith	<i>ICP/Meter Data Administrator</i>	<i>Northpower Ltd</i>
Shane Ruxton	<i>Commercial & Regulatory Manager</i>	<i>Northpower Ltd</i>
Rachel Whittaker	<i>Customer Excellence Service Manager</i>	<i>Northpower Ltd</i>
Rachel Wansbone	<i>Customer Experience Manager</i>	<i>Northpower Ltd</i>
Allan Borcoski	<i>Electricity Authority Approved Auditor</i>	<i>Borcoski Energy Services Ltd</i>

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 contractors 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

There were no contractors involved in the Northpower operations that were audited.

Audit commentary

During the audit, we did not identify any contractors which assist Northpower to meet their obligations relevant to the scope of this audit.

1.5. Supplier list

There were no suppliers who assisted Northpower during the audit period with the operations audited.

1.6. Hardware and Software

Software Application	Purpose/Use
Gentrack Velocity	<ul style="list-style-type: none">• Key database to support EIPC compliance• ICP creation and management• Automated Registry interface (all updates to the registry and notifications from the registry)• MEP functionality including meter management and billing• Line Charge Billing
Salesforce	<ul style="list-style-type: none">• CRM platform to support customer experience and service• Manages customer contact• Workflow of new network connection applications and alterations to existing connections• Interface between retailers, customers and warranted service contractors for the above tasks.
MS Access	<ul style="list-style-type: none">• Registry exception reporting

	<ul style="list-style-type: none"> Exception and discrepancy reporting from other Northpower information systems
--	---

1.7. Breaches or Breach Allegations

No breaches or alleged breaches were recorded.

1.8. ICP and NSP Data

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
NPOW	BRB0331	BREAM BAY			ALLGXPSNPOWG	G	1/05/08	5306
NPOW	MPE1101	MAUNGATAPERRE			ALLGXPSNPOWG	G	1/04/13	43861
NPOW	MTO0331	MAUNGATUROTO			ALLGXPSNPOWG	G	1/05/08	10352

Northpower provided the LIS file dated 21 February 2020, the total number of ICPs was 67382.

Status	Number of ICPs (2020)	Number of ICPs (2019)	Number of ICPs (2017)
New (999,0)	4	8	7
Ready (0,0)	109	146	112
Active (2,0)	59,519	58,704	57,438
Distributor (888,0)	9	9	9
Inactive – new connection in progress (1,12)	57	103	119
Inactive – electrically disconnected vacant property (1,4)	1104	1020	1,069
Inactive – electrically disconnected remotely by AMI meter (1,7)	138	114	103
Inactive – electrically disconnected at pole fuse (1,8)	21	9	5

Inactive – electrically disconnected due to meter disconnected (1,9)	19	8	5
Inactive – electrically disconnected at meter box fuse (1,10)	4	4	0
Inactive – electrically disconnected at meter box switch (1,11)	3	2	0
Inactive – electrically disconnected ready for decommissioning (1,6)	56	59	70
Inactive – reconciled elsewhere (1,5)	0	0	0
Decommissioned (3)	6339	6,174	5,890

1.9. Authorisation Received

Northpower provided a letter of authorisation to the auditor permitting the collection of data from other parties for matters directly related to the audit.

1.10. Scope of Audit

The audit covers the following processes under clause 16A.23 of Part 16A, performed by Northpower, as listed below:

- a. The creation of ICP identifiers for ICPs
- b. The provision of ICP information to the registry and the maintenance of that information
- c. The creation and maintenance of loss factors

The audit was carried out on the Northpower premises, at 28 Mt Pleasant Rd Whangarei, on 3 - 4 March 2020. We have followed the Guidelines for Distributor Audits version 7.0, published by the Authority, as at the report date.

1.11. Summary of previous audit

The previous audit was conducted in 19/04/2018 by Ewa Glowacka of TEG & Associates.

Subject	Section	Clause	Non Compliance	Comment
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2a) of Schedule 11.1	Two ICPs did not have Initial Electrical Connection Date recorded in the registry	Still exists
Connection of ICP that is not an NSP	3.6	11.17	New ICPs are connected without a request from a trader	Still exists

Changes to registry information	4.1	8 of Schedule 11.1	19% of updates to the registry later than 3BD.	Still exists Increased
Electrically disconnection an ICP	4.5	3 of Schedule 11.1	1 ICP cannot be easily disconnected because of access issue to a main switch; the problem was created during splitting a motel into separate holiday units	Cleared
Distributor to provide ICP information to the registry manager	4.6	7(1) of Schedule 11.1	3 ICPs had incorrect data in the registry	Still exists
Management of "ready" status	4.9	14 of Schedule 11.1	Incorrectly assigned status "ready"; No confirmation from a trader accepting responsibility is received for the ICP before the "ready" status is assigned	Still exists

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

A check of the Audit Compliance Summary Report for the audit period, the LIS, EDA and PR255 files 21 February 2020. Gentrack and Salesforce CRM were also reviewed and where relevant checked against registry records. We discussed with Northpower what processes were in place to ensure accurate information was provided to the registry.

Audit commentary

Northpower staff diligently verify the accuracy of the information recorded in Gentrack and that it matched the registry information. Despite the efforts to maintain accurate information Northpower are reliant on timely information from third parties and data entry is largely manual, so errors are understandable from time to time. The considerable exception reporting processes are outlined in section 2.2.

The relatively small number of information inaccuracies identified during the audit are noted below:

Section	Registry Discrepancy
3.5	<ul style="list-style-type: none">8 New ICP connections had the IECD (Initial Electrical Connection) uploaded to the registry more than 10 days after the event date.1 ICP had no IECD (Initial Electrical Connection) populated in the registry.
3.6	<ul style="list-style-type: none">10% of new ICP connection sample had no retailer acceptance of responsibility for ICP in registry
3.7	<ul style="list-style-type: none">35% of new ICP connection sample had no retailer request to connect ICPs recorded by Northpower
4.1	<ul style="list-style-type: none">19% of registry information updates were greater than 3 business days from the event date.
4.4	<ul style="list-style-type: none">2 ICPs with duplicate addresses (corrected during audit).
4.6	<p>Incorrect or missing information in the registry for:</p> <ul style="list-style-type: none">ICP addressesDistributed generationIECD Initial Electrical Connection Date

4.9	<ul style="list-style-type: none"> ICP registry status was made "Ready" prior to retailer acceptance/confirmation of responsibility being received by Northpower.
-----	--

During the audit Northpower was introduced to the Audit Compliance report. It was suggested that Northpower make use of this report to compliment the exception reporting already in place.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: Clause 7(2A) of Schedule 11.1 From: 21-Feb-19 To: 20-Feb-20	Relatively low number of information inaccuracies identified during the audit Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong because during the audit evidence was produced showing considerable steps taken to achieve accuracy, exception reporting in place and correction of any errors discovered. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Refer comments in the 7 individual sections where non-compliances were reported by the auditor (3.5, 3.6, 3.7, 4.1, 4.4, 4.6, and 4.9)		31/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Refer comments in the 7 individual sections where non-compliances were reported by the auditor (3.5, 3.6, 3.7, 4.1, 4.4, 4.6, and 4.9).		31/10/2020	

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

A check of the Audit Compliance Summary Report for the audit period, the LIS, EDA and PR255 files 21 February 2020. Gentrack and Salesforce CRM were also reviewed and where relevant checked against registry records. We discussed with Northpower what processes were in place to identify information discrepancies in their systems and the registry, and the methods to correct that data as soon as practicable.

Audit commentary

Northpower aim to maintain accurate registry information and alignment with Gentrack and a significant amount of effort was evident with routine exception reporting. Discrepancies were investigated and addressed quickly including those discovered during the audit. Registry files are checked and discrepancies addressed daily, for example the NMR files are checked to identify and validate IECD dates.

Northpower staff have also developed a number of their own exception and validation reports such as:

- Identify new/ready status greater than 24 months
- IECD but not active
- IECD date vs meter install date
- IECD missing
- ICPs decommissioned in registry by retailers
- Active ICP with incorrect NSP
- Incorrect price codes
- Blank address/GPS fields
- Registry status ready Gentrack status energised

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 LIS and EDA reports 21 February 2020 were checked for the audit period and new connections process discussed with Northpower staff. A random sample of 20 new ICP connection records was also checked.

Audit commentary

913 new ICPs were created during the audit period.

We verified that new ICP connection information is captured in Gentrack and that data matched that in the registry.

Audit outcome

Compliant

3.2. 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 Audit Compliance Report, LIS report 21 February 2020 and EDA report were checked for the audit period and new connections process discussed with Northpower staff. A random sample of 20 new ICP connection records was also checked.

Audit commentary

Customers or their agents apply directly to Northpower for a new connection to the network. Application details and connection attributes are recorded in Gentrack/Salesforce. Once the application is approved and the customer has paid the network **capacity** charge (if applicable), Northpower will populate the ICP in the registry with a status of new.

Northpower create ICPs in Gentrack. A file is generated containing the ICP with supporting information such as proposed retailer, NSP, address, installation type, loss factor code and reconciliation type. The file is uploaded to the registry overnight with a status of new and does not include a price category. The next business day Northpower uploads a holding price

category code of NEWICP and the registry changes the ICP status to Ready. At IECD the price code is updated to an appropriate price category code for the ICP based on the ICP type and the metering installed.

A sample of 20 new ICP connections demonstrated they were compliant with the documented new connection process and code requirements.

Audit outcome

Compliant

3.3. 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 connections process was discussed with Northpower staff.

Audit commentary

Customers or their agents apply directly to Northpower for a new ICP connection to the network.

Participants do not apply for or request ICPs on the Northpower Network. This clause is not applicable to Northpower.

Audit outcome

Not applicable

3.4. 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 Audit Compliance Report for the audit period, LIS report and EDA reports 21 February 2020 were checked for the audit period and new connections process discussed with Northpower staff and a randomly selected sample of 20 new ICP connections was reviewed.

Audit commentary

Customers or their agents apply directly to Northpower for a new connection to the network. Network connection and application details are recorded in Salesforce and Gentrack and a

network capacity/GIS check completed. Once the application is approved and the customer/agent have paid the network capacity charge (if applicable) (or deposit where works need to be completed by Northpower Contracting to enable the connection), Northpower will create the ICP in Gentrack. A file is generated containing the ICP with supporting information such as proposed retailer, NSP, installation type, and reconciliation type. The file is uploaded to the registry overnight with a status of new and does not include a price category. The next business day Northpower uploads a holding price category code of NEWICP and the registry changes the ICP status to Ready.

A sample of 20 new ICP connections demonstrated they were compliant with the documented new connection process and code requirements.

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 Audit Compliance Report for the audit period, and LIS and EDA reports 21 February 2020 were checked. The new ICP connection process discussed with Northpower staff. In addition, 20 randomly selected new ICP connections were checked.

Audit commentary

There were 988 initial electrical connections made to the network during the audit period.

1 ICP had no IECD populated in the registry and was corrected during the audit 55 days late.

8 ICPs had the IECD uploaded into the registry greater than 10 days after the actual event date.

ICP	Initial Electrically Connected Date	Network Event input date	Business Days
0000571516NR8BF	19/12/2019	14/01/2020	14
0000571448NRA28	19/12/2019	14/01/2020	14
0000570832NR048	09/05/2019	29/05/2019	14

0000570809NR964	07/05/2019	27/05/2019	14
0000570879NRC39	01/05/2019	20/05/2019	13
0000569665NR7C0	17/08/2018	14/05/2019	182
0000570820NRA60	09/04/2019	06/05/2019	16
0000570718NR083	08/04/2019	01/05/2019	14

Since 1 April 2019 Northpower (via Northpower Contracting) ceased to offer a service to initially electrically connect ICPs to the network or install metering. Northpower approved several third party contractors to carry out new ICP connection work on the network. The contractors are engaged by retailers to carry out initial electrical connection for new ICPs once Northpower has completed its new connection application process, and approved and authorised the ICP for connection to the network. Typically the retailer instructs the approved contractor to inspect, install metering and initially electrically connect the ICP during the same site visit. From the 1 April 2019 change new ICP connection and metering information has been returned directly to Northpower by the third party contractor. This has created delays in Northpower receiving the required information to populate the registry. This appears to have contributed to the increase in late IECD registry information population and consequent non-compliance for these ICPs. ICP 0000569665NR7C0 had the IECD amended on 14/05/2019 to correct a previous error.

To help mitigate the late receipt of new connections Northpower use registry files such as the NMR to identify IECD dates also a number of exception reports have been developed to query Northpower information systems in order to reduce the impact of late information.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 3.5</p> <p>With:</p> <p>Clause 7(2A) of Schedule 11.1</p> <p>From: 21-Feb-19</p> <p>To: 20-Feb-20</p>	<p>8 New ICP connections had the IECD uploaded to the registry more than 10 days after the event date. 1 ICP had no IECD populated in the registry.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are recorded as moderate because Northpower has well documented processes, information recording and exception reporting. The main issue appears to be the bedding in of a new process following a change to the new connection process. No impact on settlement outcomes. Audit risk rating low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Network Approved Contractors operate on the network under an agreement ("NACA") which requires them to provide information within certain timeframes, to ensure that Northpower can comply with its Code obligations.</p> <p>Northpower will raise the instances identified by the Audit with the Network Approved Contractors concerned as potential breaches of their NACA, and work with them to ensure they comply with the NACA going forward.</p>		30/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Northpower will remind all Network Approved Contractors of the timeframe requirements under their NACA agreements, and provide context that this is necessary to ensure that Northpower can comply with its Code obligations.</p> <p>Northpower will continue to reconcile its data against the Registry supplied NMR files to identify missing information for us to update the Network and Pricing events, where the information is not provided to us directly by the trader or contractor.</p>		30/10/2020	

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 Audit Compliance Report for the audit period, Gentrack records and LIS and EDA reports 21 February 2020 were checked and the new connection process was reviewed and discussed with Northpower staff. In addition 20 randomly selected new ICP connections were checked.

Audit commentary

Customers or their agents apply directly to Northpower for a new connection to the network. Network connection and application details are recorded in Salesforce and a network capacity/GIS check completed. Once the application is approved and the customer/agent have paid the network capacity charge (if applicable) (or deposit where works need to be completed by Northpower Contracting to enable the connection) Northpower will create the ICP in Gentrack which automatically updates the registry with a status of new. The ICP is supplied to the customer/agent and an email sent to notify the proposed retailer with the ICP details and authorisation to connect. The following business day Northpower enters a special holding price category code NEWICP and the registry changes the ICP status to ready.

Following the ICP registry change to ready status retailers advise their acceptance (and authorisation to connect) of an ICP by sending an email to the Northpower retailer service email inbox, this detail is recorded in Salesforce. The single price category code is updated to reflect the actual installation configuration at the initial electrical connection.

Since 1 April 2019 Northpower (via Northpower Contracting) ceased to offer a service to initially electrically connect ICPs to the network, install metering or carry out ICP electrical connection and disconnection work. Northpower approved several third party contractors to carry out new ICP connection work on the network. The contractors are engaged by retailers to carry out initial electrical connection for new ICPs once Northpower has completed its new connection application process, and approved and authorised the ICP for connection to the network. Typically the retailer instructs the approved contractor to inspect, install metering and initially electrically connect the ICP during the same site visit. The ICP is usually initially electrically connected as a builders temporary supply and later modified to be the permanent connection using the same ICP.

The process is well documented.

The table below is a summary of the sample analysis. It finds that 10% of the sample (of 20 new ICP connections) had no evidence of retailer taking responsibility for the ICP of the ICP recorded or authorisation to connect. It is expected that this sample is representative of the Northpower new ICP's connected (988) during the audit period.

Missing Retailer Acceptance of responsibility for ICP from Sample Analysis

ICP	Retailer Notified	Registry Status ready	Retailer ICP Acceptance/responsibility	Comment
0000570998NR3C2	23/05/2019	23/05/2019	Nil records	No record of retailer acceptance/responsibility for ICP evident
0000571046NR5B2	13/06/2019	14/06/2019	Nil records	No record of retailer acceptance/responsibility for ICP evident

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.6 With: Clause 11.17 From: 21-Feb-19 To: 20-Feb-20	10% of New ICP connections sampled had no retailer acceptance of responsibility recorded by Northpower. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because Northpower has well documented processes, information recording and exception reporting. The issue appears to be the bedding in of a new process following change to the new connection process. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Northpower will approach all retailers on the network for a blanket retailer acceptance and approval to live in. Where an ICP has nominated a retailer for whom we do not have a blanket acceptance and approval, the Customer Service team will request the retailer's acceptance of the connection via email. The connection will not be moved to "Ready" in the registry until this is received.		30/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
See above		30/10/2020	

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 Audit Compliance Summary Report for the audit period and Gentrack records were checked. The new connection process was discussed with Northpower staff along with a review of a randomly selected sample of 20 new ICP connections.

Audit commentary

Since 1 April 2019 Northpower (via Northpower Contracting) ceased to offer a service to initially electrically connect ICPs to the network, install metering or carry out ICP electrical connection and disconnection work. This change means that Northpower no longer receives a service request to carry out connection work.

Northpower now provides an authorisation to the retailer and their Network approved contractor to connect the ICP to the network and in return receives an email from the retailer accepting/authorising (this email is accepted by Northpower as the authorisation to also connect) the ICP connection.

Northpower's Salesforce system captures the approval to connect provided to the retailer and its contractor by Northpower, as well as the email from the retailer accepting/authorising the ICP connection. Salesforce also has visibility of the initial electrical connection scheduling and workflow tracking of an ICP connection.

The table below is an analysis summary of the sample of 20 (2%) new ICP connections. It finds that 35% of the sample does not comply with the code requirements because there was no evidence recorded of the retailer authorising or requesting the ICP to be connected. Whilst the registry status of Inactive –New connection in progress may be considered retailer acceptance of responsibility, it does not appear to be a request or authorisation to connect in this case. It is expected that this sample is representative of the Northpower new ICP's connected during the audit period.

Retailer Request for ICP Connection Sample Analysis

ICP	Retailer Notified	Registry Status ready	Retailer ICP Acceptance/Authorisation to Connect	Comment
0000570998NR3C2	23/05/2019	23/05/2019	Nil records	Ready status with no retailer acceptance of ICP or authorisation/request to connect ICP evident
0000571046NR5B2	13/06/2019	14/06/2019	Nil records	Ready status with no retailer acceptance of ICP or authorisation/request to connect ICP evident
0000571052NRE15	13/06/2019	14/06/2019	<ul style="list-style-type: none"> Reg set to 1,12 GENE 20/06/2019 	Ready status with no retailer authorisation/request to connect ICP evident
0000571062NR9ED	Nil Records	19/06/19	<ul style="list-style-type: none"> Reg set to 1,12 GENE 19/06/2019 	Ready status with no retailer authorisation/request to connect ICP evident

0000571064NR862	18/06/2019	19/06/2019	<ul style="list-style-type: none"> Reg set to 1,12 GENE 21/06/2019 	Ready status with no retailer authorisation/request to connect ICP evident
0000571066NR8E7	19/06/2019	20/06/2019	<ul style="list-style-type: none"> Reg set to 1,12 TRUS 20/06/2019 	Ready status with no retailer authorisation/request to connect ICP evident
0000571069NR739	21/06/2019	24/06/2019	<ul style="list-style-type: none"> Reg set to 1,12 GENE 25/06/2019 	Ready status with no retailer authorisation/request to connect ICP evident

It is suggested that Northpower look for a resolution to this ongoing situation. For example by seeking blanket acceptance arrangements with retailers or investigating with retailers the use of B2B processes such as the registry setting “Inactive – New connection in progress” in a timely way that meets code requirements.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.7 With: Clause 10.31 From: 21-Feb-19 To: 20-Feb-20	For a number of ICPs there is no retailer authorisation or request to connect recorded by Northpower. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because Northpower has well documented processes, information recording and exception reporting. The issue appears to be the bedding in of a new process following change to the new connection process. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Northpower will approach all retailers on the network for a blanket retailer acceptance and approval to liven. Where an ICP has nominated a retailer for whom we do not have a blanket acceptance and approval, the Customer Service team will request the retailer's approval to liven. Northpower will not provide the retailer with approval to connect until the approval to liven is received from the retailer.		30/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
See above		30/10/2020	

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

This was discussed with Northpower staff.

Audit commentary

Northpower has not been asked to temporarily electrically connect any installation.

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

A check of the NSP table in the registry shows that Northpower did not have any NSP on its network that was not a point of connection to the grid during the audit period

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

A check of the NSP table in the registry confirmed Northpower did not have any NSP on its network that is not a point of connection to the grid during this audit period.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

A check of the Audit Compliance Summary Report for the audit period, the LIS file 21 February 2020 and Gentrack, also the new connection process was discussed with Northpower staff. 20 randomly selected new ICP connections were checked.

Audit commentary

Gentrack creates only Northpower ICPs using the unique distributor code NR, a sequential number and a check sum. The check sum is generated by the Electricity Authority approved algorithm.

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

The Audit Compliance Summary Report for the audit period and the LIS file 21 February 2020 were reviewed. The new connection process was also discussed with Northpower staff. In addition, 20 randomly selected new ICP connections were checked.

Audit commentary

All ICPs have a single loss category assigned.

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 Audit Compliance Summary Report for the audit period and the LIS file 21 February 2020 reviewed. The new connection process was also discussed with Northpower staff. In addition, 20 randomly selected new ICP connections were checked.

Audit commentary

Customers or their agents apply directly to Northpower for a new connection to the network. Network connection and application details are recorded in Salesforce and a network capacity/GIS check completed. Once the application is approved and the customer/agent have paid the network capacity charge (if applicable) (or deposit where works need to be completed by Northpower Contracting to enable the connection) Northpower will create the ICP in Gentrack which will automatically create the new ICP in the registry with a status of new. The ICP is supplied to the customer/agent and an email sent to notify the proposed retailer with the ICP details.

A sample of 20 new ICP connections demonstrated they were compliant with the documented new connection process and code requirements.

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

The Audit Compliance Summary Report for the audit period and the LIS file 21 February 2020 were checked.

Audit commentary

3 ICPs were identified with a registry status of ready for greater than 24 months. They were also identified in the last audit they are:

0000566856NR393 created 27/10/2015

0000567868NR650 created 15/09/2016

0000567946NR19A created 30/09/2016

Northpower monitors ICPs with the status of “new” and “ready” using an exception report and follows up with the retailer on a monthly basis. Northpower asks the trader to confirm their customer’s intentions such as decommission – setup in error or leave the ICP with a status of “ready”

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:*
 - *the unique loss category code assigned to the ICP*
 - *the ICP identifier of the ICP*
 - *the NSP identifier of the NSP to which the ICP is connected*
 - *the plant name of the embedded generating station.*

Audit observation

We checked the LIS file 21 February 2020.

Audit commentary

Northpower has 2 large embedded generation stations. ICP 0000100001NR87B has a capacity of 5MW hydro station and is assigned a loss category code of G1. ICP 0000100002NR4BB is a 10 MW diesel “peaking plant” generator and has a loss category code of G2.

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 Audit Compliance Summary Report for the audit period and the LIS file 21 February 2020 was reviewed. The new connection process was also discussed with Northpower staff. In addition, 20 randomly selected new ICP connections were checked

Audit commentary

Since 1 April 2019 Northpower (via Northpower Contracting) ceased to offer a service to initially electrically connect ICPs to the network, install metering or carry out ICP electrical connection and disconnection work. Northpower approved several third party contractors to carry out new ICP connection work on the network. The contractors are engaged by retailers to carry out initial electrical connection for new ICPs once Northpower has completed its new connection application process, and approved and authorised the ICP for connection to the network. Typically the retailer instructs the approved contractor to inspect, install metering and initially electrically connect the ICP during the same site visit.

Northpowers Salesforce system captures the approval to connect provided to the retailer and contractor by Northpower as well as the email from the retailer accepting/authorising the ICP connection. IECD/metering information is returned to Northpower either via Salesforce, email or the registry NMR file depending on the contractor used by the retailer. Pertinent network and registry information is also uploaded into Gentrack from which the registry is updated daily.

The 20 new ICP samples demonstrated they followed the new connections process including the receipt and record of the retailer authorisation to electrically connect new ICP connections.

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 Audit Compliance Summary Report for the audit period, the LIS and EDA files 21 February 2020 were analysed along with examination of the registry and discussion with Northpower.

Activity	Total number of updates		No of updates later than 3BD		Date range of updates [BD]	
	2020	2019	2020	2019	2020	2019
Address	3,525	5,712	596 (16.92%)	312 (5.46%)	Up to 3002	Up to 1059
Network	2,064	3,346	416 (20.16%)	185 (5.5%)	Up to 193	Up to 1340
Pricing	2,882	4,560	544 (18.88%)	235 (5.17%)	Up to 5289	Up to 787
Status (3)	142	180	132 (92.96%)	146 (81.1%)	Up to 1438	Up to 540

Audit commentary

Northpowers intent is to achieve the 3 business day notification code requirement, unfortunately this is not always possible for a number of reasons resulting in non-compliance. For example late notifications or backdated data requests from retailers and third party contractors (such as metering, new connection, distributed generation) result in late registry updates. Requests from retailers for backdates for addresses (BTS to permanent is common), pricing and decommissions. To mitigate these issues Northpower checks registry NOT and NMR files regularly along with a range of Gentrack and Salesforce exception reports.

The number of updates later than 3 business days increased across all registry activity types during this audit period. Further investigation found the following;

Address: an address data cleansing project (part of a privacy information clean up requested by the Electricity Authority) ran through the audit period. This may have contributed to this result.

Pricing: the volume of pricing updates is largely driven by the new connections process. Each new ICP changes price category code up to 3 times between the registry status of new to its final "active" status. For example a typical new ICP connection will follow the following sequence - at ready the price category code is NEWICP, at IECD (and builders temporary supply BTS) ND12, and permanent connection DM1. Late retailer (by its contractor) notification of IECD and change from BTS to permanent connection contribute to late updates. The remaining pricing updates were typically retailer requested that also include backdate requests.

Network: 181 registry updates were distributed generation information, the remainder were related to new ICP connections. A change on 1 April 2019 to using third party contractors engaged by retailers to carry out initial electrical connection for new connection ICPs and installation of distributed generation metering may have contributed to the majority increase in updates later than 3 business days.

Status (3): 45 ICPs were decommissioned due to ICP set up in error, 10 were ICP amalgamations and 87 were complete removal from the network. 0000511425NR8DB at 1438 days was a long standing decommission that Northpower managed to obtain a response from the retailer to complete the registry update.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.1</p> <p>With:</p> <p>8 of Schedule 11.1</p> <p>From: 21-Feb-19</p> <p>To: 20-Feb-20</p>	<p>19% of registry information updates were greater than 3 business days from the event date.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are recorded as moderate as exception reporting and follow up is evident. Unfortunately efforts made to correct and maintain registry information can result in updates over 3 days and consequent non-compliance. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

<p>Most of the Network and Pricing events that are updated to the Registry beyond the Code required 3 business days are due to late or no notification by the traders or their contractors.</p> <p>Where Northpower receives no notification of ICP changes, including the installation of generation, from the trader or the trader's contractor, our only option is to use the NMR files provided by the Registry as the source data for changes to the Network and Pricing events.</p> <p>Northpower enters the data backdated to the correct date (even at the risk of breach) to ensure the Registry is populated with correct information, rather than enter it as at the date it is provided to us.</p> <p>In addition:</p> <ol style="list-style-type: none"> 1. Northpower will correct any data errors discovered in the Registry and this often requires existing historical Registry entries to be replaced. 2. Decommissioning of ICPs cannot be completed in the Registry until any subsequent Registry events are removed by any or all of Northpower, the trader, and the MEP. The trader also must move the Registry status to Inactive Ready for Decommissioning. Unfortunately, this process can take some weeks and several emails before these Registry changes are made by a trader or MEP. <p>Whilst not all ICP changes require a Network Approved Contractor, Northpower will remind all Network Approved Contractors of the timeframe requirements under their NACA agreements, and provide context that this is necessary to ensure that Northpower can comply with its Code obligations.</p>	<p>Not applicable</p> <p>30/10/2020</p>	<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	

Wherever possible Northpower is endeavouring to update the Registry within the timeframe required by the Code, however as contractors are now usually contracted by the trader, they do not always provide the information to Northpower in a timely manner to enable Code updates within the required timeframe.	Not applicable	
Whilst not all ICP changes require a Network Approved Contractor, Northpower will remind all Network Approved Contractors of the timeframe requirements under their NACA agreements, and provide context that this is necessary to ensure that Northpower can comply with its Code obligations.	30/10/2020	
A note that Gentrack will often send an older backdated entry to the Registry, usually related to the Part 10 go-live period, when data for an ICP is changed that affects the Registry. We have introduced daily checks to capture, then reverse, these old entries. Unfortunately this will mean both the initial update and the reversal are effectively backdated beyond 3 working days.	Not applicable	

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

A check of the Audit Compliance Summary Report for the audit period and the LIS file for 05 November 2019 and discussions with Northpower staff.

Audit commentary

No incorrect NSP assignments to ICPs in the registry were identified.

The Audit Compliance Summary Report for the audit period did show 7 ICPs with incorrect NSPs assigned in the registry. Further investigation with Northpower staff confirmed the NSP assignments were correct.

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

Customer service processes was discussed with Northpower.

Audit commentary

Queries are received typically by phone or email service request. Phone queries about ICPs are usually dealt with immediately. Emails are usually responded to on the same day. Customer staff have access to Northpower information systems such as Gentrack, Salesforce and GIS for example so they are able to answer most queries before needing to escalate.

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 Audit Compliance Summary Report for the audit period and the LIS file 21 February 2020 were checked.

Audit commentary

2 ICPs 0000536454NRC6E and 0000553911NR3F4 with duplicate addresses (corrected during audit).

Northpower has been putting some effort into identifying and correcting addresses in the registry during the audit period. To ensure correct addresses at ICP creation the location of each proposed connection is checked in the Northpower GIS system to confirm its exact location and street number.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.4 With: Clause 2 of Schedule 11.1 From: 21-Feb-19 To: 20-Feb-20	2 ICPs with duplicate addresses (corrected during audit). Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong because during the audit evidence was produced showing considerable steps taken to achieve accuracy, exception reporting in place and correction of any errors discovered. Minor impact on settlement outcomes. Audit risk rating recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
ICP's without mail service (sheds and pumps) and some urban installations such as multi tenanted buildings do not have meaningful unique address information that can be accommodated in the prescribed fields in the Registry. Wherever possible we are endeavouring to make sure that the physical location address is both unique and descriptive of the ICP's physical location. When identified the two ICPs raised by the auditor (an urban building split into multi tenancies) were researched and changes made to the address data so that both ICPs had unique address data.		Not applicable	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
During our physical location address update process we continually look for ICPs with insufficient or duplicate address data so these can be investigated and corrected where possible. The new Audit Compliance spreadsheet available from the Registry will help with this process by providing an additional method for identifying these ICPs.		Not applicable	

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 new connections process was discussed with Northpower. Attention was drawn to the previous audit report and the issue of a difficult to access central supply that controls 4 downstream ICPs.

Audit commentary

Northpower arranged access to the central supply in June 2019 to change metering to advanced metering, which wasn't successful due to an asbestos meter board being present. Northpower have established that due to network design requirements, metering design requirements and regulation each of the ICPs has a discrete isolation point thus meet the code requirements. The on-going issue is access to the central supply to maintain the metering and provide retailer services such as disconnection and reconnection.

This was non-compliant in the last audit.

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

A check of The Audit Compliance Summary Report for the audit period, the LIS, EDA and PR255 files dated 21 February 2020. ICP information processes were also discussed with Northpower staff.

Audit commentary

The following non-compliances:

1 ICP 0000543226NR229 was reported in the Audit Compliance Summary Report as having a trader generation profile. This ICP, in Northpower's records (and the registry), had the incorrect installation type, no generation capacity and no fuel type.

Initial Electrical Connection Date (IECD), the number of new ICPs connected during this audit period was 988 with 1 (0.1 % of new ICP connections) was not recorded in the registry. It was corrected at audit.

Considerable effort and diligence were put into the input of correct ICP information and error checking, resulting in relatively low levels of non-compliance in this area during the audit period. For example Registry NOT and NMR files are checked daily to confirm IECD dates, monthly run discrepancy reports identify ICPs not set to "active" in the registry despite being initially electrically connected.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.6 With: 7(1)(m)(o)(p) of Schedule 11.1 From: 21-Feb-19 To: 20-Feb-20	Incorrect or missing information in the registry for ICP addresses, distributed generation and Initial Electrical Connection Date Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because during the audit evidence was produced showing exception reporting in place and correction of any errors discovered. Minor impact on settlement outcomes. Audit risk rating recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The two cases identified in the Audit Compliance Summary Report during the audit were investigated:- <ol style="list-style-type: none"> 1. ICP 0000543226NR229 was not recorded in Gentrack as having generation as Northpower has never been advised that generation has been installed at this ICP. An application for distributed generation had been received by Northpower but no further information had been received at the date of the audit. We will schedule a site visit to confirm whether there is generation installed at this ICP. 2. The missing Initial Energisation Date had been updated in Gentrack however the update to the Registry was rejected with an error code in the Acknowledgement file. Unfortunately this error code entry was missed during the daily investigation and clearance of the Acknowledgement file errors. As noted in the audit report commentary this missing date was updated when discovered during the audit. 		30/06/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

<p>A regular review of the Audit Compliance Summary Report will be added to our existing Registry reconciliation and discrepancy reporting processes to help identify cases where information is either missing or does not match between the Registry and Northpower's records.</p> <p>We will continue to use the NMR (Metering Notification) files returned by the Registry to identify events not advised to us by traders on the network.</p>	31/10/2020	
--	------------	--

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 new connections process was reviewed and discussed with Northpower. The audit compliance summary pricing update sheet (new ICP) and the registry were checked along with Northpower Gentrack. 20 randomly selected new connection ICPs from the audit period were also checked.

Audit commentary

Northpower assigns the actual price category code to the ICP according to the installation metering configuration at the initial electrical connection date. The living contractors return ICP metering configuration information following the physical network connection. Northpower staff validate the information, populate Gentrack with all relevant information including the price category code. The information is automatically uploaded to the registry from Gentrack daily. The original documentation is stored in the document management system.

The audit compliance summary identified no discrepancies and the analysis of the sample of new ICP connections all met code requirements.

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 of 21/02/2020 was checked and this was also discussed with Northpower

Audit commentary

Northpower recorded GPS coordinates meet the NZTM2000 standard. GPS coordinates are populated from information recorded at IECD and made active, so ICPs new or ready status do not have GPS information recorded. Exception reporting is in place to check the ICPs are in the Northpower area and to confirm GPS coordinates have been recorded.

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 new connection process was discussed with Northpower and LIS and EDA files dated 21 February 2020 were examined along with Gentrack, Salesforce CRM and Registry records. 20 randomly selected new connection ICPs from the audit period were checked.

Audit commentary

Customers or their agents apply directly to Northpower for a new connection to the network. Network connection and application details are recorded in Salesforce and a network capacity/GIS check completed. Once the application is approved and the customer/agent have

paid the network capacity charge (if applicable) (or deposit where works need to be completed by Northpower Contracting to enable the connection) Northpower will create the ICP in Gentrack which automatically updates the registry with a status of “new”. The ICP is supplied to the customer/agent and an email sent to notify the proposed retailer with the ICP details. The following business day Northpower enters a special holding price category code NEWICP and the registry changes the ICP status to “ready”. Retailers advise their acceptance of an ICP by sending an email to the Northpower retailer service email inbox, this detail is recorded in Salesforce. The single price category code is updated to reflect the actual installation configuration after the initial electrical connection. The ICP is usually initially connected as a builders temporary supply and later modified to be the permanent connection using the same ICP. The process is well documented.

The table below is a summary of the sample analysis. It finds that 75% of the sample does not comply with the code requirements because the ICP is given the “ready” status in the registry before the retailer/trader has taken responsibility for the ICP. 10% of the sample had no evidence of retailer acceptance of responsibility for the ICP or authorisation to connect the ICP recorded. 35% of the sample had no evidence recorded of the retailer authorising or requesting the ICP to be connected. Whilst the registry status of “Inactive –New connection in progress” may be considered retailer acceptance of responsibility. It is expected that this sample is representative of the Northpower new ICP’s connected during the audit period.

Registry ready status vs Retailer Acceptance Sample (Reg 1,2 = Inactive – New connection in progress)

ICP	Retailer Notified	Registry Status “ready”	Retailer ICP Acceptance	Comment	Compliant
0000569386NR4BF	28/5/2019	05/12/2017	28/5/2019 - email • Reg set to 1,12 MERI 28/5/2019	ready status prior to retailer acceptance of ICP	N
0000570095NR590	12/7/2018	27/07/2018	10/8/2018 – email • Reg set to 1,12 GENE 31/7/2019	ready status prior to retailer acceptance of ICP	N
0000570677NR9A9	21/06/2019	01/02/2019	25/06/2019 – email MEEN	ready status prior to retailer acceptance of ICP	N
0000570985NR634	13/05/2019	16/05/2019	16/05/2019 – email MEEN		Y
0000570998NR3C2	23/05/2019	23/05/2019	Nil records	ready status with no retailer acceptance of ICP evident	N
0000571040NR43D	11/06/2019	12/06/2019	Reg set to 1,12 TRUS 12/06/2019 • 13/06/2019 – email TRUS	ready status prior to retailer acceptance of ICP	N
0000571046NR5B2	13/06/2019	14/06/2019	Nil records	Ready status with no retailer acceptance of ICP evident	N
0000571052NRE15	13/06/2019	14/06/2019	• Reg set to 1,12 GENE 20/06/2019	ready status with no retailer acceptance of ICP evident	N

0000571053NR250	13/06/2019	14/06/2019	Reg set to 1,12 PSNZ 14/06/2019 • 18/06/2019 – email PSNZ	ready status prior to retailer acceptance of ICP	N
0000571054NRF9A	14/06/2019	17/06/2019	17/05/2019 – email MEEN		Y
0000571055NR3DF	14/06/2019	17/06/2019	17/05/2019 – email MEEN		Y
0000571056NRF1F	14/06/2019	17/06/2019	17/05/2019 – email MEEN		Y
0000571062NR9ED	Nil Records	19/06/19	• Reg set to 1,12 GENE 19/06/2019	ready status with no retailer acceptance of ICP evident	N
0000571064NR862	18/06/2019	19/06/2019	• Reg set to 1,12 GENE 21/06/2019	ready status with no retailer acceptance of ICP evident	N
0000571066NR8E7	19/06/2019	20/06/2019	• Reg set to 1,12 TRUS 20/06/2019	ready status with no retailer acceptance of ICP evident	N
0000571069NR739	21/06/2019	24/06/2019	• Reg set to 1,12 GENE 25/06/2019	ready status with no retailer acceptance of ICP evident	N
0000571070NR3C5	21/06/2019	24/06/2019	24/06/2019 – email MEEN		Y
0000571071NRF80	22/06/2019	24/06/2019	02/07/2019 – email MEEN	ready status prior to retailer acceptance of ICP	N
0000571073NRF05	25/06/2019	26/06/2019	28/06/2019 – email • Reg set to 1,12 GENE 28/06/2019	ready status prior to retailer acceptance of ICP	N
0000571078NR1D1	26/6/2019	27/06/2019	• Reg set to 1,12 TRUS 27/06/2019 • 28/06/2019 – email TRUS	ready status prior to retailer acceptance of ICP	N

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.9 With: Clause 14 of Schedule 11.1 From: 21-Feb-19 To: 20-Feb-20	For a significant number of ICPs registry status was made “Ready” prior to retailer acceptance/confirmation of responsibility being received by Northpower. Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because Northpower has good processes, information recording and exception reporting, the issue is just timing. No impact on settlement outcomes. Audit risk rating low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Northpower will approach all retailers on the network for a blanket retailer acceptance and approval to liven. Where an ICP has nominated a retailer for whom we do not have a blanket acceptance and approval, the Customer Service team will request the retailer’s acceptance of the connection via email. The connection will not be moved to “Ready” in the registry until this is received.		31/10/2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
See above		31/10/2020	

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 LIS and EDA files dated 21 February 2020 were reviewed to identify shared unmetered load connected to the network. This was also discussed with Northpower staff.

Audit commentary

Northpower does not allow any new shared unmetered load to be connected on the network.

Northpower maintains information for 9 historic “distributor status” ICPs representing shared unmetered load on its network. The load descriptions are:

Shared ICP	Load Description	No of Connected load ICPs
0000557088NRDCB	Under Veranda & Security	6
0000557089NR18E	Under Veranda & Security	5
0000557079NR199	Private Streetlights	7
0000557078NRDDC	Private Lighting	6
0000557077NR202	Private Streetlights	7
0000557076NRE47	Private Streetlights	6
0000557086NRE50	Private Streetlights	6
0000557087NR215	Private Streetlights	7
0000557075NR287	Private Lighting	7
		Total 57

Analysis confirms that registry information is correctly populated.

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 Audit Compliance Summary Report for the audit period, the LIS and EDA files 21/02/20, the Audit summary report for the audit period, data from Northpower (Gentrack Velocity) and the registry were checked. The decommissioning process was also checked with Northpower along with 15 decommissioned ICPs.

Audit commentary

Customers arrange ICP permanent disconnections/ICP decommissions through their retailers who will engage a Network Approved Contractor to carry out the physical work. The Retailer dispatch a Network Approved Contractor to disconnect the customer service cables/lines from the network and remove them from the installation point on the customer's buildings. Final meter readings are taken and with all other pertinent information returned to Northpower where Gentrack is updated and the information passed on to the retailer. Once the retailer changes the registry status to "inactive - ready for decommissioning" Northpower update the registry status of the ICP to decommissioned. The exception to this process is where ICPs need to be permanently disconnected for safety reasons due to a network event such as a building fire or storm damage. In these situations authorisation to decommission will be retrospectively requested from retailers on a case by case basis having followed a similar procedure to the retailer requested process. The ICPs checked followed the established process with appropriate information recorded in Gentrack, field reports scanned (where received) and stored by ICP in the document storage system.

However it was observed there were 56 ICPs with a status of "inactive – ready for decommissioning" recorded in the registry. 39 of these have the MEP recorded as MNON indicating that meters have been removed and the retailer believes these ICPs may be decommissioned.

ICPs with a status of "inactive – ready for decommissioning"			
0000503249NR992	0000527975NR137	0000536831NR2DD	0000554280NR738
0000503574NRE33	0000528562NR33C	0000536995NR2CC	0000554295NR0DA
0000506415NR3A2	0000528681NR645	0000537028NR78C	0000554525NRD6A
0000508669NR726	0000528694NR1A7	0000537126NRD13	0000554543NR315
0000511038NR12C	0000529374NRFB8	0000543265NRC4C	0000556307NR5FC
0000514797NRECF	0000529395NR947	0000544608NR486	0000556684NR973
0000516112NR38C	0000529429NR7E9	0000545636NR145	0000556959NR465
0000517962NR77C	0000530478NR7E5	0000547351NR53A	0000557018NR22C

0000522505NRF46	0000531324NR251	0000550240NR657	0000557098NR766
0000522994NR0E8	0000531325NRE14	0000550672NRD2B	0000557180NR6DB
0000524441NR02D	0000532436NR59B	0000550700NR1F7	0000559332NR62B
0000527279NR127	0000533379NR642	0000552571NR1A8	0000559992NR43E
0000527586NR1EC	0000533680NRD01	0000553445NRFFE	0000560681NR0D0
0000527694NR8C7	0000536734NR09D	0000553754NRA15	0000560717NR7BC

It is suggested that this group of ICPs be investigated further with a view to decommissioning them in order that they are permanently removed from future switching and reconciliation processes (Clause 20(1) of Schedule 11.1)".

It was noted that these ICPs are part of a larger group recorded in Gentrack as long term disconnected and reported in previous audit reports. It was also noted that a number of these ICPs had their registry status updated to decommissioned 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 Codes table in the registry was checked and this was discussed with Northpower staff.

Audit commentary

The Price Category Code table in the registry was checked and 6 new price category codes were created in the registry during this audit period. The new price category codes were added to the Registry Price Category Table on 14 January 2020.

Northpower has announced the introduction of Time of Use (ToU) pricing for residential and small to medium business consumers effective from 1 April 2020. The new pricing is published on the Northpower website.

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 Code table held by the registry was checked during this audit and discussed with Northpower Staff.

Audit commentary

Northpower did not update any or create any new Loss Category Codes to the registry during the audit period, however changes to some loss factor codes has been signalled for a 1 June 2020 start.

The Loss Factor Code table was updated in the registry with the new Loss factors on 30 March 2020 for Loss Codes L1,L2,L3,L4,L5 and L6.

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 Factor table held by the registry was checked during this audit and discussed with Northpower Staff.

Audit commentary

Loss factors have a single value for all trading periods for a year. There are no seasonal loss factor codes for summer or winter. Northpower has not changed any loss factor codes since 2016, and they are available on the Northpower web site.

Northpower has signalled changes to some loss factor codes for a start date of 1 June 2020.

Audit outcome

Compliant

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

We checked the NSP table in the registry. During the audit period Northpower did not create a new or decommission an NSP.

Audit commentary

We confirmed by checking the NSP table in the registry that no new NSP was created and no NSP was decommissioned during the audit period.

Audit outcome

Not applicable

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

Northpower has not created a new NSP as described in the previous section during the audit period, consequently the reconciliation manager was not asked to create a unique NSP identifier.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

During the audit period Northpower did not create any new NSPs.

Audit commentary

As above Compliance was not assessed.

Audit outcome

Not applicable

6.4. We 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

During the audit period Northpower did not create any new NSPs or transfer an ICP to an NSP that is a point of connection between a network and an embedded network owned by the distributor.

Audit commentary

During the audit period Northpower did not become the owner of embedded network.

Audit outcome

Not applicable

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

We examined the NSP mapping table in the registry.

Audit commentary

Northpower has one balancing area (ALLGXPSNPOWG) according to the NSP mapping table in the registry. There were no changes to balancing areas.

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

During this audit period Northpower did not transfer any ICPs that became an NSP for an embedded network.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

During this audit period Northpower did not transfer any ICPs.

Audit commentary

As above

Audit outcome

Not applicable

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

During this audit period Northpower did not have any NSPs which they are responsible for that are not connections to the grid.

Audit commentary

This clause is not applicable to Northpower. Compliance was not assessed.

Audit outcome

Not applicable

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 data 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

During this audit period Northpower did not have or create any NSPs which they are responsible for that are not connections to the grid.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

During this audit period, Northpower did not acquire all or part of a new network.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Northpower does not have any and is not responsible for any embedded networks.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Northpower did not establish any embedded networks during this audit period.

Audit commentary

This clause is not applicable. 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

Northpower did not establish any embedded networks during this audit period.

Audit commentary

This clause is not applicable. 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 LIS and EDA files 21 February 2020 were reviewed to identify shared unmetered load connected to the network. This was also discussed with Northpower staff.

Audit commentary

Northpower does not allow any new shared unmetered load to be connected on the network. Northpower has 9 historic “distributor status” ICPs representing shared unmetered load on its network that it maintains information for. The load descriptions are:

Shared ICP	Load Description	No of Connected load ICPs
0000557088NRDCB	Under Veranda & Security	6
0000557089NR18E	Under Veranda & Security	5
0000557079NR199	Private Streetlights	7
0000557078NRDDC	Private Lighting	6
0000557077NR202	Private Streetlights	7
0000557076NRE47	Private Streetlights	6
0000557086NRE50	Private Streetlights	6
0000557087NR215	Private Streetlights	7
0000557075NR287	Private Lighting	7
		Total 57

When the opportunity arises Northpower policy is to move the shared unmetered load ICPs to existing metered ICPs or create new ICPs as appropriate.

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

We checked the registry, LIS and EDA files 21 February 2020.

Audit commentary

There were no new shared unmetered load connected during the audit period and no changes made to the existing shared unmetered load information in the registry.

Northpower is cognisant of the code obligations of this section and will update the Registry as it becomes aware of any changes of load capacity to these shared unmetered ICPs.

Audit outcome

Compliant

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

We reviewed Northpower's Commerce Commission Annual Regulatory Disclosure information, Asset Management Plan and checked the Loss Factor tables in the Registry. This was also discussed with Northpower staff. There has been no change to the Loss Factors during this audit period.

Audit commentary

Northpower monitors network losses monthly using annual energy consumption data to confirm losses are stable and in line with forecasts. A review of the network technical losses was initiated in February 2020. Northpower's average network losses as published in the Annual Regulatory Disclosure information are 3.7%. We confirmed that Northpower publish the loss factor and network losses on their website. There have been no changes to the loss factors since 2016 however changes to some Loss Factors has been signalled for a start date of 1 June 2020.

Audit outcome

Compliant

CONCLUSION

PARTICIPANT RESPONSE

Since the previous audit, Northpower has opened up its network to allow 3rd party contractors to complete ICP related work on the network, previously only completed by Northpower Contracting. Whilst this has increased competition, it introduces challenges for the collection of data as the external contractors are engaged by the traders rather than Northpower.

As such, information sometimes flows back to the retailer rather than to Northpower, making obtaining information in a timely manner to update the Registry challenging. Northpower intends to communicate and reinforce the requirement for any Network Approved Contractor carrying out ICP related work on Northpower's Network to provide reliable and timely information under the Network Approved Contractor agreement between it and Northpower.

In addition, process changes will be made to ensure that we obtain acceptance and approval from retailers for new connections, prior to updating the registry status to "READY" and supplying an approval to connect, as applicable.