

ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT



For



ELECTRICITY ASHBURTON LIMITED
SALESFORCE MATERIAL CHANGE AUDIT
NZBN: 9429039316172

Prepared by: Tara Gannon, Veritek Limited

Date audit commenced: 28 April 2023

Date audit report completed: 11 May 2023

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EXECUTIVE SUMMARY

Electricity Ashburton Limited (EA Networks) currently uses the EA Network Customer Information System to manage ICP information. They intend to use Salesforce to manage their ICP information from sometime during the week commencing 22 May 2023.

Clause 8(1) of Schedule 15.1 requires that if a distributor intends to make a “material” change to any certified facilities, processes, or procedures then the changes must be subject to an audit prior to the change taking place. This audit was therefore performed at the request of EA Networks so that it can be supplied to the Electricity Authority to satisfy the requirements of Clause 8(1). The audit was conducted in accordance with the Guideline for Distributor Audits V7.2.

Compliance was assessed for all areas which could be impacted by the material change by reviewing test documentation and results. No non-compliances were identified.

Salesforce does not support completeness and accuracy checks against the registry, and EA Networks has developed reporting to identify discrepancies between Salesforce and the registry. In addition to this, I recommend that the registry AC020 distributor compliance report is reviewed at least monthly to identify potentially inaccurate information which requires investigation and correction. Until a discrepancy report is added to identify ICPs with active status and no initial electrical connection date, I recommend that the AC020Distributortab12 tab of the AC020 report is reviewed at least weekly.

EA Networks’ next audit date is 28 August 2024, and I recommend that this audit date is retained because future compliance is not expected to be negatively impacted by the material change:

- validation processes to identify failed registry updates and registry discrepancies are robust, and exceptions are expected to be resolved daily,
- the Salesforce workflows will help to ensure that updates occur on time, and inputting applications for new connections, applications for decommissioning and work completion paperwork directly into Salesforce is expected to improve the timeliness of registry updates, and
- existing compliant processes not affected by the material change will not be impacted.

The matters raised are set out in the table below.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			Nil				
Future Risk Rating						0	

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

RECOMMENDATIONS

Subject	Section	Recommendation	Description
Requirement to provide complete and accurate information	2.1	Data consistency	<p>Review the registry AC020 audit compliance reports at least monthly to identify potentially inaccurate information which requires investigation and correction.</p> <p>Until a discrepancy report is added to identify ICPs with "active" status and no initial electrical connection date, I recommend that the AC020Distributor12 tab of the AC020 report is reviewed at least weekly.</p>

ISSUES

Subject	Section	Issue	Description
		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

The Authority website was checked to determine whether there are code exemptions in place.

Audit commentary

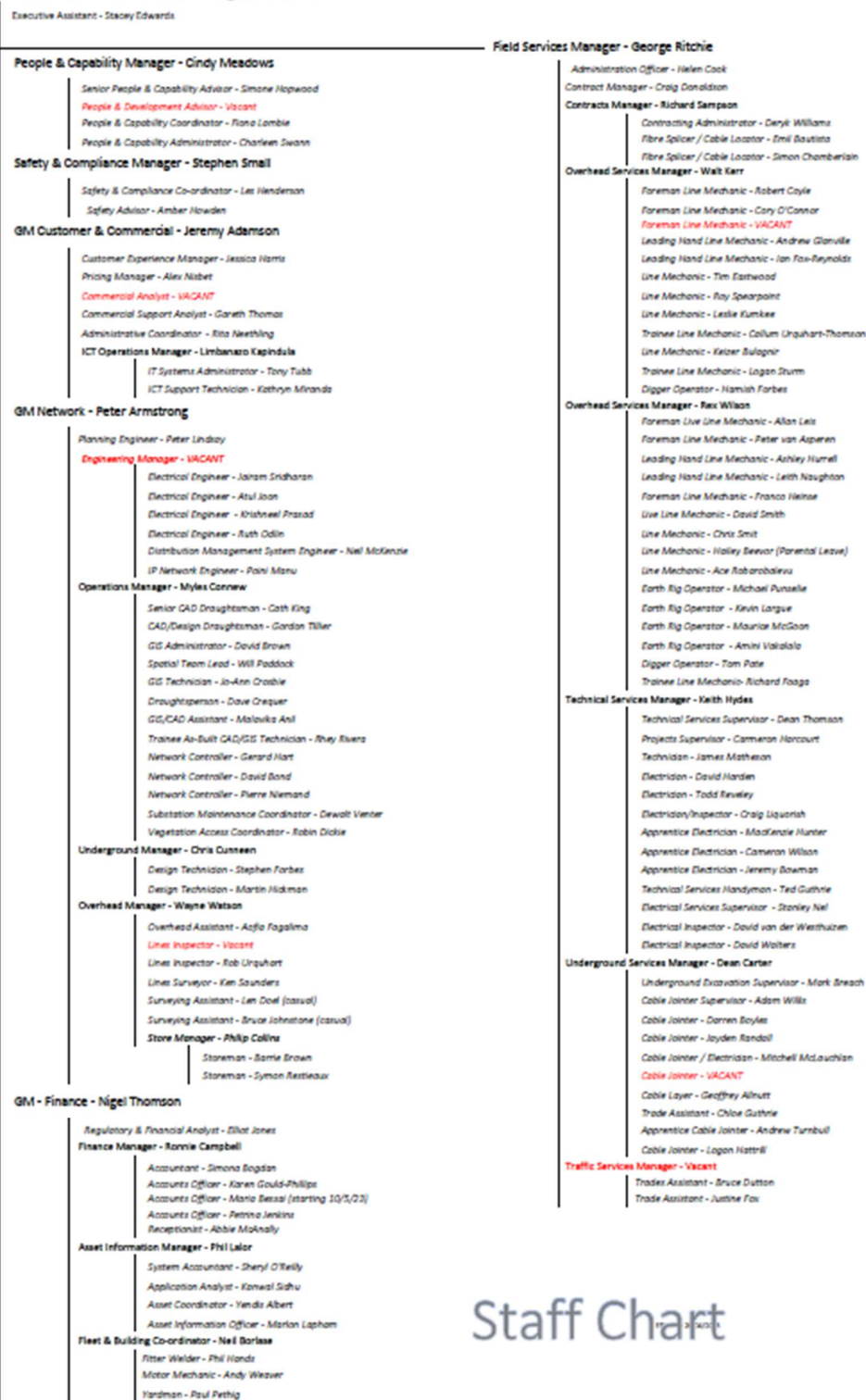
Exemption number 163 exempts EA Networks from complying with clauses 10.3(f)(i) and 15.38 in relation to an embedded network connected to the Orion Network and expires on 31 May 2023. The exemption notes that “EASH has in place a materially accurate method to calculate consumption for settlement”.

- Clause 10.3(f)(i) relates to the provision of a metering installation at the point of connection for the embedded network.
- Clause 15.38 relates to certification as a reconciliation participant.

EA Networks has arranged for a gateway meter to be installed, and is making meter reading arrangements so that submission volumes can be calculated based on meter data from 1 June 2023. Installation of the metering was delayed by obtaining resource consent to connect cables over the Rakia River and Orion needing make arrangements to meter their own downstream embedded network.

1.2. Structure of Organisation

Chief Executive Officer - CEO - Roger Sutton



Staff Chart

1.3. Persons involved in this audit

Auditor:

Tara Gannon

Veritek Limited

Electricity Authority Approved Auditor

Personnel assisting in this audit were:

Name	Title	Organisation
Jessica Harris	Customer Experience Manager	EA Networks
Alex Nisbet	Pricing Manager	EA Networks

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

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

Audit observation

All activities are completed directly by EA Networks.

1.5. Supplier list

All activities are completed directly by EA Networks.

1.6. Hardware and Software

Registry and ICP information management – Salesforce

EA Networks will begin using Salesforce for registry and ICP information management from sometime during the week commencing 22 May 2023.

Access to systems is restricted using logins and passwords.

Backups are copied to tape, disk, and cloud storage. Incremental back ups are recorded daily, with full backups are retained for each week, month, quarter, and year. Back up arrangements have been successfully tested.

Other systems

There are no changes to other systems.

The Access based Assets Database is used as a GIS and links to QuickMap.

Access to systems is restricted using logins and passwords. Backups are carried out, and some backup copies are stored off site.

1.7. Breaches or Breach Allegations

The Electricity Authority confirmed that there have been no alleged breaches related to the scope of this audit since the previous EA Network audit in November 2022.

1.8. ICP and NSP Data

EA Networks owns and operates the electricity network in the Ashburton region.

EA Networks NSPs

The table below lists the relevant NSPs and their associated balancing areas, and the number of active ICPs connected. Embedded network URK0111 is discussed further in **section 1.1**.

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	Number of ICPs
ASB0661	ASHBURTON			ASHBURTEASHG	G	1 May 2008	20,681
URK0111	UPPER RAKAIA	COL0111	ORON	UPPERAKEASHE	E	1 May 2008	13

Networks embedded under EA Networks NSPs

One new embedded network is embedded under an EA Networks NSP.

Dist	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date
TENC	TAC0011	250 Tancred Street ASHBURTON	ASB0661	EASH	TAC0011TENCE	E	1 July 2019

ICP status

EA Networks' ICPs are summarised by status in the table below:

Status	2023	2022	2021	2020	2019	2018
New (999,0)	2	1	-	60	326	362
Ready (0,0)	25	31	32	143	11	10
Active (2,0)	20,694	20,507	20,149	19,726	19,528	19,307
Distributor (888,0)	2	2	2	2	-	-
Inactive – new connection in progress (1,12)	45	74	38	38	25	34
Inactive – electrically disconnected vacant property (1,4)	265	250	240	254	255	239
Inactive – electrically disconnected remotely by AMI meter (1,7)	34	24	20	25	27	28
Inactive – electrically disconnected at pole fuse (1,8)	6	5	4	3	2	3
Inactive – electrically disconnected due to meter disconnected (1,9)	2	2	2	6	3	2
Inactive – electrically disconnected at meter box fuse (1,10)	2	3	2	2	2	1
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	3	-	1	18	21	31
Inactive – reconciled elsewhere (1,5)	-	-	-	-	-	-
Decommissioned (3)	2,819	2,767	2,665	2,503	2,228	2,246

1.9. Authorisation Received

EA Networks provided an email authorisation.

1.10. Scope of Audit

EA Networks currently uses the EA Network Customer Information System to manage ICP information. They intend to use Salesforce to manage their ICP information from sometime during the week commencing 22 May 2023.

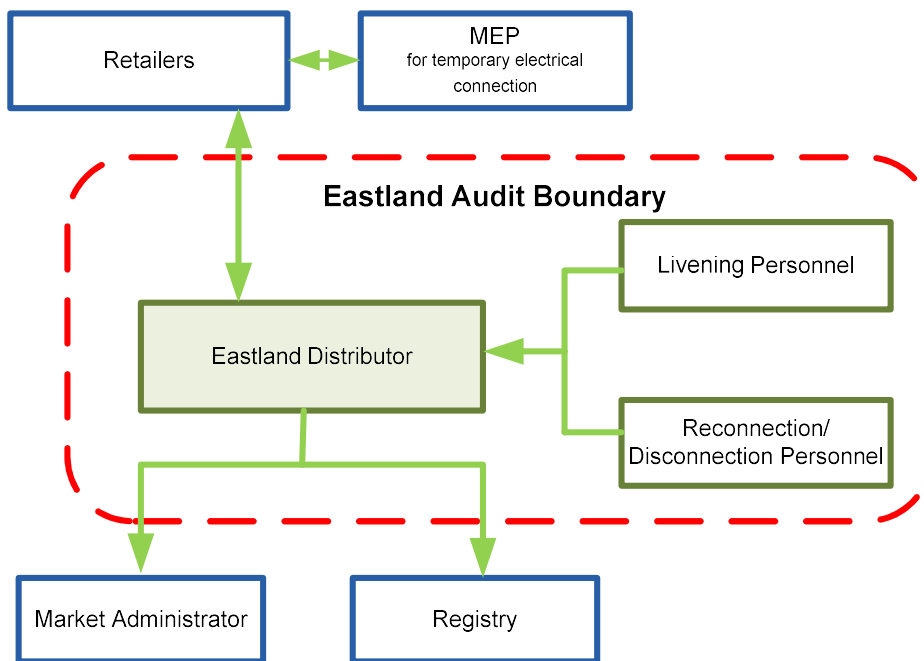
Clause 8(1) of Schedule 15.1 requires that if a distributor intends to make a “material” change to any certified facilities, processes, or procedures then the changes must be subject to an audit prior to the change taking place. This audit was therefore performed at the request of EA Networks so that it can be supplied to the Electricity Authority to satisfy the requirements of Clause 8(1). The audit was conducted in accordance with the Guideline for Distributor Audits V7.2.

Compliance was assessed for all areas which could be impacted by the material change by reviewing test documentation and results.

The table below shows the tasks under clause 11.10(4) of Part 11, which EA Networks is responsible for. There are no other contractors who assist with these tasks:

Functions Requiring Audit Under Clause 11.10(4) of Part 11	Contractors Involved in Performance of Tasks
The creation of ICP identifiers for ICPs.	Nil
The provision of ICP information to the registry and the maintenance of that information.	
The creation and maintenance of loss factors.	

The scope of the audit is shown in the diagram below:



1.11. Summary of previous audit

The previous audit conducted in November 2022 by Rebecca Elliot of Veritek Limited was reviewed. That audit found four non-compliances and made two recommendations. The current status of the non-compliances and recommendations are detailed in the table 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)	One ICP with the incorrect initial electrical connection date recorded.	The material change is not expected to decrease future compliance.
Monitoring of "new" & "ready" statuses	3.14	15 Schedule 11.1	10 ICPs at "new" or "ready" status not followed up with the nominated trader.	Cleared, EA Networks confirmed that these ICPs have been followed up with the traders. The material change is not expected to decrease future compliance.
Changes to registry information	4.1	8 Schedule 11.1	36 late address events. 18 late network updates to distributed generation details. Three late network updates to fields other than distributed generation details. 40 late pricing events. Five late updates to decommissioned status.	The material change is not expected to decrease future compliance.
Distributors to Provide ICP Information to the Registry man	4.6	7(1) Schedule 11.1	One ICP with the incorrect initial electrical connection date recorded.	The material change is not expected to decrease future compliance.

Table of Recommendations

Subject	Section	Recommendation	Description	Status
Monitoring of "new" & "ready" statuses	3.14	"New" and "ready" ICPs	Follow-up with traders to claim the ICPs at "ready" status that were required to be created for split ICPs.	Adopted, EA Networks confirmed that these ICPs have been followed up with the traders. The material change is not expected to decrease future compliance.
Distributors to Provide ICP Information to the Registry manager	4.6	Installation type and generation details	EA Networks to liaise with the trader to confirm why they have the DG profile applied.	Adopted, EA Networks confirmed that these ICPs have been followed up with the traders. The material change is not expected to decrease future compliance.

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

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

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

Audit observation

I considered whether the migration to Salesforce was likely to result in incorrect or misleading information. I viewed documentation and test results.

Audit commentary

User training

Staff have been involved in user acceptance testing and have had high level training on the system. Full training is scheduled to be completed between 18 and 22 May 2023, prior to going live. User documentation is being created, and is expected to be available from 12 May 2023.

Registry synchronisation

ICP status, address, network, and pricing information is maintained in Salesforce with an event date for each event type. Salesforce records the current values for each field against the ICP with the corresponding event date. Previous event information for each ICP can be obtained by viewing the historic inbound and outbound event file information held in Salesforce for the ICP, or directly on the registry.

Salesforce has controls in place to ensure that the data populated in fields which are also held on the registry are consistent with the registry's field specifications. Drop down boxes or pick lists are used to restrict input values where practical. System controls over data consistency and completeness include:

- event dates are selected from a calendar; a warning is given if the event date selected is more than three business days before today's date, and the user must enter a reason for the late update,
- the network and NSP default to EASH ASB0661 with dedicated NSP N and can be manually changed if the ICP is connected to URK0111,
- the loss factor defaults to L01 (which applies to 99.9% of active ICPs), and can be manually changed if a different loss factor is required,
- the proposed trader must be a valid participant identifier from a Salesforce list of approved traders for the network, and
- Salesforce uses a lookup function for addresses; the user begins typing an address and Salesforce displays valid addresses matching the entered information, so that the user can select the valid address but if the address cannot be found, the details can be manually populated.

Outbound registry updates include new connection information, decommissioning, changes to addresses, network information, and pricing information. The required fields (including the event date) are updated in Salesforce. Every 30 seconds, Salesforce produces an event file containing any newly saved events and

transfers them to the registry via SFTP. The event is recorded in Salesforce with a status of “processing”. Registry acknowledgement files are received via SFTP and imported into Salesforce every 30 seconds. These acknowledgements are matched to outbound status events by Salesforce. If an 000 acknowledgement code is received the processing status changes to “completed”. If an error code is received the processing status for the event changes to “failed”.

The pricing team will review ICP registry inbound and outbound event lists during each day, and investigate and resolve any failed updates. In the unlikely event that any failed updates are not resolved during the day, they will be identified through the discrepancy reporting the following morning because there will be a difference between the registry and Salesforce’s current records.

Inbound registry events, including events created on the registry by other participants and events created directly on the registry by EA Networks, are imported from registry notification files. Registry notification files are received from the registry overnight, and the event audit number is compared to the existing event audit numbers recorded in Salesforce. If the event audit number is not present, Salesforce will be updated otherwise it is ignored. Salesforce will treat any new event which is has not previously received as the current record. This means that where there is a backdated change to insert an event before the most recent event of that type which is sent in a notification file, Salesforce will treat it as though it is the most recent event. If this occurs it will be detected and resolved as part of the daily discrepancy reporting process.

Event replacements can be sent from Salesforce to the registry by changing the ICP attributes for the most recent event date. Event reversals and replacements of older events will be completed manually on the registry, and details will be imported into Salesforce as for other inbound registry events. Any discrepancies created by these updates will be identified and detected through the daily discrepancy reporting process.

I reviewed testing of the inbound and outbound registry update processes, including event reversals and replacements, new connections, decommissions, address, network, and pricing changes and confirmed that these processes are operating as expected in the test system.

Registry and data validation

Any unsynchronised or failed updates will be identified, investigated, and resolved through daily discrepancy reporting and review of the inbound and outbound address lists.

EA Networks will validate Salesforce records against registry records nightly (and on demand) using a report generated from the EA Networks Data Warehouse Vault, comparing the ARC system (which receives ICP Registry data) to Salesforce. I reviewed documentation and test results showing that it will identify fields where the values in Salesforce and the registry is different for an ICP.

Salesforce will also produce daily reports on:

- ICPs currently at “inactive - ready for decommissioning” status,
- ICPs at “ready” status for more than three months,
- ICPs at “ready” status with an initial electrical connection date populated,
- ICPs at any “inactive” status with price category POA,
- ICPs which have been decommissioned in Salesforce where the registry does not show “decommissioned” status.

EA Networks intends to add a report to identify ICPs with “active” status and no initial electrical connection date. The AC020 compliance report AC020Distribrtributor12 tab will also provide this information.

The AC020 compliance report is reviewed on an ad hoc basis. In addition to the planned checks, I recommend that the registry’s AC020 compliance report is reviewed at least monthly to identify

potential data discrepancies between registry fields for investigation and correction and weekly to identify active ICPs without initial electrical connection dates.

Recommendation	Description	Audited party comment	Remedial action
Data consistency	<p>Review the registry AC020 audit compliance reports at least monthly to identify potentially inaccurate information which requires investigation and correction.</p> <p>Until a discrepancy report is added to identify ICPs with active status and no initial electrical connection date, I recommend that the AC020 Distributor 12 tab of the AC020 report is reviewed at least weekly.</p>	<p>A discrepancy report has now been created where ICPs are in an active status with no initial energisation date.</p> <p>In addition to this, the Customer & Compliance team will review the AC020 audit compliance report on a monthly basis, as recommended during the audit process.</p>	Adopted

Go live

Prior to going live, EA Networks will load all historic data from the Customer Information System into Salesforce. The data migration process has been tested. Historic information will remain available in a read only version of the Customer information System.

Data processing will be paused during the transition to the new live version of Salesforce. The pause is expected to last for half a day, and is unlikely to impact on the timeliness of registry updates. Daily discrepancy reporting will be run for the Customer Information System prior to data being extracted and transferred to Salesforce.

On completion of the migration, the daily discrepancy reports will be run to identify any discrepancies between Salesforce and the registry. A sample of data will be checked between the Customer Information System and Salesforce.

Test scenarios and go live decision criteria were provided during the audit.

Audit outcome

Compliant

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

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

Audit observation

Processes to provide information were reviewed. I considered whether the migration to Salesforce was likely to result in incorrect or misleading information.

Audit commentary

Timeliness of corrections depends on people and processes and will be checked during the first audit after go-live.

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

Processes for removal and breakage of seals are not affected by the material change.

Audit commentary

EA Networks may remove or break a seal to bridge load control switches after hours if a trader provides a service request. This process is not affected by the material change, and the November 2022 distributor audit report recorded compliance.

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

Utilities Disputes processes are not affected by the material change.

Audit commentary

Utilities Disputes processes are not affected by the material change, and the November 2022 distributor audit report recorded compliance.

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 process to create ICPS using Salesforce was checked. I viewed documentation and test results, and walked through the ICP creation process.

Audit commentary

Applications for new connections will be made by the customer or the customer's agent by completing a form on the EA Networks website. The form requires the proposed trader, address, and requestor information to be provided. Completion of the form triggers creation of a "new ICP connection request" case in Salesforce. The case will be progressed through a Salesforce workflow to create an ICP number and update the registry. Unmetered new connections follow the same application process as metered new connections, with the exception of meter installation.

EA Networks confirmed that they will provide sufficient information for the first registry update to enable ICPS to move directly to "ready" status, unless the ICP is genuinely not ready to be connected.

- An ICP is created with "new" status if an ICP number, network participant identifier and address attributes are provided.
- An ICP is created with "ready" status if the point of connection, price category code, reconciliation type code, installation type, dedicated NSP, proposed trader and loss category code are also supplied.

If an ICP is created with "new" status it will be updated to "ready" status on the registry once the information required is added into Salesforce and synchronised with the registry.

Future compliance is not expected to be affected by the material change.

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 including a walkthrough of the process in Salesforce, and review of test results.

Audit commentary

The new connections process will be affected by the material change in two ways:

- new connection applications will be created on EA Networks' website and loaded directly into Salesforce, and
- new connection data will be entered into Salesforce, and transferred to the registry.

The Salesforce new connection process was walked through in the test system. Following completion of each step, the Salesforce workflow automatically moves the application to the next step.

- Applications for new connections will be made by the customer or the customer's agent by completing a form on the EA Networks website. The form requires the proposed trader, address, and requestor information to be provided. Completion of the form triggers creation of a "new ICP connection request" case in Salesforce.
- Salesforce workflows direct the case to a user, who allocates the application to an account, and checks if electricity is available to the boundary of the property. If electricity is not available at the boundary, a new power supply case is raised and followed through to provide electricity to the boundary.
- If electricity is available, retailer approval is requested by Salesforce sending an email to the proposed trader. Salesforce creates an ICP number, and an event is sent to the registry containing sufficient information for the ICP to be created and moved to "ready" status with price category POA.
- A user is alerted that a return email from the trader is received by a notification alert within Salesforce. They review the email to confirm the acceptance and select the retailer accepted button.
- After approval, the new connection job and meter installation are scheduled and completed. An EA Networks inspector completes the livening, meter installation and record of inspection in one visit. Traders raise a job for meter installation to Delta, who advise the MEP and send a job to EA Networks for meter installation.
- The EA Networks inspector enters the connection details into Salesforce on work completion.
- The work completion information is checked by the pricing team for reasonableness including validating the price plan and confirming the address, and any issues are queried with the EA Networks inspector. An event is sent to the registry containing the initial electrical connection date, price category and any other changed fields.

The current status of new connections is monitored by viewing and filtering power cases within Salesforce, or viewing the ICP connection request dashboard which shows all new connections and which step of the workflow they are in.

The process walk through and test results confirmed that the process is operating as expected in Salesforce. The timeliness of ICP creation will be assessed in the first audit following implementation of the material change, and future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

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

Audit observation

The process to provide ICP information using Salesforce was checked. I viewed documentation and test results.

Audit commentary

New connection data will be entered into Salesforce, and transferred to the registry.

ICPs will be created in Salesforce, and the user will be able to populate address, network, and pricing event information at the same time. There are controls over fields to ensure that they are consistent and meet the registry requirements. Once the required fields are populated and saved, they are synchronised with the registry according to the process in **section 2.1**.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

I considered whether the migration to Salesforce was likely to result in late provision of registry information. I viewed documentation and test results.

Audit commentary

New connection data will be entered into Salesforce, and transferred to the registry.

The distributor must provide to the registry the information listed in clause 7(1) of schedule 11.1 as soon as practicable, and before electricity is traded at the ICP. The synchronisation processes discussed in **section 2.1** will ensure that data is updated on the registry.

The timeliness of ICP information will be assessed in the first audit following implementation of the material change, and future compliance is not expected to be affected by the material change. The timeliness of provision of initial electrical connection dates is discussed separately in **section 3.5**.

Audit outcome

Compliant

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

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

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

Audit observation

I considered whether the migration to Salesforce was likely to result in late provision of registry information. I viewed documentation and test results.

Audit commentary

An EA Networks inspector completes the livening, meter installation, and record of inspection in one visit, and enters work completion details directly into Salesforce. The work completion information is checked by the pricing team for reasonableness, and any issues are queried with the EA Networks inspector. An event is sent to the registry containing the initial electrical connection date, price category and any other changed fields.

Daily reporting is in place to identify ICPs at “ready” status with an initial electrical connection date populated. EA Networks intends to add a report to identify ICPs with “active” status and no initial electrical connection date. The AC020 compliance report AC020Distributor12 tab will also provide this information.

The AC020 compliance report is reviewed on an ad hoc basis. In addition to the planned checks, I recommend in **section 2.1** that the registry’s AC020 compliance report is reviewed at least monthly to identify potential data discrepancies between registry fields for investigation and correction, and weekly to identify active ICPs without initial electrical connection dates.

Because the livening and meter installation process is completed by the EA Networks inspector, discrepancies are unlikely. The timeliness of initial electrical connection dates will be assessed in the first audit following implementation of the material change, and future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 11.17

Code related audit information

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

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

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

Audit observation

The new connection process was examined including a walkthrough of the process in Salesforce, and review of test results.

Audit commentary

Applications for new connections require a proposed trader to be selected. The proposed trader is populated on the registry during the initial registry update for the ICP.

The new connection workflow process ensures that trader acceptance is obtained prior to initial electrical connection. Retailer approval is requested by Salesforce sending an email to the proposed trader. A user is alerted that a return email is received by a notification alert within Salesforce. They review the email to confirm the acceptance and select the retailer accepted button. After approval, the new connection job and meter installation are scheduled and completed.

Review of a registry list snapshot for 4 May 2023 confirmed that:

- a trader is recorded for all ICPs with “active” or “inactive” status,
- a proposed trader is recorded for all ICPs with “ready” status, and
- shared unmetered load is not recorded for any ICPs on EA Networks’ network.

Future compliance is not expected to be affected by the material change.

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 including a walkthrough of the process in Salesforce, and review of test results.

Audit commentary

ICPs will not be electrically connected without the agreement from the trader, who in turn has agreement with an MEP for the ICP. Trader acceptance is confirmed during the application process.

The material change will not affect the trader acceptance process, and future compliance is not expected to be affected by the material change.

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, and I found that the migration to Salesforce is unlikely to affect future compliance.

Audit commentary

The EA Networks' processes are robust in relation to this clause as an ICP will not be electrically connected without the agreement from the trader, who in turn has agreement with an MEP for the ICP.

Usually, network and meter connections are completed on the same day. EA Networks' inspectors do not live unless a meter is present if the ICP is to be metered.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.30

Code related audit information

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

The distributor must, within five 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 reviewed, and processes were checked.

Audit commentary

The material change will not affect the NSP creation process, and future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.30(A)

Code related audit information

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

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

Audit observation

The NSP table was reviewed, and processes were checked.

Audit commentary

The material change will not affect the NSP creation process, and future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

xxxxxxxxxxccc where:

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

Audit observation

The process to create ICPs using Salesforce was checked. I viewed documentation and test results.

Audit commentary

ICP numbers are created in the correct format by Salesforce. All ICPs created in the Customer Information System will be imported into Salesforce prior to going live. Salesforce prevents duplicate

ICP numbers from being created and ensures that ICP numbers are in the correct format. Test results confirmed that the process is operating as expected in the test system.

Future compliance is not expected to be affected by the material change.

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 process to provide loss category information using Salesforce was checked. I viewed documentation, and test results.

Audit commentary

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

The synchronisation processes discussed in **section 2.1** will ensure that loss category data is updated on the registry. Future compliance is not expected to be affected by the material change.

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 process to create ICPs using Salesforce was checked. I viewed documentation and test results.

Audit commentary

Status management will not change as part of this material change, and ICPs will continue to move directly to “ready” status if they are ready for connection. “New” status will only be applied where an ICP is not ready for activation.

EA Networks will create an ICP and enter the ICP’s attributes into Salesforce. Address, network, and pricing events are transferred to the registry once the minimum information required to create the ICP is synchronised to the registry. There are controls over fields to ensure that they are consistent and

meet the registry's requirements. The registry automatically applies an ICP status, dependent on which fields are populated in the Salesforce registry update.

- An ICP is created with "new" status if an ICP number, network participant identifier and address attributes are provided.
- An ICP is created with "ready" status if the point of connection, price category code, reconciliation type code, installation type, dedicated NSP, proposed trader and loss category code are also supplied.

If an ICP is created with "new" status it will be updated to "ready" status on the registry once the information required is added into Salesforce and synchronised with the registry.

If an ICP is created at "ready" status and found to no longer be required, the pricing category can be removed in Salesforce by reversing the price category entry. Once synchronised with the registry this will return the ICP to "new" status, and then it can be moved to "decommissioned - set up in error" status.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

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

Audit observation

The process to monitor ICPs at "new" and "ready" status was reviewed.

Audit commentary

ICPs at "ready" status will continue to be identified through the daily exception reporting process, and will be followed up with the trader before they have been at the status for 24 months. EA Networks only intends to use the "new" status in rare instances where the ICP is not ready for activation and these will be manually monitored.

The previous audit recommended that ten ICPs which were to be split had been at "ready" status for more than 24 months be followed up with the trader for the existing ICP. EA Networks have adopted this recommendation and the ICPs are being investigated with the traders. In some cases EA Networks have also contacted the customer.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

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

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

Audit observation

The registry list was examined.

Audit commentary

Review of a registry list snapshot for 4 May 2023 found ICP 0000026335EA378 has a capacity greater than 10 MW (28 MW) and it has a unique loss category (H01). Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(4)

Code related audit information

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

Audit observation

The new connection process was examined in relation to the electrical connection process.

Audit commentary

The new connection application process will not change as part of this material change. New connection data will be entered into Salesforce, and transferred to the registry.

New connections of streetlights circuits are recorded in RAMM in accordance with EA Networks' agreement with Ashburton District Council, and in turn the trader.

Future compliance is not expected to be affected by the material change.

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

The disconnection process was examined.

Audit commentary

The physical disconnection process will not change as part of this material change.

EA Networks understand their responsibilities in relation to this clause. They only conduct electrical disconnection for safety, and they only conduct disconnection where ICPs are to be decommissioned as requested by the trader.

Future compliance is not expected to be affected by the material change.

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 one business day and include the date of bridging in its advice.

Audit observation

Processes for meter bridging were reviewed.

Audit commentary

EA Networks may bridge a meter if a trader provides a service request. The retailer also issues a job to Delta, and Delta request the outcome from the fault to determine if the meter requires un-bridging. Delta may request EA Networks to un-bridge the meter; EA Networks are working under the Delta test house and use the Delta seals to complete this.

Future compliance is not expected to be affected by the material change.

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 10 business days, the notification must be provided no later than the 13th business day and be backdated to the date the change took effect.

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

Audit observation

The process to maintain ICP information using Salesforce was checked. I viewed documentation and test results.

Audit commentary

When information recorded in the registry changes, the distributor should ensure that the registry is updated within three business days.

ICP status, address, network, and pricing information is maintained in Salesforce with an event date for each event type.

Outbound registry updates include new connection information, decommissioning and changes to addresses, network information and pricing information. The required fields (including the event date) are updated in Salesforce. Every 30 seconds, Salesforce produces an event file containing any newly saved events and transfers them to the registry via SFTP. The event is recorded in Salesforce with a status of "processing". Registry acknowledgement files are received via SFTP and imported into Salesforce every 30 seconds. These acknowledgements are matched to outbound status events by Salesforce. If an 000 acknowledgement code is received the processing status of the update changes to "completed". If an error code is received the processing status for the event changes to "failed".

The pricing team will review ICP registry inbound and outbound event lists during each day, and investigate and resolve any failed updates. In the unlikely event that any failed updates are not resolved during the day, they will be identified through the discrepancy reporting the following morning because there will be a difference between the registry and Salesforce's current records.

Inbound registry events, including events created on the registry by other participants and events created directly on the registry by EA Networks are imported from registry notification files. Registry notification files are received from the registry overnight, and the event audit number is compared to the existing event audit numbers recorded in Salesforce. If the event audit number is not present, Salesforce will be updated. Salesforce will treat any new event which is has not previously received as the current record. This means that where there is a backdated change to insert an event before the most recent event of

that type it will be sent in a notification file and Salesforce will treat it as though it is the most recent event. If this occurs it will be detected and resolved as part of the daily discrepancy reporting process.

Event replacements can be sent from Salesforce to the registry by changing the ICP attributes for the most recent event date. Event reversals and replacements of older events will be completed manually on the registry and in Salesforce, and details will be imported into Salesforce as for other inbound registry events. Any discrepancies created by these updates will be identified and detected through the daily discrepancy reporting process.

I reviewed testing of the inbound and outbound registry update processes, including event reversals and replacements, new connections, decommissions, address, network, and pricing changes and confirmed that these processes are operating as expected in the test system.

Timeliness and accuracy of registry updates will be checked during the first audit after go-live. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The process to provide NSP information using Salesforce was checked. I viewed documentation and test results.

Audit commentary

Salesforce will automatically assign ASB0661, like the Customer Information System did. If a new ICP is connected to embedded network URK0111, the NSP will be manually updated in SalesForce and transferred to the registry.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

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

Audit observation

EA Networks supply ICP numbers to customers on request, and this process will not be affected by the material change.

Audit commentary

EA Networks seldom receives direct requests for ICP identifiers. ICP identifiers can be provided immediately on request once the address has been confirmed. Future compliance is not expected to be affected by the material change.

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 provide address information using Salesforce was checked. I viewed documentation and test results.

Audit commentary

Salesforce uses a lookup function for addresses. The user begins typing an address and Salesforce displays valid addresses matching the entered information, so that the user can select the valid address. If the address cannot be found the details can be manually populated.

As part of the ICP address creation process, users are expected to check that the address entered is complete and unique. Any duplicate or incomplete addresses will be identified through review of the registry AC020 report, which I have recommended is completed monthly in **section 2.1**.

Test results confirmed that the address update processes are operating as expected. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

This part of the new connection process will not change.

Audit commentary

For new connections, this clause is well understood. The Network Connection Form contains details of isolation (fusing) which confirms individual isolation points for each ICP.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

- *the location address of the ICP identifier (Clause 7(1)(a) of Schedule 11.1)*
- *the NSP identifier of the NSP to which the ICP is usually connected (Clause 7(1)(b) of Schedule 11.1)*
- *the installation type code assigned to the ICP (Clause 7(1)(c) of Schedule 11.1)*
- *the reconciliation type code assigned to the ICP (Clause 7(1)(d) of Schedule 11.1)*
- *the loss category code and loss factors for each loss category code assigned to the ICP (Clause 7(1)(e) of Schedule 11.1)*
- *if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (Clause 7(1)(f) of Schedule 11.1):*
 - a) *the unique loss category code assigned to the ICP*
 - b) *the ICP identifier of the ICP*
 - c) *the NSP identifier of the NSP to which the ICP is connected*
 - d) *the plant name of the embedded generating station*
- *the price category code assigned to the ICP, which may be a placeholder price category code only if the distributor is unable to assign the actual price category code because the capacity or volume information required to assign the actual price category code cannot be determined before electricity is traded at the ICP (Clause 7(1)(g) of Schedule 11.1)*

- *if the price category code requires a value for the capacity of the ICP, the chargeable capacity of the ICP as follows (Clause 7(1)(h) of Schedule 11.1):*
 - a) *a placeholder chargeable capacity if the distributor is unable to determine the actual chargeable capacity*
 - b) *a blank chargeable capacity if the capacity value can be determined for a billing period from metering information collected for that billing period*
 - c) *if there is more than one capacity value at the ICP, and at least one, but not all, of those capacity values can be determined for a billing period from the metering information collected for that billing period-*
 - (i) no capacity value recorded in the registry field for the chargeable capacity; and*
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded*
 - d) *if there is more than one capacity value at the ICP, and none of those capacity values can be determined for a billing period from the metering information collected for that billing period-*
 - (i) the annual capacity value recorded in the registry field for the chargeable capacity; and*
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded*
- *the distributor installation details for the ICP determined by the price category code assigned to the ICP (if any), which may be placeholder distributor installation details only if the distributor is unable to assign the actual distributor installation details because the capacity or volume information required to assign the actual distributor installation details cannot be determined before electricity is traded at the ICP (Clause 7(1)(i) of Schedule 11.1)*
- *the participant identifier of the first trader who has entered into an arrangement to sell or purchase electricity at the ICP (only if the information is provided by the first trader) (Clause 7(1)(j) of Schedule 11.1)*
- *the status of the ICP (Clause 7(1)(k) of Schedule 11.1)*
- *designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than 1 NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) *the nameplate capacity of the generator; and*
 - b) *the fuel type,*
- *the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

The process to provide complete and accurate ICP information using Salesforce was checked. I viewed documentation and test results.

Audit commentary

Registry synchronisation and data validation

The registry synchronisation and validation processes are discussed in detail in **section 2.1**. I reviewed testing of the inbound and outbound registry update processes, including event reversals and replacements, new connections, decommissions, address, network, and pricing changes, and registry discrepancy reporting and confirmed that these processes are operating as expected in the test system.

A recommendation is made in **section 2.1** to review the AC020 trader compliance report at least monthly, to ensure that discrepancies between registry fields are identified and resolved, as well as discrepancies between the same field in Salesforce and the registry.

Future compliance is not expected to be affected by the material change.

Distributed generation

The distributed generation application process will not change. Once generation is confirmed to have been installed and the correct details are confirmed by checking the application, installation certificates and records of inspection, Salesforce will be updated, and the new network attributes will be transferred to the registry through the synchronisation process.

The previous audit recommended EA Networks liaise with the trader to confirm whether generation is present for ICPs where the trader has recorded a generation profile but EA Networks has no generation details recorded. EA Networks confirmed that they are aware of seven ICPs where export volumes are being recorded by the trader but they do not have any record of distributed generation. The ICPs are currently under investigation.

Future compliance is not expected to be affected by the material change.

Initial Electrical Connection Dates

Initial electrical connection dates will be entered into Salesforce, and transferred to the registry once EA Networks receives confirmation that initial electrical connection is complete. Daily reporting is in place to identify ICPs at “ready” status with an initial electrical connection date populated. EA Networks intends to add a report to identify ICPs with “active” status and no initial electrical connection date. The AC020 compliance report AC020Distributor12 tab will also provide this information.

Future compliance is not expected to be affected by the material change.

Unmetered load

Part 11 states the distributors must provide unmetered load type and capacity of the unmetered load to the registry “if known”. If distributor unmetered load is populated, it is required to be accurate.

Once EA Networks receives confirmation of correct unmetered load details Salesforce will be updated, and the new network attributes will be transferred to the registry through the synchronisation process. Unmetered new connections follow the same application process as metered new connections.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

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

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

Audit observation

The management of registry information was reviewed. I viewed documentation and test results.

Audit commentary

ICPs are created with a POA pricing code, this is updated when work completion details are entered into Salesforce and checked by the pricing team. The new pricing attributes will be transferred to the registry through the synchronisation process.

Timeliness of pricing information depends on people and processes and will be checked during the first audit after go-live. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

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

Audit observation

The registry list was reviewed to determine compliance.

Audit commentary

Review of a registry list snapshot for 4 May 2023 confirmed that EA Networks do not populate GPS coordinates. Future compliance is not expected to be affected by the material change.

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 management of ICPs in relation to the use of the “ready” status was examined. I viewed documentation, test results and the registry list.

Audit commentary

ICPs will continue to move directly to “ready” status if they are ready for connection.

EA Networks will create an ICP and enter the ICP’s attributes into Salesforce. Address, network, and pricing events are transferred to the registry once the minimum information required to create the ICP is synchronised to the registry. There are controls over fields to ensure that they are consistent and meet the registry’s requirements.

For new connections, the registry automatically applies an ICP status, dependent on which fields are populated in the Salesforce registry update.

- An ICP is created with “new” status if an ICP number, network participant identifier and address attributes are provided.
- An ICP is created with “ready” status if the point of connection, price category code, reconciliation type code, installation type, dedicated NSP, proposed trader and loss category code are also supplied.

If an ICP is created with “new” status it will be updated to “ready” status on the registry once the information required is added into Salesforce and synchronised with the registry. ICPs can be moved back to “new” status by removing the pricing record.

Review of a registry list snapshot for 4 May 2023 confirmed that all ICPs at “ready” status had a single price category assigned and proposed trader identified. Monitoring of ICPs at “ready” status is discussed in **section 3.14**.

Future compliance is not expected to be affected by the material change.

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

EA Networks supplies two ICPs with “distributor” status. Status changes to and from “distributor” status will continue to be completed manually using the registry user interface.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

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

Audit observation

The process to decommission ICPs using Salesforce was checked. I viewed documentation and test results, and walked through the ICP decommissioning process.

Audit commentary

The Salesforce decommissioning process was walked through in the test system. Following completion of each step, the Salesforce workflow automatically moves to the next step.

- Retailers request decommissioning by emailing EA Networks decommissioning email address. The email is received by Salesforce and triggers creation of an “ICP decommissioning” case in Salesforce.
- Salesforce workflows direct the case to a user, who allocates the application to the correct ICP which adds all the required ICP information for the case.

- EA Networks issues a job to Delta to check and decommission the ICP, and on receipt of paperwork through Salesforce the ICP status is updated and sent to the registry. Status reason codes are selected from a drop down box. If the retailer has not updated the ICP status to “inactive - ready for decommissioning” or reversed their status events back to “ready” EA Networks cannot decommission the ICP on the registry. They will add a note that the ICP is decommissioned to the address field and follow up with the retailer to arrange the status update before moving the ICP to “decommissioned” status.

In some cases, EA Networks is asked to decommission an ICP by someone other than the trader, e.g., the fire service in the event of a fire or a customer. If the decommissioning has not already been completed EA Networks will obtain trader approval first, but if the decommissioning is due to a safety incident they will notify the retailer as soon as possible.

ICPs currently at “inactive - ready for decommissioning” status, and ICPs which have been decommissioned in Salesforce where the registry does not show “decommissioned” status will be identified through the daily validation processes described in **section 2.1**. Only three ICPs are currently at “inactive - ready for decommissioning” status.

Test results confirmed the process to move ICPs to “decommissioned” status with each status reason and reverse decommissioning events is operating as expected in the test system.

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

Processes for provision of price category information were checked.

Audit commentary

Price category codes will continue to be created and updated manually using the registry user interface, and valid price category codes are loaded into Salesforce for selection.

Future compliance is not expected to be affected by the material change.

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

Processes for provision of loss factor information were checked.

Audit commentary

Loss factor codes will continue to be created manually using the registry user interface.

Registry loss factor codes will be loaded into Salesforce for selection as ICP attributes. The loss factor defaults to L01 (which applies to 99.9% of active ICPs), and can be manually changed if a different loss factor is required.

Future compliance is not expected to be affected by the material change.

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 in the registry, the distributor must enter the replaced loss factor on the table in the registry.

Audit observation

Processes for provision of loss factor information were checked.

Audit commentary

Loss factor codes will continue to be updated manually using the registry user interface. Future compliance is not expected to be affected by the material change.

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 give written notice to the reconciliation manager of the creation or decommissioning.

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

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

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

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

Audit observation

Processes for creation and decommissioning of NSPs were checked.

Audit commentary

NSP information changes rarely and will continue to be managed manually. Future compliance is not expected to be affected by the material change.

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 one month before the NSP is electrically connected or the ICP is transferred.

Audit observation

Processes for provision of NSP information were checked.

Audit commentary

NSP information changes rarely and will continue to be managed manually. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

Processes for provision of balancing area information were checked.

Audit commentary

Balancing area information changes rarely and will continue to be managed manually. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

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

Processes for provision of embedded network information were checked.

Audit commentary

EA Networks is responsible for one embedded network, URK0111, which was created in 2008. Embedded network information changes rarely and will continue to be managed manually. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

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

Audit observation

Processes for provision of balancing area information were checked.

Audit commentary

Balancing area information changes rarely and will continue to be managed manually. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

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

Audit observation

Processes for provision of NSP information were checked.

Audit commentary

No ICPs are likely to become NSPs, and any changes will continue to be managed manually. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

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

Audit observation

EA Networks had not initiated the transfer of any ICPs, and no future transfers are expected.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

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

- *there is 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 table and code exemption information was reviewed. Processes for provision of NSP metering information were checked.

Audit commentary

EA Networks does not have responsibility for any NSP metering.

As discussed in **section 1.1**, exemption number 163 exempts EA Networks from provision of a metering installation at the point of connection for the URK0111 (Upper Rakia) embedded network until 31 May 2023. EA Networks has arranged for a gateway meter to be installed, and is making meter reading arrangements so that submission volumes can be calculated based on meter data from 1 June 2023.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.25(2)

Code related audit information

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

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

Audit observation

The NSP table and code exemption information was reviewed. Processes for provision of NSP metering information were checked.

Audit commentary

EA Networks does not have responsibility for any NSP metering.

As discussed in **section 1.1**, exemption number 163 exempts EA Networks from provision of a metering installation at the point of connection for the URK0111 (Upper Rakia) embedded network until 31 May 2023. EA Networks has arranged for a gateway meter to be installed, and is making meter reading arrangements so that submission volumes can be calculated based on meter data from 1 June 2023.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

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

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

At least one month's 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

EA Networks had not initiated any changes of network owner, and no future changes are expected.

Audit commentary

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

The NSP table and code exemption information was reviewed. Processes for provision of NSP metering information were checked.

Audit commentary

EA Networks does not have responsibility for any NSP metering.

As discussed in **section 1.1**, exemption number 163 exempts EA Networks from provision of a metering installation at the point of connection for the URK0111 (Upper Rokia) embedded network until 31 May 2023. A gateway meter has now been installed.

Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

EA Networks had not initiated the transfer of any ICPs, and no future transfers are expected.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

EA Networks had not initiated the transfer of any ICPs, and no future transfers are expected.

Audit commentary

Future compliance is not expected to be affected by the material change.

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

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

Audit observation

The registry list was reviewed to identify any ICPs with shared unmetered load connected.

Audit commentary

EA Networks does not allow any shared unmetered load connections on its network, and it does not have any existing shared unmetered load connections. Future compliance is not expected to be affected by the material change.

Audit outcome

Compliant

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

Code reference

Clause 11.14(5)

Code related audit information

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

Audit observation

The registry list was reviewed to identify any ICPs with shared unmetered load connected.

Audit commentary

EA Networks have no shared unmetered load connections on their network. Future compliance is not expected to be affected by the material change.

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

The impact of the material change on creation and review of loss factors was assessed.

Audit commentary

Future compliance is not expected to be affected by the material change, because loss factors are reviewed manually, and updated manually using the registry user interface.

Audit outcome

Compliant

CONCLUSION

Compliance was assessed for all areas which could be impacted by the material change by reviewing test documentation and results. No non-compliances were identified, and I recommend that the registry AC020 distributor compliance report is reviewed at least monthly to identify potentially inaccurate information which requires investigation and correction. Until a discrepancy report is added to identify ICPs with active status and no initial electrical connection date, I recommend that the AC020Distributortab of the AC020 report is reviewed at least weekly.

EA Networks' next audit date is 28 August 2024, and I recommend that this audit date is retained because future compliance is not expected to be negatively impacted by the material change:

- validation processes to identify failed registry updates and registry discrepancies are robust, and exceptions are expected to be resolved daily,
- the Salesforce workflows will help to ensure that updates occur on time, and inputting applications for new connections, applications for decommissioning and work completion paperwork directly into Salesforce is expected to improve the timeliness of registry updates, and
- existing compliant processes not affected by the material change will not be impacted.

PARTICIPANT RESPONSE

EA Networks agrees with the conclusion. EA Networks has implemented the recommendation to review the AC020 distributor compliance report on a monthly basis.