

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

For

**KEA ENERGY LIMITED**  
**(COMPANY #2328408)**

Prepared by: Ewa Glowacka of TEG & Associates

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## EXECUTIVE SUMMARY

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of Kea Energy Limited (Kea Energy), to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The relevant rules audited are as required by the Guidelines for Distributor Audits V7.2, issued by the Electricity Authority.

Kea Energy generally is not taking on new customers for the foreseeable future and are focussing on increasing their generation capacity. Kea Energy engages JC Consulting for the performance of submission activities. All of the relevant tasks conducted by JC Consulting and AccuCal were audited as part of this audit.

The audit identified 2 non-compliances which were cleared. No recommendations were made. Overall Kea Energy and JC Consulting have a high level of compliance.

The audit period is 01/10/2020 to 15/11/2022.

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 Distributor audit provides some guidance on this matter. The Future Risk Rating score is 2 which results in an indicative audit frequency of 18 months. Our recommendation is 24 months.

We thank Kea Energy's staff for their full and complete cooperation in this audit.

## AUDIT SUMMARY

### NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Provision of information on dispute resolution scheme	2.19	10.30A	No information about Utilities Dispute was included on the website and in correspondence with customers	Strong	1	Low	Cleared
Provision of information on electricity plan comparison site	2.20	10.30B	No information about Energy Switch was included on the website and in correspondence with customers	Strong	1	Low	Cleared
Future Risk Rating						2	

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

### RECOMMENDATIONS

Subject	Section	Description	Recommendation
			Nil

### ISSUES

Subject	Section	Description	Issue
			Nil

## 1. ADMINISTRATIVE

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

#### Code reference

Section 11 of Electricity Industry Act 2010.

#### Code related audit information

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

#### Audit observation

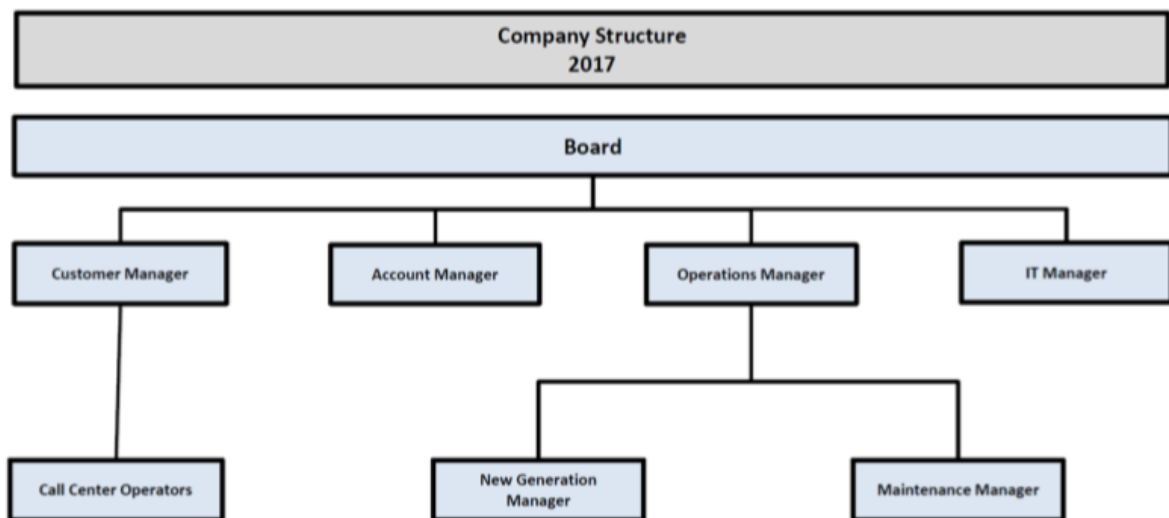
Kea Energy does not have any exemptions granted to exempt them from compliance with all or any of the clauses.

#### Audit commentary

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

### 1.2. Structure of Organisation

The company consist of one director Campbell McMath. The organisational chart is shown below:



### 1.3. Persons involved in this audit

Name	Title	Company
Campbell McMath	Director	Kea Energy
Naomi McMath	Director	Kea Energy
John Candy	Director	JC Consulting
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates Ltd

### 1.4. Use of Agents (Clause 15.34)

#### Code reference



#### Clause 15.34

#### Code related audit information

A reconciliation participant who uses an agent

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

#### Audit observation

This was discussed during the audit to confirm Kea Energy understands their obligation.

#### Audit commentary

Kea Energy uses JC Consulting and EDM I and AccuCal as its agents. The EDM I audit report dated 02/09/2022 was reviewed. No non-compliances were identified in the reported related to Kea Energy.

All of the relevant tasks conducted by AccuCal were audited as part of this audit.

### 1.5. Hardware and Software

The main systems are as follows:

- Access Database (RM TOOL) provided and run by JC Consulting for NHH and HHR submission.
- Customers are managed in a OneNote database which is in the cloud. This is backed up to Dropbox throughout the day. It is also stored on a laptop and once a month it is backed up to a hard drive.
- Registry related tasks are conducted manually using the Registry interface.

### 1.6. Breaches or Breach Allegations

There are no breach allegations recorded by the Electricity Authority during the audit period.

### 1.7. ICP Data

Metering Category	2022	2020	2018	2017
1	24	25	18	5
2	6	5	6	1
3	1	1	1	1
4	3	0	0	0
5	1	0	0	0
9	0	0	0	0

Status	Number of ICPs (14/11/2022)	Number of ICPs (2022)	Number of ICPs (2018)	Number of ICPs (2017)
Active (2,0)	35	31	24	7
Inactive – new connection in	0	0	0	0

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

### 1.8. Authorisation Received

An authorisation letter was not required.

### 1.9. Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of Kea Energy to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2.

The table below shows the tasks under clause 15.38 of part 15 for which Kea Energy requires certification.

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

### 1.10. Summary of previous audit

Kea Energy’s previous audit was conducted on 14 December 2020 by Rebecca Elliot of Veritek. The summary tables below show the status of the non-compliances raised in the previous audit.

Subject	Section	Clause	Non-Compliance	Comment
Relevant information	2.1	11.2&15.2	Four incorrect ANZSIC codes recorded.  Data provided by FCLM is rounded to two decimal places.  One correction not materially similar to the period with missing data.	It was disputed during last audit
Arrangements for metering equipment provision	2.13	10.36	No arrangement in place with Vector metering (AMS & ARC) when gaining ICPs with their metering on site.	It was disputed during last audit
ANZSIC code	3.6	9 (1(k) of Schedule 11.1	Four incorrect ANZSIC codes recorded.	It was cleared during last audit
Correction of HHR metering information	8.2	19(2) of Schedule 15.2	Correction not materially similar to the period with missing data.	Cleared

Correction of HHR & NHH raw meter data	8.4	19(5) of Schedule 15.2	Correction journal missing technique used and reason for correction.	It was cleared during last audit
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	Data provided by FCLM is rounded to two decimal places.	Cleared
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR aggregates file does not contain electricity supplied information.	Cleared, the Code was updated
Accuracy of submission accuracy	12.7	15.12	One correction not materially similar to the normal pattern of consumption.	It was disputed during last audit

## 2. OPERATIONAL INFRASTRUCTURE

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

#### Code reference

Clause 10.6, 11.2, 15.2

#### Code related audit information

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

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

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

#### Audit observation

To assess compliance with these clauses we examined the process of validating information in the registry. The LIS file dated 14/11/2022 was examined to identify any inaccuracies. The Event Detail (EDA) file for the period of audit and the Audit Compliance report were examined to determine how quickly Kea provide information to the registry, and correct information which is identified as inaccurate and confirm that all information is correct and not misleading.

The process to find and correct incorrect information was examined. The registry validation process was examined in detail in relation to the achievement of this requirement.

#### Audit commentary

Registry updates are completed manually by Kea Energy using the registry web interface. The registry updates are monitored on a daily basis. During the audit it was confirmed that all information in the registry was complete and accurate. Any updates/changes to the registry information were completed within timeframes specified by the Code.

JC Consulting monitors registry notification files related to reconciliation (it includes unmetered load network notifications).

#### Audit outcome

Compliant

### 2.2. Provision of information (Clause 15.35)

#### Code reference

Clause 15.35

#### Code related audit information

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

#### Audit observation

Processes for the provision of information were reviewed and observed throughout the audit. We reviewed the Audit Compliance report and the EDA file for the audit period.

#### **Audit commentary**

Kea Energy is compliant with regard to the timeliness of information and the format of information in accordance with Part 15. The company provided many examples to support this statement.

#### **Audit outcome**

Compliant

### **2.3. Data transmission (Clause 20 Schedule 15.2)**

#### **Code reference**

*Clause 20 Schedule 15.2*

#### **Code related audit information**

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

#### **Audit observation**

It was reviewed during the audit. Metering data is downloaded by JC Consulting via FileZilla from the FCLM server. AccuCal and EDMI as agents provide data via password protected email.

#### **Audit commentary**

Metering data transmissions to JC Consulting on behalf of Kea Energy from FCLM is via SFTP, which ensures the security of the data. AccuCal and EDMI provide metering data via password protected emails.

Upon receipt, reading files are archived to relevant folders.

#### **Audit outcome**

Compliant

### **2.4. Audit trails (Clause 21 Schedule 15.2)**

#### **Code reference**

*Clause 21 Schedule 15.2*

#### **Code related audit information**

*Each reconciliation participant must ensure that a complete audit trail exists for all data gathering, validation, and processing functions of the reconciliation participant.*

*The audit trail must include details of information:*

- *provided to and received from the registry manager*
- *provided to and received from the reconciliation manager*
- *provided and received from other reconciliation participants and their agents.*

*The audit trail must cover all archived data in accordance with clause 18.*

*The logs of communications and processing activities must form part of the audit trail, including if automated processes are in operation.*

*Logs must be printed and filed as hard copy or maintained as data files in a secure form, along with other archived information.*

*The logs must include (at a minimum) the following:*

- *an activity identifier (clause 21(4)(a))*
- *the date and time of the activity (clause 21(4)(b))*
- *the operator identifier for the person who performed the activity (clause 21(4)(c)).*

#### **Audit observation**

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

#### **Audit commentary**

JC Consulting retains an audit trail of downloaded data via FileZilla. Emails from AccuCal and EDMI are archived.

The audit trail of reconciliation files is recorded by the RM portal. The audit trail of data validation, estimation and creation of reconciliation files is recorded in the RM TOOL.

During this audit we confirmed that the audit trail for data gathering, validation and processing functions is archived.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.4*

#### **Code related audit information**

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

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

#### **Audit observation**

Kea Energy provided the Terms and Conditions for review.

#### **Audit commentary**

We reviewed the Terms and Conditions. Point 2.1 and 4.1 of the document covers compliance with the above clause.

#### **Audit outcome**

Compliant

### **2.6. Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))**

#### **Code reference**

*Clause 10.7(2),(4),(5) and (6)*

#### **Code related audit information**

The responsible reconciliation participant must, if requested, arrange access for the metering installation to the following parties:

- the Authority
- an ATH
- an auditor
- an MEP
- a gaining metering equipment provider.

The trader must use its best endeavours to provide access:

- in accordance with any agreements in place
- in a manner and timeframe which is appropriate in the circumstances.

If the trader has a consumer, the trader must obtain authorisation from the customer for access to the metering installation, otherwise it must arrange access to the metering installation.

The reconciliation participant must provide any necessary facilities, codes, keys or other means to enable the party to obtain access to the metering installation by the most practicable means.

#### **Audit observation**

Kea Energy provided the Terms and Conditions for review.

#### **Audit commentary**

Point 10 of the Kea General Terms and Conditions covers access to premises. A customer must provide Kea Energy, their service providers and the Lines Company, safe and unobstructed (including from dogs or other animals on your property) access to any of their equipment.

#### **Audit outcome**

Compliant

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

#### **Code reference**

Clause 10.35(1)&(2)

#### **Code related audit information**

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

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

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

#### **Audit observation**

The physical meter location point is not specifically mentioned in Kea Energy's terms and conditions for electricity supply, but the existing practices in the electrical industry achieve compliance. Kea Energy trades metering installations category 1 to 5.

#### **Audit commentary**



We reviewed certificates for installation category 4 to 5. Kea Energy is not responsible for any metering installations with loss compensation factors.

#### Audit outcome

Compliant

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

#### Code reference

Clause 11.15B

#### Code related audit information

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

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

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

#### Audit observation

Kea Energy provided the Terms and Conditions for review.

#### Audit commentary

Point 21.3 of the General Terms and Conditions says, “If we commit an “event of default” (as defined in the Code), the Electricity Authority may assign our rights and obligations under these terms to another electricity supply”.

#### Audit outcome

Compliant

### 2.9. Connection of an ICP (Clause 10.32)

#### Code reference

Clause 10.32

### Code related audit information

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

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

### Audit observation

The Kea Energy policy is to trade mainly existing installations only.

We reviewed the LIS and EDA files for the audit period. There was one exception from the Kea Energy policy. One new connection was completed during the audit period (0002278347ML8EE).

### Audit commentary

One new connection has been completed during the audit period (0002278347ML8EE). FCLM is Kea Energy's preferred MEP, which was used for this new connection. The new connection process was followed.

### Audit outcome

Compliant

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

### Code reference

*Clause 10.33(1)*

### Code related audit information

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

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

### Audit observation

The new connection process was examined in detail, and process documentation was reviewed.

### Audit commentary

One new connection has been completed during the audit period. No new connection has been temporarily electrically connected.

### Audit outcome

Compliant

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

## Code reference

Clause 10.33A(1)

## Code related audit information

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

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

## Audit observation

The company is not planning to trade new installations in the near future. Kea Energy provided the process for connections/reconnections of existing installations.

## Audit commentary

The review of the LIS and EDA files confirmed one new connection (0002278347ML8EE) occurred during the audit period. The new connection process was followed .Kea Energy used the Status “new connection in progress” to nominate FCLM as the MEP. FCLM installed a meter and the installation was certified.

No disconnection/reconnection occurred during the audit period.

## Audit outcome

Compliant

## 2.12. Arrangements for line function services (Clause 11.16)

### Code reference

Clause 11.16

### Code related audit information

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

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

### Audit observation

Kea Energy has an arrangement with all relevant networks (Orion, Eastland, Mainpower and Marlborough). Agreements are always in place before any ICP is switched in.

### Audit commentary

Kea Energy uses FCLM as their MEP and there is an arrangement in place. Kea Energy Gained 5 ICPs, during the audit, which used different MEPs than FCLM. After the switches were complete the company nominated FCLM as the MEP, meters were replaced. Kea Energy has an arrangement with other MEPs to use their meters before they are replaced by FCLM.

Kea Energy does receive metering data from non FCLM meters.

#### **Audit outcome**

Compliant

### **2.13. Arrangements for metering equipment provision (Clause 10.36)**

#### **Code reference**

*Clause 10.36*

#### **Code related audit information**

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

#### **Audit observation**

The registry list was reviewed to determine the MEPs for Kea Energy's ICPs.

#### **Audit commentary**

Kea Energy uses FCLM as their MEP and there is an arrangement in place. 5 new switches had a different MEP than FCLM. Kea Energy nominated FCLM as the MEP, which replaced meters. Kea Energy has an arrangement with other MEPs to use their meters before they are replaced. Metering data is not provided by them.

#### **Audit outcome**

Compliant

### **2.14. Connecting ICPs then withdrawing switch (Clause 10.33A(5))**

#### **Code reference**

*Clause 10.33B*

#### **Code related audit information**

*If a trader connects an ICP it is in the process of switching and the switch does not proceed or is withdrawn the trader must:*

- *restore the disconnection, including removing any bypass and disconnecting using the same method the losing trader used*
- *reimburse the losing trader for any direct costs incurred*

#### **Audit observation**

This was discussed during the audit with Kea Energy staff. The registry files were checked.

#### **Audit commentary**

According to the company policy, Kea Energy checks if an ICP is connected before initiating a switch. If the ICP was reconnected as part of the switching process and the switch was later withdrawn, Kea Energy would restore the disconnection and reimburse the losing trader for any direct costs incurred, if requested.

## Audit outcome

Compliant

## 2.15. Electrical disconnection of ICPs (Clause 10.33B)

### Code reference

*Clause 10.33B*

### Code related audit information

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

### Audit observation

This was discussed during the audit with Kea Energy staff. The registry files were checked.

### Audit commentary

Registry checks confirmed Kea Energy was the trader of record for each ICP. No disconnection activity involving Kea Energy ICPs has taken place during the audit.

## Audit outcome

Compliant

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

### Code reference

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

### Code related audit information

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

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

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

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

### Audit observation

This was discussed during the audit with Kea Energy staff. The registry files were checked.

### Audit commentary

According to the company policy, Kea Energy will never remove or break seals. If a MEP or distributor removes or breaks a seal, Kea Energy will follow the communication and operational procedure.

### Audit outcome

Compliant

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

### Code reference

*Clause 10.33C and 2A of Schedule 15.2*

### Code related audit information

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

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

*If the trader bridges a meter, the trader must:*

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

*The trader must determine meter readings as follows:*

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

### Audit observation

This was discussed during the audit with Kea Energy staff. The registry files were checked.

### Audit commentary

Kea Energy only allows meters to be bridged where an urgent reconnection is required to prevent customer hardship, and it is not possible to reconnect without bridging the meter. Kea Energy stated that such events did not occur during the audit period.

### Audit outcome

Compliant

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

### Code reference

Clause 11.30

**Code related audit information**

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

**Audit observation**

This was reviewed during the audit.

**Audit commentary**

The company provided a sample invoice on which the ICP identifier was printed.

**Audit outcome**

Compliant

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

**Code reference**

Clause 11.30A

**Code related audit information**

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

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

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

**Audit observation**

This was discussed during the audit. The Kea Energy website was reviewed.

**Audit commentary**

During the audit we observed that information about Utilities Disputes were neither present on Kea Energy website nor in their correspondence with customers. We confirm that Kea Energy updated their website, compliance is confirmed. The company provided a copy of new email template, in which the Utilities Dispute link has been attached to the signature.

**Audit outcome**

Non-compliant

Non-compliance	Description
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Audit Ref: 2.19 With: clause 11.30A  From: 01-Oct-20 To: 15-Nov-22	No information about Utilities Dispute was included on the website and in a correspondence with customers  Potential impact: None  Actual impact: None  Audit history: None  Controls: Strong  Breach risk rating:1		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	The controls are recorded as strong because it was remedied during the audit  Audit Risk Rating is recorded as low as there was no impact on settlement outcomes		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
			Cleared
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	

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

### Code reference

Clause 11.30B

### Code related audit information

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

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

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

### Audit observation

This was discussed during the audit. A copy of an invoice and a customer sign up form were provided. The Kea Energy website was reviewed.

### Audit commentary

During the audit we observed that information about Power Switch were not present neither on Kea Energy website nor on a correspondence with customers. We confirm that Kea Energy updated their



website, compliance is confirmed. The company provided a copy of new email template, in which the Power Switch link has been attached to the signature.

**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 2.20 With: clause 11.30B  From: 01-Oct-20 To: 15-Nov-22	No information about Power Switch was included on the website and in correspondence with customers  Potential impact: None  Actual impact: None  Audit history: None  Controls: Strong  Breach risk rating:1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are recorded as strong because it was remedied during the audit  Audit Risk Rating is recorded as low as there was no impact on settlement outcomes		
Actions taken to resolve the issue		Completion date	Remedial action status
			Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

### 3. MAINTAINING REGISTRY INFORMATION

#### 3.1. Obtaining ICP identifiers (Clause 11.3)

##### Code reference

Clause 11.3

##### Code related audit information

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

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

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

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

##### Audit observation

The new connection process was discussed during the audit. We reviewed the EDA files to identify any new connections.

##### Audit commentary

One new connection was completed during the audit period. It was a solar installation (0002278347ML8EE). The ICP identifier was obtained from Marlborough Lines. Generation capacity 1.85 kW.

##### Audit outcome

Compliant

#### 3.2. Providing registry information (Clause 11.7(2))

##### Code reference

Clause 11.7(2)

##### Code related audit information

*Each trader must provide information to the registry manager about each ICP at which it trades electricity in accordance with Schedule 11.1.*

##### Audit observation

The EDA file and the Audit Compliance report for the audit period were reviewed in relation to the updating of the registry and to confirm process controls and compliance. It was discussed with Kea Energy staff. The MEP nomination and management of ICP statuses were examined in detail.

#### **Audit commentary**

Kea Energy's processes are designed to ensure that trader information is populated as required by this clause. One new connection was completed during this audit period.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10 Schedule 11.1*

#### **Code related audit information**

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

#### **Audit observation**

We examined the LIS and EDA files and the Audit Compliance report for the period covered by this audit. It was discussed with the company.

#### **Audit commentary**

Kea Energy made 18 updates to the registry information. The Audit Compliance report did not identify any late changes to registry information. The changes to registry information are done via the registry web interface.

#### **Audit outcome**

Compliant

### **3.4. Trader responsibility for an ICP (Clause 11.18)**

#### **Code reference**

*Clause 11.18*

#### **Code related audit information**

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

*A trader ceases to be responsible for an ICP if:*

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

- *advise the MEP responsible for the metering installation of the decommissioning (clause 11.18(3)(b)).*

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

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

#### **Audit observation**

We examined the LIS file, the Audit Compliance report, and the EDA file for the audit period, to identify any rejected MEP nominations and any “Active” ICPs that do not have a MEP recorded in the registry.

The MEP nomination and decommissioning processes were examined and discussed with Kea Energy staff.

#### **Audit commentary**

We confirm that all ICPs had a valid MEP recorded in the registry. Kea Energy nominates the MEP for new installations before they are electrically connected. There were no MEP nominations rejected during this audit period.

No ICPs were decommissioned during the audit period.

#### **Audit outcome**

Compliant

### **3.5. Provision of information to the registry manager (Clause 9 Schedule 11.1)**

#### **Code reference**

*Clause 9 Schedule 11.1*

#### **Code related audit information**

*Each trader must provide the following information to the registry manager for each ICP for which it is recorded in the registry as having responsibility:*

- the participant identifier of the trader, as approved by the Authority (clause 9(1)(a))*
- the profile code for each profile at that ICP, as approved by the Authority (clause 9(1)(b))*
- the metering equipment provider for each category 1 metering or higher (clause 9(1)(c))*
- the type of submission information the trader will provide to the RM for the ICP (clause 9(1)(ea))*
- if a settlement type of UNM is assigned to that ICP, either:*
  - the code ENG if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or*
  - in all other cases, the daily average kWh of unmetered load at the ICP (clause 9(1)(f)(ii)).*
  - the type and capacity of any unmetered load at each ICP (clause 9(1)(g))*
  - the status of the ICP, as defined in clauses 12 to 20 (clause 9(1)(j))*
  - except if the ICP exists for the purposes of reconciling an embedded network or the ICP has distributor status, the trader must provide the relevant business classification code applicable to the customer (clause 9(1)(k)).*

*The trader must provide information specified in (a) to (j) above within 5 business days of trading (clause 9(2)).*

*The trader must provide information specified in 9(1)(k) no later than 20 business days of trading (clause 9(3))*

#### **Audit observation**

The LIS file and the Audit Compliance report from the audit period were examined to assess compliance. This was discussed with Kea Energy staff.

#### **Audit commentary**

The Audit Compliance report did not identify any missing data. There were no late updates to the registry

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 9 (1)(k) of Schedule 11.1*

#### **Code related audit information**

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

#### **Audit observation**

The process to manage ANZSIC codes was examined. The Audit Compliance report and the LIS file were reviewed to check ANZSIC codes.

We checked a diverse sample of 10 ICPs.

#### **Audit commentary**

The validity of ANZSIC codes was checked. We confirm they were correct. Kea Energy check ANZSIC codes when switching any new ICPs.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 9(1)(f) of Schedule 11.1*

#### **Code related audit information**

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

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

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

#### **Audit observation**

The process to identify and monitor unmetered load was discussed. The registry files and the Audit Compliance report were reviewed to identify all ICPs with unmetered load.

#### **Audit commentary**

The review of the LIS file confirmed that no unmetered load is recorded by Kea Energy or a distributor for any ICP traded by Kea Energy.

It is not the intention of Kea to take on unmetered ICPs. If there is UML found at a later date, Kea will discuss with the customer the option to have metering put in place or switch to another retailer. If this is not possible they will have JC Consulting create consumption based on the daily kWh information either from the distributor or the customer.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 17 Schedule 11.1*

#### **Code related audit information**

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

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

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

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

#### **Audit observation**

The ICP reconnection process was examined. The EDA file for the audit period was analysed. It was discussed with Kea Energy.

#### **Audit commentary**

A review of the registry list confirmed that all active ICPs have a MEP recorded.

A check of the EDA file and the Audit Compliance report found that there was one status change for Kea Energy’s ICP, which was a new connection. The ICP status was updated to “Active” when the new connection was completed.

#### **Audit outcome**

Compliant

### **3.9. Management of “inactive” status (Clause 19 Schedule 11.1)**

#### **Code reference**

*Clause 19 Schedule 11.1*

#### **Code related audit information**

*The ICP status of “inactive” must be managed by the relevant trader and indicates that:*

- *electricity cannot flow at that ICP (clause 19(a)); or*
- *submission information related to the ICP is not required by the reconciliation manager for the purpose of compiling reconciliation information (clause 19(b)).*

#### **Audit observation**

The LIS file and the Audit Compliance report from the audit period were examined to assess compliance. This was discussed with Kea Energy staff.

#### **Audit commentary**

Kea Energy processes all status updates manually on the registry once paperwork is received. There were no disconnections during the audit period.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 15 Schedule 11.1*

#### **Code related audit information**

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

#### **Audit observation**

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

#### **Audit commentary**

Kea Energy has not had any queries in relation to "New" or "Ready" ICPs. We checked the registry list file which confirmed there are no ICPs at "Ready" status where Kea Energy is the proposed trader.

#### **Audit outcome**

Compliant

## 4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

#### Code reference

Clause 2 Schedule 11.3

#### Code related audit information

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

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

*A gaining trader must advise the registry manager of a switch no later than 2 business days after the arrangement comes into effect and include in its advice to the registry manager that the switch type is TR and 1 or more profile codes associated with that ICP.*

#### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Kea Energy. The registry is notified using the registry web interface.

#### Audit commentary

Kea Energy's processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

4 NTTR were sent during the audit period.

#### Audit outcome

Compliant

### 4.2. Losing trader response to switch request and event dates - standard switch (Clauses 3 and 4 Schedule 11.3)

#### Code reference

Clauses 3 and 4 Schedule 11.3

#### Code related audit information

*Within 3 business days after receiving notice of a switch from the registry manager, the losing trader must establish a proposed event date. The event date must be no more than 10 business days after the date of receipt of such notification, and in any 12 month period, at least 50% of the event dates must be no more than 5 business days after the date of notification. The losing trader must then:*

- *provide acknowledgement of the switch request by (clause 3(a) of Schedule 11.3):*
- *providing the proposed event date to the registry manager and a valid switch response code (clause 3(a)(i) and (ii) of Schedule 11.3); or*
- *providing a request for withdrawal of the switch in accordance with clause 17 (clause 3(c) of Schedule 11.3).*



*When establishing an event date for clause 4, the losing trader may disregard every event date established by the losing trader for an ICP for which when the losing trader received notice from the registry manager under clause 22(a) the losing trader had been responsible for less than 2 months.*

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Kea Energy.

#### **Audit commentary**

Kea Energy received no notifications of standard switches from gaining traders.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 5 Schedule 11.3*

#### **Code related audit information**

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Kea Energy.

#### **Audit commentary**

Kea Energy did not send any CS files to any gaining trader because no ICPs were lost using this type of switch.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 6(1) and 6A Schedule 11.3*

#### **Code related audit information**

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

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

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Kea Energy.

#### **Audit commentary**

We reviewed four ICPs and confirm that switch event meter readings provided by losing traders were recorded in the RM TOOL and used for submissions to the RM.

Kea Energy sent one RR file for ICP 0002279078ML26B, which was accepted by a losing trader.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 6(2) and (3) Schedule 11.3*

#### **Code related audit information**

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Kea Energy.

#### **Audit commentary**

The process prescribed in this clause was not used. Kea Energy always gains new ICPs as NHH.

## Audit outcome

Compliant

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

#### Code reference

Clause 7 Schedule 11.3

#### Code related audit information

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

#### Audit observation

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

#### Audit commentary

Kea Energy confirm that no disputes occurred in the period covered by this audit, which would require a resolution. Kea Energy stated that they will not decline to accept another traders' validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances.

## Audit outcome

Compliant

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

#### Code reference

Clause 9 Schedule 11.3

#### Code related audit information

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

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

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

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

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

#### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy. The registry is notified using the registry web interface.

#### Audit commentary

Kea Energy's processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

One NTTR was sent during the audit period.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 10(1) Schedule 11.3*

#### Code related audit information

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

- *10(1)(a) If the losing trader accepts the event date proposed by the gaining trader, the losing trader must complete the switch by providing to the registry manager:
  - o *confirmation of the switch event date; and*
  - o *a valid switch response code; and*
  - o *final information as required under clause 11; or**
- *10(1)(b) If the losing trader does not accept the event date proposed by the gaining trader, the losing trader must acknowledge the switch request to the registry manager and determine a different event date that—
  - o *is not earlier than the gaining trader's proposed event date, and*
  - o *is no later than 10 business days after the date the losing trader receives notice; or**
- *10(1)(c) request that the switch be withdrawn in accordance with clause 17.*

#### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy. The registry is notified using the registry web interface.

The accuracy of the content of the AN files was confirmed by checking 4 AN files.

#### Audit commentary

The Switch Breach report confirmed all AN files were sent within the allowable timeframes.

Kea Energy received notifications of 4 switch moves from gaining traders. The Switch Breach report confirmed all AN files were sent within the allowable timeframes.

All AN files had the response code "AD", which is correct.

Kea Energy accepted the event date proposed by the gaining trader for all Switch Moves.

#### Audit outcome

Compliant

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

##### Code reference

Clause 10(2) Schedule 11.3

##### Code related audit information

*If the losing trader determines a different date, then within 10 business days of receiving notice the losing trader must also complete the switch by providing to the registry manager as described in subclause (1)(a):*

- *the event date proposed by the losing trader; and*
- *a valid switch response code; and*
- *final information as required under clause 1.*

##### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy. The registry is notified using the registry web interface.

##### Audit commentary

Kea Energy accepted the event date proposed by the gaining trader for all Switch Moves.

##### Audit outcome

Compliant

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

##### Code reference

Clause 11 Schedule 11.3

##### Code related audit information

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

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

##### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy. The registry is notified using the registry web interface.

The accuracy of the content of the CS files was confirmed by checking 4 CS files sent to gaining traders.

##### Audit commentary

The accuracy of the content of the CS files was confirmed by checking a sample of 4 records. The content checked included:

- correct identification of meter readings and correct date of last meter reading
- accuracy of meter readings

- accuracy of average daily consumption
- read type flag

We identified 1 CS file that had average daily kWh that were zero (1 ICP). The information was correct as there was no consumption.

The calculation of average daily consumption is done using the last two reads, which is normally one day. All readings were correctly labelled.

#### Audit outcome

Compliant

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

#### Code reference

Clause 12 Schedule 11.3

#### Code related audit information

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

- *if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or*
- *if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter reading. In this case, the gaining trader, within 4 calendar months of the date the registry manager gives the gaining trader written notice of having received information about the switch completion, must provide to the losing trader a changed validated meter reading or a permanent estimate supported by 2 validated meter readings and the losing trader must either (clause 12(2)(b) and clause 12(3)):*
  - *advise the gaining trader if it does not accept the switch event meter reading and the losing trader and the gaining trader must resolve the dispute in accordance with the disputes procedure in clause 15.29 (with all necessary amendments) (clause 12(3)(a)); or*
  - *if the losing trader notifies its acceptance or does not provide any response, the losing trader must use the switch event meter reading supplied by the gaining trader. (clause 12(3)(b)).*

*12(2A) If the losing trader trades electricity from a non-half hour meter, with a switch event meter reading that is not from an AMI certified meter flagged Y in the registry,*

- *the gaining trader will trade electricity from a meter with a half hour submission type in the registry (clause 12(2A)(b));*
- *the gaining trader no later than 5 business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading. (clause 12(2B)).*

#### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy. The registry is notified using the registry web interface.

#### Audit commentary

Kea Energy has neither sent nor received any RR files.

#### Audit outcome

Compliant

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

#### Code reference

Clause 14 Schedule 11.3

#### Code related audit information

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

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

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

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

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

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

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

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

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

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

#### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The gaining trader switch process was examined and discussed with Kea Energy.

#### Audit commentary

Kea Energy's processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986.

Kea Energy gained 6 ICPs using the Gaining Trader Switch process.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 15 Schedule 11.3*

#### **Code related audit information**

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

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy.

#### **Audit commentary**

No gaining trader switches occurred during the period of this audit.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 16 Schedule 11.3*

#### **Code related audit information**

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

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

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Kea Energy

#### **Audit commentary**



Kea Energy gained 6 ICPs using the Gaining Trader Switch process. We confirm all switches were finalised by Kea Energy in a compliant manner.

#### Audit outcome

Compliant

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

#### Code reference

*Clauses 17 and 18 Schedule 11.3*

#### Code related audit information

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

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

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

#### Audit observation

The EDA file and Switch Breach Report for the period covered by this audit were analysed to assess compliance. The switch withdrawal process was analysed and discussed with Kea Energy staff.

#### Audit commentary

Kea Energy sent 3 NWDF files, which were accepted by losing traders. The company received one NWS, which was accepted.

#### Audit outcome

Compliant

### 4.16. Metering information (Clause 21 Schedule 11.3)

#### Code reference

*Clause 21 Schedule 11.3*

### Code related audit information

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

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

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

### Audit observation

Meter readings are received from FCLM or agents. Kea Energy relies on FCLM and agents to provide accurate readings but as is described in relevant sections, extensive validation is conducted upon uploading readings to the RM TOOL.

### Audit commentary

All meter readings used in the switching process are validated meter readings or permanent estimates. The cost of additional interrogation is covered in a commercial agreement between Kea Energy and MEPS.

### Audit outcome

Compliant

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

### Code reference

*Clause 11.15AA to 11.15AC*

### Code related audit information

*A losing retailer (including any party acting on behalf of the retailer) must not initiate contact to save or win back any customer who is switching away or has switched away for 180 days from the date of the switch.*

*The losing retailer may contact the customer for certain administrative reasons and may make a counteroffer only if the customer initiated contact with the losing retailer and invited the losing retailer to make a counteroffer.*

*The losing retailer must not use the customer contact details to enable any other retailer (other than the gaining retailer) to contact the customer.*

### Audit observation

This was discussed during the audit.

### Audit commentary

Kea Energy does not conduct “win-back” activity. No NWCX were sent during the audit period.

### Audit outcome

Compliant

## 5. MAINTENANCE OF UNMETERED LOAD

### 5.1. Maintaining shared unmetered load (Clause 11.14)

#### Code reference

*Clause 11.14*

#### Code related audit information

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

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

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

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

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

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

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

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

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

#### Audit observation

The process was discussed with Kea Energy staff. The LIS file for the audit period was reviewed to assess if Kea Energy traded shared unmetered load.

#### Audit commentary

No shared unmetered load was traded during the audit period.

The company stated that, if there is UML found at a later date, Kea will discuss with the customer the option to have metering put in place or switch to another retailer. If it is not possible to switch out an UML ICP, Kea Energy will ask JC Consulting to create consumption based on the daily kWh information from the distributor. The registry will be updated with the required UML information immediately on finding any UML attached to an ICP for which the company is responsible.

#### Audit outcome

Compliant

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

### Code reference

Clause 10.14 (2)(b)

### Code related audit information

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

### Audit observation

The process was discussed with Kea Energy staff. The LIS file for the audit period was reviewed to assess if Kea Energy traded unmetered load.

### Audit commentary

Kea Energy does not currently supply any ICPs with unmetered load over 3,000 kWh per annum.

### Audit outcome

Compliant

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

### Code reference

Clause 10.14 (5)

### Code related audit information

*If the unmetered load limit is exceeded the retailer must:*

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

### Audit observation

The process was discussed with Kea Energy staff. The LIS file for the audit period was reviewed to assess if Kea Energy traded unmetered load.

### Audit commentary

This clause is not applicable. Compliance was not assessed.

### Audit outcome

Not applicable

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

### Code reference

Clause 11 Schedule 15.3, Clause 15.37B

### **Code related audit information**

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

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

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

### **Audit observation**

The process was discussed with Kea Energy staff. The LIS file for the audit period was reviewed to assess if Kea Energy traded distributed unmetered load.

### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

### **Audit outcome**

Not applicable

## 6. GATHERING RAW METER DATA

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

#### Code reference

*Clause 10.13, Clause 10.24 and Clause 15.13*

#### Code related audit information

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

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

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

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

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

#### Audit observation

The EDA, LIS files and Audit Compliance report were reviewed. It was discussed during the audit.

#### Audit commentary

19 ICPs traded by Kea Energy have import/export meters installed, and volumes are submitted to the reconciliation manager. The generation capacity varies from 10 kW to 8320 kW.

All installations traded by Kea Energy are metered. No subtraction is used to determine submission information for the purpose of Part 15. All ICPs are settled as HHR and have EG registers.

As stated in the previous audit, Kea Energy's policy is that if an ICP switched in and is found to have bridged metering, the company will instruct the MEP to arrange reconnection and provide notification of how long the bypass had been in place to be able to arrange for estimated readings for the period affected. JC Consulting is instructed to identify bridged metering.

The company stated that their policy is not to instruct the bridging of meters.

#### Audit outcome

Compliant

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

#### Code reference

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

#### Code related audit information

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

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

The participant responsible for the metering installation must:

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

#### **Audit observation**

Kea Energy does not trade such installations.

#### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

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

#### **Code reference**

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

#### **Code related audit information**

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

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

#### **Audit observation**

The LIS and Audit Compliance reports were examined.

#### **Audit commentary**

The file analysis showed that Kea Energy submits volumes to the reconciliation manager using RPS, PV1, and HHR profiles. No control devices are needed therefore the company has never approached a MEP asking for a control device to be certified.

#### **Audit outcome**

Compliant

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

#### **Code reference**

Clause 10.43(2) and (3)

#### **Code related audit information**

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

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

#### **Audit observation**

Processes for identifying defective metering were examined. No examples of defective meters were identified during the audit period.

#### **Audit commentary**

Any defective meters would be identified through the meter reading validation process, or from information provided by the meter read provider.

Upon identifying a possible defective meter, Kea Energy will raise a field services job to investigate. No defective meters were identified during the audit period, so it was not possible to review examples of this process.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 2 Schedule 15.2*

#### **Code related audit information**

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

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

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

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

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

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

*2(6) – The interrogation systems must record:*

- *the time*
- *the date*



- *the extent of any change made to the meter clock.*

#### **Audit observation**

HHR data is provided by FCLM and agents. Interrogation requirements and clock synchronisations were reviewed as part of MEP audits.

#### **Audit commentary**

The interrogation systems requirements were examined as part of the MEP audits and found to be compliant. The most recent EDMI agent audit report did not identify any non-compliances. We reviewed AccuCal operations and confirm compliance.

The MEP and agents provide clock synchronisation and event reports. When clock synchronisation notifications are received, they are used to determine whether any action is required. No clock synchronisation events requiring action by Kea Energy were identified during the audit period.

#### **Audit outcome**

Compliant

### **6.6. Derivation of meter readings (Clause 3(1), 3(2) and 5 Schedule 15.2)**

#### **Code reference**

*Clause 3(1), 3(2) and 5 Schedule 15.2*

#### **Code related audit information**

*All meter readings must in accordance with the participants certified processes and procedures and using its certified facilities be sourced directly from raw meter data and, if appropriate, be derived and calculated from financial records.*

*All validated meter readings must be derived from meter readings.*

*A meter reading provided by a consumer may be used as a validated meter reading only if another set of validated meter readings not provided by the consumer are used during the validation process.*

*During the manual interrogation of each NHH metering installation the reconciliation participant must:*

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

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

#### **Audit observation**

The data collection process was examined for ICPs switching in on a non-FCLM meter. The processes for customer and photo reads were reviewed.

#### **Audit commentary**

No customer or photo reads were used during the audit period.

For all newly switched in ICPs, Kea Energy undertook a manual meter reading as a reconciliation participant. This was used by JC Consulting to validate the switch read sent in the CS file. Kea Energy confirmed that all relevant checks were undertaken as part of this process. The meter reading is also captured on a time date stamped photo and this is retained in the database and sent through to JC Consulting.

All meters are changed to an FCLM as soon as possible, the final read is taken and sent to JC Consulting to assist in data estimation.

#### **Audit outcome**

Compliant

### **6.7. NHH meter reading application (Clause 6 Schedule 15.2)**

#### **Code reference**

*Clause 6 Schedule 15.2*

#### **Code related audit information**

*For NHH switch event meter reads, for the gaining trader the reading applies from 0000 hours on the day of the relevant event date and for the losing trader at 2400 hours at the end of the day before the relevant event date.*

*In all other cases, All NHH readings apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation.*

#### **Audit observation**

Kea Energy has submitted NHH volumes for a small number NHH ICPs during the audit period.

#### **Audit commentary**

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

During the audit period a small number of ICPs were traded as NHH, they were newly gained ICPs for which previous traders were using non FCLM meters to record consumption.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 7(1) and (2) Schedule 15.2*

#### **Code related audit information**

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

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

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

#### **Audit observation**

The EDA and LIS files were reviewed. The process to manage missed reads was reviewed. Meter Frequency reports submitted to the Authority were analysed.

### Audit commentary

We confirm all ICPs traded by Kea Energy were read during audit period. Kea Energy lost 4 ICPs. All of them were HHR reconciled.

### Audit outcome

Compliant

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

### Code reference

*Clause 8(1) and (2) Schedule 15.2*

### Code related audit information

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

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

### Audit observation

The EDA and LIS files were reviewed. The process to manage missed reads was reviewed. Meter Frequency reports submitted to the Authority were analysed.

### Audit commentary

A review of the Meter Frequency report confirmed that Kea Energy met the read attainment requirements. No ICPs were traded as NHH for 12 months during the audit period.

### Audit outcome

Compliant

## 6.10. NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)

### Code reference

*Clause 9(1) and (2) Schedule 15.2*

### Code related audit information

*In relation to each NSP, each reconciliation participant must ensure that for each NHH ICP at which the reconciliation participant trades continuously for each 4 months, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every 4 months for 90% of the non half hour metered ICPs.*

*A report is to be sent to the Authority providing the percentage, in relation to each NSP, for which consumption information has been collected no later than 20 business days after the end of each month.*

*If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 9(1).*

### Audit observation

The EDA and LIS files were reviewed. The process to manage missed reads was reviewed. Meter Frequency reports submitted to the Authority were analysed.

### Audit commentary

We confirm all ICPs traded by Kea Energy were read during audit period. Kea Energy lost 4 ICPs. All of them were HHR reconciled.

#### **Audit commentary**

A review of the Meter Frequency report confirmed that Kea Energy met the read attainment requirements.

#### **Audit outcome**

Compliant

### 6.11. NHH meter interrogation log (Clause 10 Schedule 15.2)

#### **Code reference**

*Clause 10 Schedule 15.2*

#### **Code related audit information**

*The following information must be logged as the result of each interrogation of the NHH metering:*

*10(a) - the means to establish the identity of the individual meter reader*

*10(b) - the ICP identifier of the ICP, and the meter and register identification*

*10(c) - the method being used for the interrogation and the device ID of equipment being used for interrogation of the meter.*

*10(d) - the date and time of the meter interrogation.*

#### **Audit observation**

NHH data is collected by Kea Energy as an ICP is gained and when the meter is changed to an FCLM HHR meter. Kea Energy aims to replace meters as quickly as possible.

#### **Audit commentary**

The meter reading process was discussed with Kea Energy. This process of a reconciliation participant read is undertaken until the meter can be replaced. Customer photo reads have not been used. HHH meters are not read remotely.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 11(1) Schedule 15.2*

#### **Code related audit information**

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

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

#### **Audit observation**

HHR data is corrected by FCLM and agents on behalf of Kea Energy.

#### **Audit commentary**

FCLM is responsible for HHR collection. It is reviewed during their MEP audit. We reviewed the EDMI agent audit report. Compliance with this clause is confirmed.

We assessed AccuCal for compliance during this audit. The company uses proprietary software to read meters. All meters are read remotely.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 11(2) Schedule 15.2*

#### **Code related audit information**

*The following information is collected during each interrogation:*

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

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

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

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

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

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

#### **Audit observation**

HHR data is corrected by FCLM and agents on behalf of Kea Energy.

#### **Audit commentary**

FCLM is responsible for HHR collection. It is reviewed during their MEP audit. We reviewed the EDMI agent audit report. Compliance with this clause is confirmed.

We assessed AccuCal for compliance during this audit. The company uses proprietary software to read meters. All meters are read remotely.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 11(3) Schedule 15.2*

#### **Code related audit information**

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

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

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

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

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

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

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

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

#### **Audit observation**

HHR data is corrected by FCLM and agents on behalf of Kea Energy.

#### **Audit commentary**

FCLM is responsible for HHR collection. It is reviewed during their MEP audit. We reviewed the EDM agent audit report. Compliance with this clause is confirmed.

We assessed AccuCal for compliance during this audit. The company uses proprietary software to read meters. All meters are read remotely.

#### **Audit outcome**

Compliant

## 7. STORING RAW METER DATA

### 7.1. Trading period duration (Clause 13 Schedule 15.2)

#### Code reference

*Clause 13 Schedule 15.2*

#### Code related audit information

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

#### Audit observation

The LIS file was reviewed to assess the number of ICPs reconciled as HHR.

FCLM and agents provide HHR data to JC Consulting.

#### Audit commentary

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

Compliance with this clause has been demonstrated by FCLM as a MEP and EDMI as an agent. This is discussed in their audit reports.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 18 Schedule 15.2*

#### Code related audit information

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

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

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

#### Audit observation

Raw meter data is retained by MEPs, and compliance is assessed as part of their MEP audits. Compliance is recorded in the EDMI 2022 audit report.

Processes to archive and store raw meter data were reviewed.

#### Audit commentary

A review of JC Consulting's audit trails confirmed that reads cannot be modified without an audit trail being created. Access to modify readings is restricted.

#### Audit outcome

Compliant

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

**Code reference**

Clause 21(5) Schedule 15.2

**Code related audit information**

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

**Audit observation**

Processes to record non-metering information were discussed during the audit.

**Audit commentary**

Non metering information is not collected by Kea Energy.

**Audit outcome**

Compliant



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

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

#### Code reference

Clause 19(1) Schedule 15.2

#### Code related audit information

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

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

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

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

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

#### Audit observation

During the audit we checked and discussed validation and correction processes for NHH meter readings.

#### Audit commentary

According to the process, if errors are detected, in the first instance a MEP will be contacted asking to read the meter again. If the original meter reading cannot be confirmed or replaced, JC Consulting will estimate data. The agent will conduct the process and then will liaise with Kea Energy to advise this has occurred and the reason.

There were no NHH meter readings conducted during the audit period.

#### Audit outcome

Compliant

### 8.2. Correction of HHR metering information (Clause 19(2) Schedule 15.2)

#### Code reference

Clause 19(2) Schedule 15.2

#### Code related audit information

*If a reconciliation participant detects errors while validating half hour meter readings, the reconciliation participant must correct the meter readings as follows:*

*19(2)(a) - if the relevant metering installation has a check meter or data storage device, substitute the original meter reading with data from the check meter or data storage device; or*

*19(2)(b) - if the relevant metering installation does not have a check meter or data storage device, substitute the original meter reading with data from another period provided:*

- (i) *The total of all substituted intervals matches the total consumption recorded on a meter, if available; and*

- (ii) *The reconciliation participant considers the pattern of consumption to be materially similar to the period in error*

#### **Audit observation**

Processes for the correction of HHR meter readings were reviewed.

#### **Audit commentary**

According to the process, if errors are detected, in the first instance a MEP will be contacted asking to read the meter again. If the original meter reading cannot be confirmed or replaced, JC Consulting will estimate data. The agent will conduct the process and then will liaise with Kea Energy to advise this has occurred and the reason.

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

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 19(3) Schedule 15.2*

#### **Code related audit information**

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

#### **Audit observation**

The registry file was examined. Error and loss compensation was discussed during the audit.

#### **Audit commentary**

Kea Energy has not supplied ICPs with error or loss compensation.

#### **Audit outcome**

Compliant

### **8.4. Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)**

#### **Code reference**

*Clause 19(4) and (5) Schedule 15.2*

#### **Code related audit information**

*In correcting a meter reading in accordance with clause 19, the raw meter data must not be overwritten. If the raw meter data and the meter readings are the same, an automatic secure backup of the affected data must be made and archived by the processing or data correction application.*

*If data is corrected or altered, a journal must be generated and archived with the raw meter data file. The journal must contain the following:*

*19(5)(a)- the date of the correction or alteration*

*19(5)(b)- the time of the correction or alteration*

*19(5)(c)- the operator identifier for the person within the reconciliation participant who made the correction or alteration*

*19(5)(d)- the half-hour metering data or the non half hour metering data corrected or altered, and the total difference in volume of such corrected or altered data*

*19(5)(e)- the technique used to arrive at the corrected data*

*19(5)(f)- the reason for the correction or alteration.*

#### **Audit observation**

Kea Energy has been supplying mainly HHR ICPs during this audit period. The report in the RM TOOL system identifies ICP metering data which requires closer analysis. If any correction or adjustment is required a journal is created. It is the same journal which is created when metering data is estimated.

#### **Audit commentary**

Raw meter data is held by the MEP and agents, and compliance is recorded in their audits.

JC Consulting only corrects working data, and they keep an appropriate audit trail.

#### **Audit outcome**

Compliant

## 9. ESTIMATING AND VALIDATING VOLUME INFORMATION

### 9.1. Identification of readings (Clause 3(3) Schedule 15.2)

#### Code reference

*Clause 3(3) Schedule 15.2*

#### Code related audit information

*All estimated readings and permanent estimates must be clearly identified as an estimate at source and in any exchange of metering data or volume information between participants.*

#### Audit observation

The estimation processes and classification was examined during the audit.

#### Audit commentary

Flags of read types are recorded correctly in the RM TOOL system. We checked approximately 5 examples to confirm compliance.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 3(4) Schedule 15.2*

#### Code related audit information

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

*3(4)(a) - validated meter readings*

*3(4)(b) - estimated readings*

*3(4)(c) - permanent estimates.*

#### Audit observation

All readings received from the MEPs and agents are validated upon upload to the RM TOOL.

#### Audit commentary

Volume information is derived from validated readings provided by the MEP and agents. The RM TOOL system has the functionality to use both validated and estimated readings to create reconciliation files. All readings and interval data are correctly identified.

A review of submission data confirmed that it is based on readings as required by this clause.

#### Audit outcome

Compliant

### 9.3. Meter data used to derive volume information (Clause 3(5) Schedule 15.2)

#### Code reference

*Clause 3(5) Schedule 15.2*

#### Code related audit information

*All meter data that is used to derive volume information must not be rounded or truncated from the stored data from the metering installation.*

#### **Audit observation**

Metering data is neither rounded nor truncated upon uploading to the RM TOOL system. JC Consulting provided two examples of data from FCLM, EDMI and AccuCal to demonstrate compliance.

#### **Audit commentary**

The EDMI data retains raw, unrounded data. Compliance was demonstrated during the EDMI agent audit.

Data provided by the FCLM is provided in the EIEP3 format which is not rounded. It was identified as non-compliance in the last audit report.

We checked 5 files provided by FCLM and confirm data contains three decimal places.

Submission data is rounded to two decimal places.

#### **Audit outcome**

Compliant

### **9.4. Half hour estimates (Clause 15 Schedule 15.2)**

#### **Code reference**

*Clause 15 Schedule 15.2*

#### **Code related audit information**

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

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

#### **Audit observation**

The HHR estimate process was examined, and a sample of 3 estimates were reviewed. Revised data was compared to estimates where the estimates had been replaced.

#### **Audit commentary**

Estimates are created based on the best information available. Where readings are available, they are used in conjunction with a profile to back fill missing data, and where readings are unavailable an estimate is created based on historic information.

The estimates are created in the RM TOOL and labelled as "E" for estimated. The RM TOOL contains a record of file name, date and time. Estimates are recorded at trading period level not daily level.

There is a requirement to use "reasonable endeavours" to ensure that data is accurate to within 10%. The audit confirmed that the process documentation is sufficient to achieve compliance.

#### **Audit outcome**

Compliant

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

## Code reference

Clause 16 Schedule 15.2

## Code related audit information

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

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

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

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

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

## Audit observation

The LIS and EDA files were reviewed. During the audit period Kea Power traded only HHR ICPs. In the past a small number of ICPs was traded as NHH, there were newly gained ICPs for which previous traders were using non FCLM meters to record consumption.

The validation process was discussed. The JC Consulting RM Submission Process documentation and Submission Checklists were reviewed.

## Audit commentary

All NHH reads are captured by Kea Energy themselves, as reconciliation participant reads, and then sent to JC Consulting. When a new ICP switches in, Kea Energy records a register read and then it is read again before the meter is replaced. JC Consulting adopted a validation process for NHH reads which consists of checking for high, low reads, consumption detected >10% of rollover amount, consumption on de energised sites, missing reads, negative consumption.

## Audit outcome

Compliant

## 9.6. Electronic meter readings and estimated readings (Clause 17 Schedule 15.2)

### Code reference

Clause 17 Schedule 15.2

### Code related audit information

*Each validity check of electronically interrogated meter readings and estimate readings must be at a frequency that will allow a further interrogation of the data storage device before the data is overwritten within the data storage device and before this data can be used for any purpose under the Code.*

*Each validity check of a meter reading obtained by electronic interrogation or an estimated reading must include:*

*17(4)(a) - checks for missing data*

*17(4)(b) - checks for invalid dates and times*

*17(4)(c) - checks of unexpected 0 values*

*17(4)(d) - comparison with expected or previous flow patterns*

*17(4)(e) - comparisons of meter readings with data on any data storage device registers that are available*

*17(4)(f) - a review of the meter and data storage device event log for any event that could have affected the integrity of metering data*

*17(4)(g) – a review of the relevant metering data where there is an event that could have affected the integrity of the metering data*

*If there is an event that could affect the integrity of the metering data (including events reported by MEPs, but excluding where the MEP is responsible for investigating and remediating the event) the reconciliation must investigate and remediate any events.*

*If the event may affect the integrity or operation of the metering installation the reconciliation participant must notify the metering equipment provider.*

#### **Audit observation**

JC Consulting receives remotely read metering data from FCLM, EDMI, and AccuCal.

#### **Audit commentary**

JC Consulting check for missing data, invalid dates and times; and unexpected zeros, and register readings are compared to the sum of intervals. Additionally, all meter data could be viewed graphically, which is an efficient way of checking flow patterns for each customer.

Event files are provided by FCLM as detailed in their MEP audit.

Log files are provided by the relevant parties if there have been no events for Kea Energy.

#### **Audit outcome**

Compliant

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

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

#### Code reference

Clause 13.136

#### Code related audit information

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

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

#### Audit observation

Kea Energy is not required to provide information to the pricing manager.

#### Audit commentary

This clause is not applicable to Kea Energy. Compliance was not assessed.

#### Audit outcome

Not applicable

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

#### Code reference

Clause 13.137

#### Code related audit information

*Each generator must provide the relevant grid owner half-hour metering information for:*

- *any unoffered generation from a generating station with a point of connection to the grid 13.137(1)(a)*
- *any electricity supplied from an intermittent generating station with a point of connection to the grid. 13.137(1)(b)*

*The generator must provide the relevant grid owner with the half-hour metering information required under this clause in accordance with the requirements of Part 15 for the collection of that generator's volume information. (clause 13.137(2))*

*If such half-hour metering information is not available, the generator must provide the pricing manager and the relevant grid owner a reasonable estimate of such data. (clause 13.137(3))*

#### Audit observation

Kea Energy is not required to provide information to the pricing manager.

#### Audit commentary

This clause is not applicable to Kea Energy. Compliance was not assessed.

#### Audit outcome

Not applicable



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

#### Code reference

Clause 13.138

#### Code related audit information

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

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

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

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

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

#### Audit observation

Kea Energy is not required to provide information to the pricing manager.

#### Audit commentary

This clause is not applicable to Kea Energy. Compliance was not assessed.

#### Audit outcome

Not applicable

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

#### Code reference

Clause 13.140

#### Code related audit information

*If the generator provides half-hourly metering information to a grid owner under clauses 13.136 to 13.138, or 13.138A, it must also, by 0500 hours of that day, advise the relevant grid owner.*

#### Audit observation

Kea Energy is not required to provide information to the pricing manager.

#### Audit commentary

This clause is not applicable to Kea Energy. Compliance was not assessed.

#### Audit outcome

Not applicable

## 11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

### 11.1. Buying and selling notifications (Clause 15.3)

#### Code reference

Clause 15.3

#### Code related audit information

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

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

#### Audit observation

The LIS file for the audit period was reviewed to confirm the profiles used.

#### Audit commentary

Kea Energy used the HHR, PV1, and RPS profiles, which do not require a trading notification.

#### Audit outcome

Compliant

### 11.2. Calculation of ICP days (Clause 15.6)

#### Code reference

Clause 15.6

#### Code related audit information

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

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

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

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

#### Audit observation

The process for the calculation of ICP days was examined by checking three NSPs ICPs to confirm the ICPdays calculation was correct.

We reviewed the GR-100 report provided by the reconciliation manager.

#### Audit commentary

ICP days file (AV-110) is part of the submission process. AV-110 files are submitted on the 4th business day and on the 13th business day of each reconciliation period. The process calculating ICPDAYS was correct.

The check of the GR100 confirmed that the only ICP differences were in Feb 2022 to Sept 2022. It was related to one ICP, which was a late switch and another one (0000009191TE2AE) which had incorrect type Installation Type flag of “G” in the registry. It has been corrected by TOPE during the audit.

Breach information provided by the Electricity Authority did not identify any late ICP days submissions.

**Audit outcome**

Compliant

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

**Code reference**

Clause 15.7

**Code related audit information**

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

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

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

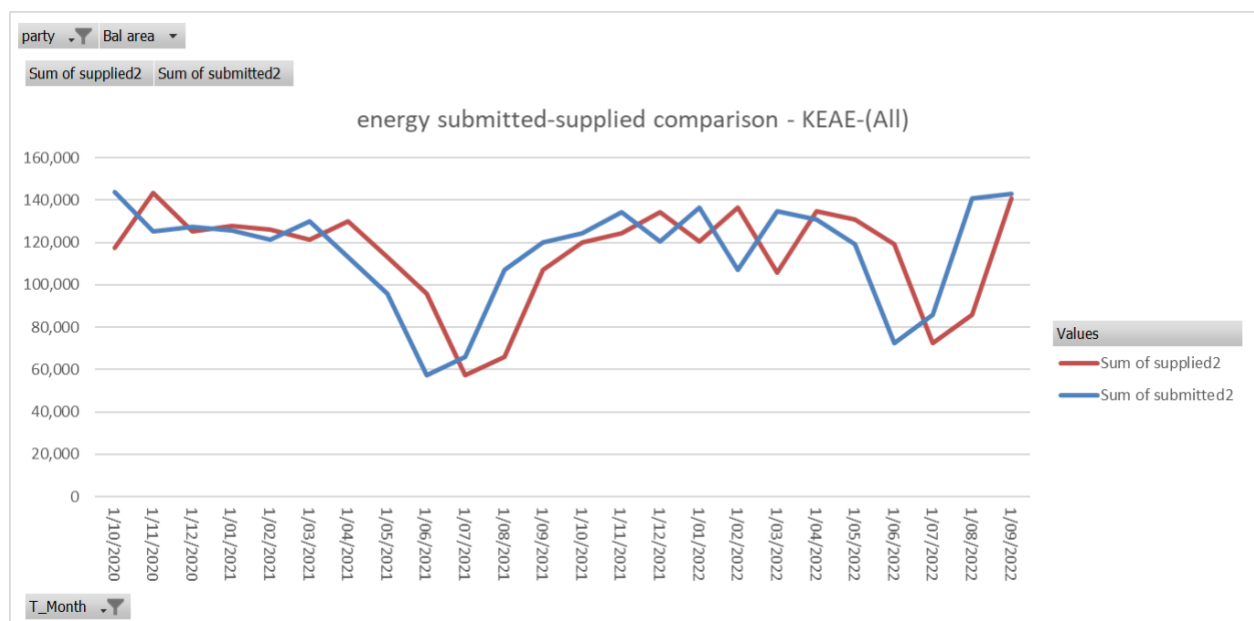
**Audit observation**

As a part of the file submission process to the reconciliation manager JC Consulting submits AV-120 every month for the current month and scheduled revisions. We checked the RM portal to confirm this.

**Audit commentary**

Kea Energy provides billing information to JC Consulting. The agreement is that customers are always billed as per reconciliation files.

The graph below shows a comparison between volumes submitted and supplied.



## Audit outcome

Compliant

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

#### Code reference

Clause 15.8

#### Code related audit information

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

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

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

#### Audit observation

We examined the process for the calculation and aggregation of HHR data. We compared HHR aggregates information with the HHR volumes data for four submissions. The process was discussed with Kea Energy staff.

Kea Energy provided a set of submission files (AV140) for the month Nov 2020 to Oct 2022. We compared the volumes in HHRVOLS and HHRAGGR for selected months.

The GR090 ICP missing files received during the audit period were examined.

#### Audit commentary

We compared volumes in HHRVOLS and HHRAGGR for months May 2022 to Oct 2022. There were only small rounding differences between the volumes and aggregates or not at all.

#### Audit outcome

Compliant

## 12. SUBMISSION COMPUTATION

### 12.1. Daylight saving adjustment (Clause 15.36)

#### Code reference

Clause 15.36

#### Code related audit information

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

#### Audit observation

HHR data is provided by MEPS. Data provided by MEPS is already adjusted for NZDT. Daylight savings processes for the MEPS were reviewed as part of their audits and found to be compliant. Daylight saving adjustment for AccuCal is conducted by JC Consulting in a compliant manner.

#### Audit commentary

Daylight savings processes for the MEPS were reviewed as part of their audits and found to be compliant.

#### Audit outcome

Compliant

### 12.2. Creation of submission information (Clause 15.4)

#### Code reference

Clause 15.4

#### Code related audit information

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

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

#### Audit observation

We reviewed the submission file for April 2022 to October 2022. ICPs were reconciled as HHR or NHH.

We checked for alleged breaches regarding late files.

#### Audit commentary

No breaches had been recorded for late provision of submission information.

We confirmed that Kea Energy submit volume information on day 4 and day 13 (all relevant revisions)

As a part of assessing compliance, we reviewed reconciliation files HHRAGGR, HHRVOLS, NHHVOLS and ICPDAYS and corresponding RM files GR-100, GR-090 and GR-170HHR. We confirm that all revisions were submitted as prescribed by this clause.

#### Audit outcome

RP Audit Report v13

Compliant

### 12.3. Allocation of submission information (Clause 15.5)

#### Code reference

Clause 15.5

#### Code related audit information

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

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

#### Audit observation

The process for the calculation of initial and subsequent submission volumes was examined and discussed with JC Consulting staff. We walked through the HHR volumes and aggregates validation process, including reviewing historic validations.

We sampled 3 NSPs to confirm the correct NSP was allocated as per the data held in the registry.

#### Audit commentary

The company receives daily updates from the registry and any discrepancies are resolved. This approach allows the company to have volumes allocated for each ICP to the NSP indicated by the data held in the registry for the period that Kea Energy is responsible for the ICPs.

#### Audit outcome

Compliant

### 12.4. Grid owner volumes information (Clause 15.9)

#### Code reference

Clause 15.9

#### Code related audit information

*The participant (if a grid owner) must deliver to the reconciliation manager for each point of connection for all of its GXPs, the following:*

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.9(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.9(b))*

#### Audit observation

We reviewed the registry NSP table. Kea Energy is not a grid owner.

#### Audit commentary

This clause is not applicable to Kea Energy. Compliance was not assessed.

### Audit outcome

Not applicable

## 12.5. Provision of NSP submission information (Clause 15.10)

### Code reference

Clause 15.10

### Code related audit information

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

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

### Audit observation

We reviewed the registry NSP table. Kea Energy does not own any local or embedded network.

### Audit commentary

This clause is not applicable. Compliance was not assessed.

### Audit outcome

Compliant

## 12.6. Grid connected generation (Clause 15.11)

### Code reference

Clause 15.11

### Code related audit information

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

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

### Audit observation

We reviewed the registry NSP table. Kea Energy is not a grid connected generator.

### Audit commentary

This clause is not applicable. Compliance was not assessed.

### Audit outcome

Not applicable

## 12.7. Accuracy of submission information (Clause 15.12)

## Code reference

Clause 15.12

## Code related audit information

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

## Audit observation

All relevant revisions were submitted on day 13 by JC Consulting. Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

## Audit commentary

A review of alleged breaches confirmed that no reconciliation submissions were made late. JC Consulting provided evidence that any updates to metering information are submitted to the RM. On day 4 JC Consulting used Kea Energy's own profile to calculate NHH submissions. They are replaced as soon as GR-030 is available.

## Audit outcome

Compliant

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

### Code reference

Clause 4 Schedule 15.2

### Code related audit information

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

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

*If, despite having used reasonable endeavours for at least 12 months, a reconciliation participant has been unable to obtain a validated meter reading, the reconciliation participant must replace volume information created using an estimated reading with volume information created using a permanent estimate in place of a validated meter reading.*

### Audit observation

We reviewed the LIS file covering the audit period to identify if any NHH ICPs were traded. It was discussed with JC Consulting.

### Audit commentary

During the audit period 5 ICPs were reconciled as NHH. None of these ICPs was traded as NHH for 4 months. Kea Energy's policy is to replace a meter as soon as possible.

### Audit outcome

Compliant



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

### Code reference

Clause 2 Schedule 15.3

### Code related audit information

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

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

### Audit observation

The process of aggregation and content of reconciliation files was reviewed during this audit and found compliant.

### Audit commentary

We assessed compliance with this clause and confirm as follows:

- all Kea Energy metered ICPs are submitted as HHR. During the audit period volumes for 5 ICPs were submitted as NHH. Once an existing meter was replaced by HHR meter, type of reconciliation was changed to HHR
- no profiles requiring a certified control device were used
- no loss or compensation arrangements were required
- UML ICPs were not traded
- aggregation of HHRAGGR and HHRVOLS is compliant

### Audit outcome

Compliant

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

### Code reference

### Clause 3 Schedule 15.3

#### Code related audit information

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

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

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

#### Audit observation

We reviewed NHHVOLS files submitted for JC Consulting during the audit period.

This was discussed with Kea Energy staff and JC Consulting. In addition, NHHVOLS submission files for the audit period were checked.

#### Audit commentary

We reviewed all NHHVOLS submissions and confirm that forward and historic estimates are included and identified as such.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 4 and 5 Schedule 15.3*

#### Code related audit information

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

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

#### Audit observation

The process for historical estimate used by JC Consulting was reviewed.

#### Audit commentary

We asked JC Consulting to provide three examples of calculations relevant to Kea Energy. We checked calculations and confirm their correctness.

The scenarios provided are listed below:

- ICP gained (switch event meter reading Actual and Estimate)
- Reads span over two months
- Reads in the same month

We confirm that calculations were correct.

### Audit outcome

Compliant

## 12.12. Forward estimate process (Clause 6 Schedule 15.3)

### Code reference

Clause 6 Schedule 15.3

### Code related audit information

*Forward estimates may be used only in respect of any period for which an historical estimate cannot be calculated.*

*The methodology used for calculating a forward estimate may be determined by the reconciliation participant, only if it ensures that the accuracy is within the percentage of error specified by the Authority.*

### Audit observation

The process to create forward estimates was reviewed. Forward estimates were checked for accuracy by analysing the GR170 file for variances between revisions for all six months where NHH submission occurred.

### Audit commentary

Kea Energy's forward estimates are based on a daily average consumption specified in the CS file or daily average consumption from the previous read to read. Using GR170NHH we check variances between submission day 4 and day 13, the variances were negligible. Kea Energy changes the type of reconciliation from NHH to HHR as soon as meters are replaced by FCLM. Forward estimates are not often used because readings are obtained at the end of each month.

### Audit outcome

Compliant

## 12.13. Compulsory meter reading after profile change (Clause 7 Schedule 15.3)

### Code reference

Clause 7 Schedule 15.3

### Code related audit information

*If the reconciliation participant changes the profile associated with a meter, it must, when determining the volume information for that meter and its respective ICP, use a validated meter reading or permanent estimate on the day on which the profile change is to take effect.*

*The reconciliation participant must use the volume information from that validated meter reading or permanent estimate in calculating the relevant historical estimates of each profile for that meter.*

### Audit observation

Kea Energy has changed a profile in the registry when a NHH meter is replaced by a HHR meter. The final read is taken when the NHH meter is removed. Once the HHR meter is installed JC Consulting receives data daily.

### Audit commentary

We reviewed three meter changes and confirm that for each of them a profile change was conducted using a register read on the day of the profile change.

**Audit outcome**

Compliant

## 13. SUBMISSION FORMAT AND TIMING

### 13.1. Provision of submission information to the RM (Clause 8 Schedule 15.3)

#### Code reference

*Clause 8 Schedule 15.3*

#### Code related audit information

*For each category 3 of higher metering installation, a reconciliation participant must provide half hour submission information to the reconciliation manager.*

*For each category 1 or category 2 metering installation, a reconciliation participant must provide to the reconciliation manager:*

- *Half hour submission information; or*
- *Non half hour submission information; or*
- *A combination of half hour submission information and non half hour submission information*

*However, a reconciliation participant may instead use a profile if:*

- *The reconciliation participant is using a profile approved in accordance with clause Schedule 15.5; and*
- *The approved profile allows the reconciliation participant to provide half hour submission information from a non half hour metering installation; and*
- *The reconciliation participant provides submission information that complies with the requirements set out in the approved profile.*

*Half hour submission information provided to the reconciliation manager must be aggregated to the following levels:*

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *trading period*

*The non half hour submission information that a reconciliation participant submits must be aggregated to the following levels:*

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *consumption period or day*

#### Audit observation

We reviewed the submission file for April 2022 to September 2022. Kea Energy trades all categories of metering installations. All ICPs are reconciled as HHR.

#### Audit commentary

Kea Energy submits HHRAGGR, HHRVOLS , and NHHVOLS files. Submission information is provided to the reconciliation manager in the appropriate format and is aggregated to the following level:

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

#### **Audit outcome**

Compliant

### 13.2. Reporting resolution (Clause 9 Schedule 15.3)

#### **Code reference**

*Clause 9 Schedule 15.3*

#### **Code related audit information**

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

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

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

#### **Audit observation**

We reviewed the rounding of data on HHRAGGR and HHRVOLS files as part of the aggregation checks.

#### **Audit commentary**

Submission information for NHH and HHR is rounded to two decimal places. It was discussed with the company as to how submission information was calculated, and Kea Energy confirm that submission volumes are rounded using a method prescribed by this clause at the end of calculations.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10 Schedule 15.3*

#### **Code related audit information**

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

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

- *at least 80% for revised data provided at the month 3 revision (clause 10(3)(a))*

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

#### **Audit observation**

JC Consulting created and submits reconciliation files for NHH ICPs. We reviewed NHHVOLs and GR-70 NHH submitted since the last audit.

#### **Audit commentary**

We confirm that Kea Energy met the target of 80%, 90%, and 100% for relevant revisions. Kea Energy's policy is to reconcile all ICPs as HHR. When a new ICP is gained (category 1 and 2) it is reconciled s NHH until a meter is replaced by FCLM.

#### **Audit outcome**

Compliant

## CONCLUSION

## PARTICIPANT RESPONSE



**APPENDIX A - TEMPLATE FOR NON-COMPLIANCE, ISSUES AND RECOMMENDATIONS.**

**NON-COMPLIANCE**

<b>Non-compliance</b>	<b>Description</b>		
Audit Ref: With: From: Click here to enter a date. To: Click here to enter a date.	Potential impact: Choose an item. Actual impact: Choose an item. Audit history: Controls: Choose an item. Breach risk rating:		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
Choose an item.			
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
			Choose an item.
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	

**RECOMMENDATION**

<b>Description</b>	<b>Recommendation</b>	<b>Audited party comment</b>	<b>Remedial action</b>

**ISSUE**

<b>Description</b>	<b>Issue</b>	<b>Remedial action</b>