

ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT



For

AURORA ENERGY LIMITED
NZBN: 9429039214270



Prepared by: Rebecca Elliot

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Audit report due date: 16-May-23

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EXECUTIVE SUMMARY

This distributor audit was performed at the request of **Aurora Energy Limited (Aurora)** to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11. The audit was carried out at Aurora's Dunedin office on 17th April 2023.

The audit was conducted in accordance with the Guideline for Distributor Audits V7.2, which was produced by the Electricity Authority.

Aurora has good controls in place for most processes, and the processes are well documented. Robust processes and prompt and accurate update of information are treated as a priority. Reporting and management of the reports is strong, which ensures data accuracy issues identified are promptly resolved.

Aurora continues to show improvement in a number of areas with a significant reduction of discrepancies. Continued focus on the contractor's field practices and the return of paperwork in a timely manner will ensure they meet their obligations and will improve the timeliness for updating the registry.

Overall, the level of compliance is high, and controls generally found to be strong. The audit found eight non-compliances and repeats one recommendation from the last audit. The audit risk rating is 14, and the next audit frequency table indicates that the next audit be due in 12 months. I have considered this in conjunction with Aurora's responses and I recommend that the next audit is in 12 months.

The matters raised are shown in the table below:

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Provision of ICP Information to the registry	3.3	Clause 11.7	Eight ICPs did not have an initial electrical connection date populated.	Strong	Low	1	Identified
Timeliness of Provision of ICP Information to the registry	3.4	Clause 7(2) Schedule 11.1	Late update to "ready" for six ICPs electrically connected during the audit period.	Strong	Low	1	Identified
Timeliness of Provision of Initial electrical connection Date to the registry	3.5	Clause 7(2A) Schedule 11.1	263 late initial electrical connection date updates.	Moderate	Low	2	Identified
Temporary electrical connection of ICP that is not an NSP	3.8	Clause 10.31A	Eight ICPs from a sample of ten temporarily livened.	Moderate	Low	2	Identified
Changes to Registry information	4.1	Clause 8 Schedule 11.1	Updates to registry backdated greater than three business days. 190 late pricing updates. 328 late address updates. 38 late status updates. 36 late network updates. 171 late distributed generation updates	Moderate	Low	2	Identified
Notice of NSP for each ICP	4.2	Clauses 7(1),(4) and (5) Schedule 11.1	Three ICPs with the incorrect GXP recorded.	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
ICP location address	4.4	Clause 2 of Schedule 11.1	Nine ICPs with duplicate addresses and 1,511 ICPs with insufficient details.	Moderate	Low	2	Identified
Distributors to Provide ICP Information to the Registry	4.6	Clause 7(1)(l) & p) of Schedule 11.1	<p>Eight of the sample checked with missing initial electrical connection dates.</p> <p>Ten active ICPs of the sample checked with Initial electrical connection dates inconsistent with other fields.</p> <p>NSP dedication flag incorrect for two LE ICPs.</p>	Moderate	Low	2	Identified
Future Risk Rating						14	

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

RECOMMENDATIONS

Subject	Section	Recommendation
Distributed Generation	4.6	Monitor the EIEP1 reports to identify ICPs with "I" flow where none is expected and check for any negative values as this may indicate where distributed generation is present without import/export metering installed.

ISSUES

Subject	Section	Recommendation	Description
		Nil	

1.3. Persons involved in this audit:

Auditors:

Name	Company	Role
Rebecca Elliot	Veritek Limited	Lead Auditor
Claire Stanley	Veritek Limited	Supporting Auditor

Aurora personnel assisting in this audit were:

Name	Title	Company
Graham Moore	Connections Co-ordinator	Aurora Energy
Jon Stone	Commercial Development Manager	Aurora Energy
Christi Cron	Junior Connections Co-ordinator	Aurora Energy

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

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

Audit observation

Aurora subcontracts Delta and independent contractors to conduct field activities. The management and control areas covered by this audit are conducted by Aurora employees. This matter was discussed during the audit to ensure Aurora understands their responsibilities under this clause.

Audit commentary

Aurora has maintained responsibility for all of their obligations during the audit period.

1.5. Supplier list

Aurora engages Delta and other independent contractors to conduct field activities.

1.6. Hardware and Software

Aurora provided the following information detailing hardware and software used in the processes being audited:

- Aurora connection application database for tracking connection applications,
- Gentrack for ICP creation, line charge billing and source for Registry updates, and
- ARC GIS.

Access to systems is restricted using logins and passwords. All data is backed-up in accordance with standard industry protocols.

1.7. Breaches or Breach Allegations

Aurora has no breach allegations recorded by the Electricity Authority which are relevant to this audit.

1.8. ICP and NSP Data

Aurora has responsibility for balancing areas in the Otago and Central Otago region. The Heritage Estate embedded network at Te Anau transferred to another network during the audit period.

The table below lists the relevant NSPs and their associated balancing areas.

Dist	NSP POC	Description	Balancing Area	Network type	Start date	No of ICPs
DUNE	CML0331	CROMWELL	CROMWELDUNEG	G	1 May 2008	15,003
DUNE	CYD0331	CLYDE	CLYDE00DUNEG	G	1 May 2008	7,624
DUNE	FKN0331	FRANKTON	FRANKTODUNEG	G	1 May 2008	14,627
DUNE	HWB0331	HALFWAY BUSH	DUNEDINDUNEG	G	1 May 2008	35,220
DUNE	SDN0331	SOUTH DUNEDIN	DUNEDINDUNEG	G	1 May 2008	21,050

One NSP transferred to another network during the audit period.

Dist	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
DUNE	HER0111	HERITAGE ESTATE	NMA0331	TPCO	HERITGEDUNEE	E	1 May 2008	141

There are 13 embedded networks connected to the Aurora network, shown in the table below. MSC0011 has a new network start date as the distributor changed, which reset the network start date. WTR0111 has a new start date but it is not a new embedded network. Two new embedded networks were connected to the Aurora network, NTU0111 with a start date of 27 June 2022 and TSW0011 with a start date of 1 September 2022. No embedded networks were decommissioned during the audit period.

Dist	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date
TENC	MSC0011	MERIDIAN SHOPPING CENTRE	HWB0331	DUNE	MSC0011AJMLE	E	1 November 2022
LLNW	NLK0111	OUTLET ROAD WANAKA	CML0331	DUNE	NLK0111LLNWE	E	12 July 2017
TENC	TFM0011	FIVE MILE SHOPPING CENTRE	FKN0331	DUNE	TFM0011TENCE	E	8 July 2015
TENC	TJW0011	243-261 Princes Street Dunedin	SDN0331	DUNE	TJW0011TENCE	E	1 April 2018
TENC	TQC0011	Queenstown Central	FKN0331	DUNE	TQC0011TENCE	E	11 June 2018
TRPG	WPG0331	WAIPORI GENERATION	HWB0331	DUNE	WPG0331TRPGE	E	1 February 2022
TENC	TMT0011	65-93 Lakeside Road Wanaka Otago	CML0331	DUNE	TMT0011TENCE	E	1 July 2020
TENC	TBR0011	35 Brecon Street	FKN0331	DUNE	TBR0011TENCE	E	21 June 2021
TENC	TRR0011	Riverside Residence Dunedin	CML0331	DUNE	TRR0011TENCE	E	16 August 2021
LLNW	CLV0111	Kirimoko Crescent Wanaka	CML0331	DUNE	CLV0111LLNWE	E	17 May 2021
LLNW	WTR0111	Shortcut Road Cromwell	CML0331	DUNE	WTR0111LLNWE	E	1 August 2022
LLNW	NTU0111	Gorge Road Queenstown	FKN0331	DUNE	NTU0111LLNWE	E	27 June 2022
TENC	TSW0011	Steamer Wharf	FKN0331	DUNE	TSW0011TENCE	E	1 September 2022

Aurora provided a list of all ICPs as of 31 January 2023 by way of a registry “list file”. A summary of this data by “ICP status” is as follows.

Status	Number of ICPs 2023	Number of ICPs 2022	Number of ICPs 2021
Distributor (888)	18	16	13
New (999)	28	52	211
Ready (000)	219	175	132
Active (2,0)	94,289	93,665	92,341
Inactive - new connection in progress (1,12)	125	155	154
Inactive – electrically disconnected vacant property (1,4)	1,213	1,163	1,256
Inactive – electrically disconnected remotely by AMI meter (1,7)	551	347	381
Inactive – electrically disconnected at pole fuse (1,8)	17	15	8
Inactive – electrically disconnected due to meter disconnected (1,9)	13	9	6
Inactive – electrically disconnected at meter box fuse (1,10)	10	9	8
Inactive – electrically disconnected at meter box switch (1,11)	0	1	1
Inactive – electrically disconnected ready for decommissioning (1,6)	15	19	15
Inactive – reconciled elsewhere (1,5)	2	2	0
Decommissioned (3)	9,160	8,924	8,478

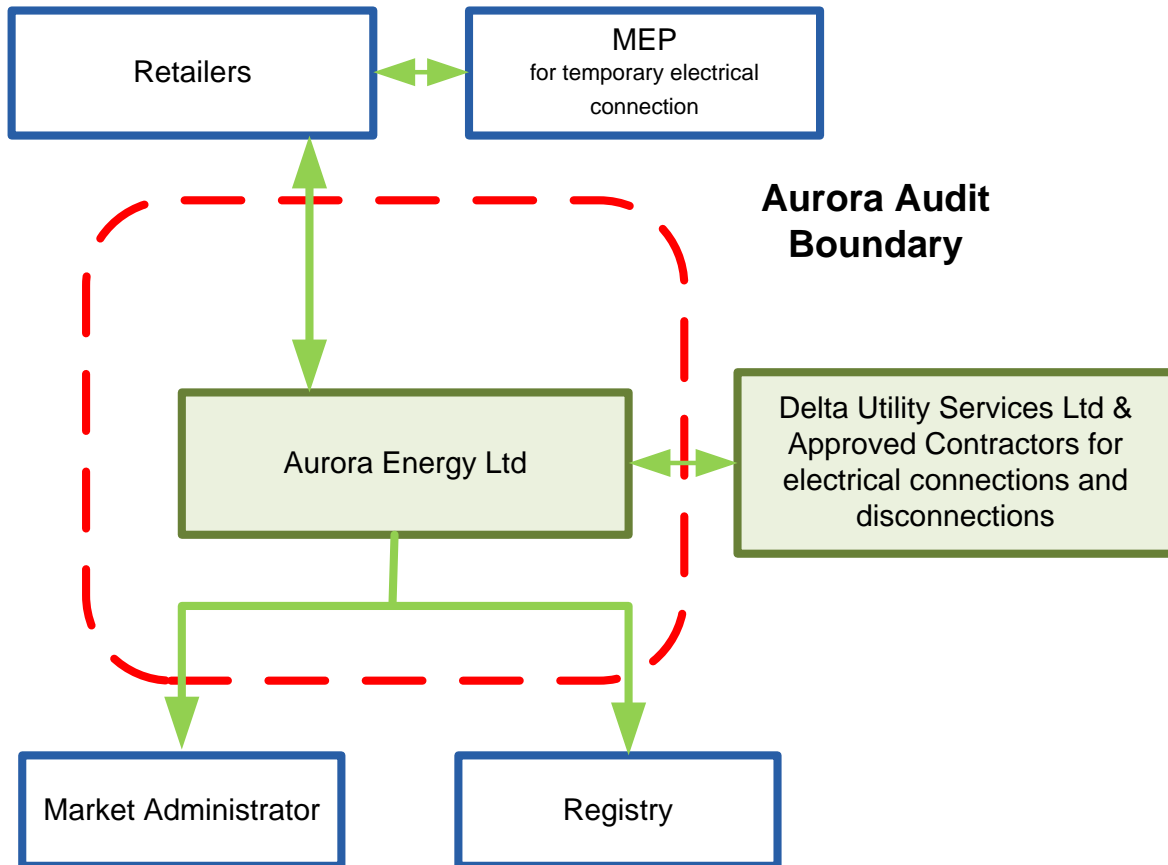
1.9. Authorisation Received

An email authorising the collection of information was provided.

1.10. Scope of Audit

This distributor audit was performed at the request of Aurora Energy to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11. The audit was carried out at Aurora's Dunedin office on 17th April 2023.

The scope of the audit is shown in the diagram below, with the Aurora audit boundary shown for clarity.



All activities covered by this audit are conducted at Aurora's head office in Dunedin.

The audit was conducted in accordance with the Guideline for Distributor Audits V7.2, which was produced by the Electricity Authority.

1.11. Summary of previous audit

I reviewed Aurora's previous audit report, conducted in April 2022 by Steve Woods of Veritek Ltd.

The current status of the previous audit's findings are shown in the tables below.

Table of Non-Compliance

Subject	Section	Clause	Non-compliance	Status
Requirement to provide complete and accurate information	2.1	11.2(1) and 10.6(1)	Some missing initial electrical connection dates.	Cleared
Provision of ICP Information to the registry	3.3	Clause 11.7	87 ICPs did not have an initial electrical connection date populated.	Still existing
Timeliness of Provision of ICP Information to the registry manager	3.4	Clause 7(2) of Schedule 11.1	Late update to "ready" for 28 ICPs electrically connected during the audit period.	Still existing
Initial electrical connection date population	3.5	7(2A) of Schedule 11.1	224 late initial electrical connection date updates.	Still existing
Changes to registry information	4.1	8 Schedule 11.1	Updates to registry backdated greater than 3 business days. 155 late pricing updates. 1418 late address updates. 21 late status updates. 26 late network updates. 5 late NSP updates. 84 late distributed generation updates.	Still existing
ICP location address	4.4	Clause 2 of Schedule 11.1	Three ICPs with duplicate addresses and 1,624 ICPs with insufficient details.	Still existing
Distributors to Provide ICP Information to the Registry manager	4.6	7(1) Schedule 11.1	13 of the sample checked with the missing initial electrical connection dates. One active ICP with Initial electrical connection dates inconsistent with other fields. NSP dedication flag incorrect for two LE ICPs. Four ICPs with unmetered load with incorrect unmetered load value.	Still existing

Subject	Section	Clause	Non-compliance	Status
Provision of information to registry after the trading of electricity at the ICP commence	4.7	7(3) Schedule 11.1	Four ICPs with price category codes updated later than 10 business days of electricity being traded.	Cleared

Table of Recommendations

Subject	Section	Recommendation	Status
Electrical connection of a point of connection	3.16	The process for new streetlight connections is to be reviewed to ensure that all such connections have a trader accept responsibility, and to ensure that lights are being captured in the council database, which is used for reconciliation, prior to electrical connection.	Cleared
Distributed Generation	4.6	Monitor the EIEP1 reports to identify ICPs with "I" flow where none is expected and check for any negative values as this may indicate where distributed generation is present without import/export metering installed.	Not actioned

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1)

Code related audit information

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

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

Audit observation

Aurora's data management processes were examined. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm compliance.

Audit commentary

Aurora has robust discrepancy reporting and monitoring in place, including the audit compliance reports to identify discrepancies and correct them.

Audit outcome

Compliant

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

Code reference

Clause 11.2(2)

Code related audit information

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

Audit observation

Aurora's data management processes were examined. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm compliance.

Audit commentary

As noted above, Aurora have robust processes and procedures in place to ensure they provide correct and accurate information. There has been an improvement in a number of areas and a significant reduction in the number of discrepancies.

Registry notification files are checked daily, and the audit compliance reporting is used to check for discrepancies. Any discrepancies found are investigated and updated as required.

Audit outcome

Compliant

2.3. Removal or breakage of seals (Clause 48(1A) and 48(1B) of Schedule 10.7)

Code reference

Clause 48(1A) and 48(1B) of Schedule 10.7

Code related audit information

If the distributor provides a load control signal to a load control switch in the metering installation, the distributor can remove or break a seal without authorisation from the MEP to bridge or unbridge the load control device or load control switch – as long as the load control switch does not control a time block meter channel.

If the distributor removes or breaks a seal in this way, it must:

- *ensure personal are qualified to remove the seal and perform the permitted work and they replace the seal in accordance with the Code*
- *replace the seal with its own seal*
- *have a process for tracing the new seal to the personnel*
- *notify the metering equipment provider and trader*

Audit observation

The PR-255 file was examined to determine if there were examples of load control switches on the Aurora Network. The management of removal and breakage of seals was discussed.

Audit commentary

Aurora may receive an after-hours call, they will send Delta out to resolve the problem, all work is done under the Delta test house.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

A distributor 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 distributor and consumer, the distributor needs to provide this information in at least one communication in that series.

Audit observation

The Disputes Resolution information for Aurora was examined to determine compliance.

The following were provided by Aurora and examined:

- the Aurora website link,
- a Facebook message,
- letter templates, and
- email signature examples.

These are used for correspondence to consumers. The IVR message on the 0800 number was also checked.

Audit commentary

All of these provided clear and prominent information about Utilities Disputes for the consumer, including contact details and links to the Utilities Disputes website. The Aurora website provides the Utilities Dispute information clearly on the Complaints page. All calls are directed to receive an IVR message that provides the Utilities Disputes information.

Audit outcome

Compliant

3. CREATION OF ICPS

3.1. Distributors must create ICPs (Clause 11.4)

Code reference

Clause 11.4

Code related audit information

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

Audit observation

The new connection process was examined in detail and is described in **section 3.2** below. Twenty new connection applications of the 1,345 created were sampled using diverse characteristic methodology from the point of application through to when the ICP was created.

Audit commentary

Aurora's new connection process is robust with good controls in place. The sample checked in **section 3.2** below confirms this.

Audit outcome

Compliant

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

Code reference

Clause 11.5(3)

Code related audit information

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

Audit observation

The new connection process was examined in detail. A diverse characteristics sample of 20 new connection applications of the 1,345 created during the audit period from 1 February 2022 to 31 January 2023 were checked to determine whether the ICPs had been created within three business days of a request by a trader. The sample included various traders.

Audit commentary

Aurora's requests for ICPs are received from the authorised network contractor on behalf of the electrician or the property owner online via the customer portal. The application is checked by the Network Planning team to ensure capacity is available for the supply; if engineering work is required, the applicant is notified, and a quote prepared.

Aurora create the ICP at "ready". Notification is sent to the proposed trader, the customer and electrician when the ICP has been approved and created. The trader is expected to notify Aurora if they reject the ICP, and the customer is notified.

The records for 20 ICPs covering across Aurora's network (including some with unmetered load and distributed generation installed) were examined and confirmed all were requested by the customer. As

the customer applies to Aurora in the first instance the 3-day rule does not apply. Compliance is confirmed.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

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

Audit observation

The new connection process for populating all required registry fields was examined. The list file was examined for all ICPs created during the audit period.

Audit commentary

The process for updating the registry is automated for all fields. 1,345 ICPs were created during the audit period. Validation occurs within the database to ensure mandatory fields are populated. All had the correct information populated as required by this clause, except eight ICPs did not have the ICED date populated. This is a significant improvement from the previous audit. The timeliness of these updates is detailed in **section 3.4**.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: Clause 11.7 From: 01-Feb-22 To: 31-Jan-23	Eight ICPs did not have an initial electrical connection date populated. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong as Aurora have sufficient reporting in place to identify this, and there has been a significant improvement during the audit period. The audit impact is assessed to be low due to the number of ICPs with no initial electrical connection date recorded.		
Actions taken to resolve the issue		Completion date	Remedial action status
Aurora has corrected the ICPs with no IECD.		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora Energy has implemented an internal compliance report that is monitored monthly. Most non-compliance issues are corrected immediately.		5 May 2023	

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The new connection process was examined. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm the timeliness of the provision of ICP information for new connections.

A diverse characteristics sample of ten late updates were examined.

Audit commentary

The process for updating the registry is automated for all fields, and the update occurs on a nightly basis. 1,345 ICPs were created during the audit period. The sample checked found the registry was populated later than the first active date for six ICPs due to a new staff member not entering the date. Additional training has been completed. Monthly reports are also run to identify any issues.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.4 With: Clause 7(2) of Schedule 11.1 From: 01-Feb-22 To: 31-Jan-23	Late update to "ready" for six of a sample of 10 ICPs electrically connected during the audit period. Potential impact: Medium Actual impact: Medium Audit history: Multiple times previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong as Aurora The audit impact is assessed to be low due to the small number of late updates.		
Actions taken to resolve the issue		Completion date	Remedial action status
The affected ICPs have been corrected.		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Internal compliance is performed monthly to minimise the instances of late updates.		5 May 2023	

3.5. Timeliness of Provision of Initial electrical connection Date (Clause 7(2A) of Schedule 11.1)

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

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

Audit observation

The new connection process was examined.

The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm the timeliness of the provision of the initial electrical connection date. A diverse characteristics sample of ten late updates were examined.

Audit commentary

The living reports provided by the contractors have the initial electrical connection date recorded on them. This date is entered into Gentrack which then writes this to the registry.

There were 1,332 initial electrical connection date updates in the LIS file. The audit compliance report identified 263 late updates. The sample of twenty late updates examined found the majority were due to late notification from the field contractors, or no notification received from the contractor, and five were due to human error where additional training has been provided to the staff member. The Audit Compliance report is being used to monitor these.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: 01-Feb-22 To: 31-Jan-23	263 late initial electrical connection date updates. Potential impact: Low Actual impact: Low Audit history: Multiple times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate as Aurora have sufficient reporting in place to identify this, but there is still an opportunity to improve the return of paperwork from the field. The audit risk rating is assessed to be low as this has no direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
Aurora has corrected the affected ICPs		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Reporting is in place to identify issues; however, compliance is dependent on the provision of information from third parties.		5 May 2023	

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

Code reference

Clause 11.17

Code related audit information

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

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

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

Audit observation

The new connection process was examined in **section 3.2**.

The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to determine the timeliness of the provision of ICP information for new connections.

Audit commentary

The new connection process creates the ICP at “ready”. Notification is sent to the proposed trader, the customer and electrician when the ICP has been approved and created. The trader is expected to notify Aurora if they reject the ICP, and the customer is notified.

Review of the registry list confirmed that a trader is currently recorded for all “active” ICPs.

Review of a registry list confirmed there is no shared unmetered load recorded against any Aurora ICP.

Audit outcome

Compliant

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

Code reference

Clause 10.31

Code related audit information

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

Audit observation

The new connection process was examined. The combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined.

Audit commentary

As discussed in **section 3.2**, Aurora has a step in the new connections process to ensure a trader accepts responsibility and is recorded in the registry. There are no ICPs without a proposed trader recorded in the registry.

Audit outcome

Compliant

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

Code reference

Clause 10.31A

Code related audit information

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

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

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

- *advising all traders would impose a material cost on the distributor, and*
- *in the distributor's reasonable opinion, the advice would not result in any material benefit to any of the traders*

Audit observation

The new connection process was examined in **section 3.2**. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm compliance.

Audit commentary

The new connection process requires that the trader arrange for electrical connection and they in turn have an agreement with an MEP for the ICP.

The audit compliance report found 40 ICPs where the meter certification date was later than the initial electrical connection date. I examined a sample of ten ICPs with meters certified later than the initial electrical connection date and found two were the result of data entry errors, and eight appear to be the result of a contractor temporarily livening the site and removing the fuse prior to the metering installation. A request had not been received by the MEP to do this.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.8 With: Clause 10.31A From: 01-Feb-22 To: 31-Jan-23	Eight ICPs of a sample of ten temporarily livened. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time but there is an opportunity for improvement. The audit risk rating is assessed to be low as this has no direct impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
No further action required		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora will remind and educate contractors of the correct process to maintain compliance with clause 10.31A		31 July 2023	

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

Code reference

Clause 10.30

Code related audit information

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

The distributor that initiates the connection under Part 11 and connects the NSP must, within 5 business days of connecting the NSP that is not a point of connection to the grid, advise the reconciliation manager of the following in the prescribed form:

- the NSP that has been connected*
- the date of the connection*
- the participant identifier of the MEP for each metering installation for the NSP*
- the certification expiry date of each metering installation for the NSP.*

Audit observation

The NSP table was examined.

Audit commentary

No new embedded NSPs have been created by Aurora during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.30A and 10.30B

Code related audit information

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

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

A distributor may only electrically connect an NSP if:

- *each distributor connected to the NSP agrees*
- *the trader responsible for delivery of submission information has requested the electrical connection*
- *the metering installations for the NSP are certified and operational metering*

Audit observation

The NSP table was reviewed.

Audit commentary

No new embedded NSPs have been created by Aurora.

Audit outcome

Compliant

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

yyyyyyyyyyxxccc where:

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

Audit observation

The new connection process was examined and a sample of 20 ICPs were checked.

Audit commentary

The process for the creation of ICPs was examined, and all ICPs are created in the appropriate format. The sample checked confirmed compliance.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

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

Audit observation

The list file was examined to confirm all active ICPs have a single loss category code.

Audit commentary

Each ICP only has a single loss category, which clearly identifies the relevant loss factor. Each loss category code has a different loss factor for day and night, and summer and winter.

Audit outcome

Compliant

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

Code reference

Clause 13 Schedule 11.1

Code related audit information

The ICP status of “new” must be managed by the distributor to indicate:

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

Audit observation

The ICP creation process was reviewed. The registry list file as of 31 January 2023 was examined to determine compliance.

Audit commentary

All ICPs are now created at the “ready” status. Examination of the list file found 28 ICPs at the “new” status. There were no ICPs at “new” with initial electrical connection dates populated. The ICPs at “new” status were created prior to the process being changed.

The monitoring of ICPs at this status is discussed in **section 3.14**.

Audit outcome

Compliant

3.14. Monitoring of “new” & “ready” statuses (Clause 15 Schedule 11.1)

Code reference

Clause 15 Schedule 11.1

Code related audit information

If an ICP has had the status of “new” or has had the status of “ready” for 24 calendar months or more:

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

Audit observation

I checked the list file for ICPs at “new” or “ready” for longer than 24 months to confirm that traders had been notified.

Audit commentary

Aurora has reporting in place to identify ICPs at “new” and “ready” for longer than 24 months, and they contact the electrician and trader to confirm if the ICP is still required.

There are 28 ICPs at “new” and 12 ICPs at “ready” that have been there for longer than 24 months. A sample of five at each status was examined and found all had been followed up with the traders, and as a result of this it was determined that three ICPs were no longer required and will be decommissioned.

Audit outcome

Compliant

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

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

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

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

Audit observation

This requirement was discussed, and the list file was examined.

Audit commentary

Aurora has a good understanding of this requirement. Examination of the list file confirmed that there is one embedded generator with a capacity greater than 10MW that has a specific loss category code. There has been no new embedded generation greater than 10MW created during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(4)

Code related audit information

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

Audit observation

Processes were examined for the connection of ICPs and NSPs.

Audit commentary

Aurora will only connect a point of connection if requested by the trader responsible in the registry. New streetlight connections follow the same process. Aurora receive streetlighting information from the council and NZTA, and the retailer is copied into the notification.

Aurora requires a service request providing authorisation to electrically connect an ICP.

Audit outcome

Compliant

3.17. Electrical disconnection of a point of connection (Clause 10.30C and 10.31C)

Code reference

Clause 10.30C and 10.31C

Code related audit information

A distributor can only disconnect, or electrically disconnect an ICP on its network:

- *if empowered to do so by legislation (including the Code)*
- *under its contract with the trader for that ICP or NSP*
- *under its contract with the consumer for that ICP*

Audit observation

Processes were examined for the disconnection of ICPs and NSPs.

Audit commentary

Aurora understand their responsibilities in relation to this clause. Aurora only conducts electrical disconnection for safety, and they only conduct disconnection where ICPs are to be decommissioned.

Audit outcome

Compliant

3.18. Meter bridging (Clause 10.33C)

Code reference

Clause 10.33C

Code related audit information

A distributor may only electrically connect an ICP in a way that bypasses a meter that is in place ("bridging") if the distributor has been authorised by the responsible trader.

The distributor can then only proceed with bridging the meter 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 distributor bridges a meter, the distributor must notify the responsible trader within 1 business day and include the date of bridging in its advice.

Audit observation

The Aurora process for bridging meters was examined.

Audit commentary

Aurora, advise they do not bridge any meters; they advise the customer to contact the retailer.

Audit outcome

Compliant

4. MAINTENANCE OF REGISTRY INFORMATION

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

Code reference

Clause 8 Schedule 11.1

Code related audit information

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

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

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

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

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

In the case of a change to price category codes, where the change is backdated, no later than three business days after the distributor and the trader responsible for the ICP agree on the change.

Audit observation

The management of registry updates was reviewed.

The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined. A diverse sample of a minimum of 20 (or all if there were less than 20 examples) backdated events by event type were reviewed to determine the reasons for the late updates.

Audit commentary

The process for updating the registry is automated for all fields. The table below details the quantity and compliance of registry updates.

Update	Date	Late	% Compliant	Average Days
Address	2021	1222	97.23%	2.55
	2022	1418	53%	108.17
	2023	328	83%	78.56
Price Codes	2021	174	-	-
	2022	155	-	-
	2023	190	-	-
Status	2021	20	91.74%	2.73
	2022	21	92%	4.42
	2023	38	81%	8.04
Network (excl. New Connection & Distributed Generation)	2021	5	-	-
	2022	26	-	-
	2023	36	-	-

Update	Date	Late	% Compliant	Average Days
Distributed Generation	2021	81	60.10%	17.61
	2022	84	76.20%	32.16
	2023	171	63.92%	13.96
NSP changes	2021	8	-	-
	2022	5	-	-
	2023	0	-	-

Address events

There were 5,873 address updates, 83% were made on time with an average time to update the registry of 78.56 days. There were 328 late address updates. The sample checked of these found that all related to corrections or updates to the address. Aurora were reminded when updating addresses, they should not be back dated. There has been a significant reduction in the number of late address updates since the last audit.

Network Events

The network events evaluated excluded those relating to the population of the initial electrical connection dates (discussed in **section 3.5**), NSP changes (discussed below) and the initial network events relating to the creation of ICPs.

The network event compliance report was examined and recorded 36 late network updates. 14 were examined and found that these were corrections to the 'Dedicated NSP' flag, correcting the ICED, removing the 'proposed retailer' as a result of an ICP switch, or correction to the 'Direct Billed indicator'.

Distributed Generation

The distributed generation process is described in **section 4.6**. 63.92% of all distributed generation network updates were made on time with an average time to update the registry of 13.96 days. This has reduced from an average time in the last audit of 32.16 days. There were 171 late distributed generation updates. The sample of 10 checked found they were all late due to late notification from the field. Reporting is monitored and follow-up is undertaken where required to obtain installation details.

NSP Changes

There were no late NSP changes reported.

Pricing events

190 price changes were updated more than three business days after the event. Aurora will notify the trader if they are changing and back dating a price code.

The 190 late updates were reviewed:

Late updates	Within 10 bus days	Within 20 bus days	Within 30 bus days	Within 90 bus days	Within 365 bus days	Within 670 business days
190	111	144	160	176	187	190

A sample of 20 late updates were checked. All were backdated to correct pricing because:

- a capacity upgrade or downgrade, or
- to update a place holder tariff when the permanent supply was connected, and the livening report was received, or

- annual review based on usage during control periods.

Decommissioning Status Events

The decommissioning process is discussed in **section 4.11**.

The combined audit compliance reporting found there were 185 ICPs decommissioned. 81% were compliant with an average of 8.04 business days to update. 38 ICPs were updated late. Eight updates were examined and found that the majority were due to late notification or waiting for the retailer to update the registry.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.1 With: Clause 8 Schedule 11.1 From: 01-Feb-22 To: 31-Jan-23	Updates to registry backdated greater than three business days. 190 late pricing updates. 328 late address updates. 38 late status updates. 36 late network updates. 171 late distributed generation updates. Potential impact: Low Actual impact: Low Audit history: Multiple times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as moderate. Aurora has robust reporting in place which identifies discrepancies which ensures that discrepancies are identified but some errors still occur. The Audit risk rating is low as the majority of the changes have no impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
Aurora backdates network pricing events where information that leads to a change in price category or pricing attribute has not been provided or has not been provided on time by a contractor. It would be disadvantageous to consumers to comply with this requirement in circumstances where Aurora has not applied altered pricing information in error, or where contractors have not provided Aurora information in a timely fashion. Aurora is mindful of this Code requirement and limits any backdating to corrections of pricing information.		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora maintains an internal compliance report to identify and correct any non-compliance issues on a monthly basis.		5 May 2023	

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

Code reference

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

Code related audit information

The distributor must notify the registry of the NSP identifier of the NSP to which the ICP is usually connected under Clause 7(1)(b) of Schedule 11.1.

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

Audit observation

The process to determine the correct NSP was examined. The audit compliance reporting identified 13 active ICPs where 10% or fewer ICPs on a street have a different NSP and there are fewer than three ICPs with a different NSP. All were examined to determine if the correct NSP has been assigned.

Audit commentary

The controls in place to ensure new ICPs have the correct NSP are robust. The GXP determination for the two areas outside of Dunedin are allocated based on geographical location in GIS. For ICPs in the Dunedin area the NSP is assigned at the time the ICP is plotted in the GIS. Where the GXP boundaries meet this is determined by the transformer the ICP will be connected to, as determined in GIS. Validation is in place to ensure NSP accuracy.

The audit compliance reporting identified 13 ICPs with potentially the incorrect NSP assigned. These were examined and found that three ICPs were incorrectly mapped. One was the result of human error and two were missing the suburb in the address details, which resulted in the incorrect GXP being applied.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.2 With: Clauses 7(1),(4) and (5) Schedule 11.1 From: 01-Feb-22 To: 31-Jan-23	Three ICPs with the incorrect GXP recorded. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time but there is an opportunity for improvement. The audit risk rating is assessed to be low as it only impacted three ICPs.		
Actions taken to resolve the issue		Completion date	Remedial action status
Incorrect ICPs have been corrected		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora maintains a monthly internal compliance report that identifies non-compliance issues which are corrected immediately. Staff will be educated and reminded about the process to correctly enter GXP details.		31 July 2023	

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

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

Audit observation

The management of customer queries was discussed to confirm policy.

Audit commentary

Requests for ICP identifiers are not a common occurrence, however Aurora provides this information if the requesting party has authorisation.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

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

Audit observation

The process to determine correct and unique addresses was examined. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm compliance.

Audit commentary

Gentrack is checked to confirm that there are no existing ICPs with the same address. If the address is not readily locatable the applicant is contacted to get further details. The location is plotted in the GIS system.

The audit compliance report recorded nine active ICPs where the address is duplicated. These were all examined and found there was insufficient information to meet the requirement of this clause. Additional address information was identified during the audit and is to be added to the Property name.

A check of the list file identified 1,511 active ICPs that had no street number and potentially insufficient details to readily locate these ICPs. 349 of these have a lot and DP number recorded (details in Property name field). This is not sufficient for a meter reader to locate the property. This is due to the ICP applications only having a lot and DP number and there is no process to update these once the ICP is created unless the retailer requests the address to be updated at a later date. The typical sample of ten ICPs checked found:

- additional information was identified for six ICPs to be added to the address, and
- the remaining did not have a sufficient address details provided.

The majority of these ICPs have insufficient details to ensure they are readily locatable. The previous two audits recommended Aurora liaise with the district council to obtain additional information. Aurora confirmed they will seek additional information as time and resource allows.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.4 With: Clause 2 of Schedule 11.1 From: 01-Feb-22 To: 31-Jan-23	Nine ICPs with duplicate addresses and 1,511 ICPs with insufficient details. Potential impact: Low Actual impact: Low Audit history: Three times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they will mitigate risk most of the time but there is an opportunity for improvement. The audit risk rating is low as this has no direct impact on reconciliation but could affect meter readers ability to get manual reads.		
Actions taken to resolve the issue		Completion date	Remedial action status
Non-compliant ICPs have been corrected.		5 May 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora maintains an internal compliance report which identifies most issues of non-compliance which are corrected immediately. However, this process is reliant on councils accurately maintaining their GIS data, so potential errors may still occur.		5 May 2023.	

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

This was examined as part of the new connection process and proof of process was checked as part of the sample of 20 new connections examined.

Audit commentary

For new connections, this clause is well understood, and the policy is to allow shared service mains, but individual fusing is required. A section in the “network connection inspection form” requires that fusing information be notified.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

- the location address of the ICP identifier (Clause 7(1)(a) of Schedule 11.1)
- the NSP identifier of the NSP to which the ICP is usually connected (Clause 7(1)(b) of Schedule 11.1)
- the installation type code assigned to the ICP (Clause 7(1)(c) of Schedule 11.1)
- the reconciliation type code assigned to the ICP (Clause 7(1)(d) of Schedule 11.1)
- the loss category code and loss factors for each loss category code assigned to the ICP (Clause 7(1)(e) of Schedule 11.1)
- if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (Clause 7(1)(f) of Schedule 11.1):
 - a) the unique loss category code assigned to the ICP
 - b) the ICP identifier of the ICP
 - c) the NSP identifier of the NSP to which the ICP is connected
 - d) the plant name of the embedded generating station
- the price category code assigned to the ICP, which may be a placeholder price category code only if the distributor is unable to assign the actual price category code because the capacity or volume information required to assign the actual price category code cannot be determined before electricity is traded at the ICP (Clause 7(1)(g) of Schedule 11.1)
- if the price category code requires a value for the capacity of the ICP, the chargeable capacity of the ICP as follows (Clause 7(1)(h) of Schedule 11.1):
 - a) a placeholder chargeable capacity if the distributor is unable to determine the actual chargeable capacity
 - b) a blank chargeable capacity if the capacity value can be determined for a billing period from metering information collected for that billing period
 - c) if there is more than one capacity value at the ICP, and at least one, but not all, of those capacity values can be determined for a billing period from the metering information collected for that billing period-
 - (i) no capacity value recorded in the registry field for the chargeable capacity; and
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded
 - d) if there is more than one capacity value at the ICP, and none of those capacity values can be determined for a billing period from the metering information collected for that billing period-
 - (i) the annual capacity value recorded in the registry field for the chargeable capacity; and
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded
 - e) the actual chargeable capacity of the ICP in any other case

- *the distributor installation details for the ICP determined by the price category code assigned to the ICP (if any), which may be placeholder distributor installation details only if the distributor is unable to assign the actual distributor installation details because the capacity or volume information required to assign the actual distributor installation details cannot be determined before electricity is traded at the ICP (Clause 7(1)(i) of Schedule 11.1)*
- *the participant identifier of the first trader who has entered into an arrangement to sell or purchase electricity at the ICP (only if the information is provided by the first trader) (Clause 7(1)(j) of Schedule 11.1)*
- *the status of the ICP (Clause 7(1)(k) of Schedule 11.1)*
- *designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than one NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) *the nameplate capacity of the generator; and*
 - b) *the fuel type*
 - c) *the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

The management of registry information was reviewed. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm compliance. A sample using typical characteristics of data discrepancies were checked.

Audit commentary

The process for updating the registry is automated for all fields.

Registry data validation processes are discussed in **section 2.1**. All ICP information was checked and confirmed compliant unless discussed below:

Initial Electrical Connection Date

Aurora require livening paperwork to be returned to them by the contractors and the initial electrical connection date is taken from this.

1,332 ICPs have had the initial electrical connection date updated between 1 February 2022 and 31 January 2023. The audit compliance reporting identified 46 ICPs with date inconsistencies between the initial electrical connection date, the active date, and the meter certification date.

A typical sample of ten ICPs were checked where the meters were certified later than the initial electrical connection date and found eight appear to be the result of a contractor temporarily livening the site and removing the fuse prior to the metering installation. A request had not been received by the MEP to do this. Two ICPs were identified as data entry error, Aurora is correcting this. This is recorded as non-compliance below.

The audit compliance report identified eight active ICPs with no initial electrical connection date recorded. This is a significant improvement from 87 active ICPs at the last audit. A typical sample of five of these were examined and found:

- two were updated in Gentrack but the data had not been sent to the registry,
- two were the result of late paperwork, and
- one was the result of no paperwork being received.

These are being followed up by Aurora.

Distributed Generation

The distributed generation process was examined. Aurora has an application process which requires a form to be submitted by the owner. Aurora reviews the application and approval is issued. An inspection must be completed, and copies of all documentation be provided to Aurora prior to connection. Aurora also checks the High Risk database.

Examination of the list file found 2,242 active ICPs with generation capacity recorded. All had an installation type of “B” or “G” and the fuel type and generation capacity recorded.

I checked the distributed generation information populated on the registry against the paperwork provided for a sample of three new connection ICPs and found that information aligned in all instances.

The audit compliance report identified 58 active ICPs where the trader’s profile indicates distributed generation is present and Aurora have none recorded. The typical sample of ten ICPs were checked and found:

- applications have been received for seven ICPs, but no notification has been received to confirm that the installation has been completed,
- no application had been received for one ICP, Aurora is requesting the trader to correct the profile,
- the application has been received for one ICP and the DG was to be installed in March 2023, and
- the details have been updated for one ICP that has been livened.

I repeat the recommendation from the previous audit that Aurora monitor the EIEP1 reports to identify any generation on ICPs where none is expected or any with negative values which can also indicate generation on a site with no import export metering.

Recommendation	Description	Audited party comment	Remedial action
Distributed Generation	Monitor the EIEP1 reports to identify ICPs with “I” flow where none is expected and check for any negative values as this may indicate where distributed generation is present without import/export metering installed.	Aurora will implement a process to identify and remedy ICPs that have Distributed Generation with incorrect metering	Identified

Unmetered Load

The ACA form requires all unmetered load to be detailed on it.

Review of the registry list confirmed that there was no shared unmetered load.

I checked that the unmetered load values matched for the 171 active ICPs where both the Aurora and the trader have values recorded and found all matched with the exception of four ICPs. These were checked and:

- three require correction as the trader is calculating on five hours, while Aurora calculated using 24 hours, Aurora advised that the application stated 24 hours, and they will follow-up with the

trader to correct these (the three ICPs were identified in the previous audit with a discrepancy), and

- the values for one ICP were confirmed against the application details, this ICP will require follow-up with the trader to correct the value they have recorded on the registry.

Dedicated vs non-dedicated

As identified in the last two audits the two of the LE ICPs (0000510729CEBC6 and 0000511495CE8C9) have the flag incorrectly set to “N”. This has not been corrected and is recorded as non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 4.6 With: Clause 7(1)(l)&(p) of Schedule 11.1 From: 01-Feb-22 To: 31-Jan-23	Eight ICPs with missing initial electrical connection dates. Ten active ICPs with Initial electrical connection dates inconsistent with other fields. NSP dedication flag incorrect for two LE ICPs. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as moderate. There is reporting in place to identify discrepancies but there is room for improvement. The audit risk rating is low as the errors found have a minor effect on reconciliation.	
Actions taken to resolve the issue		Completion date
Non-compliant ICPs have been corrected.		5 May 2023
Preventative actions taken to ensure no further issues will occur		Completion date
Aurora performs a monthly internal control process to identify and correct most errors. Staff reminders and education will be performed to improve the process.		31 July 2023.
Remedial action status		
Identified		

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

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

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

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

Audit observation

The management of registry information was reviewed. The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were reviewed to determine compliance.

Audit commentary

The price code is added to all ICPs at the “ready” status.

All new ICPs created during the audit period had pricing information loaded prior to initial electrical connection.

Audit outcome

Compliant

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

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

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

Audit observation

I checked the list file for ICPs with GPS co-ordinates recorded.

Audit commentary

GPS co-ordinates are not recorded.

Audit outcome

Compliant

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

Code reference

Clause 14 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The registry list file as of 31 January 2023 and the combined registry compliance audit reports covering the period from 1 February 2022 to 31 January 2023 were examined to confirm compliance.

All ICPs at "ready" status had a single price category assigned and proposed trader identified.

Audit commentary

Aurora create the ICP at "ready". Notification is sent to the proposed trader, customer, and electrician when the ICP has been approved and created. The trader is expected to notify Aurora if they reject the ICP, and the customer is notified.

All ICPs only have one price category code.

The registry list showed 219 ICPs currently at "ready" status, 12 have been at "ready" status for more than two years. This is discussed further in **section 3.14**.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.1

Code related audit information

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

Audit observation

The registry list was reviewed to identify ICPs at "distributor" status.

Audit commentary

The list file contained 18 embedded network (LE) ICPs that have a status of "distributor." All distributor ICPs are points of connection between embedded networks and the Aurora network. I checked these against the NSP mapping table and confirmed the details are recorded correctly on the registry.

Audit outcome

Compliant

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

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

Audit observation

I examined the physical process for decommissioning ICPs along with the timeliness and accuracy of registry updates.

Audit commentary

ICP decommissioning processes are well documented. Where the trader has updated the status to “ready for decommissioning” Aurora manage these ICPs to ensure they obtain a decommissioning report.

Ready for Decommissioning

There were 15 ICPs with a status of “ready for decommissioning” during the audit. Three ICPs were identified in the last audit; Aurora will investigate these.

Decommissioning

There were 185 ICPs identified as decommissioned during the audit period. One ICP was decommissioned on the incorrect date.

The timeliness of status updates is detailed in **section 4.1**.

Audit outcome

Compliant

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

Code reference

Clause 23 Schedule 11.1

Code related audit information

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

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

A price category code takes effect on the specified date.

Audit observation

I checked the price category code table for any new or changed codes during the audit period.

Audit commentary

There were no changes during the audit period.

Audit outcome

Compliant

5. CREATION AND MAINTENANCE OF LOSS FACTORS

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

Code reference

Clause 21 Schedule 11.1

Code related audit information

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

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

A loss category code takes effect on the specified date.

Audit observation

I checked the loss category code table for any new codes during the audit period.

Audit commentary

There were no additional codes created during the audit period.

Audit outcome

Compliant

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

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

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

Audit observation

I checked the loss category code table for any changed factors during the audit period.

Audit commentary

Each ICP only has a single loss category, which clearly identifies the relevant loss factor. Each loss category code has a different loss factor for day and night, and summer and winter. There were 16 loss factor changes during the audit period. The notification date was 18th January 2023 for start date 1st October 2023, which achieves compliance with the requirement to provide two months' notice.

Changes to Aurora's loss factors are always effective on the first of any month and all trading periods only have one loss factor.

Audit outcome

Compliant

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

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

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

If the distributor is creating or decommissioning an NSP that is an interconnection point between two local networks, the distributor must notify the reconciliation manager of the creation or decommissioning.

If the embedded network owner is creating or decommissioning an NSP that is an interconnection point between two embedded networks, the embedded network owner must notify the reconciliation manager of the creation or decommissioning.

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

The notice provided to the reconciliation manager must be provided no later than 30 days prior to the intended date of creation or decommissioning.

If the intended date of creation or decommissioning changes the distributor must provide an updated notice as soon as possible.

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

- *notify the reconciliation manager*
- *notify the market administrator*
- *notify each affected reconciliation participant*
- *comply with Schedule 11.2.*

Audit observation

The NSP table on the registry was examined.

Audit commentary

No NSPs were created or decommissioned that were an interconnection point between two local networks.

Audit outcome

Compliant

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

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

No NSPs were created during the audit period.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

No new balancing areas were created during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Aurora have not created any new embedded networks during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

No balancing areas were changed during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

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

Audit observation

The NSP table was reviewed.

Audit commentary

No existing ICPs became NSPs during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

If the distributor wishes to transfer an ICP, the distributor must notify the market administrator in the prescribed form, no later than three business days before the transfer takes effect.

Audit observation

The NSP table was reviewed.

Audit commentary

Aurora has not acquired any networks.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1)&(3)

Code related audit information

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

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

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

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

Audit observation

The NSP supply point table was examined.

Audit commentary

The NSP table was reviewed, and I found all NSPs had current meter certification.

NSP POC	Description	MEP	Expiry date
CML0331	CROMWELL	TPNZ	16 August 2024
CYD0331	CLYDE	TPNZ	20 May 2024
FKN0331	FRANKTON	TPNZ	25 May 2024
HWB0331	HALFWAY BUSH	TPNZ	7 July 2023
SDN0331	SOUTH DUNEDIN	TPNZ	17 June 2023

Audit outcome

Compliant

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

Code reference

Clause 10.25(2)

Code related audit information

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

- *assume responsibility for being the metering equipment provider (Clause 10.25(2)(a)(i)); or*
- *contract with a metering equipment provider to be the MEP (Clause 10.25(2)(a)(ii)); and*
- *no later than 20 business days after identifying the MEP advise the reconciliation manager in the prescribed form of the reconciliation participant for the NSP (Clause 10.25(2)(b)); and*
- *no later than 5 business days after the date of certification of each metering installation, advise the reconciliation manager of*
 - a) *the MEP for the NSP (Clause 10.25(2)(c)(i)); and*
 - b) *the NSP of the certification expiry date (Clause 10.25(2)(c)(ii)).*

Audit observation

The NSP table on the registry was examined.

Audit commentary

No NSPs were created during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

If a network owner acquires all or part of a network, the network owner must notify:

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

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Aurora has not acquired any networks during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

The NSP supply point table was examined.

Audit commentary

There have been no MEP changes during the audit period.

Audit outcome

Compliant

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Aurora has not acquired any networks during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 11.2

Code related audit information

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Aurora has not acquired any networks during the audit period.

Audit outcome

Compliant

7. MAINTENANCE OF SHARED UNMETERED LOAD

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

Code reference

Clause 11.14(2) and (4)

Code related audit information

The distributor must notify the registry and each trader responsible for the ICPs across which the unmetered load is shared of the ICP identifiers of those ICPs.

A distributor who receives notification from a trader relating to a change under Clause 11.14(3) must notify the registry and each trader responsible for any of the ICPs across which the unmetered load is shared of the addition or omission of the ICP.

Audit observation

The registry list as of January 2023 was examined to determine compliance.

Audit commentary

Examination of the registry list confirmed that no shared unmetered load is connected.

Audit outcome

Compliant

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

Code reference

Clause 11.14(5)

Code related audit information

If the distributor becomes aware of a change to the capacity of a shared unmetered load ICP or if a shared unmetered load ICP is decommissioned, it must notify all traders affected by that change or decommissioning as soon as practicable after the change or decommissioning.

Audit observation

The registry list as of January 2023 was examined to determine compliance.

Audit commentary

Examination of the registry list confirmed that no shared unmetered load is connected.

Audit outcome

Compliant

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

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

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

Audit observation

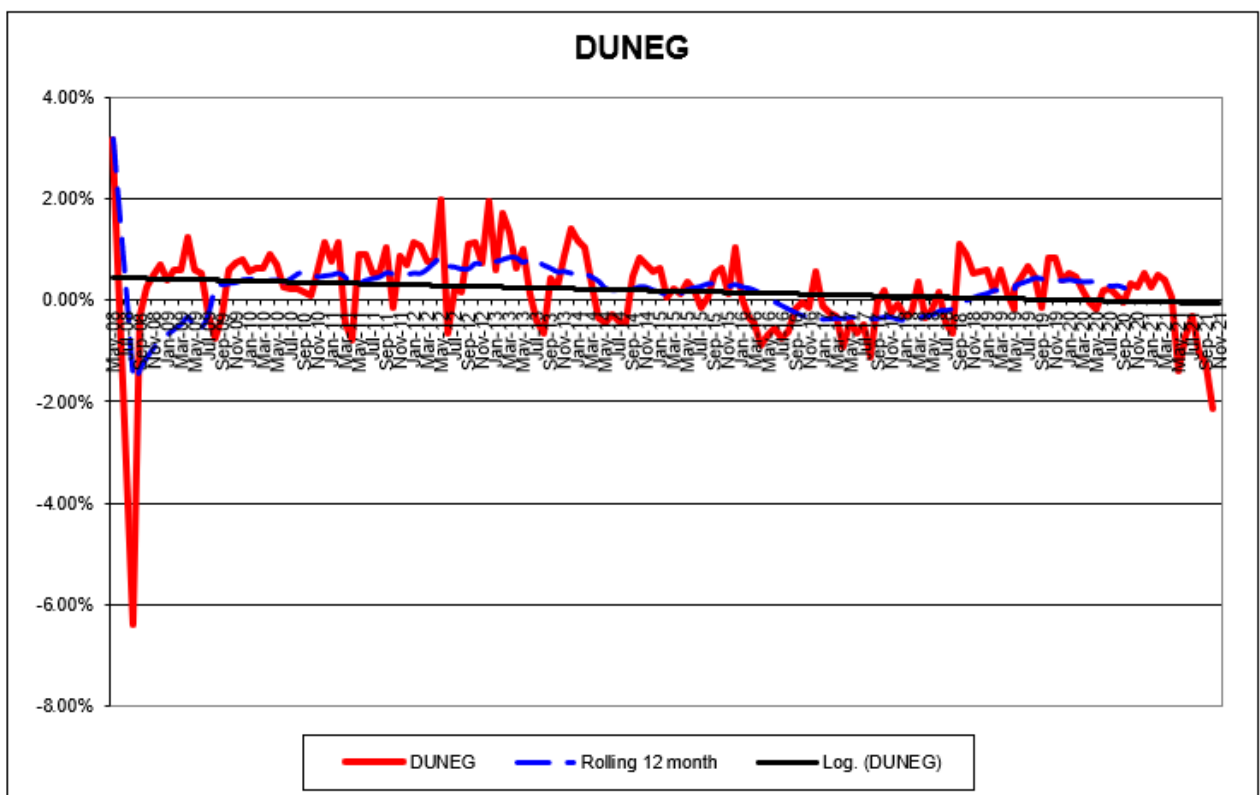
Aurora publishes reconciliation losses, which include technical losses and non-technical losses. I checked the results of the most recent review.

Audit commentary

Grid Connected NSPs

There are different loss factors for summer/winter and day/night. These are revised annually based on historic data over the previous five years. The methodology is provided in the report to the traders.

Aurora losses are tracking within the accepted +/-1% threshold.



Heritage Estate Embedded Network previously belonged to Aurora network and was included in the previous audit. Aurora advised this network was sold to Powernet effective 1 December 2022.

Audit outcome

Compliant

CONCLUSION

The audit was conducted in accordance with the Guideline for Distributor Audits V7.2, which was produced by the Electricity Authority.

Aurora has good controls in place for most processes, and the processes are well documented. Robust processes and prompt and accurate update of information are treated as a priority. Reporting and management of the reports is strong, which ensures data accuracy issues identified are promptly resolved.

Aurora continues to show improvement in a number of areas with a significant reduction of discrepancies. Continued focus on the contractor's field practices and the return of paperwork in a timely manner will ensure they meet their obligations and will improve the timeliness for updating the registry.

Overall, the level of compliance is high, and controls generally found to be strong. The audit found eight non-compliances and repeats one recommendation from the last audit. The audit risk rating is 14, and the next audit frequency table indicates that the next audit be due in 12 months. I have considered this in conjunction with Aurora's responses and I recommend that the next audit is in 12 months.

PARTICIPANT RESPONSE

Aurora Energy acknowledge the non-compliance issues and commit to improving the processes and training required to improve compliance. We note the reduction in non-compliant ICPs this year and are pleased that the internal control improvements we have implemented over the past two years are producing tangible improvements.

However, there will continue to be instances where third parties and human error have an impact on our level of compliance. We will continue to focus on our internal control processes to identify and remedy non-compliance issues in a timely manner.