

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**

For

TOP ENERGY LTD

Prepared by: Ewa Glowacka of TEG & Associates

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EXECUTIVE SUMMARY

Top Energy (TOPE) requested an audit in accordance with clause 11.10 of Schedule 11 to ensure compliance with the Electricity Industry Participation Code 2010. The audit included examines the relevant rules outlined in the Guidelines for Distributor Audits, version 7.1, as issued by the Electricity Authority.

According to the LIS file dated March 31, 2023, 488 new ICPs were added to the TOPE network during the audit period, with 304 of them being electrically connected. TOPE used Axos Registry Manager to manage the registry. We examined the registry files, Audit Compliance Reports, documented processes, and had discussions with TOPE Staff.

During the audit, there were identified four non-compliances. However, one of these non-compliances had already been addressed and cleared in the previous audit report. Overall, TOPE demonstrated a good level of compliance.

The audit period was from 1 March 2022 to 31 March 2023.

The level of compliance has improved in the following areas:

- The registry has fewer discrepancies, and all ICPs have IECD populated.
- Very low number of updates later than three business days, which is not entirely correct because TOPE uploads an incorrect Effective Date into the registry for distributed generation ICPs.
- Good process for updating price code changes requested by retailers; the process was changed to incorporate changes to the Code.
- Compliance is monitored regularly between audits, with monthly checks of the Audit Compliance Report and appropriate actions taken to address any issues.
- The new connection process works well for retailers with and without a "blanket" agreement with TOPE.
- TOPE uses the date of physical equipment removal provided by Field Staff as the Effective Date in the registry when decommissioning an ICP.

The main "issue" identified during this audit is:

- TOPE does not use the date of distributed generation being installed as per CoC or ROI as the Effective Date in the registry. The date of registry update is used, which is incorrect.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Distributor audit provides some guidance on this matter. The Future Risk Rating score is 6 which results in an indicative audit frequency of 24 months. We agree with this result based on the commitment to improvement and the effective outcomes of compliance plans demonstrated by TOP Energy during this audit.

We thank Top Energy for its full and complete cooperation in this audit.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Requirement to provide complete and accurate information	2.1	11.2(2)	Registry information missing for a small number of distributed generation ICPs. Incorrect date in the registry when distributed generation was installed	Moderate	Low	2	Identified
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2A) of Schedule 11.1	IECD for 36 ICPs was uploaded later than 10 business days. Incorrect IECD for three ICPs	Moderate	Low	2	Identified
Changes to registry information	4.1	8(1)(b)&(4) of Schedule 11.1	Small number of the registry event updates backdated more than three business days	Moderate	Low	2	Identified
Maintenance of price codes	4.12	23 of Schedule 11.1	One price category code was recorded in the registry table late	Strong	Low	1	Cleared
Future Risk Rating						6	
Indicative Audit Frequency						24 months	

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

RECOMMENDATIONS

Subject	Section	Recommendation	Description
			Nil

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.

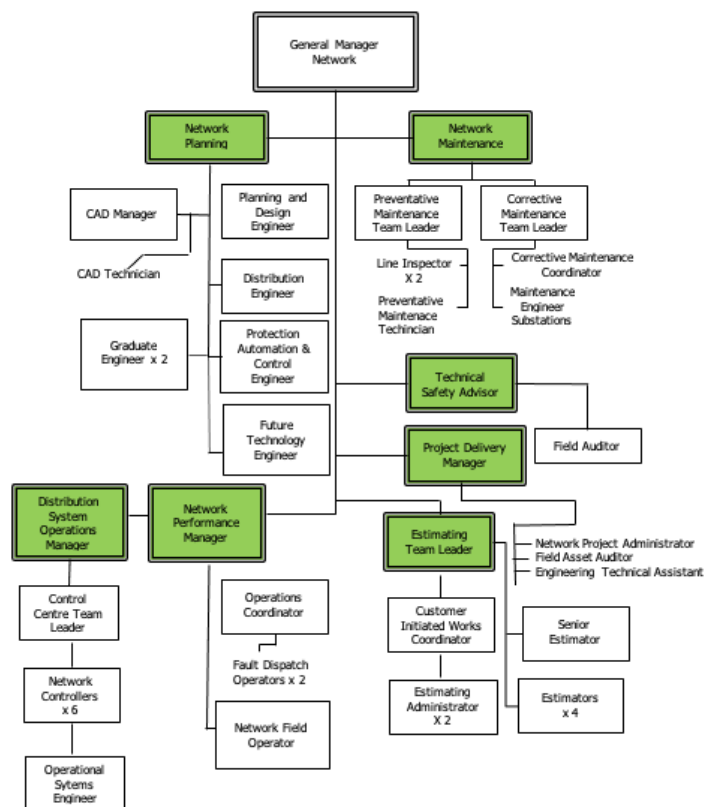
Audit observation

Top Energy confirms that there are no exemptions in place which are relevant to the scope of this audit.

Audit commentary

We checked the Electricity Authority website and confirm that there are no exemptions in place.

1.2. Structure of Organisation



1.3. Persons involved in this audit

Name	Title	Company
Simon Bocock	Commercial and Pricing Manager	Top Energy
Nitish Jalali	Revenue, Pricing and Regulatory Analyst	Top Energy
Sandra Dearnley	GIS Technician	Top Energy
Helen Rush	Administrator	Top Energy
Rachel Conwell	Metering Services Co-ordinator	Top Energy
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates Ltd

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

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

Audit observation

There are no contractors who assist with or are used in the Top Energy operations that were audited.

Audit commentary

All functions covered in this audit are performed in-house by Top Energy Staff.

1.5. Supplier list

The suppliers who support the Top Energy operations audited:

- DigSILENT is provided by PowerFactory
- Axos Registry Manager is supported by Axos Systems
- Salesforce is supported by Salesforce NZ

1.6. Hardware and Software

- Axos Registry Manager is used for managing the ICP database and connections to the registry
- Salesforce is CRM software used to record application for new connections and to create ICP identifiers
- DigSILENT PowerFactory – is used as a network management tool for modelling electricity load flows, analysis and recording specifications for equipment used to transfer electricity

1.7. Breaches or Breach Allegations

Top Energy has stated it has no breaches of the Electricity Industry Participation Code related to this audit.

1.8. ICP and NSP Data

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
TOPE	KEO1101	Kaikohe			KOE1101TOPEG	G	01/04/12	33,992

Status	Number of ICPs (31/03/2023)	Number of ICPs (2022)	Number of ICPs (2020)	Number of ICPs (2019)
New (999,0)	3	0	9	22
Ready (0,0)	207	225	126	204
Active (2,0)	33,990	33,497	32,814	32,499
Distributor (888,0)	2	2	1	1
Inactive – new connection in progress (1,12)	39	37	24	27
Inactive – electrically disconnected vacant property (1,4)	943	941	976	938
Inactive – electrically disconnected remotely by AMI meter (1,7)	144	133	97	118
Inactive – electrically disconnected at pole fuse (1,8)	31	28	18	23
Inactive – electrically disconnected due to meter disconnected (1,9)	23	17	17	10
Inactive – electrically disconnected at meter box fuse (1,10)	10	11	10	8
Inactive – electrically disconnected at meter box switch (1,11)	0	0	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	3	0	0	2
Inactive – reconciled elsewhere (1,5)	4	4	0	0
Decommissioned (3)	4,740	4,568	4,568	4,441

1.9. Authorisation Received

Top Energy has given authorization to auditor to gather data from other parties that is directly related to the audit.

1.10. Scope of Audit

This audit was performed at the request of Top Energy, as required by clause 11.10 of Part 11, to assure compliance with the Electricity Industry Participation Code 2010.

This audit covers the following processes under clause 11.10(4) of Part 11 performed by Top Energy Ltd:

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

The audit was carried out in Kerikeri on the 16 and 17 May 2023.

1.11. Summary of previous audit

The previous audit was carried out in April 2022 by Ewa Glowacka . The findings of the audit are shown below:

Subject	Section	Clause	Non Compliance	Comments
Requirement to provide complete and accurate information	2.1	11.2(2)	Registry information missing for a small number of distributed generation ICPs. Incorrect date in the registry when ICPs were decommissioned and when distributed generation was installed	Still exists
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2A) of Schedule 11.1	IECD for 55 ICPs was uploaded following the last audit. 4 ICPs had IECD uploaded later than 10 business days	Still exists
Connection of ICP that is not an NSP	3.6	11.17	30% of new ICP connections sampled had no retailer acceptance of responsibility recorded by TOPE before a trader was recorded in the registry as accepting responsibility for the ICP	Cleared
Connection of ICP that is not an NSP	3.7	10.31	TOPE had not received a retailer request for connection for one ICP (part of sampling)	Cleared
Changes to registry information	4.1	8(1)(b)&(4) of Schedule 11.1	Small number of the registry event updates backdated more than three business days	Still exists
Distributor to provide ICP information to the registry manager	4.6	7(1) of Schedule 11.1	19 ICPs did not have embedded generation details recorded in the registry	Cleared
Management of "ready" status	4.9	14 of Schedule 11.1	30% of new ICP connections sampled had no retailer acceptance of responsibility recorded by TOPE before recoding the retailer in the registry	Cleared
Maintenance of price codes	4.12	23 of Schedule 11.1	One price category code was recorded in the registry table late	Still exists

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

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

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

Audit observation

During the audit period, we reviewed the Audit Compliance Reports as well as the LIS and EDA files. We had a discussion with the TOPE Staff about their procedures and measures to guarantee the accuracy of the information in their systems, which is then reported to the registry.

Audit commentary

The Audit Summary report assists to monitor compliance during the audit period along with a suite of exception and monitoring reports. Axos Registry Manager offers additional reports to help monitor the company's compliance. One such report makes it easy to monitor the ICP status when a trader switches to "Inactive - ready for decommissioning."

Processes have been reviewed and enhanced to accommodate the functionality provided by the Axos Registry Manager. The system mimics the registry with information fields and screen layouts. Data input is with the same validation rules and error messaging as the registry. The system does not allow incomplete ICP information to be uploaded to the registry. Every day, a synchronization process identifies and reports any ICPs or information that could not be loaded due to errors. There is a daily investigation process that corrects errors caused by missing or incorrect mandatory information.

The Axos Registry Manager does not affect the promptness of information input into the registry. The Audit Compliance Report is reviewed monthly, and necessary measures are taken to address any issues identified through additional training or process improvement.

A relatively small number of information discrepancies in the registry were identified.

Section	Registry Discrepancy
3.5	<ul style="list-style-type: none">• IECD for 36 ICPs was uploaded later than 10 business days.• Incorrect IECD for three ICPs
4.1	<ul style="list-style-type: none">• Registry information not updated within 3 business days• Network - 146 updates• IECD – 36 updated• Decommissioning – 13 updates
4.6	<ul style="list-style-type: none">• Distributed Generation Incorrect Installation Type/ No capacity recorded/no Fuel Type recorded – 19 ICPs• TOPE does not use the date of distributed generation being installed as per CoC or ROI as the Effective Date in the registry

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: 11.2(1) From: 01-Mar-22 To: 31-Mar-23	Registry information missing for a small number of distributed generation ICPs. Incorrect date in the registry when distributed generation was installed Potential impact: Low Actual impact: Low Audit history: Many times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are some areas which require more monitoring during the month. The audit Risk Rating is assigned as low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
We will continue to work to ensure the registry information is accurate. Initially, we will correct all ICP identified with missing or misaligned data and review why this occurred.		Ongoing August 2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Process and work instructions to be update regarding the Distribution Generation installation date as agreed with the Auditor.		August 2023	

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

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

Audit observation

We reviewed the Audit Compliance Reports, LIS, and EDA files for the audit period. We had a discussion with TOPE Staff about their processes and all practicable steps they take to guarantee accurate information in their systems and the registry.

Audit commentary

The TOPE staff runs monthly Audit Summary Report to ensure compliance and holds a meeting to discuss the report's findings. Additionally, they monitor the registry data transfer files daily to identify any rejected files. If any rejected files are found, the staff corrects the information.

TOPE runs these additional checks

- ICPs to be decommissioned are checked daily.
- The LIS report is checked weekly to pick up any ICPs that do not have an IED entered in the registry.
- The LIS report is checked monthly for addresses that are difficult to locate, e.g. no rapid number.

The implementation of Axos Registry Manager has made having correct information in the registry much easier to achieve. The issue which is left is the timing of registry updates. Axos Registry Manager does not manage time-based non-compliance, such as the three business days requirement to update the registry following an ICP parameter change. Late updates relate to the process of obtaining information from third parties or the field, which can sometimes be problematic e.g. solar.

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

Audit observation

Compliance with this clause was discussed during the audit. TOPE does not own load control devices. There is a high percentage of smart meters installed on the TOPE network, load control devices are built into smart meters.

Audit commentary

A broken seal can be found by either Metering Services or Top Energy Faults Dept, or Top Energy Tech Services.

If Metering Services discovers a broken seal, TOPE will inform the retailer that it needs to submit a job request through MEP to have the seal replaced. The job will be assigned to a contractor, which may not be Top Energy.

If Tech Services breaks a seal during testing, they will reseal it and notify Metering Services, and TOPE will send an email to the retailer with this information.

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

This was discussed during the audit.

Audit commentary

After reviewing the TOPE website, we can confirm that information regarding Utilities Disputes can be found. Additionally, the company has included an example of an email signature that is used on all customer communications and an email template.

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 Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

To request a new connection, customers or their representatives can use the Customer Initiated Work Application Form. This form requires information about the new installation, including whether it is single or three-phase, its commercial capacity, whether the builder's temp is required, and the retailer/trader's name. The form can be filled out online or with the help of TOPE over the phone.

After receiving an application, TOPE confirms that it meets its network requirements. If it's approved, it is handed over to an estimator who creates a quote. Before TOPE start any work to facilitate a connection, they require the customer's contribution to be paid. All information provided by the customer or agent is recorded in Salesforce. Each connection must have unique address details. TOPE create a new ICP in Salesforce, which links directly to Axos Registry Manager, which uploads a new ICP to the registry.

TOPE has a blanket ICP acceptance agreement with CTCT, GENE, GEOL, and MERI (which includes a request to connect the ICP). Retailers such as ECOT, TRUS, PUNZ, and MEEN do not have a blanket acceptance in place and accept ICPs on a case-by-case basis through email. TOPE provided a sample acceptance email sent to a retailer requesting ICP acceptance.

Most retailers respond promptly, typically within a day of receiving your request. While there may be occasional delays, this is not typical. Upon acceptance of the ICP via email, the ICP will be sent it to the customer and set up in the registry as "READY".

488 ICPs were uploaded to the registry during the audit period. 304 ICPs were electrically connected.

Audit outcome

Compliant

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

Code reference

Clause 11.5(3)

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

Customers or their agents apply directly to TOPE for a new ICP connection to the network. Participants do not apply for or request ICPs on the Top Energy network. TOPE is aware of this Code requirement.

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 Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

Salesforce generates new ICPs based on information provided by a customer in the Customer Initiated Work Application form. Once all new ICP connection requirements are met, Axos Registry Manager, linked with Salesforce, uploads a file to the registry to populate the ICP information.

The EDA report and the sample of new ICP connections for the audit period were checked. We confirm that all information required is uploaded.

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

It was noticed that once retailers accepted a new ICP connection, ICP information was promptly uploaded to the registry. The registry set the ICPs to "READY" status. ICPs that were auto-accepted were also loaded as "READY" status.

The Audit Compliance report did not note any ICPs which were uploaded to the registry prior to electricity being traded at the ICP.

Audit outcome

Compliant

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

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

TOPE inspectors conduct all livening upon request from retailers, giving the company complete control over the livening of new connections.

During the audit period, a total of 488 new ICPs were created, with 304 of them being electrically connected. The Audit Compliance Report recorded that the IECD for 36 ICPs was uploaded to the registry later than 10 BS. We had a discussion with the company to understand the reasons for the delay. It was found that the primary reason for the delayed upload of IECD for a small number of ICPs was due to insufficient resources in the metering department, particularly during personnel sickness or holidays.

During the last audit, it was discovered that the Initial Electrical Connection date (IECD) for three unmetered load ICPs (tsunami sirens) was missing. To rectify this, TOPE decided to backdate the IECD by 681 BS and use the ICP Creation Date as the IECD.

The Audit Compliance report showed that there were seven ICPs where there was a difference between the IECD date and the date that retailers marked them as "Active." We talked with TOPE staff and checked the metering report from the field. We found that three ICPs had incorrect IECD information in the registry due to manual data entry errors. The incorrect IECD were corrected during the audit.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: 7(2A) of Schedule 11.1 From: 01-Mar-22 To: 31-Mar-23	<ul style="list-style-type: none"> • IECD for 36 ICPs was uploaded later than 10 business days • Incorrect IECD for three ICPs Potential impact: Low Actual impact: Low Audit history: Many times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. The process is well controlled but a lack of resources caused some delays in uploading IECD for a few ICPs. The audit Risk Rating is low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
We will continue to work on ensuring the registry information is accurate. All discrepancies identified have been corrected.		Ongoing	Identified
		June	
Preventative actions taken to ensure no further issues will occur		Completion date	
Continued training of new staff on the process. Monthly review of the EA Compliance report will continue. Investigate developing an automated report that shows all active ICPs with no IEC date. This can be run weekly to ensure that all IEC dates are updated within 10 business days.		Ongoing Each month Dec 2023	

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

Code reference

Clause 11.17

Code related audit information

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

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

Regarding 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 responsible for an ICP on the shared unmetered load have been advised.

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked. Out of those, 14 ICPs were new connections that retailers accepted without any additional confirmation (“blanket” authority), and 13 ICPs were new connections that TOPE required a retailer’s written confirmation of ICP acceptance.

Audit commentary

TOPE does not allow shared unmetered load to be connected on its network.

According to the process, after the customer has paid their contribution, retailers with blanket authority will receive the ICP, and it will be set up in the registry as "READY". However, for retailers without blanket authority, an email will be sent requesting acceptance. Once the retailer accepts the ICP via email, it will be sent to the customer and set up in the registry as "READY". The customer must pay their contribution before any work to facilitate a connection can begin. The ICP is created in Salesforce and uploaded to the registry by Axos Registry Manager.

During the last audit, it was discovered that there was non-compliance with a specific clause.

As part of this audit, 13 new ICPs that were connected during that period were sampled. TOPE required written acceptance from a retailer for these ICPs. It was confirmed that all processes were well-documented and followed correctly, and compliance was achieved.

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 Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked. Out of those 14 ICPs were new connections that retailers accepted without any additional confirmation (“blanket” authority), and 13 ICPs were new connections that TOPE required retailer written confirmation of ICP acceptance.

Audit commentary

TOPE does not allow shared unmetered load to be connected on its network.

According to the process, after the customer has paid their contribution, retailers with blanket authority will receive the ICP and it will be set up in the registry as "READY". However, for retailers without blanket authority, an email will be sent requesting acceptance. Once the retailer accepts the ICP via email, it will be sent to the customer and set up in the registry as "READY". The customer must pay their contribution before any work to facilitate a connection can begin. The ICP is created in Salesforce and uploaded to the registry by Axos Registry Manager

As part of the audit, 13 new ICPs that were connected during that period were sampled. TOPE required written acceptance from a retailer for these ICPs. It was confirmed that all processes were well-documented and followed correctly, and compliance was achieved.

We also sampled 14 ICPs that have a blanket authority with retailers to accept new connections the TOPE network. We have verified that the process was followed and an ICP was connected at the request of a trader.

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 documents were reviewed and discussed with TOPE Staff.

Audit commentary

TOPE Staff stated they have not received any requests to temporarily connect any electrical installations. They are fully aware of the Code requirements in this regard.

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 trader responsible for ensuring there is a metering installation for the point of connection.

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

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

Audit observation

We reviewed the NSP registry table and the LIS file, and discussed the clause with the TOPE Staff.

Audit commentary

TOPE has not had any such connections during the audit period. Top Energy Staff are aware of the Code requirements.

Audit outcome

Compliant

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

Code reference

Clause 10.30A and 10.30B

Code related audit information

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

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

A distributor may only electrically connect an NSP if:

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

Audit observation

We reviewed the NSP registry table and the LIS file and discussed the clause with the TOPE Staff.

Audit commentary

TOPE has not had any such connections during the audit period. Top Energy Staff are aware of the Code requirements.

Audit outcome

Compliant

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

yyyyyyyyyyxxccc where:

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

Salesforce creates ICP identifiers using an algorithm based on a sequential network connection number combined with the unique distributor code TE and a checksum. Salesforce is linked with Axos Registry Manager, which uploads ICPs to the registry.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

All ICPs with the status of READY, ACTIVE, and INACTIVE have a single loss category code assigned. The loss category code is assigned to an ICP when it is first uploaded to the registry.

Audit outcome

Compliant

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

Code reference

Clause 13 Schedule 11.1

Code related audit information

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

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

Axos Registry Manager uploads ICPs with the status "NEW" followed by "READY" for auto accepted ICPs (CTCT, GENE, and MERI).

ICPs which require individual acceptance are not uploaded to the registry until the acceptance email is received.

During the audit, we identified three ICPs with the status "NEW". Two ICPs were decommissioned, and the other status was updated to "READY". The retailer confirmed acceptance of this ICP, created during the transition from Club ICP to Axos Registry Manager.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

If an ICP has had the status of "New" or has had the status of "Ready" for 24 months or more:

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA files and the registry were checked. This was discussed with Top Energy Staff.

Audit commentary

There were five ICPs with the status "READY" for longer than 24 months. TOPE is in contact with retailers asking if ICPs could be decommissioned.

All ICPs noted in the previous audit were decommissioned.

Audit outcome

Compliant

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

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

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

- *The loss category code must be unique; and*

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

Audit observation

The LIS file and the registry were checked. This was also discussed with Top Energy Staff.

Audit commentary

TOPE has two embedded generation stations (Ngawha Geothermal Power Station) connected to its network.

Ngawha Geothermal Power Station ICP 0000003490TE5AE and 0000010061TEFFC have a unique loss category code assigned (GEN1 and GEN2).

Audit outcome

Compliant

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

Code reference

Clause 10.33A(4)

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

TOPE manages electrical connections on its network. New connections are electrically connected after receiving a request from traders. TOPE electrically connect installations and hangs meters. Once it is complete, a job sheet and photos are passed to the relevant retailer. When confirmation of complete job is received, TOPE records an Initial Electrical Connection date in Axos Registry Manager, which updates the registry.

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

This was discussed during the audit. The TOPE Contracting Division provide a disconnection service of point of connection of installation to retailer. It is a well-established, documented, service. The disconnection could be done for various reasons but it is always done at the request of the trader.

Audit commentary

TOPE provided a few examples of job requests from retailers requesting disconnection. As soon as the job is complete, the retailer is notified.

If disconnection is required because of safety reasons (emergency), it is handled by a Control Room.

Audit outcome

Compliant

3.18. Meter bridging (Clause 10.33C)

Code reference

Clause 10.33C

Code related audit information

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

The distributor can then only proceed with bridging the meter if, despite best endeavours:

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

If the distributor bridges a meter, the distributor must notify the responsible trader within 1 business day, and include the date of bridging in its advice.

Audit observation

This was discussed during the audit. In most cases, meters are disconnected remotely. If TOPE is asked to bridge a meter because MEPs are unavailable (at weekends or after hours), a trader sends a job request to authorise TOPE to do it.

Audit commentary

A faultman is dispatched to check if the site can be reconnected remotely. If remote reconnection is not possible, a meter is bridged, and a notification is sent to a trader who will issue a job to have the meter replaced.

Audit outcome

Compliant

4. MAINTENANCE OF REGISTRY INFORMATION

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

Code reference

Clause 8 Schedule 11.1

Code related audit information

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

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

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

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

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

Audit observation

We reviewed the Audit Compliance Summary Reports, LIS and EDA files, as well as the registry. We also assessed how updates to the registry are managed. We discussed the process with TOPE's staff.

Axos Registry Manager uploads files to the registry. The registry is not updated using the registry web interface.

Audit commentary

The Audit Compliance reports were analysed to identify non-compliances.

In general, the compliance level is good. It results from good processes, the monthly review of the Audit Compliance report, and a meeting to discuss the report's findings. Although this process does not prevent late updates, it helps identify areas that need more attention.

The summary of non-compliances identified in the Audit Compliance Report is shown below.

Pricing events

On 1 January 2022, a new clause 8(2)(aa) of Schedule 11.1 was inserted to the Code 2010. It states that if the distributor gives notice of a change to price category code, where the change is backdated, the distributor must update the registry within three business days after the distributor and the trader responsible for the ICP agree on the change. The algorithm used by the Audit Compliance report to identify non-compliance with price code changes is not valid anymore. The registry does not know when TOPE receives a request from retailers; therefore, we did not use the Audit Compliance report to evaluate the timeliness of price code changes in the registry.

Before processing a retailer's request, TOPE evaluates it to ensure its validity. Once it is confirmed that the request is valid, TOPE imports the file into Axos Registry Manager and updates the registry. In order to meet the requirements of the Code, the registry is updated within three business days.

To assess compliance, we sampled 42 ICPs for which price code was updated during the audit period. TOPE provided the original requests from the traders. Compliance was confirmed.

Decommissioning Status events

The Audit Compliance reports identified 13 late updates. TOPE monitors the registry closely; it is checked daily when a trader changes the registry status to “Inactive-ready for decommissioning”. As soon the registry status is updated, TOPE decommissions the ICP in the registry. Such a process allows TOPE to have a very small number of late updates. In most cases, TOPE updated the registry within three business days after a retailer change the registry status to “inactive-ready for decommissioning”.

We reviewed the job sheets and verified that the Effective Date listed in the registry corresponds with the actual date the installation was disconnected.

Network events

We have analysed the Audit Compliance Reports and found that the TOPE network updates had an overall compliance rate of 82.94%, with 186 late network update events. On average, it took 7.92 business days between the Network Effective Date and the Network Event input date. This result is not as good as last year. We discussed this with the TOPE staff and discovered that 146 out of the 186 late updates (78.5%) were due to the removal of the “Direct Billing Status” field in the registry, which was mistakenly populated during data transfer to the Axos Registry Manager.

Distributed generation

90.12 % of all TOPE distributed generation network updates were on time, with an average time to update the registry of 3.56 business days. There were 33 late network updates.

We sampled 20 randomly chosen embedded generation updates. Generation capacity is correctly recorded in the registry, but we observed that TOPE records the Effective Date as a date when the registry was notified. It does not correspond with the date of CoC or ROI or installation of the import/export meter.

TOPE does not uploads to the registry the CoC or ROI date as the date of connection of embedded generation to their network. This is because TOPE often receives these documents late or not at all. During the audit, it was found that 195 installations were still awaiting certification of compliance. TOPE follows up with solar installers regularly, but they often do not respond.

The use of an incorrect date of installation is noted as non-compliance in **section 2.1** (clause 11.2).

During the audit, TOPE drafted a new process for distributed generation during the audit. If CoC or ROI are not received, and an I/E meter is installed, the installation type in the registry should be marked as "B", and the Event Date should reflect the date of import/export of the meter installation.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref 4.1 With: 8 of Schedule 11.1 From: 01-Mar-22 To: 31-Mar-23	Small number of the registry event updates backdated more than three business days Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as moderate as the checks in place will mitigate risk most of the time. The implementation of the Axos Registry Manager has helped greatly. The audit risk rating is assigned as low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
Our objective remains that of achieving an accurate Registry.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
A new process has been implemented for decommissioning ICPs which addresses the issues highlighted. This was done before the Audit. Investigate developing a report to identify ICPs with distribution generation but the incorrect Installation type classifications. Our aim is for compliance however where ensuring the registry is accurate causes non-compliance, we believe this is acceptable. We do however wish to minimise this as much as possible. To ensure this we will continue to have the following controls in place: <ul style="list-style-type: none"> • Review of EA Audit report to monitor compliance and ensure processes are working. • Require internal signoff of changes greater than 3 business day 		May 2023 Dec 2023	

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 Audit Compliance Summary Reports, EDA, and LIS files dated 31 March 2023 were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

Top Energy has one NSP KOE1101 on its network.

When ICPs are first loaded into the registry, the NSP identifier that they are connected to is uploaded as well.

Axos Registry Manager checks and confirms the NSP.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

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

Audit observation

This was discussed with TOPE Staff.

Audit commentary

TOPE have a robust and well-documented customer service process that is followed. It was stated by TOPE Staff that queries are typically received by phone, email or service request such as the Contact Orb system. Phone requests are usually dealt with immediately.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

The Audit Compliance report found that all ICPs meet the requirements of this clause. When creating a new ICP identifier, Salesforce verifies the location address to prevent duplicates.

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff.

Audit commentary

The process for applying for a network connection is thorough and well-documented. When designing network connections, it's important to ensure that one ICP is not dependent on another ICP to avoid electrical disconnection.

TOPE Staff state that there are no known ICPs that could not be electrically disconnected without electrically disconnecting another ICP.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

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

- designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than 1 NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)
- if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)
- if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)
- if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):
 - a) the nameplate capacity of the generator; and
 - b) the fuel type
- the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

The Audit Compliance report did not identify any missing data.

TOPE has introduced new processes and finalised implemented Axos Registry Management, resulting in a high standard of data quality in the registry.

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 Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

The price category code is assigned in the Axos Registry Manager when a new ICP is created. The price code is assigned based on information collected in the network connection application. The daily upload file from Axos Registry Manager to the registry populates the registry with the price category code.

When a new ICP is created, a price category code is assigned based on the information provided in the network connection application. This price code is then added to the registry along with other relevant details via the daily upload file.

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 Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff.

Audit commentary

Addresses, including GPS coordinates are maintained in the GIS system. The GPS coordinates comply with the NZTM2000 standard. Once an ICP is set up in the registry, the GPS coordinates are uploaded to the registry at this point.

During the audit period, 550 ICPS were added to the registry. We reviewed a sample of the new ICP connections. We noticed that not all of them had GPS coordinates uploaded. This was due to the implementation of a new GIS system by TOPE, which caused a delay in the uploading of GPS coordinates to newly connected ICPS.

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 Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

According to the process, after the customer has paid their contribution, retailers with “blanket” authority will receive the ICP, and it will be set up in the registry as "READY". However, for retailers without “blanket” authority, an email will be sent requesting acceptance. Once the retailer accepts the ICP via email, it will be sent to the customer and set up in the registry as "READY". The customer must pay their contribution before any work to facilitate a connection can begin. The ICP is created in Salesforce and uploaded to the registry by Axos Registry Manager.

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 Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 27 new ICP connection records was also checked.

Audit commentary

During the audit period no new ICPs with the reconciliation type “LE” was created.

Audit outcome

Compliant

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

- *electrical installations associated with the ICP are physically removed (Clause 20(2)(a) of Schedule 11.1); or*
- *there is a change in the allocation of electrical loads between ICPs with the effect of making the ICP obsolete (Clause 20(2)(b) of Schedule 11.1); or*

- *in the case of a distributor-only ICP for an embedded network, the embedded network no longer exists (Clause 20(2)(c) of Schedule 11.1).*

Audit observation

The Audit Compliance Summary Reports, EDA, and LIS files were checked. The new connection process documents were reviewed and discussed with Top Energy Staff. A random sample of 16 decommissioned ICP records was checked.

Audit commentary

TOPE decommissions an ICP on the retailer's (or service provider's) instruction. Top Energy Staff will decommission the physical connection to the network, and the retailer will be informed when it is complete.

If a meter reader reports that a building has no meters or is missing, TOPE can be requested to verify the installation. The retailer is then informed of the results, and TOPE awaits further instructions from the retailer.

If a contractor asks TOPE to disconnect a connection on behalf of a customer, TOPE will first reach out to the retailer to confirm and then submit a service request.

After physically dismantling a connection to the network, a notification is sent to the retailer. After the retailer changes the registry status to "Inactive - Ready for decommissioning," TOPE will update the ICP status to "Decommissioned" on the registry.

TOPE provided selected 16 ICPs selected at random that had been decommissioned. We reviewed the job sheets and verified that the Effective Date listed in the registry corresponds with the actual date the installation was disconnected.

Audit outcome

Compliant

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

Code reference

Clause 23 Schedule 11.1

Code related audit information

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

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

A price category code takes effect on the specified date.

Audit observation

The Price Category Codes table in the registry was examined, and this was discussed with TOPE Staff.

Audit commentary

Four new price category codes were recorded in the registry during the audit period. The Price Category Code UMGF and UMLF were uploaded late to the registry. The date these Price Category codes were uploaded into the registry table was the same as the Effective Date. It was noted in the previous audit but is also recorded in this report as it occurred within this audit period.

Code	Description	Start Date	Last Updated
UMGF	TOPE UMGF	01/04/2022	1/04/2022
UMLF	TOPE UMLF	01/04/2022	1/04/2022
BTSU	Builders Temporary Supply	01/04/2023	16/12/2022
UMCF	Unmetered (3000-6000 kwh)	01/04/2023	23/01/2023

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.12 With: 23 of Schedule 11.1 From: 01-Mar-22 To: 31-Mar-23	Two price category codes were recorded in the registry table late Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recoded as strong. Two of four new price category codes were recorded in the registry late. It was already identified in the previous audit report and a corrective action was implemented. No impact on settlement outcomes. Audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The issue identified in this Audit occurred before our last audit was completed. After the last Audit the preventative action of including this task in our Compliance monitoring system was implemented.		Completed	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
No further action required			

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

We reviewed the Loss Category table in the registry and discussed it with Top Energy Staff.

Audit commentary

Top Energy uploaded a new loss category code, "KSF", for Lodestone Kaitaia. The Effective Date was 01/04/2023. The registry was notified 2 months in advance.

Audit outcome

Compliant

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

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

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

Audit observation

We reviewed the Loss Category table in the registry and discussed it with Top Energy Staff.

Audit commentary

Top Energy Loss Factor Codes have a single value for the whole year. Top Energy did not change the value of any Loss Factor Codes during this audit period

Audit outcome

Compliant

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

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

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

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

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

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

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

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

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

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

Audit observation

We examined the NSP mapping table in the registry, reviewed the LIS file, and discussed it with Top Energy Staff.

Audit commentary

Top Energy has one NSP only, KOE1101. Top Energy did not create or decommission a new NSP during this audit period.

Audit outcome

Compliant

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

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

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

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

Audit observation

We examined the NSP mapping table in the registry, reviewed the LIS file, and discussed it with Top Energy Staff.

Audit commentary

Top Energy Staff stated that Top Energy did not request the reconciliation manager to create any unique NSP identifiers during the audit period.

Top Energy Staff advise they are aware of the Code requirements.

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

We examined the NSP mapping table in the registry, reviewed the LIS file, and discussed it with Top Energy Staff.

Audit commentary

Top Energy did not create a new NSP or balancing area during the audit period.

Top Energy Staff advise they are aware of the Code requirements.

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

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

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

Audit observation

We examined the NSP mapping table in the registry, reviewed the LIS file, and discussed it with Top Energy Staff.

Audit commentary

Top Energy did not create a new NSP during the audit period or transfer an ICP to an NSP that is a point of connection between a network and an embedded network owned by a distributor.

Top Energy Staff advise they are aware of the code requirements.

Audit outcome

Compliant

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

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

Audit observation

We examined the NSP mapping table in the registry and discussed it with Top Energy Staff.

Audit commentary

There were no changes to the single balancing area KOE1101TOPEG during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

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

Audit observation

We examined the NSP mapping table in the registry and discussed it with Top Energy Staff.

Audit commentary

Top Energy Staff confirmed that, during the audit period, Top Energy did not transfer any ICP, which resulted in an ICP becoming an NSP at which an embedded network connected to a network or an ICP became an NSP that is an interconnection point.

Audit outcome

Compliant

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

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

Audit observation

This was discussed with Top Energy Staff during the audit.

Audit commentary

Top Energy Staff stated that Top Energy Staff did not transfer any ICPs during the audit period.

Top Energy Staff advise they are aware of the Code requirements.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

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

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

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

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

Audit observation

We examined the NSP mapping table in the registry and discussed it with Top Energy Staff.

Audit commentary

Top Energy is not responsible for any NSPs that are not connected to the grid. The ownership of NSPs AKK0011 and EKV0011 on its network, which are not connected to the grid, belongs to embedded network owners.

Audit outcome

Compliant

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

Code reference

Clause 10.25(2)

Code related audit information

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

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

Audit observation

We examined the NSP mapping table in the registry and discussed it with Top Energy Staff.

As mentioned earlier, Top Energy does not have any NSPs that are not connections to the grid for which they are responsible.

Audit commentary

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

Audit outcome

Not applicable

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

We reviewed the NSP supply point table and discussed it with Top Energy Staff.

Audit commentary

Top Energy Staff stated that Top Energy did not acquire all or part of any network during the audit period.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

We reviewed the NSP supply point table and discussed it with Top Energy Staff.

Audit commentary

Top Energy, as such, does not have any embedded network outside of its network.

There are two embedded networks on the Top Energy network, but they are not a responsible participant. This clause is not applicable.

Audit outcome

Not applicable

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

We checked the LIS, EDA files, and registry and discussed them with the Top Energy staff.

Audit commentary

Top Energy's staff confirmed the company did not own any embedded networks and did not establish any during the audit period.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 6 Schedule 11.2

Code related audit information

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

Audit observation

We checked the LIS, EDA files, and registry and discussed them with the Top Energy staff.

Audit commentary

Top Energy's staff confirmed the company did not own any embedded networks and did not establish any during the audit period.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

7. MAINTENANCE OF SHARED UNMETERED LOAD

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

Code reference

Clause 11.14(2) and (4)

Code related audit information

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

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

Audit observation

The Audit Compliance Summary reports, LIS and EDA reports and the registry were checked. This was discussed with Top Energy Staff.

Audit commentary

Top Energy Staff confirmed that Top Energy policy is not to allow a shared unmetered load to be connected on its network.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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 Audit Compliance Summary reports, LIS and EDA reports and the registry were checked. This was discussed with Top Energy Staff.

Audit commentary

Top Energy Staff confirmed that Top Energy policy is not to allow a shared unmetered load to be connected on its network.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

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

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

Audit observation

This was discussed with Top Energy Staff and the Asset Management Plans, Information Disclosure documents and Loss Factor information on the Top Energy website were reviewed.

Audit commentary

Loss factor and loss factor calculation methodology are published on the Top Energy website.

Top Energy has three ICC (Individually Calculated Customer), JNL, AFFCO, and Ngawha Generation.

Top Energy's customers are metered at low and medium voltage. For each of these voltages, a Loss Factor Code is calculated. TOPE methodology for calculating the TOPE loss factor adheres to the guidelines set by the Electricity Authority for reconciling loss factors. These have been derived from load-flow modelling of the distribution network using the DigSILENT Power factory software, including power transformers, sub-transmission circuits, high-voltage feeders, distribution transformers and low-voltage distribution reconciliation losses. They use half-hourly NSP metering data as the foundation for their analysis. When this data is unavailable, they use relevant data from the network SCADA.

Below is shown graphs of UFE provided by the Authority. According to the Guidelines, UFE is expected to be within $\pm 1\%$ over the course of any 12-month period.



emi.ea.govt.nz/r/gntp4

Audit outcome

Compliant

CONCLUSION

PARTICIPANT RESPONSE

Top Energy is pleased with the significant improvement in the result of the Audit and that our new preventative measures have been successful. A key reason for this improvement has been the implementation of our new registry management tool Axos Registry Manager. This, combined with hands on monitoring of compliance, will continue to ensure this continues going forward.

Top Energy acknowledges that we remain non-compliant in a few areas, all of which provide no material reconciliation issues. To maintain accurate registry information, we will continue to look for opportunities where we can improve compliance as outlined in the Audit, including periodic review of the EA Audit compliance report.

We would like to thank Ewa for your constructive and engaging approach to the Audit.