

ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT

VERITEK

For

Contact®

CONTACT ENERGY LIMITED

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EXECUTIVE SUMMARY

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of **Contact Energy Limited (Contact)**, to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits version 7.2.

Contact uses the CTCT, CTCS and CTCX participant codes.

- CTCT is managed directly by Contact. The code is used for generation, and meter category 1 and 2 ICPs with NHH or HHR submission type, and unmetered ICPs with NHH submission type.
- CTCS is managed by **Simply Energy Limited (Simply Energy)** as Contact's agent. CTCS customers are supplied by the Contact Energy brand and may be billed and settled as HHR, NHH or DUML.
- CTCX is managed by Simply Energy as Contact's agent. CTCX customers are supplied by the Simply Energy or Plains Power brands, but receive Contact Energy pricing and therefore are assigned to a Contact Energy trader code. They are billed as HHR but may be settled as NHH if their metering does not meet HHR certification requirements. No active ICPs have been supplied since 31 October 2022.

Simply Energy produces HHR submissions for CTCS and CTCX, and EMS produces NHH submissions for CTCS and CTCX. Unless otherwise specified, the processes and non-compliances described in the report apply to all codes.

CTCT

Switching

Compliance has improved for switching. System changes have ensured that average daily kWh within CS files is correctly calculated, and there has been a decrease in switching accuracy issues and late files found in this audit. The main area for improvement is NW files, where clarification of the correct codes to apply will improve future compliance.

Registry

The decommissioning of SAS for queries in May 2023 and move to Databricks has resulted in a reassessment of how registry data accuracy is checked, and who should be responsible. Work is underway to ensure that the reports currently used for validation will continue to be available.

Registry validation processes are operating effectively, and I saw evidence that errors were being detected and corrections processed. Some further data accuracy errors were identified during the audit, and CTCT is in the process of correcting these. Some types of updates had very high accuracy, such as MEP nominations. The timeliness of registry updates is at a similar percentage to the last audit, and I found that the latest updates were usually corrections.

New connections are closely monitored, and validation of electrical connection dates has improved over the audit period as recommended by the previous audit. Where there were discrepancies between MEP meter certification dates, CTCT's earliest active date and the distributor's initial electrical connection date, I found that CTCT's date was incorrect for a relatively high proportion (26.5% or 13/49). Ten of the exceptions occurred before November 2022.

Unmetered load data continues to be cleansed, and some progress has been made with metering long term unmetered BTS ICPs or decommissioning them if they are no longer needed. This work is expected to continue to improve compliance over time.

Validation is in place to identify distributed generation ICPs with incorrect profiles or no I flow metering installed, and recommendations made in the previous audit have been adopted. I found instances where notification of gifting was expected to be provided but had not been, and also situations where CTCT was unable to arrange installation of generation metering in a timely manner. I suggest reviewing processes to provide guidance on when gifting should occur, and how the reconciliation team will be notified so that they can provide the required notice. Gifting could be considered where CTCT has difficulty obtaining consent for generation metering to be installed.

There is a known issue identified from previous audits where the service order is returned as incomplete but if the contractor doesn't indicate further work, then the robot will close these out and no BPEM is created to flag that further work is needed. CTCT are continuing to work to resolve this. Missed follow ups were identified for distributed generation, reconnections, and disconnections.

Reading and submission

Read attainment and submission processes were found to be achieving consistent outcomes compared to the previous audit, but read validation and correction continues to require improvement.

The following key areas require some improvement to increase compliance:

- **Submission data validation and correction**

Missing or incorrect data is not consistently identified at the point of entry, such as missing loss factor information or NSP changes.

The monitoring of missing or incorrect settlement units resulting in both under and over submission of volumes is not effective resulting in delays in correcting this data.

Issues that could affect meter accuracy including issues identified on full lists of meter events and time difference reports from MEPs are not consistently investigated and corrected promptly. While service orders are raised to the AMI MEP to investigate and resolve issues on site, where a subsequent volume correction is required, these are not always identified due to the automated service order closing process. An example of this was identified for ICP 0110003151EL984 where a phase failure had occurred however no volume correction was applied.

Responsibilities for identification, investigation and correction of issues can be split across multiple teams, and failure to communicate further work required from the automated closure of some service orders can prevent issues from being resolved on time, or at all.

A clear end to end process for bridged meters needs to be developed. While reporting has improved to identify and monitor bridged meters, not all corrections are identified and applied, or are not applied in a timely manner.

Where these issues with static data or volumes are not resolved prior to submission, they will result in inaccurate submission data. The reconciliation team has some processes to identify corrections required, but these are not being completed with sufficient frequency to achieve the code requirement around timeliness of applying corrections to inaccurate submission data due to staffing changes and workloads.

A high proportion of non-communicating AMI metered ICPs where the period the ICP has been non communicating exceeds the MEPs max interrogation cycle including six ICPS where the MEPs max interrogation cycle has been exceeded by 1,000 days. This means the interval data is likely overwritten or unrecoverable however these ICPs are still recorded as being included and data estimated without alignment to any meter reads in the HHR submission process. Better monitoring is required to ensure HHR submission data is complete and accurate.

- **Replacement of HHR data**

Where an MEP provides data for part of a day, and then later provides replacement data for the missing part of the day, the initially provided data is omitted and estimated when the replacement is loaded.

Part day data for HHR meter change is accounted for as IMDM does not estimate the missing part day from the removed meter.

- **Proportion of historic estimate at 14 months**

Not all estimated reads are replaced by actual reads or permanent estimates by the 14-month revision. Some actual reads and permanent estimates are not used if an estimate read is present for the same day but recorded as being entered earlier in the day in SAP.

CTCS and CTCX

Registry and switching

Registry update and switching processes involve manual data entry. Further training, refinement of procedures, and better monitoring have improved compliance since the last audit. Issues identified in the course of business are closely monitored both to ensure that they are resolved and identify any opportunities for improvement to prevent recurrence.

The switching recommendations made during the previous audit have been adopted. Process improvements and closer monitoring have greatly increased the accuracy and timeliness of switch files, with a very small number of isolated manual data entry errors and late files identified. There were no accuracy issues found at all for ANs, incoming CS files or read renegotiations.

Registry validation processes have been strengthened and are completed more regularly, and I saw evidence that incorrect information was being detected and corrected. Some further improvements to validation processes identified during the audit have already been adopted. A very small number of data accuracy issues were identified during the audit and were corrected as soon as practicable.

Reading and submission

There have been some improvements to reading and reconciliation:

- Read attainment levels have steadily improved, and some improvements have been made to the process to try and target potential access issues at time of gaining an ICP.

The following key areas require some improvement to increase compliance:

- **Read validation**

There are some gaps in the read validation process which should be addressed, including validation of zero consumption and full analysis of meter events provided by MEPs.

- **Historic estimates proportions at revision 14**

Permanent estimates are not consistently inserted prior to revision 14. CTCS is working on a process for this that also ensures the best endeavours requirement has been met via the no read escalation process.

Where there is no seasonal adjusted shape value for the day after the read-to-read period, MADRAS does not use the seasonal adjusted shape values to calculate historic estimate. The volume is not seasonally adjusted and is labelled as forward estimate.

- **Replacement of HHR data**

Where an MEP provides data for part of a day, and then later provides replacement data for the missing part of the day, the initially provided data is omitted and estimated when the replacement is loaded.

Conclusion

The audit found 42 non-compliance issues (a decrease from 44) and 20 recommendations are made. The audit risk rating has increased slightly from the previous audit from 103 to 106. In most cases non-compliance control ratings were the same as, or better than the previous audit, and some non-compliances from previous audits have not occurred during the audit period. Some non-compliances particularly for submission were assessed to have a higher impact than they had in previous audits, because larger numbers of exceptions were found such as an increase in the number of settlement unit errors.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below recommends that the next audit be completed in three months. I have considered this in conjunction with Contact's responses and recommend that the next audit is undertaken in a minimum of nine months. This recommendation is consistent with the previous audit's recommendation which had a similar audit risk rating, and recognises that improvements have been made and many more are in progress. This will ensure appropriate audit oversight within a reasonable period of time.

The matters raised are detailed in the table below.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	10.6, 11.2, 15.2	<p>CTCT Some inaccurate data is recorded and was not updated as soon as practicable. Some previous audit corrections not carried out.</p> <p>CTCS and CTCX Some inaccurate data is recorded and was not updated as soon as practicable. Some previous audit corrections not carried out.</p>	Moderate	High	6	Identified
Electrical connection of a point of connection	2.11	10.33A	<p>CTCT 104 new ICPs did not have their meters certified within five business days of initial electrical connection. 244 reconnection ICPs did not have their meters certified within five business days of reconnection. Metering for three ICPs was not recertified on un-bridging.</p> <p>CTCS One new ICP did not have its meter certified within five business days of initial electrical connection.</p>	Strong	Low	1	Identified
Arrangements for line function services	2.12	11.16	<p>CTCS CTCS traded on ICPs connected to the CIAL, SMAL and TIKL networks where there was no arrangement or agreement in place.</p>	Moderate	Low	2	Identified
Arrangements for metering equipment provision	2.13	10.36	<p>CTCT No arrangement in place for the maintenance of BOPE metering.</p>	Strong	Low	1	Identified
Meter bridging	2.17	10.33C and 2A of Schedule 15.2	<p>CTCT Two ICPs from a sample of 21 where the MEP was notified of a bridged meter later than one business day from when Contact was notified. Volume corrections not applied for 48 bridged ICPs that have subsequently switched away. Volume corrections not applied or applied incorrectly for five bridged ICPs from a sample of nine ICPs.</p>	Weak	Medium	6	Identified
Changes to Registry	3.3	10 Schedule 11.1	<p>CTCT 1,718 late updates to "active" status. 721 late updates to "inactive" status. 2,544 late trader updates. 186 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p>CTCS Eight late updates to "active" status. 20 late updates to "inactive" status. 127 late trader updates.</p>	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			One ANZSIC code update was made more than 20 business days after CTCS began trading at the ICP.				
Trader responsibility for an ICP	3.4	11.18	CTCT ICP 0000514338CE7AF did not have an accepted MEP nomination within 14 business days of initial electrical connection.	Strong	Low	1	Identified
Provision of information to the registry	3.5	9 Schedule 11.1	CTCT 503 late updates to “active” status and MEP nominations for new connections. ICP 0000062294NT59C was connected on 13 February 2023 and the meter has recorded consumption since 14 February 2023. The ICP has not been claimed and moved to “active” status by CTCT because it is a TOU meter and expected to be supplied under CTCS. 13 of a sample of 49 ICPs checked had incorrect “active” status dates, and one was corrected during the audit. 186 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. CTCS 18 late updates to “active” status for new connections. One ICP had an “inactive” active status date recorded and was corrected during the audit. One ANZSIC code update was made more than 20 business days after CTCS began trading at the ICP. Four late MEP nominations for new connections.	Moderate	Low	2	Identified
ANZSIC codes	3.6	9 (1)(k) of Schedule 11.1	CTCT Six (6%) of the 100 ICPs sampled had an incorrect ANZSIC code applied and were corrected during the audit. CTCS Three (10%) of the 30 ICPs sampled had an incorrect ANZSIC code applied and were corrected during the audit.	Moderate	Low	2	Cleared
Changes to unmetered load	3.7	9(1)(f) of Schedule 11.1	CTCT ICP 0000040854NT2F4 had incorrect daily unmetered kWh recorded and was updated on the registry and in SAP during the audit. Due to a calculation error the load was recorded as 0.62 kWh per day instead of 6.187 kWh per day. ICP 0000254425HB5DE had incorrect daily kWh recorded and has been corrected in SAP but not on the registry. Ballast was not included in the original calculation of 1.32 kWh per day which has now been corrected to 1.51 kWh per day.	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>ICP 0000018605WECOF had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).</p> <p>ICP 0000553257NR3D0 is recorded with 1.2 kWh daily unmetered kWh and 0.00;0.00;SecurityGate. It is expected to be recorded with 0.02 kWh per day and 0.2kW;0.10;SecurityGate.</p> <p>ICP 0007680774HB8DE's trader update for 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh. Daily unmetered kWh should be 2.989 but was updated to 3.000 in error.</p> <p>ICP 0000513944CEF86 is an unmetered weather station which switched in on 1 January 2023. CTCT has investigated the load with the network and customer who have confirmed that the ICP was livened with 480W connected 24 hours, equivalent to 11.52 kWh per day or 4,205 kWh per annum. The network has updated their unmetered load details on the registry, and CTCT intends to update their trader unmetered load details in SAP and the registry and provide revised submission data.</p>				
Management of Active status	3.8	17 Schedule 11.1	<p>CTCT</p> <p>ICP 0395721083LCCAF was reconnected during the previous trader's period of supply because the correct reconnection date was not provided to the MEP when requesting the reconnection.</p> <p>Three reconnections had incorrect status event dates which were corrected during the audit.</p> <p>One reconnection was processed for the wrong ICP and was corrected during the audit.</p> <p>13 of a sample of 49 new ICPs checked had incorrect active status dates, and one was corrected during the audit.</p> <p>CTCS</p> <p>One new ICP had an incorrect active status date recorded and was corrected during the audit.</p>	Moderate	Low	2	Identified
Management of Inactive status	3.9	19 of schedule 11.1	<p>CTCT</p> <p>ICP 0007118113RN739 inactive consumption was confirmed as being genuine however this has not been</p>	Moderate	Medium	4	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>resolved so this volume (5,082 kWh) is missing from the submission process. 66 ICPs the inactive consumption was confirmed as being genuine however corrupt settlement unit assignments are preventing these ICPs from being included in submission totalling 29,112 kWh.</p> <p>CTCS One inactive status update had an incorrect status reason applied and was corrected prior to the audit. One inactive status update had an incorrect event date applied and was corrected during the audit.</p>				
Losing trader must provide final information	4.3	5 Schedule 11.3	<p>CTCT Three CS breaches. Three E2 breaches. Four CS files had an average daily kWh of zero incorrectly recorded which was created prior to a system fix to ensure average daily kWh was correctly calculated.</p>	Strong	Low	1	Identified
Retailers must use the same reading	4.4	6(1) and 6A Schedule 11.3	<p>CTCT Four RR breaches.</p>	Strong	Low	1	Identified
Gaining trader informs registry of switch request	4.7	9 of Schedule 11.3	<p>CTCT Three of a sample of 15 switch move ICPs should technically have been requested as transfer switches. Switch move was applied to ensure the correct event date was used.</p> <p>CTCS Two of the sample of ten switch move ICPs should technically have been requested as transfer switches. Switch move was applied to ensure the correct event date was used.</p>	Strong	Low	1	Identified
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	<p>CTCT Two ET breaches. The switches were later withdrawn so the incorrect dates had no impact.</p> <p>CTCS One AN contained an incorrect proposed event date. The switch was later withdrawn so the incorrect date had no impact.</p>	Strong	Low	1	Investigating
Losing trader must provide final information	4.10	11 Schedule 11.3	<p>CTCT One CS had an average daily kWh of zero incorrectly recorded in a CS file which was created prior to a system fix to ensure average daily kWh was correctly calculated. Two switch move CS files had an incorrect last actual read date.</p> <p>CTCX One switch move CS file had an incorrect last actual read date.</p>	Strong	Low	1	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>Two switch move CS files had incorrect average daily kWh.</p> <p>CTCS</p> <p>Three switch move CS files had incorrect last actual read dates.</p> <p>Three switch move CS files had their switch event read type recorded as estimated, but should have been actual.</p> <p>One switch move CS file had incorrect average daily kWh.</p>				
Gaining trader changes to switch meter reading	4.11	12 of Schedule 11.3	<p>CTCT</p> <p>24 late RR breaches for switch moves.</p> <p>CTCS</p> <p>Two RR breaches for switch moves.</p>	Strong	Low	1	Identified
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	<p>CTCT</p> <p>34 SR breaches.</p> <p>133 NA breaches.</p> <p>Six AW breaches.</p> <p>Seven of a sample of 21 NWs did not have the code with the best fit applied. NW-1097618 for ICP 0007707965TUFF0 was sent in error due to a misunderstanding, the staff member should have issued an RR instead.</p> <p>One incoming NW was rejected in error and was accepted on reissue.</p> <p>CTCS</p> <p>One NW was issued in error and rejected by the other trader because the wrong ICP was selected.</p> <p>Three NA breaches.</p>	Moderate	Low	2	Identified
Maintaining shared unmetered load	5.1	11.4	<p>CTCT</p> <p>0000018605WECOF had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).</p>	Moderate	Low	2	Identified
Distributed unmetered load	5.4	11 of schedule 15.3	<p>CTCT and CTCS</p> <p>The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code. Inaccurate submission information for six of the databases managed.</p>	Moderate	High	6	Identified
Electricity conveyed & notification by embedded generators	6.1	10.13	<p>CTCT</p> <p>ICP 0000048742HR7FB has RPS PV1 profile recorded, but no generation is present, and it should have RPS profile recorded on the registry. The correct profile is applied for submission.</p> <p>Two other ICPs had profiles indicating generation recorded on the registry when no generation was present and were corrected during the audit.</p>	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>Distributed generation ICPs 0419595066LC60F and 0000158421UN9EF do not have generation metering installed and have not been added to the gifting register. The metering for ICP 1001157629CK617 is not fit for purpose. While meters were bridged, energy was not metered and quantified according to the code for 206 ICPs.</p> <p>CTCS</p> <p>Notice of gifting of generation for HHR ICPs 0005093997HBEBB and 0006804209RN6C3 was provided to the RM on 8 May 2023. Both ICPs have been supplied since 1 April 2022 but were not identified earlier because there was no specific check for generation metering for HHR ICPs.</p>				
Responsibility for metering at GIP	6.2	10.26 (6), (7) and (8))	<p>CTCT</p> <p>The certification date for WHI2201CTCTG was not updated within 10 business days of the NSP being certified.</p>	Moderate	Low	2	Identified
Derivation of meter readings	6.6	3(1), 3(2) and 5 Schedule 15.2	<p>CTCT</p> <p>Meter condition information is not consistently investigated to identify issues with seals, tampering, phase failure or safety.</p>	Moderate	Low	2	Identified
NHH meter reading application	6.7	6 Schedule 15.2	<p>CTCT</p> <p>For two ICPs no actual meter read, or permanent estimate read was applied for the profile code event date.</p>	Moderate	Low	2	Identified
Interrogate meters once	6.8	7(1) and (2) Schedule 15.	<p>CTCT</p> <p>For three ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met. The meter read compliance process begins after 130 days with no readings so it is unlikely compliance will be achieved where the period of supply is less than this.</p> <p>CTCS</p> <p>For at least eight ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met. The meter read compliance process begins after three months with no readings so it is unlikely compliance will be achieved where the period of supply is less than 90 days.</p>	Moderate	Low	2	Identified
NHH meters interrogated annually	6.9	8(1) and (2) Schedule 15.2.	<p>CTCS</p> <p>For eight of a sample of 20 ICPs unread in the 12 months ending 31 March 2022, exceptional circumstances did not</p>	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			exist, and the best endeavours requirement was not met.				
NHH meters 90% read rate	6.10	9(1) and (2) Schedule 15.2	<p>CTCT For one ICP unread in the four months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>CTCS For five ICPs unread in the four months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p>	Moderate	Low	2	Identified
Identification of readings	9.1	3(3) Schedule 15.2	<p>CTCS Three switch move ICPs had incorrectly labelled switch event meter readings.</p>	Strong	Low	1	Identified
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	<p>CTCT Raw meter data is truncated upon upload into SAP meter read table and not when volume information is created.</p>	Weak	Low	3	Identified
Electronic meter readings	9.4	15 Schedule 15.2 2	<p>CTCT Reasonable endeavours not met for a sample of six "active" long term non-communicating AMI metered ICPs where estimations are provided for more than 1,000 days and the estimates are not aligned with received meter reads from manual meter reading. Interval data consumption not correctly estimated for AMI meter changes to ensure the interval data matches the consumption calculated between meter reads.</p>	Moderate	Low	2	Identified
Electronic meter readings	9.6	17(4)(f)& (g) of schedule 15.2	<p>CTCT Full AMI meter event logs provided by MEPs are not routinely reviewed. 78 (ARC AMI MEP) HHR submitted ICPs where the time correction exceeded 1,900 seconds and this time correction was then reverted at the next interrogation and no review of the raw meter data was conducted to determine if any corrections were required. Volume correction not applied for ICP 0110003151EL984 due to a phase failure. HHR AMI data incorrectly replaced by estimates due to inaccurate midnight reads used for sum-check validation. A sample of six ICPs from a population of 984 where the submission type was HHR and where the MEPs maximum interrogation cycle expired. In all cases the ICPs remain "active" on the registry</p>	Weak	Medium	6	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			and continued to be flagged for HHR submission. CTCS and CTCX Full AMI meter event logs provided by MEPs are not routinely reviewed.				
Calculation of ICP days	11.2	15.6	CTCT 20 revision differences were caused by inaccurate ICP days submission data because incorrect settlement unit information was recorded in SAP. The errors were corrected by the time that the audit was complete.	Moderate	Low	2	Identified
HHR aggregates information provision to the reconciliation manager	11.4	15.8	CTCT Four ICPs had changes to the NSP assignment on the registry where SAP had not reflected this change. 17 ICPs were where the ICP had transitioned to NHH submission type on the registry however the settlement unit assignment in SAP remained HHR.	Moderate	Low	2	Identified
Creation of submission information	12.2	15.4	CTCT 102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum. 235 ICPs where the unmetered load settlement unit assignment was not ended on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum. Some ICPs were missing from submissions due to data inaccuracies. Some corrections identified in the previous audit were not corrected and are now outside the revision cycle. Volume corrections were not applied for 48 bridged ICPs that have subsequently switched away. Volume corrections were not applied or applied incorrectly for four bridged ICPs from a sample of nine ICPs. ICP 0007118113RN739 inactive consumption was confirmed as being genuine however this volume (5,082 kWh) is missing from the submission process. 66 ICPs the inactive consumption was confirmed as being genuine however corrupt settlement unit assignments are preventing these ICPs from being included in submission totalling 29,112 kWh.	Moderate	High	6	Identified
Accuracy of submission information	12.7	15.12	CTCT Some submission data was inaccurate and was not corrected at the next available opportunity.	Moderate	High	6	Identified
Permanence of meter	12.8	4 Schedule 15.2	CTCT Some estimates were not replaced by revision 14.	Weak	Low	3	Investigating

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
readings for reconciliation			Consumption volume for ICP 0000202101CTC81 incorrectly labelled as forward estimate. CTCS Some estimates were not replaced by revision 14.				
Reconciliation participants to prepare information	12.9	2(1)(c) of schedule 12.3	CTCT Four ICPs had changes to the NSP assignment on the registry where SAP had not reflected this change. 102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum. 235 ICPs where the unmetered load settlement unit assignment was not ended on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum. 66 ICPs where the inactive consumption was confirmed as being genuine however corrupt settlement unit assignments are preventing these ICPs from being included in submission totalling 29,112 kWh.	Moderate	High	6	Identified
Historical estimates and forward estimates	12.10	3 Schedule 15.3	CTCS and CTCX Where SASV profiles are not available, consumption based on validated readings is not seasonally adjusted and is labelled as forward estimate.	Strong	Low	1	Identified
Forward estimate process	12.12	6 Schedule 15.3	CTCT CTCX CTCS Inaccurate forward estimate caused the thresholds not to be met in some instances.	Moderate	Low	2	Identified
Compulsory meter reading after profile change	12.13	7 Schedule 15.3	CTCT ICPs 0000005122DEF1D and 0000024655DE0E5 did not have an actual meter read present for the profile change.	Strong	Low	1	Identified
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	CTCT and CTCS Historic estimate thresholds were not met for some revisions.	Moderate	Medium	4	Identified
Future Risk Rating					106		
Indicative Audit Frequency					3 months		

Future risk rating	0	1-3	4-14	16-40	41-55	55+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Recommendation	Response
Validation of inputs to the submission process	2.1	<p>CTCT</p> <p>I recommend confirming processes and responsibilities to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity. Team members responsible for managing the data should be aware of the impact incorrect information has on reconciliation submissions, and the process steps required to resolve issues completely.</p> <p>As a minimum management of the following data should be considered:</p> <ul style="list-style-type: none"> • aggregation factors including network, NSP, dedicated NSP, loss factor (and pricing category which is linked to this), profile, submission type, and flow direction, • ICP metering and unmetered load, including ensuring that SAP's unmetered load settlement units are correct and that meters have the correct status and details recorded on switch in, replacement and new connection, • management of ICP status including ensuring that SAP's settlement units are accurate and consistent with the registry, and that inactive consumption is identified, investigated and reported as required, and • identification and correction of meter defects including bridged meters. 	<p>CTCT</p> <p>Post this recommendation being made in the previous Audit, Contact had meetings with the responsible internal teams to further discuss and agree on definitive responsibilities and ownership for, audit areas/items, processes, data, as well as the flow on impacts these have if incorrect.</p> <p>This included a refresher and/or extra training where required, with the frequency of further refreshers or extra training opportunities being examined regularly.</p>
Bridged meter process	2.17	<p>CTCT</p> <p>Enhance the current processes to:</p> <ul style="list-style-type: none"> • review the correction for accuracy and ensure that the volumes are correctly applied for submission based on the submission type for the affected ICP, and • provide end to end monitoring to ensure that bridged meters are unbridged, and corrections are processed. 	<p>CTCT</p> <p>Contact will take into consideration the Auditors recommendations</p>
Process the new connection for ICP 0000062294NT59C. Review the new connection process and add controls to prevent HHR new connections being accepted.	3.5	<p>CTCT</p> <p>Arrange for the distributor to change the proposed trader for ICP 0000062294NT59C to CTCS, so that CTCS can claim the ICP, move it to "active" status and provide submission data.</p> <p>Review the new connection process and add controls to prevent HHR new connections being accepted.</p>	<p>CTCT</p> <p>ICP 0000062294NT59C is now claimed by CTCS from active date of 13/02/2023. Contact is regularly providing training to our operators to ensure new connections for ToU meters are passed over to CTCS, we are exploring changes in our system to have more robust controls in place.</p>
BPEMs for changes to distributor unmetered load	3.7	<p>CTCT</p> <p>Create a new BPEM to identify removal of unmetered loads.</p>	<p>CTCT</p> <p>Our Business Simplification team is still investigating further opportunities within SAP to create a new BPEM that identifies changes to UML data within the Electricity Registry, so variances in SAP can be updated in a timelier manner.</p>

Subject	Section	Recommendation	Response
			As these investigations can take some time to complete, and with our existing discrepancy reporting being replicated from SAS to Data Bricks, we are exploring what opportunities we have to upgrade our existing reporting during the replication process to include identifying when the removal of UML has not carried across into SAP.
Ensure consistency of unmetered load operational hours.	3.7	CTCS Confirm with each distributor the annual operational hours of unmetered streetlights so that consistent daily operation hours can be confirmed and applied.	CTCS Simply Energy will complete a review of all the distributors to confirm their daily operation hours of unmetered streetlights, by 31/07/2023.
Field service orders returned as "could not complete" which are closed by the robot	3.8	CTCT Develop a process to identify any jobs which were returned as not completed which have been closed by the robots, so that they can be reissued if necessary.	CTCT As noted within the Auditors commentary, Contact is developing processes to efficiently identify these jobs so they can be reissued as necessary.
Training on application of the DF NW response code	4.15	CTCT Provide refresher training to staff on the correct use of the DF NW response code. DF is expected to be used where the requested transfer date greater than 10 business days in the future only. Other date errors should have the CE (customer error) response code applied.	CTCT We will continue to provide regular refresher training for the operators involved in our switching processes to ensure the proper use of NW response codes is applied in all instances.
Notification of gifting	6.1	CTCT Review processes for notification of gifting to provide guidance on when gifting should occur, and how the reconciliation team will be notified so that they can provide the required notice.	CTCT Contact will investigate further into the gifting process and its respective processes to ensure the correct process is being followed.
Review of MRSL meter condition information	6.6	CTCT Add agenda item to MRSL meter reading operation meeting to review frequency of phase failure being identified by meter readers compared to AMI providers via meter event logs. Where power quality incidents cause phase failure within a region both AMI and non-AMI metering data providers should identify a similar number of phase failures per capita.	CTCT Agenda item will be added to the next meeting.
Develop standard process to ensure the best endeavours requirements for read attainment are met	6.8	CTCS and CTCX I recommend developing a standard process for support team/business specialists to follow to ensure that the requirement to make at least three attempts to contact the customer using two different communication methods are met where the issue cannot be resolved promptly.	CTCS & CTCX Monthly reports are received from Wells on non-meter reads > 3months and actioned by the Key and Account Leads Team. Additional information is being added to this report to show ongoing non reads so contact will then be made each month up to 3 months in a row. There are further reports in Salesforce that highlight unread meters as second verification.

Subject	Section	Recommendation	Response
			<p>The way the customer is contacted will be linked to each month of non-read to ensure multiple different ways to contact the customer are used. Simply Energy can also now raise a "Special meter read" to Wells to take action outside the normal read cycles. This will speed up the process of being able to send a meter reader back to a site to gain an actual read when additional access information is received from a customer. Simply Energy is also investigating the ability to automatically generate emails to the customer from salesforces for the first contact when they have been identified on the non-read report.</p>
Replacement of data	9.4	<p>CTCS and CTCX If partial replacement data is provided, ensure that only the periods with valid replacement data are updated in DataHub.</p>	<p>CTCS & CTCX Simply Energy have raised the issue of being able to import partial HHR datafiles from MEPS with their system provider again and are hopeful of being able to progress a solution given other recent system changes may have facilitated a solution for this.</p>
Review automated implausible read process to include step to review photos obtained by meter reader	9.5	<p>CTCT CTCT to review its automated implausible read process to include a manual step where the outcome of the validation is to request a control (out of cycle) meter reading, to include a pause in the process to allow a user to check for a photo on the AD Riley portal prior to releasing the control (out of cycle) meter reading request.</p>	<p>CTCT We will review our automated implausible read process to identify whether this recommendation, or a similar enhancement can be implemented.</p>
Implement process to review the billed dollar value outside of tolerance validation thresholds as part of any price change	9.5	<p>CTCT Implement process to review the billed dollar value outside of tolerance validation thresholds as part of any price change to reduce the number of false positive exceptions being triggered due to incremental changes in price and not some other reason requiring investigation.</p>	<p>CTCT We will investigate further into this recommendation to identify what opportunities we have within our processes and reporting to review billed dollar values outside of tolerance validation thresholds.</p>
Zero consumption reporting	9.5	<p>CTCS and CTCX Establish a validation process for meters with zero consumption.</p>	<p>CTCS & CTCX Simply Energy have created a process where the Data Management analyst works with the billing team to identify zero usage sites every three months, investigate these to find those that are reading 0, and then raise requests for the customer to be contacted to verify that 0 usage is correct. Where the customer believes this usage to be incorrect the business will raise</p>

Subject	Section	Recommendation	Response
			service orders for the MEP to investigate.
Clock synchronisation events	9.6	CTCT Where a clock synchronisation over 1800 seconds occurs, and data for multiple trading periods is pushed into the period of adjustment, develop a process to spread the total consumption for the adjustment period across the periods it actually occurred within.	CTCT Contact will investigate further into the Auditors recommendation.
Develop process to peer review all service orders relating to faulty meters	9.6	CTCT I recommend CTCT develops a process to peer review all service orders relating to meter faults to ensure that where a data or volume correction is also required, that this is undertaken consistently.	CTCT We will investigate what opportunities we have within our automation space to review meter fault service orders.
Review consumption difference thresholds between revisions for the same consumption period	9.6	CTCS and CTCX I recommend a review of the consumption threshold is undertaken to better align the internal validation of revisions of HHR submission data for the same consumption period to the current $\pm 10\%$ Authority determined tolerance.	CTCS & CTCX This change was implemented during the audit and a threshold of $\pm 10\%$ was applied to the R1,3,7, & 14 submissions made during June 2023.
Identification and escalation of missing AMI interval data to MEPS.	9.6	CTCS and CTCX Develop and implement reporting of missing/estimated interval data used in submission and the process to escalate these instances to the relevant AMI MEP for resolution.	CTCS & CTCX A request has been made to the Service Provider to create a report to be produced off the back of each Reconciliation Submission for each Reconciliation period. The business should have this reporting in place by 30/09/2023.
SAP settlement unit issues	11.2	CTCT Investigate the issues preventing SAP settlement units being updated correctly for unmetered load, reconnections and disconnections and determine a solution.	CTCT As the updating of incorrect settlement units are identified, Contact will continue to investigate the cause of the data inaccuracies, as well as opportunities to reduce the re-occurrence via process or system improvements/changes.
Ensure that the DUML register contains all CTCS DUML ICPs	12.2	CTCS Capture of "reconciled elsewhere" DUML ICPs in the Authority's list of approved distributed unmetered load databases.	CTCS These ICPs are now added to the Authority's list. Internal reporting has also been created to assist in any switching of the active ICPs.

ISSUES

Subject	Section	Description	Issue
		Nil	

1. ADMINISTRATIVE

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

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

Audit observation

The Electricity Authority's website was reviewed to identify any exemptions relevant to the scope of this audit.

Audit commentary

Exemption 293 for ICP 0003133903AA777 expired on 1 April 2021 because Contact is no longer recorded as the trader on the registry. There are four exemptions currently in place relevant to the scope of this audit:

Exemption No. 177: Exemption to clause 8(g) of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of providing half-hour ("HHR") submission information instead of non-half-hour ("NHH") submission information for distributed unmetered load ("DUML"). This exemption expires at the close of 31 October 2023 and is no longer used, because CTCS is responsible for DUML load and settles it as NHH.

Exemption No. 185: Exemption to clause 11 of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of creating DUML databases for the following ICPs. This exemption expires on the date on which Contact no longer has responsibility as the trader for these ICPs on the registry, and still applies for ICP 0001183605HB0B0.

ICP identifier	Comments
0001183605HB0B0	Contact still has responsibility for this ICP, under veranda lights with load of 3.7 kWh per day are connected.
0000038627NTADB	Decommissioned 17 May 2017
0000557925UND32	Switched out 28 February 2014
0000600085HBD8B	Switched out 23 January 2013
0000916610TEA3F	Switched out 1 December 2016
0005000772HBA61	Switched out 28 August 2014
0008801012TP900	Unmetered load details have been removed on the registry effective 23 June 2014
0014189134HBC96	Switched out 3 November 2015
0016096032EL6DD	Switched out 16 July 2016
0018137292HB7F1	Decommissioned 5 February 2013

0046054751HBF7	Switched out 8 November 2012
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Exemption No. 191: Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000032431HR99C. This exemption expires on the earlier of:

- the close of 31 December 2023, or
- the completion date of a major upgrade to the Ohaaki substation.

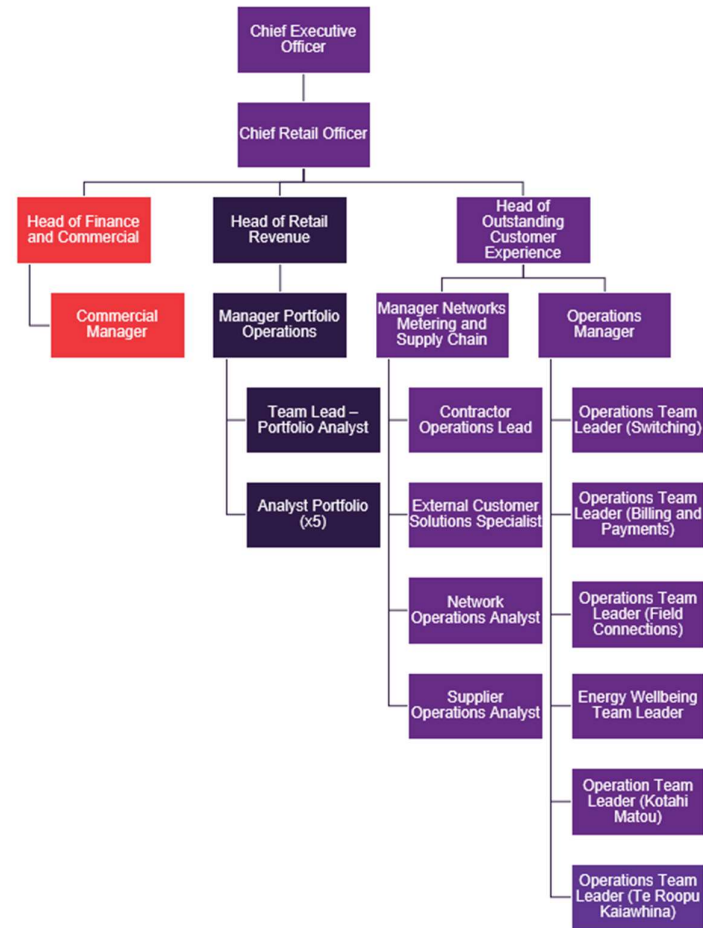
Exemption No. 203: Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000880392WEA92. This exemption expires on the earlier of:

- the close of 31 December 2023, or
- the completion date of a major upgrade to the switchboards at Contact's co-generation plant at the Te Rapa dairy factory.

1.2. Structure of Organisation

Contact provided a copy of their organisational structure.

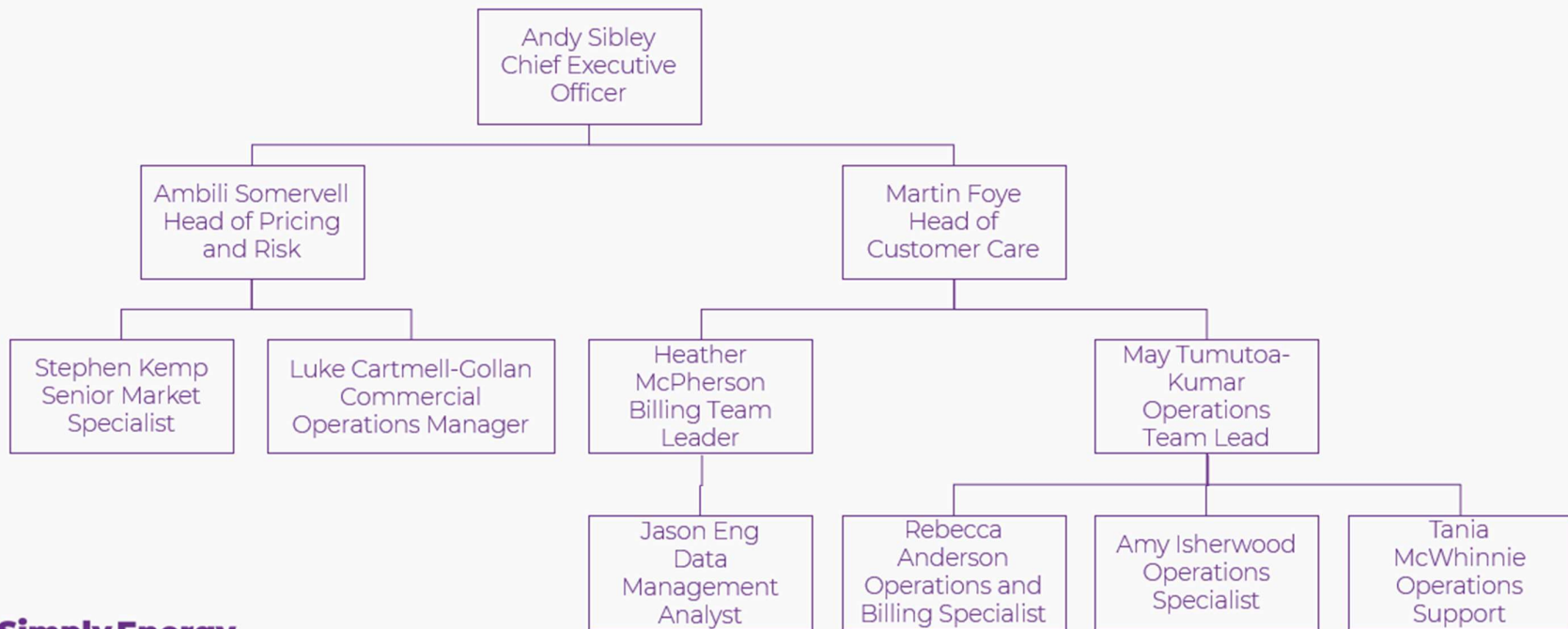
Contact Organisational Diagram



Simply Energy provided a copy of their organisational structure.

Simply Energy Compliance Organization Chart

April 2023



1.3. Persons involved in this audit

Auditors:

Name	Company	Role
Tara Gannon	Veritek Limited	Lead Auditor
Bernie Cross	Veritek Limited	Auditor

Contact personnel assisting in this audit were:

Name	Title	Organisation
Aaron Wall	Portfolio Analyst	Contact Energy
Ambili Somervell	Head of Pricing and Risk, Simply Energy	Simply Energy
Amy Isherwood	Operations Team Member	Simply Energy
Avtar Singh	Operations Team Leader	Contact Energy
Hadleigh Townsend	Dispatch Contract Manager	Contact Energy
Helen Capp	Operations Team Leader	Contact Energy
Ishmita Kaur	Portfolio Analyst	Contact Energy
James Upward	Field Services Team Member	Contact Energy
Jason Eng	Data Management Analyst	Simply Energy
Joanne Benvenuti	Operations Team Member	Contact Energy
Jorgia Bell	Operations Team Member	Contact Energy
Kirstyn Harding	Operations Team Member	Contact Energy
KP Chiew	Senior Reconciliation Analyst	Contact Energy
Lloyd Reynolds	Operations Team Member	Contact Energy
Luke Cartmell-Gollan	Commercial Operations Manager	Simply Energy
May Tumutoa-Kumar	Operation Team Lead	Simply Energy
Melanie Kleinsmith	Operations Team Member	Contact Energy

Name	Title	Organisation
Michelle Hoult	Operations Team Member	Contact Energy
Nagham Anayi	External Customer Solutions Specialist	Contact Energy
Nathan Joyce	Network Operations Analyst External Customer Solutions	Contact Energy
Paul Robson	Operations Team Member	Contact Energy
Rebecca Anderson	Operations Team Member	Simply Energy
Roy Burne	Operations Team Member	Contact Energy
Simon Reed	Developer	Contact Energy
Stephen Kemp	Senior Market Specialist, Simply Energy	Simply Energy
Tania McWhinnie	Operations Team Member	Simply Energy
Torana Dower	Operations Team Member	Contact Energy
Martin Foye	Operations Manager	Simply Energy
Dallas Tui	White Label Account Specialist	Simply Energy
Ravinder Kaur	Business Support	Simply Energy
Liz Peterson	Energy Wellbeing Team Member	Contact Energy

Agent personnel assisting with this audit:

Name	Title	Organisation
Andrew Dickie	Data Analyst	Energy Market Services (EMS)
Hannah Kelly	Senior Solution Specialist	EDMI
Ellen Jackman	Senior C&I Data Services Specialist	Vector Metering
Dominic Imo	MRS Technical Support Team-Lead	AD Riley

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

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

Audit observation

Use of agents was discussed with Contact.

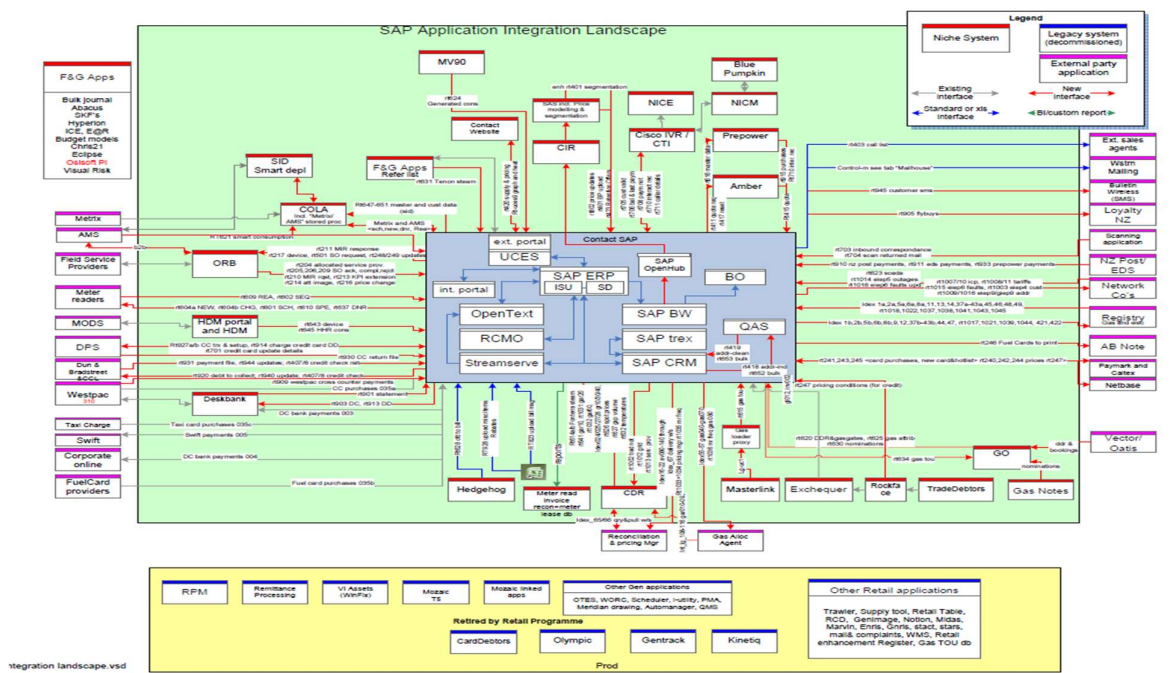
Audit commentary

Contact uses a number of agents in relation to the functions covered by the scope of this audit as discussed in **section 1.9**.

1.5. Hardware and Software

Contact (CTCT)

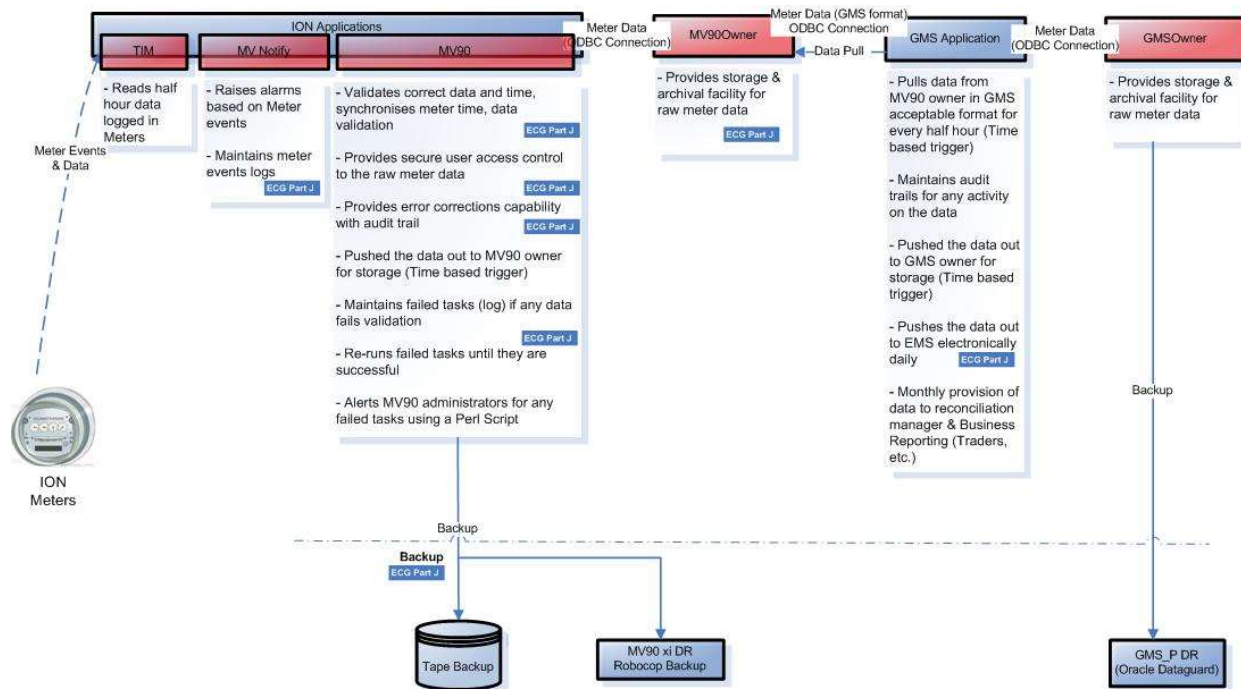
A diagram of Contact's system configuration is shown below.



SAP is cloud based and can continue to operate in the event of the failure of any single data centre. Backups occur according to the following schedule:

Backup	SAP System	Full Backup	Differential Backup	Transaction Log backup
SAP Database Backups	ECC	Weekly (Sunday)	Daily	Every 30 minutes
	CRM			
	Gateway			
	Portal			
	PO			

The diagram below shows an overview of data flow, validation, storage and backup arrangements for generation.



Simply Energy (CTCX and CTCS)

Simply Energy's processes use the following systems:

- Emersion records ICP, customer and invoicing information,
- Salesforce is used for the management of ICP information, including process workflows and switching,
- Meter reading data is imported into AXOS DataHub; validated readings are transferred to the AXOS billing engines for billing and as billed reporting, and to the EMS MADRAS system for reconciliation for NHH ICP, and
- HHR reconciliation submissions are created using DataHub.

Backup is cloud based, and access to systems is restricted using logins and passwords.

Simply Energy have developed a data warehouse to enable an improved level of exception reporting to be built. The data structures have now been completed and the next phase is to begin populating this data warehouse with reconciliation data and develop a more comprehensive reporting suite. No material change audit was conducted, because the change is related to improvements relating to identification of exceptions and was not considered to be material.

Agents

Agent systems are discussed in their own audit reports.

1.6. Breaches or Breach Allegations

The EA confirmed that there were no alleged breaches relevant to the scope of the audit during the audit period.

1.7. ICP Data

CTCT

All active ICPs are summarised by metering category in the table below. ICPs which are active but have no metering details or unmetered load recorded on the registry and are discussed in **section 2.9**.

Metering Category	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017	2016
1	425,871	428,728	409,511	404,012	407,310	408,039	413,110	417,819	419,055
2	2,547	2656	2489	2,674	3,956	4774	5,136	5,201	5,460
3	1	2	1	182	530	816	857	942	990
4			-	81	205	322	337	383	388
5	3	3	3	16	22	35	41	52	49
9	68	71	191	97	112	152	198	250	273
Blank	258	278	246	231	329	453	645	676	1,042

Status	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017	2016
Active (2,0)	428,748	431,738	412,441	407,293	412,464	414,591	420,324	425,323	427,257
Inactive – new connection in	-	2	1	-	-	2	2	-	-

Status	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017	2016
progress (1,12)									
Inactive – electrically disconnected vacant property (1,4)	6,775	6,935	6,931	6,978	6,954	7,313	7,734	8,135	8,564
Inactive – electrically disconnected remotely by AMI meter (1,7)	2,953	3,338	2,795	3,045	2,330	2,208	1,778	1,678	1,283
Inactive – electrically disconnected at pole fuse (1,8)	93	82	61	71	62	62	26	103	2
Inactive – electrically disconnected due to meter disconnected (1,9)	83	78	74	83	81	73	11	1	1
Inactive – electrically disconnected at meter box fuse (1,10)	37	49	40	44	35	24	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	1	-	-	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	1,055	964	925	909	970	1,104	1,354	1,951	2,876
Inactive – reconciled elsewhere (1,5)	2	2	-	1	3	3	5	2	4

Status	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017	2016
Decom (3)	55,430	54,319	53,230	52,440	51,096	49,518	47,987	45,670	42,970

CTCX

No active ICPs have been supplied since 31 October 2022.

Metering Category	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020
1	-	33	36	32	28
2	-	47	37	35	23
3	-	3	3	3	2
4	-	-	-	-	-
5	-	-	-	-	-
9	-	-	-	-	-
Blank	-	2	2	2	2

Status	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020
Active (2,0)	-	85	78	72	55
Inactive – new connection in progress (1,12)	-	-	-	-	-
Inactive – electrically disconnected vacant property (1,4)	-	-	-	-	-
Inactive – electrically disconnected remotely by AMI meter (1,7)	-	-	-	-	-
Inactive – electrically disconnected at pole fuse (1,8)	-	-	-	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	-	-	-	-	-
Inactive – electrically disconnected at meter box fuse (1,10)	-	-	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	-	-	-	-	-
Inactive – reconciled elsewhere (1,5)	-	-	-	-	-
Decommissioned (3)	1	1	1	1	-

CTCS

All active ICPs are summarised by metering category in the table below. ICPs which are active but have no metering details or unmetered load recorded on the registry and are discussed in **section 2.9**.

Metering Category	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020
1	3,997	3,441	4,857	4,414	41
2	962	866	1,125	1,033	24
3	407	391	430	380	38
4	164	152	154	129	7
5	34	31	16	5	-
9	35	55	64	45	3
Blank	42	64	75	77	-

Status	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020
Active (2,0)	5,641	5,000	6,721	6,083	113
Inactive – new connection in progress (1,12)	20	13	14	3	-
Inactive – electrically disconnected vacant property (1,4)	34	2	2	1	-
Inactive – electrically disconnected remotely by AMI meter (1,7)	25	2	6	2	-
Inactive – electrically disconnected at pole fuse (1,8)	9	-	1	2	-
Inactive – electrically disconnected due to meter disconnected (1,9)	3	-	-	-	-
Inactive – electrically disconnected at meter box fuse (1,10)	1	-	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	1	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	7	6	3	1	-
Inactive – reconciled elsewhere (1,5)	5	5	6	3	-
Decommissioned (3)	127	76	33	5	-

1.8. Authorisation Received

Contact provided a letter of authorisation.

1.9. Scope of Audit

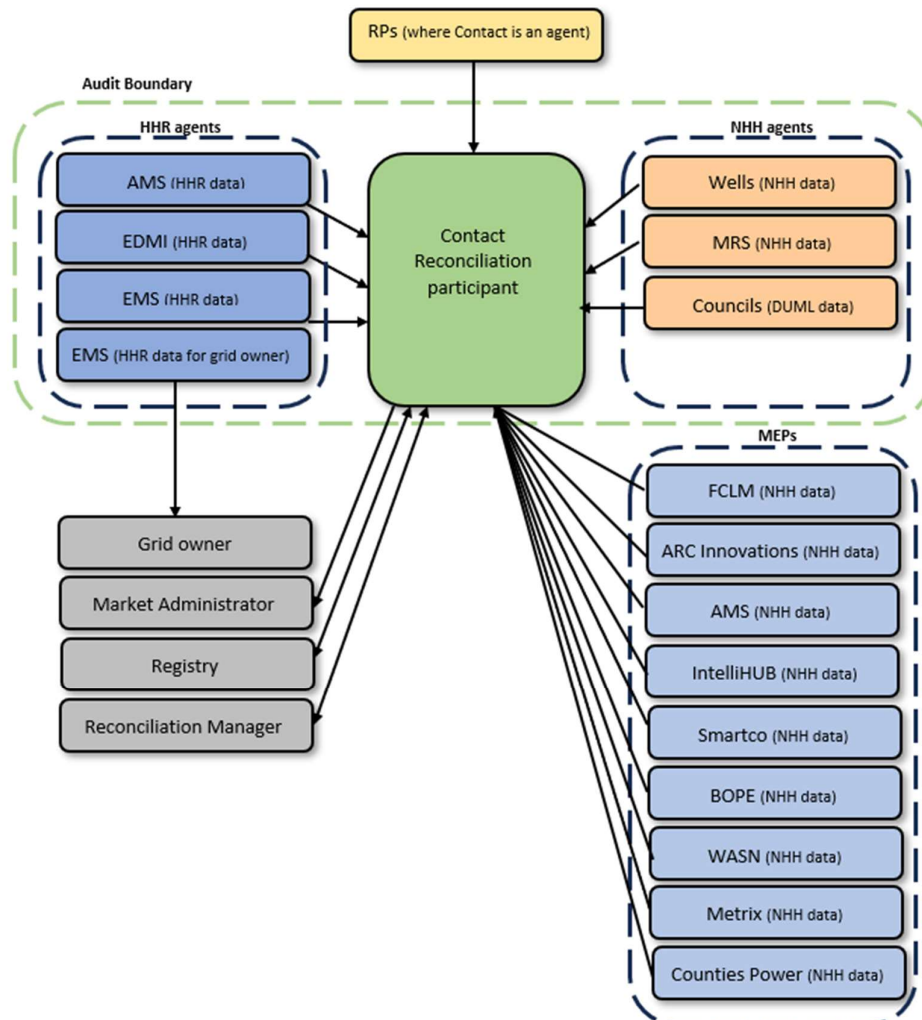
This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of Contact, to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation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

The audit was carried out on site and remotely using Microsoft Teams and on site at Contact Energy's offices between 18 May and 31 May 2023.

The audit analysis was based on:

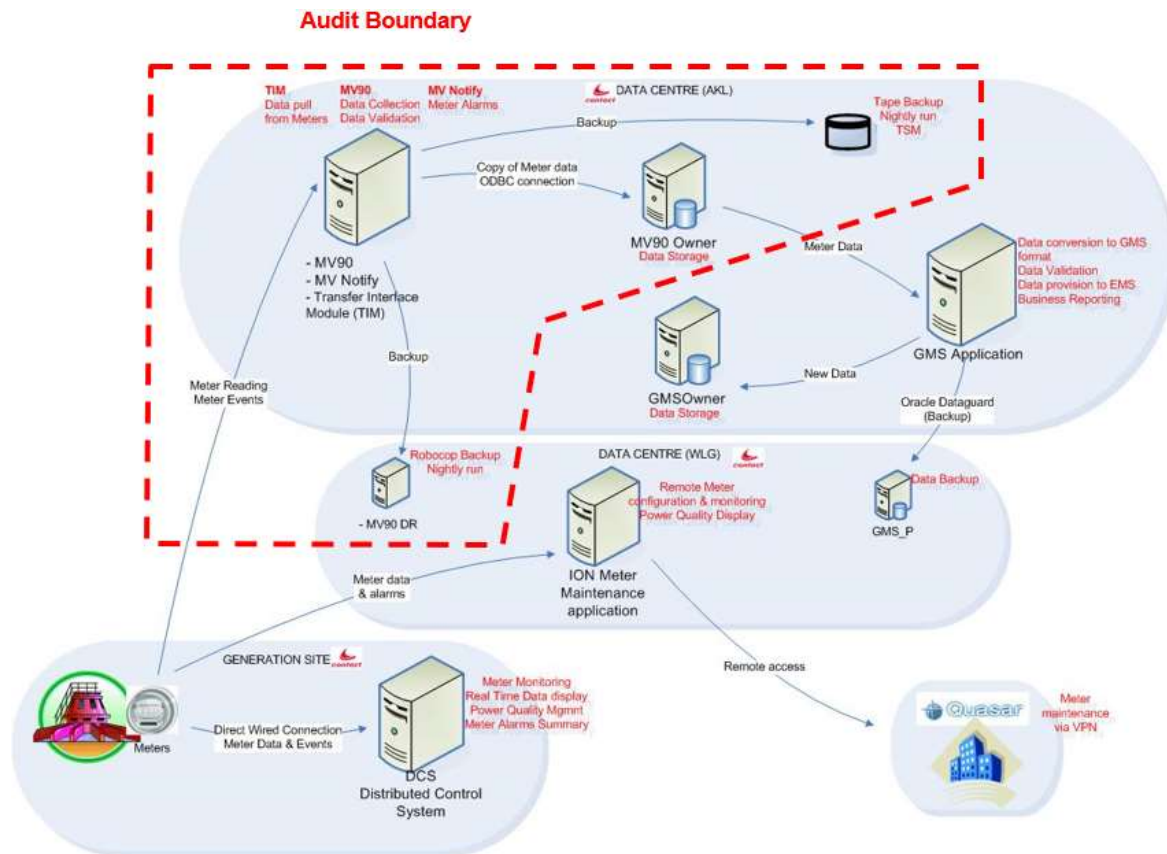
- a registry list, event detail report and audit compliance report for 1 June 2022 to 23 February 2023 and a registry list snapshot for 3 February 2023 for CTCT, and
- a registry list, event detail reports and audit compliance reports for 1 June 2022 to 20 February 2023 and a registry list snapshot for 20 February 2023 for CTCS and CTCX.

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



CTCT acts as an agent to other Reconciliation Participants who have responsibility for embedded network “gate” ICPS. It is intended that these parties will use CTCT’s audit report to support their application for certification.

The diagram below is specific to CTCT’s HHR data collection activities for generation metering, and it shows the audit boundary for this area.



The table below shows the tasks under clause 15.38 of part 15, for which Contact requires certification. This table also lists those agents who assist with these tasks:

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs Providing Data to Contact
(a) - Maintaining registry information and performing customer and embedded generator switching		

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs Providing Data to Contact
(b) – Gathering and storing raw meter data	AD Riley (MRS) – NHH AMS – HHR EDMI – HHR EMS – HHR	AMS (incl Smartco) (NGCM, SMCO) ARC Innovations (ARCS Influx (FCLM) IntelliHUB (IHUB) -incl Metrix (MTRX), BOPE and Counties Power (COUP) WEL Networks (WASN)
(c)(iii) - Creation and management of volume information	AMS – HHR EDMI – HHR EMS – HHR Various Councils – DUMML databases	
(d)(i)– Calculation of ICP days		
(d)(ii) - delivery of electricity supplied information under clause 15.7		
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8		
(e) – Provision of submission information for reconciliation		
(f) - Provision of metering information to the Grid Owner	EMS	

CTCX

All active CTCX ICPs switched out by 31 October 2022. CTCX customers were supplied by the Simply Energy, Compass Communications, or Plains Power brands but received Contact Energy pricing and therefore are assigned to a Contact Energy trader code. They were billed as HHR but may be settled as NHH if their metering does not meet HHR certification requirements.

- Simply Energy acts as an agent for switching, registry and submission processes.
- EDMI and AMS supply HHR data directly to Simply Energy, and Simply Energy validates the data and creates HHR submissions.
- EMS creates NHH submission information for CTCX as an agent.
- Wells provides readings for any manually read NHH ICPs, and MEPs provide AMI data.

CTCS

CTCS customers are supplied by the Contact Energy brand and may be billed and settled as HHR, NHH or DUMML.

- Simply Energy acts as an agent for switching, registry, and submission processes.

- EDMI and AMS supply HHR data directly to Simply Energy, and Simply Energy validates the data and creates HHR submissions.
- EMS creates NHH submission information for CTCS as an agent, including DUML submissions.
- Wells provides NHH readings.

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

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs
(a) - Maintaining registry information and performing customer and embedded generator switching	Simply Energy	
(b) – Gathering and storing raw meter data	Wells – NHH AMS – HHR EDMI – HHR	AMS (incl Smartco) (NGCM, SMCO) Arc Innovations (ARCS) IntelliHUB (IHUB) -incl Metrix (MTRX) and Counties Power (COUP) Influx (FCLM)
(c)(i) - Creation and management of HHR volume information	Simply Energy Various Councils – DUML databases	
(c)(ii) - Creation and management of NHH volume information	EMS	
(d)(i) - Calculation of ICP days & delivery of a report under clause 15.6	Simply Energy - HHR EMS - NHH	
(d)(ii) - delivery of electricity supplied information under clause 15.7	Simply Energy	
(e) - Provision of submission information for reconciliation	Simply Energy - HHR EMS - NHH	

Agents

Contact receives DUML data from a number of Councils, who are considered agents under clause 15.34 of part 15. These databases are now audited separately. A summation of these audits is detailed in **section 5.4**.

The remaining agents listed above have been audited in accordance with the Guidelines for Reconciliation Participant Audits V7.2. Their audit reports are expected to be submitted with this audit. EMS' NHH processes are not included in their agent audit and were reviewed as part of this audit. The MRS, Wells, AMS, EMS and EDMI reports will be submitted with this report. Any non-compliances affecting Contact are recorded in this report.

1.10. Summary of previous audit

Contact provided a copy of their previous reconciliation participant audit report conducted in August 2022 by Rebecca Elliot (lead auditor) of Veritek Limited. The summary tables below show the statuses of the non-compliances and recommendations raised in the previous audit. Further comment is made in the relevant sections of this report.

Subject	Section	Clause	Non-compliance	Status
Participants to give access	1.11	16A.4	CTCT Some information was not provided within 15 business days of the request.	Cleared
Relevant information	2.1	10.6, 11.2, 15.2	CTCT Some inaccurate data is recorded and was not updated as soon as practicable. Some previous audit corrections not carried out. CTCS and CTCX Some inaccurate data is recorded and was not updated as soon as practicable.	Still existing
Data transmission	2.3	20 Schedule 15.2	CTCS and CTCX Some validated actual readings are not recorded in MADRAS because they are omitted during the data transfer process.	Cleared
Temporary Electrical Connection of an ICP	2.10	10.33	CTCT CTCT was not recorded as the trader on the registry at the time of temporary electrical connection for ICP 0110012765EL031.	Cleared
Electrical connection of a point of connection	2.11	10.33A	CTCT One of the sample of 21 ICPs checked of a possible 132 new metered ICPs had certification details recorded more than five business days after connection. ICP 1002153939UNA83 is a CT site and was certified late. 17 of the sample of 20 checked of a possible 251 ICPs reconnected without having metering certified within five business days. Metering for two ICP's was not recertified on un-bridging. CTCS Four ICPs were not certified within five business days of connection. One ICP was not recertified within five days of reconnection.	Still existing
Arrangements for metering equipment provision	2.13	10.36	CTCT No arrangement in place for the maintenance of BOPE metering.	Still existing
Meter bridging	2.17	10.33C and 2A of Schedule 15.2	CTCT I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed.	Still existing
Provision of information on dispute resolution scheme	2.19	11.30A	CTCS – Plains Power brand Not in place for all inbound phone calls.	Cleared
Changes to Registry	3.3	10 Schedule 11.1	CTCT 1,019 late updates to active status. 434 late updates to inactive status. 1,431 late trader updates.	Still existing

Subject	Section	Clause	Non-compliance	Status
			<p>79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p>CTCS Four late updates to active status. Nine late updates to inactive status. 63 late trader updates. Three ANZSIC code updates were made more than 20 business days after CTCS began trading at the ICP.</p> <p>CTCX Five late trader updates.</p>	
Trader responsibility for an ICP	3.4	11.18	<p>CTCT Notification was not provided to the MEP prior to decommissioning for four ICPs from a sample of ten.</p> <p>CTCS Notification was not provided to the MEP prior to decommissioning for one ICP from a sample of ten of a possible 11 ICPs.</p>	Still existing
Provision of information to the registry	3.5	9 Schedule 11.1	<p>CTCT 131 late updates to active status and MEP nominations for new connections. 79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. Eight ICPs have incorrect active status dates.</p> <p>CTCS 19 late updates to active status for new connections. Three ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. Two late MEP nominations for new connections.</p>	Still existing
ANZSIC codes	3.6	9 (1(k) of Schedule 11.1	<p>CTCT Seven (7%) of the 100 ICPs sampled were confirmed to have the incorrect ANZSIC codes applied. These were corrected during the audit period.</p> <p>CTCX One of the 20 ICPs sampled had an incorrect ANZSIC code applied. This was corrected during the audit.</p> <p>CTCS 11 (37%) of the 30 ICPs sampled had an incorrect ANZSIC code applied. All related to a group of council ICPs. These were corrected during the audit.</p>	Still existing
Changes to unmetered load	3.7	9(1)(f) of Schedule 11.1	<p>CTCT Some incorrect unmetered load information was identified.</p> <p>CTCS Two ICPs with the incorrect unmetered load recorded. This will be resulting in a very minor amount of incorrect submission.</p>	Still existing
Management of Active status	3.8	17 Schedule 11.1	<p>CTCT Eight new ICPs have incorrect active status dates recorded.</p>	Still existing
Management of Inactive status	3.9	19 of schedule 11.1	<p>CTCT ICP 0000202347UN912 was disconnected on 21 December 2020 but the disconnection read was not entered until 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago and a reconciliation volume correction will not be processed as the change would result in a small negative adjustment.</p>	Still existing

Subject	Section	Clause	Non-compliance	Status
			<p>CTCS ICP 0007200667RN539 was consuming energy on 29 April 2022 but has inactive status recorded for that day, resulting in under submission of 14 kWh.</p>	
Losing trader must provide final information	4.3	5 Schedule 11.3	<p>CTCT Nine CS breaches. One E2 breach. Four of a sample of five of a possible 594 ICPs were incorrectly sent with an average daily consumption of zero kWh. One of a sample of five ICPs was sent with an incorrect very high average daily consumption of 50,011 kWh. Four transfer switches had an incorrect last read date. One transfer switch had an estimated read type recorded but should have had actual. One transfer switch had an incorrect last actual read date and was later withdrawn. One ICP of a sample of five sent with the incorrect last read type and date.</p> <p>CTCS One transfer switch had an estimated read type recorded but should have had actual. One transferred ICP sent with the incorrect last read of 9120 but should have been 9127, resulting in 7 kWh being pushed to the gaining trader. This was due to an error in the SQL script being used to process bulk switch outs. This error started in January 2022 but was not identified and corrected until June 2022. One of the five transferred ICPs sampled sent with the incorrect last read of 190256 but should have been 190192, resulting in 64 kWh of over submission. The average daily consumption figure was calculated incorrectly and the last read date was incorrect. Two switch moves sent with an incorrect average daily consumption figure.</p>	Still existing
Retailers must use the same reading	4.4	6(1) and 6A Schedule 11.3	<p>CTCT The reading in SAP for one ICP did not reflect the outcome of the RR process and was corrected during the audit.</p>	Still existing
Gaining trader informs registry of switch request	4.7	9 of Schedule 11.3	<p>CTCT One of a sample of 15 switch move ICPs incorrectly sent with the wrong switch type.</p> <p>CTCS Three of the sample of five switch move ICPs incorrectly sent with the wrong switch type.</p>	Still existing
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	<p>CTCT Seven ICPs had event dates more than ten business days after the NT receipt date, including five ET breaches. Three AN files sent with the incorrect AN code of MU "unmetered supply".</p>	Still existing
Losing trader must provide final information	4.10	11 Schedule 11.3	<p>CTCT Two of a sample of five of a possible 5,307 ICPs were sent with an incorrect average daily kWh of zero. All eight sampled of a possible 42 ICPs sent with a very high average daily kWh figure. Four of a sample of five switch moves of a possible 14 had an estimated read type recorded but should have had actual.</p>	Still existing

Subject	Section	Clause	Non-compliance	Status
			<p>Seven ICPs had an incorrect last actual read date. One switch move had no reads sent.</p> <p>CTCX One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p>CTCS All five ICPs sampled of a possible 15 where the last actual read date is the day before the event date and estimated switch read type was sent found multiple errors. Some were due to human error and two incorrect final estimated reads were sent due to an error in the SQL query.</p> <p>Four ICPs where the last actual read date is more than one day before the switch event date sent with an actual read were checked and found multiple errors. Some were due to human error and three incorrect final estimated reads were sent due to an error in the SQL query.</p> <p>One ICP sent with a last read date on the day of the switch event.</p> <p>Three of a sample of a possible 143 ICPs sent with an incorrect high average daily consumption value. One ICP sent with a negative average daily consumption figure.</p>	
Gaining trader changes to switch meter reading	4.11	12 of Schedule 11.3	<p>CTCT Two late RR files for switch moves.</p>	Still existing
Gaining trader informs registry of switch request - gaining trader switch	4.12	14 of Schedule 11.3	<p>CTCS Two gaining trader switches backdated more than 90 days without the losing trader's agreement.</p>	Cleared
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	<p>CTCT Three NWs did not have the code with the best fit applied. 21 SR breaches. 60 NA breaches.</p> <p>CTCS One SR breach. Five NA breaches. Three NWs did not have the code with the best fit applied.</p>	Still existing
Metering information	4.16	21 Schedule 11.3	<p>CTCX One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p>CTCS One transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error. Two transferred ICP and five switch move ICPs sent with the incorrect last read. One switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error.</p>	Cleared
Maintaining shared unmetered load	5.1	11.4	<p>CTCT Five ICPs with the incorrect shared unmetered load value recorded.</p>	Still existing

Subject	Section	Clause	Non-compliance	Status
Distributed unmetered load	5.4	11 of schedule 15.3	CTCT and CTCS The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code. Inaccurate submission information for ten of the databases managed. Some streetlight audits were not submitted by the due date. One streetlight audit overdue.	Still existing
Electricity conveyed & notification by embedded generators	6.1	10.13	CTCT While meters were bridged, energy was not metered and quantified according to the code for 112 ICPs. Seven generating ICPs present in the last audit still to have I flow metering installed and electricity is not quantified according to the code. Two generation ICPs 0000034267CH514 and 0000034351CHA67 still to have I flow metering installed and electricity is not quantified according to the code. CTCS ICPs 0005093997HBEBB and 0005093997HBEBB are believed to be grid connected generation but are not being gifted or any generation settled as there is no injection metering present.	Still existing
Derivation of meter readings	6.6	3(1), 3(2) and 5 Schedule 15.2	CTCS and CTCX Meter condition information is not routinely reviewed to identify issues with seals, tampering, phase failure or safety.	Still existing
NHH meter reading application	6.7	6 Schedule 15.2	CTCX One of the four CS files sent with an estimated read instead of an actual due to human error. CTCS One transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error. Two transferred ICP and five switch move ICPs sent with the incorrect last read. One switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error. The meter upgrade for 0000151826WA0E5 was incorrectly processed and corrected during the audit.	Still existing
Interrogate meters once	6.8	7(1) and (2) Schedule 15.	CTCS For at least ten ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met. The meter read compliance process begins after 130 days with no readings so it is unlikely compliance will be achieved where the period of supply is less than 130 days.	Still existing
NHH meters interrogated annually	6.9	8(1) and (2) Schedule 15.2.	CTCS For at least 20 ICPs unread in the 12 months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Still existing
NHH meters 90% read rate	6.10	9(1) and (2) Schedule 15.2	CTCS For at least ten ICPs unread in the four months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Still existing

Subject	Section	Clause	Non-compliance	Status
Identification of readings	9.1	3(3) Schedule 15.2	CTCS Two transfer switch ICPs and all five ICPs sampled of a possible 15 switch move ICPs, had incorrectly labelled switch event meter readings.	Still existing
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	CTCS and CTCX AMS and EDM1's EIEP3 file format may round the trading period data to two decimal places if the meter does not have a multiplier and the volume for that hour has a non-zero value in the third decimal place.	Still existing
Electronic meter readings	9.6	17(4)(f)&(g) of schedule 15.2	CTCT, CTCS and CTCX Full AMI meter event logs provided by MEPs are not routinely reviewed.	Still existing
Calculation of ICP days	11.2	15.6	CTCT TENC-TML0011 and TENC-TNP0011 had incorrect ICP days reported for March 2022 revision 1. 25 revision differences were caused by inaccurate ICP days submission data because incorrect settlement unit information was recorded in SAP. The errors were corrected by the time that the audit was complete except for ICP 1001153745CK57D which was disconnected on 21 September 2021 and reconnected on 22 September 2021. The registry reflects the correct disconnection and reconnection dates, but SAP is active for the whole period. CTCS Incorrect ICP days were reported for BRY0661 and ISL0661 in July and August 2021 because an NSP change for ICP 0007173300RN6EB did not have boundary readings entered. The net difference for the balancing area was zero. HHR ICP days were under reported for one day in August 2021 for MNG0331 for ICP 0301589534LC9D5 because one HHR read was not validated and an estimated reading was not inserted.	Still existing
HHR aggregates information provision to the reconciliation manager	11.4	15.8	CTCT ICP 0314801030LCF84 had its volume submitted against PEN0221 instead of PEN0331. The change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team's GR090 validation.	Still existing
Creation of submission information	12.2	15.4	CTCT Four ICPs had missing unmetered load settlement units, which prevented unmetered load being submitted. The missing settlement units were added during the audit and correct submission data will be washed up. Some ICPs were missing from submissions due to data inaccuracies. Some corrections identified in the previous audit were not corrected and are now outside the revision cycle. I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed. CTCS One ICP did not have consumption during an inactive period reported. Two ICPs had missing unmetered load information.	Still existing

Subject	Section	Clause	Non-compliance	Status
			One HHR ICP had its estimate removed and not replaced with a validated reading resulting in under submission of one day of consumption and one ICP day. Some corrections identified in the previous audit not corrected and are now outside the revision cycle.	
Accuracy of submission information	12.7	15.12	CTCT, CTCX and CTCS Some submission data was inaccurate and was not corrected at the next available opportunity.	Still existing
Permanence of meter readings for reconciliation	12.8	4 Schedule 15.2	CTCT and CTCS Some estimates were not replaced by revision 14.	Still existing
Reconciliation participants to prepare information	12.9	2(1)(c) of schedule 12.3	CTCT 1099580899CN808 had metering category 3 with NHH submission and RPS profile from 22 February 2022 until 27 February 2022. It switched to CTCS 28 February 2022 and has HHR profile applied for CTCS' period of supply. ICP 0314801030LCF84 had its HHR volume submitted against PEN0221 instead of PEN0331. CTCT supplied the ICP since 7 July 2010. The change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team's GR090 validation.	Still existing
Historical estimates and forward estimates	12.10	3 Schedule 15.3	CTCS and CTCX Where SASV profiles are not available, consumption based on validated readings is labelled as forward estimate.	Still existing
Forward estimate process	12.12	6 Schedule 15.3	CTCT and CTCS Inaccurate forward estimate caused the thresholds not to be met in some instances.	Still existing
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	CTCT and CTCS Historic estimate thresholds were not met for some revisions.	Still existing

Subject	Section	Recommendation	Status
Registry validation	2.1	CTCT Expand SAP to registry validation to include the loss factor field.	Not adopted, re-raised in a single recommendation with the item below.
Validation of inputs to the submission process	2.1	CTCT I recommend confirming processes and responsibilities to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity. Team members responsible for managing the data should be aware of the impact incorrect information has on reconciliation submissions, and the process steps required to resolve issues completely. As a minimum management of the following data should be considered: <ul style="list-style-type: none"> aggregation factors including Network, NSP, dedicated NSP, loss factor (and pricing category which is linked to this), profile, submission type, and flow direction, 	Not adopted, re-raised.

Subject	Section	Recommendation	Status
		<ul style="list-style-type: none"> ICP metering and unmetered load, including ensuring that SAP's unmetered load settlement units are correct and that meters have the correct status and details recorded on switch in, replacement and new connection, management of ICP status including ensuring that SAP's settlement units are accurate and consistent with the registry, and that inactive consumption is identified, investigated and reported as required, and Identification and correction of meter defects including bridged meters. 	
Connection of an ICP	2.9	<p>CTCS and CTCX</p> <p>Ensure new connection notifications especially in relation to TOU sites are sent promptly from the MEPs.</p>	Adopted, screenshots are not being provided by MEPs showing when volumes began to flow.
Bridged meter processes	2.17	<p>CTCT</p> <p>Develop processes to:</p> <ul style="list-style-type: none"> identify bridged meters where CTCT reconnects a meter and the contractor indicates that the meter was bridged to reconnect, identify bridged meters where no notification has been provided by a contractor, but the read validation process indicates the ICP is connected with zero consumption, arrange for the meter to physically be unbridged as soon as possible after the bridging is detected through paperwork or read validation, estimate consumption during the bridged period, and record the correction in SAP, review the correction for accuracy, and ensure that the volumes are correctly applied for submission, and monitor to ensure that bridged meters are unbridged, and corrections are processed. 	Adopted, but a recommendation is made for further improvement.
Management of upgrades/downgrades	3.3	<p>CTCS and CTCX</p> <p>Review Salesforce functions to give better visibility to the field services team managing this.</p>	Adopted, upgrades and downgrades are closely monitored.
Notification to MEP of decommissioning	3.4	<p>CTCT</p> <p>Review the MEP notification process when decommissioning ICPs to ensure that the MEP is notified at the same time as the service request is issued to the field, so they have adequate opportunity to retrieve their assets.</p>	Adopted. The MEP is notified of the decommissioning by issuing a service request for meter removal.
Obtain certification and connection details to confirm correct active status dates	3.5	<p>CTCT</p> <p>Confirm the correct connection date for ICP 1000606028PCB29 with Vector. The ICP is believed to be temporarily electrically connected to certify the meter on 29 March 2022 but was not made active until 8 April 2022 based on a request received from the distributor to amend the date.</p>	Adopted. The existing active status date was confirmed to be correct.
Obtain certification and connection details to confirm correct active status dates	3.5	<p>CTCS</p> <p>Obtain meter certification paperwork to confirm the correct connection date and how the meter was tested for ICP 0110012926EL85F for the initial meter installation on 28 April 2022.</p>	Adopted. The correct connection date is recorded on the registry.
BP EMs for changes to distributor unmetered load	3.7	<p>CTCT</p> <p>Create a new BP EM to identify removal of unmetered loads.</p>	In progress, CTCT intends to create a new BP EM.
Unmetered vacant ICP	3.7	<p>CTCT</p> <p>Request assistance from Aurora to locate the point of connection for ICP 0000507374DE20E.</p>	Cleared. The ICP has now been disconnected and decommissioned.

Subject	Section	Recommendation	Status
Confirm unmetered load	3.7	CTCS Liaise with CCC and the MEP to determine what load is to be reconciled to ICP 0000298513MPF38.	Adopted. The load has been confirmed, and submission information is being provided.
Monitoring of inactive consumption	3.9	CTCS and CTCX Monitor for consumption on ICPs during inactive periods and take corrective action to update the status and re-disconnect as necessary.	Adopted. Reporting is in place and exceptions are investigated and resolved.
CS estimated daily kWh	4.3	CTCS and CTCX Consider reviewing the estimated daily consumption calculation to ensure compliance with the registry functional specification.	Adopted, this is now manually calculated and independently checked before CS files are issued.
Withdrawal of switch requests	4.15	CTCS Status check for all switch requests to except any ICPs at the 1,12 or 1,6 statuses, so these do not switch without investigation.	Adopted, status is now manually checked as part of the withdrawal process.
ICPs with generation profile management	6.1	CTCT Profile application should be reviewed to ensure that the correct profile is assigned at switch in.	Adopted, a new report has been implemented to check generation profiles on switch in.
Profile application aligns with fuel type	6.1	CTCT Check that profiles are consistent with fuel types as part of the registry discrepancy checks.	Adopted, a new report has been implemented to consistency of profiles where the fuel type is not solar.
Communication with customers on the reasons ICPs are unread	6.8	CTCS and CTCX Ensure that the reasons each ICP is unread is provided to the customer so that issues can be appropriately resolved.	Adopted. Emails include unread reason.
Develop clear guidance to ensure the best endeavours requirements for read attainment are met	6.8	CTCS and CTCX Currently communication methods and content are determined by the staff member. I recommend providing guidance to ensure that the requirement to make at least three attempts to contact the customer using two different communication methods are met where the issue cannot be resolved promptly.	Not adopted, re-raised.
Replacement of actual data with actual data	9.4	CTCS and CTCX If partial replacement data is provided, ensure that only the periods with valid replacement data are updated in DataHub.	Not adopted, re-raised.
Zero consumption reporting	9.5	CTCS and CTCX Establish a validation process for meters with zero consumption.	Not adopted, re-raised.
SAP settlement unit issues	11.2	CTCT Investigate the issues preventing SAP settlement units being updated correctly for unmetered load, reconnections and disconnections and determine a solution.	Not adopted, re-raised.
ICPs with meter category 3 or higher	12.9	CTCT Update the meter upgrade process to ensure that where an ICP is upgraded to meter category 3 or higher the ICP is switched to CTCS and settled as HHR from the meter upgrade date. Ensure switching process prevents ICPs with meter category 3 or higher switching in to CTCT. These ICPs should only be supplied by CTCS.	CTCT has not begun to supply any new ICPs with category 3 or higher during the audit period.

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

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

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

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

Audit observation

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

The registry list and ACO20 reports were examined to identify any registry discrepancies, and to confirm that all information was correct and not misleading.

Audit commentary

CTCT

Registry and static data accuracy

Data is updated in SAP often by workflows which transfer work completion paperwork from ORB to SAP. SAP generates a registry update overnight. Registry acknowledgement files are imported into SAP overnight and BPEMs are generated where a negative response code is received. The BPEMs are reviewed daily, and corrections are processed as necessary.

Up until May 2023, registry data was validated against SAP using SAS queries to generate reports of mismatches. SAS was decommissioned in mid-May 2023 and reporting will be conducted from the Databricks reporting tool from June 2023 onwards. No material change audit was conducted, because the change was not considered to be material and improved on current reporting.

The following queries and reports are reviewed several times per month, and similar reports are expected to be available in Databricks from June 2023:

Query name	Description
CONNECTION_MISMATCH_RPT	This report shows current status discrepancies between SAP and the registry, which are investigated to confirm the correct status and passed to the appropriate team for further action, such as the operations team to re-disconnect. The investigation considers whether AMI reads indicate consumption is occurring.
SUPPLY_SCEN_MISMATCHES	This report shows discrepancies between the registry trader and expected trader based on SAP information. Exceptions most commonly occur because of switch timing, or ICPs not being completely closed down or loaded in SAP. Exceptions are referred to the switching or operations team for action.

Query name	Description
ELEC_EVENTS_MISMATCH	This report compares the event numbers/identifiers recorded on the registry to SAP to identify events which are missing from either database. The events are investigated and SAP and/or the registry are updated accordingly. A similar report is currently under development in Databricks.
UNMETERED_REPORTING_2	This report shows active ICPs with meter category 9 or null and the unmetered flag set to no. The ICPs are checked to determine whether action or correction is required.
NETWORK_GRID_MISMATCH	This report shows NSP, network, and reconciliation type discrepancies, which are investigated and resolved.
T99 ANZSIC code report (Databricks)	This Databricks report of all active ICPs with T99 ANZSIC codes is reviewed weekly. The correct code is confirmed, and SAP and the registry are updated.
Profiles (Databricks)	This report of all ICPs with RPS HHR profile recorded is reviewed weekly. The profiles are corrected in the registry from the CTCT supply start date, using a bulk file process if a large number of ICPs are affected.
Profile DG installation (Databricks)	This report showing all ICPs which switch in with an EG1 or PV1 profile is reviewed fortnightly to ensure that the profiles are correctly recorded in SAP.
Fuel type profile check (Databricks)	This report shows “active” and “inactive” ICPs with installation type B and a fuel type which is not solar; and is reviewed to confirm that correct profiles are applied.
Check NGCS nomination (Databricks)	This report shows any MEP nominations issued for NGCM so that they can be corrected to NGCS.

The following queries are reviewed monthly:

Query name	Description
ANZSIC_CODE_MISMATCHES	This report shows ANZSIC code mismatches between SAP and the registry, meter category 2 ICPs with residential ANZSIC codes and ICPs with unknown ANZSIC codes. Exceptions are checked and corrected as necessary.
GENERATION_MONITORING	This report shows installation type discrepancies between SAP and the registry, and instances where the profile is inconsistent with the installation type. Where a job for import/export metering has been raised, no action is taken. Where no job has been raised, the exception is passed to the distributed generation team to arrange meter installation.

The following reports are reviewed approximately quarterly:

Query name	Description
ELEC_EVENTS_NOTCTCT	This report shows events where SAP recorded CTCT as the retailer, but the registry recorded another trader. There are usually a small number of exceptions for LE ICPs and ICPs directly connected to the grid.
UNMETERED_REPORTING_1	This report shows discrepancies between the registry’s trader unmetered load details, unmetered flag, and daily unmetered kWh, and ICPs with at least one

Query name	Description
	<p>unmetered load field populated, which do not have the other corresponding fields populated.</p> <p>The correct details are confirmed, and the registry and SAP are updated as required. The report is checked irregularly because a very small number of ICPs are reported, and they have been previously investigated.</p>

Monitoring is in place to check new connection active status dates against meter certification dates and initial electrical connection dates. These checks are discussed further in **sections 2.9** and **3.5**.

The last two audit reports noted that the data team do not check for loss factor mismatch between SAP and the registry. There is also a BPEM to report where a loss code fails to load for an ICP in SAP however this is not actively monitored as usually the issue is related to the pricing team needing to complete tariff set ups.

Also, the profile checks are limited to obvious discrepancies between submission type and profile, and distributed generation. It is intended that further checks will be added with the migration of reporting from SAS to Databricks. SAS was decommissioned in May 2023 and no progress has been made developing these additional checks in Databricks during this audit period.

Examination of the NHH to HHR and HHR to NHH meter change process discussed in **section 6.7**, found that whilst the NHH meter readings are applied correctly, the registry cannot reflect that an ICP is both HHR and NHH on the same day, therefore causing a discrepancy between the profile recorded on the day of meter change. This has no material impact on reconciliation. Only one example was found where the profile change and meter change occurred at the same time, because CTCT usually downgrades the submission type before meter changes for category one and two meters.

Analysis of the AC020 report and registry list found:

Issue	Feb 2023	Apr 2022 Qty	Aug 2021 Qty	Jan 2021 Qty	2020 Qty	2019 Qty	Comments
ICP at status "new connection in progress" (1,12)	0	2	1	0	0	2	Compliant.
Active date variance with Initial Electrical Connection Date and/or meter certification date	1,080	657	1,001	630	102	41	I checked a diverse sample of 49 ICPs and found 13 had incorrect active status dates. See section 3.5 .
Active ICPs with metering category 3 or higher with NHH submission flag	0	1	0	0	0	0	Compliant.
Active ICPs with blank ANZSIC codes	0	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T994" or "T994000" don't know	5	2	3	43	1	140	See section 3.6 .

Issue	Feb 2023	Apr 2022 Qty	Aug 2021 Qty	Jan 2021 Qty	2020 Qty	2019 Qty	Comments
Active ICPs with ANZSIC "T997 "response unidentifiable	0	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T998 "response outside of scope	0	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T99", "T999" or "T999999" not stated	0	0	0	4	0	28	Compliant.
Active ICPs with metering category 3 or above with a residential ANZSIC code	0	0	0	0	0	0	Compliant.
Active ICP with no MEP and unmetered flag set to N	100	141	23	58	32	302	See sections 2.9 and 3.4
Active ICP with meter category 9 or blank and unmetered flag set to N	101	150	196	58	32	170	See sections 2.9 and 3.4
ICPs with Distributor unmetered load populated but retail unmetered load is blank or 0	0	6	8	3	1	15	Compliant.
ICPs with unmetered load flag Y but load is recorded as zero, excluding SB ICPs	1	0	2	0	1	2	See section 3.7.
ICP with incorrect standard unmetered load	4	16	20	18	72	184	See section 3.7.
ICPs with incorrect shared unmetered load	1	6	0	0	1	0	See section 5.1.
Submission against the RPS profile where the registry has a controlled profile.	723	246	240	214	310	1,918	723 ICPs with profiles requiring a certified control device recorded on the registry had expired HHR certification or NHH non-AMI metering with no control device certification. RPS profile was correctly applied for submission. See section 6.3.

Issue	Feb 2023	Apr 2022 Qty	Aug 2021 Qty	Jan 2021 Qty	2020 Qty	2019 Qty	Comments
Active ICPs with invalid NHH and/or HHR profiles recorded on the registry.	6	5	204	194	26	1,373	<p>HHR and NHH submission flags = Y. All 138 ICPs were HHR metered ICPs with some unmetered load which is settled as NHH, or timing differences resolved prior to the audit.</p> <p>Profile inconsistent with submission flags. Six inconsistencies were found. All were related to incorrect settlement unit assignment. Five were corrected during the audit and one was left in its original state to enable ICT to investigate the system issue that is causing the incorrect settlement unit assignment.</p>
Incorrect generation profiles recorded on the registry.	-	21	-	28	1	10	The discrepancies were updated on the registry by the time the audit was completed. Refer to section 6.1.
Arc category 2 meters submitted as HHR	884	-	-	-	-	10	CTCT has 884 active ARCS HHR settled ICPs. All have metering category 1, and have the multiplier flag = N.
Incorrect status recorded on the registry	18	7	12	16	1	5	<p>13 new connections and four reconnections had incorrect active status dates. See sections 3.5 and 3.8.</p> <p>One disconnection had an incorrect inactive status date. See section 3.9.</p>

The following registry and static data accuracy issues were identified during the audit for CTCT, and were not resolved as soon as practicable:

Field	Discrepancy	Report section
Unmetered load	<p>The trader update for 0007680774HB8DE 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh. Daily unmetered kWh should be 2.989 but was updated to 3.000 in error.</p> <p>0000040854NT2F4 had incorrect daily unmetered kWh recorded and was updated on the registry and in SAP during the audit. Due to a calculation error the load was recorded as 0.62 kWh per day instead of 6.187 kWh per day.</p>	3.7

Field	Discrepancy	Report section
	<p>0000254425HB5DE had incorrect daily kWh recorded and has been corrected in SAP but not on the registry. Ballast was not included in the original calculation of 1.32 kWh per day which has now been corrected to 1.51 kWh per day.</p> <p>0000018605WECOF had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).</p> <p>0000553257NR3D0 is recorded with 1.2 kWh daily unmetered kWh and 0.00;0.00;SecurityGate. It is expected to be recorded with 0.02 kWh per day and 0.2kW;0.10;SecurityGate.</p> <p>0007680774HB8DE's trader update for 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh. Daily unmetered kWh should be 2.989 but was updated to 3.000 in error.</p>	
Profile	<p>Recorded profile is not compliant with profile requirements. 723 ICPs with profiles requiring a certified control device recorded on the registry had expired HHR certification or NHH non-AMI metering with no control device certification. RPS profile was correctly applied for submission.</p> <p>Profile inconsistent with submission flags. Six inconsistencies were not corrected until they were discovered during the audit.</p> <p>Incorrect generation profiles recorded on the registry. Four ICPs have incorrect profiles relating to time-of-day registers where some registers have RPS profile indicating the volumes is to be applied across the entire 24-hour period while other registers have night profiles assigned indicating the volumes are night only resulting in some peak/off peak volumes are being apportioned to night operational hours in the reconciliation process.</p>	6.3 2.1 6.1
ARCS category meters settled as HHR	CTCT has 884 active ARCS HHR settled ICPs. All have metering category 1, and have the multiplier flag = N. These meters are expected to be settled as NHH because ARCS data does not contain the required number of decimal places.	2.1
Incorrect status dates	13 new connections and four reconnections had incorrect active status dates and one disconnection had an incorrect inactive status date.	3.5, 3.8, 3.9

Registry discrepancies identified during the previous audit were re-checked to confirm whether they were resolved. The following exceptions remain for ICPs still supplied by CTCT:

- new ICPs 0007205438RNFC8 (active date 13 December 2021, expected date 8 December 2021) and 0007205215RNBC0 (active date 13 December 2021, expected date 8 December 2021) are being investigated to confirm the correct dates and once the date is confirmed CTCT will ask the network to change their "ready" status date if necessary, so that the "active" status date can be corrected; the other ICPs had undergone corrections, further investigation had confirmed that the applied dates were correct, or the ICPs were switched out or decommissioned before the issues could be resolved,
- ICP 0000010882TE98B had "active" status from 31 August 2021 but should not have been made "active" until metering was installed on 7 December 2021; the ICP has now switched out and has not been corrected,
- ICP 0000553257NR3D0 is an unmetered electronic gate ICP recorded with 1.2 kWh per day, and 0.00;0.00;SecurityGate; based on the 0.2 kW gate being opened five times per day on average for

- 1.2 minutes per opening, the on hours are estimated to be 6 minutes per day or 0.1 hours and the gate is expected to be recorded with 0.02 kWh per day and 0.2kW;0.10;SecurityGate,
- ICP 0000509542DEABF is an abandoned temporary supply which should have had its unmetered load removed; it is being checked with the network inspector to determine whether it should be decommissioned,
- ICP 0007680774HB8DE’s trader update for 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh; daily unmetered kWh should be 2.989 but was updated to 3.000 in error, and
- ICP 0000513944CEF86 switched in on 1 January 2023 with incorrect trader and distributor unmetered load details and CTCT has investigated the load with the network and customer who have confirmed that the ICP was livened with 480W connected 24 hours, equivalent to 11.52 kWh per day or 4,205 kWh per annum; the network has updated their unmetered load details on the registry, and CTCT intends to update their trader unmetered load details in SAP and the registry, and provide revised submission data.

Read and volume data accuracy.

Read and volume accuracy issues are identified through CTCT’s validation processes, which are described in detail in **sections 9.5** and **9.6**.

A spreadsheet template is used to estimate consumption in situations where meters are determined to be recording incorrectly or are stopped. The template uses historic consumption from periods prior to the fault, or consumption recorded by a replacement meter after the fault. Correction activity is conducted by a limited number of experienced staff in the revenue assurance and reconciliation teams to ensure accuracy and consistency. The correction is then processed in SAP by either:

- reversing the bill, correcting the readings, and rebilling,
- adding consumption to an existing reconciliation period record which allows the change to be independent of billing to the customer if necessary, or
- where a meter is stopped, faulty, or bridged, CTCT can close the meter on an estimated closing read which includes the unrecorded consumption and restart the meter on the correct read.

For each of the correction methods the consumption will flow through to reconciliation submissions. Correction occurs within the 14-month period if the period affected is longer than 14 months. This ensures all consumption is accounted for.

I checked a sample of NHH corrections as described in the table below:

Defective meters	<p>Stopped or faulty meters are identified through the read validation process described in section 9.5, or through meter condition information provided by the meter reader or through meter event issues reported by the AMI MEP. The field services team raises a service order to check and/or replace the meter, and for specific service order types such as stopped meter, once paperwork is received which confirms the fault, it is passed to the revenue assurance team to calculate a correction, and then the reconciliation team who check the correction. Some service order types are processed automatically using automated robots and where these involve the replacement of a stopped or faulty meter or resolving a phase failure issue these are not notified to the Revenue Assurance team to calculate a correction.</p> <p>Consumption during the faulty period is calculated using a template and added to the closing reading from the paperwork. The consumption is estimated based on the daily average before the fault occurred, or after the new meter was installed. The calculated read is entered into SAP as an estimated meter removal reading and used to generate reconciliation submissions.</p> <p>I checked ten examples of suspected stopped or faulty meters where the service order type was stopped meter. In nine cases NHH corrections had been processed, and the full correction was within the 14-month period. However, for ICP 0121730131LCBD3 a NHH</p>
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	<p>correction was applied but the submission type is HHR for the affected period meaning the correction has not flowed through to the HHR submission process.</p> <p>Metering Installation Category two ICP 0110003151EL984 reported an EFA - VT FAILURE (commonly known as a phase failure) event on 12 January 2022, which was notified by the AMI MEP to CTCT and a works order was raised to attend the site. The completed service order was returned with a completion date of 3 May 2023. As there was no meter change as part of the service order the automated process between Orb and SAP did not trigger a workflow item for a user to review and no HHR data correction was applied to the affected data.</p>
Incorrect multipliers	<p>A weekly meter mismatch report compares meter data in SAP and the registry and identifies differences in multipliers, register counts, meter dials and meter serial numbers. Meter multiplier discrepancies have the highest priority, and weekly processing ensures that most multiplier discrepancies are resolved before the ICP is invoiced.</p> <p>Multiplier corrections are resolved by correcting the meter master data in SAP. If the ICP has already been invoiced, the invoices must be reversed before the correction can be processed. Corrections for category 1 meters are processed automatically through workflows unless invoices are required to be reversed. Corrections for category 2 meters are always processed manually by a user.</p> <p>Ten examples of incorrect multipliers were identified during the audit period, and I found they were processed correctly.</p>
Bridged meters	<p>Bridged meters are identified through the read validation process, or by contractors indicating that a meter is bridged, and further work is required to un-bridge on the work completion paperwork. When a bridged meter is discovered, the field services team arrange for the meter to be un-bridged by the MEP as soon as possible.</p> <p>CTCT confirmed 198 ICPs had their meters bridged at some time between 1 June 2022 and 28 February 2023 and another eight ICPs remain bridged from the previous audit period. 116 were un-bridged, 48 switched away prior to being un-bridged and the other 34 remain bridged. The bridged meters have not been unbridged because:</p> <ul style="list-style-type: none"> • access to un-bridge the meter has not been granted by the customer, or • a job to un-bridge the meter is in progress but has not been completed. <p>The revenue assurance team have a report to identify completed un-bridged service orders to enable the revenue assurance team to calculate and apply estimates of consumption during the bridged periods. However, ICPs that switch away bridged or ICPs that have bridged period that span multiple consumers or exceed 12 months are manually passed to the Reconciliation team via email notification to apply a correction directly to the volume information used for submission.</p> <p>The reconciliation team also uses the Databricks data warehouse to search for ICPs with notes indicating that they have been bridged or unbridged. This report is intended to be reviewed every month once the backlog has been worked through. The report review process includes:</p> <ul style="list-style-type: none"> • bridged meters which have not been un-bridged are referred to field services, so that a service order can be raised for un-bridging, and • if an ICP has been un-bridged, it is checked to determine whether a correction to capture consumption during the bridged period has been made and if not, this will be followed up. <p>While this additional reporting has now been implemented the backlog of corrections to be applied from the previous audit period and also early in the current audit period have not been fully resolved. Additionally, there are delays from when the meters have been un-bridged to when the revenue assurance team have assessed the consumption patterns post the bridged period before calculating a daily average consumption to apply for the affected</p>

	<p>period. The various delays from the correction process means volume information is not being corrected as soon as practicable as required by the code (Clause 15.2 (2)).</p> <p>A sample of nine ICPs were reviewed to determine that a volume correction had been appropriately applied. Four NHH ICPs have had NHH corrections applied, one HHR ICP (0000296500TEB71) has had a NHH correction applied meaning this will not flow through to the HHR submission volumes, one ICP (1002077246LC23B) has a bill block in place indicating a correction is being calculated and three ICPs did not have a correction applied. Three ICPs (0110002072ELOB5 – HHR, 1001123040LC3E0 – NHH, 0081141480WEF5B – NHH) did not have a correction applied or a bill block in place indicating a correction was imminent. Additionally, all 48 bridged metered ICPs that had switched have not yet had volume corrections applied.</p> <p>The last audit identified no corrections had been applied for a sample of 15 ICPs of the 98 ICPs which had their meters un-bridged during this previous audit. These were reviewed again to see if a correction has now been applied. No corrections have been applied for any of this sample and 13 ICPs are now outside the revision window to enable a correction to be applied.</p>
Consumption while inactive	<p>BP EMs are generated for the revenue assurance team when consumption occurs on an inactive ICP as a result of the receipt of a scheduled meter reading. The BPEM process does not identify all inactive consumption as where a read is applied outside of the schedule read process (such as applying a switch loss read) a BPEM is not generated. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status with an effective date to the last non advancing meter read prior to the inactive consumption being identified, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.</p> <p>CTCT provided a list of 285 ICPs with inactive consumption recorded totalling 94,786 kWh based on BPEMS generated during the audit period. 208 of the ICPs had less than 5 kWh of inactive consumption recorded and 194 has less than 1 kWh. A sample of 10 ICPs with the highest inactive consumption were reviewed and the following was found:</p> <ul style="list-style-type: none"> • two ICPs were corrected by removing the disconnection flag in SAP and updating the registry status during the audit, • two ICPs continued to be submitted as HHR as the settlement unit was not updated when the ICP was disconnected, • one ICP switch away from the inactive date, so the volume is now outside Contact’s period of responsibility, • one ICP is recorded as being reconciled elsewhere as it is related to a microgrid supplying other ICPs, • one ICP was reported as a false positive exception and the volume is not genuine, • two ICPs (0145325350LC9CE, 0462728447LC443) the volume recorded was found to be meter creep (infrequent 0.001 kWh interval volumes recorded) and the ICPs were confirmed remotely disconnected by the AMI MEP, and • one ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process. <p>The reconciliation team historically maintains a spreadsheet of inactive ICPs with consumption which is refreshed approximately every three months using a SAP report. This report is used to identify any ICPs with consumption during periods with inactive status which have not already been corrected through the BPEM process. The process was completed for the first time this year in during this audit. The delay was caused because the staff member responsible for overseeing this left Contact, and it is being added into the processes of other staff. This SAP report listed 377 ICPs with inactive consumption recorded totalling 127,192 kWh.</p>

	<p>The difference between the SAP report and the list generated from the BPEM process is due to ICPs where the settlement unit assignment has been corrupted resulting in the inactive settlement unit assignment not being updated to enable the ICP to be included in submission. 66 ICPs were identified in this scenario with inactive consumption recorded totalling 29,112 kWh.</p>
Unmetered load	<p>Corrections occur as required for unmetered load data. The unmetered load data for billing and reconciliation have been uncoupled, so it is possible to process an unmetered load correction without reversing billing.</p> <p>If unmetered wattage for a time slice or on hours are updated in SAP, the revised data will flow through to revision submissions.</p> <p>I checked five examples of unmetered load corrections and found that three ICPs were not including unmetered load volumes in submission.</p> <p>Unmetered load is included in submission where an unmetered settlement unit is assigned to the installation in SAP. The previous audit identified that this assignment of unmetered load settlement unit can get corrupted resulting in either missing assignments or settlement unit assignments not being end dated once the unmetered load is removed. The four ICPs identified in the previous audit were resolved by reassigning the unmetered load settlement unit.</p> <p>Contact compared all unmetered load settlement unit assignments to the registry and identified:</p> <ul style="list-style-type: none"> • 102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum, and • 235 ICPs where the unmetered load settlement unit assignment was not end dated on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum. <p>The cause of the corruption issue is still under investigation.</p>
Check sum validation and correction of AMI interval data used for HHR submission	<p>MEPs compare meter readings against half hour interval data, known as the sum-check process. CTCT also completes a sum-check process for all meters. Where data is available for all trading periods and the sum-check is not within ± 2 kWh, a validation exception is generated. Where the accuracy of the received midnight reads is not fully investigated or resolved prior to the data correction and trading period data between the midnight reads, then the received actual interval data will be replaced with estimated data via an automated process. CTCT is aware of instances where the accuracy of the received midnight reads has been confirmed as not being accurate, however the actual accurate interval data is still replaced with an estimate to ensure the interval data values align with the received midnight reads.</p> <p>This means the HHR data estimated from inaccurate midnight reads replacing actual interval data is not considered to be accurate in accordance with Clause 15.2, and CTCT may not be charged at the wholesale rate that applied during the trading period when the electricity was consumed. This is discussed further in section 9.6.</p>
Extended HHR estimations for non-communicating AMI ICPs outside the max interrogation cycle.	<p>984 HHR ICPs were identified as more than 20 days outside the MEPs max interrogation cycle. I reviewed a sample of six ICPs where the MEPs max interrogation cycle now exceeded the period of time from when the AMI Flag was set to N by more than 100 days. In all cases the ICPs remain “active” on the registry and continued to be flagged for HHR submission. This is discussed further in section 9.6.</p>

HHR part day volumes not submitted for disconnection day	The process for estimating any missing intervals that have occurred during meter changes was reviewed. IMDM reflects all meter installations as occurring at the beginning of a day (0000 hours) and meter removals as occurring at the end of a day using the last received midnight read as the removal read. The part day data from the removed meter up to the meter change time is not provided by the AMI MEP and the removed meter reading is not loaded into IMDM; therefore, when IMDM applies an estimation for the missing part day data and applied this to the installed meter between 00:00 hours and the meter change time, zero values are applied by IMDM.
NHH meter reading application	<p>The process for profile changes was reviewed and a sample of four upgrades, five downgrades and five profile changes were checked and found:</p> <ul style="list-style-type: none"> • for all four upgrades, the submission type and profile changes occurred on actual or permanent estimate readings, • for four out of five downgrades the submission type and profile changes occurred on actual or permanent estimate readings, for ICP 0000005122DEF1D no meter read was present for the event date also the SAP event date for the submission type change does not align with the registry, and • for four out of five NHH profile changes the profile changes occurred on actual or permanent estimate readings, for ICP 0000024655DE0E5 no meter read was present for the event date.

The previous two audit found that missing or incorrect data is not consistently identified at the point of entry, such as defective meters where a volume correction is required, missing loss factor information, incorrect unmetered load, NSP changes, or missing or incorrect settlement units. Issues that could affect meter accuracy including issues on full lists of meter events from MEPs, and bridged meters are also not consistently investigated and corrected promptly.

Responsibilities for identification, investigation and correction of issues can be split across multiple teams, and failure to communicate further work required can prevent issues from being resolved on time, or at all.

Good progress has been made to reporting to support bridged meter identification and correction, however the hand offs between the four teams involved in this process (Operations Team, Revenue Assurance team, Switching team and Reconciliation team) are not always consistent resulting in either missing or late volume corrections. The process still does not have end to end monitoring in place to ensure bridged meters are unbridged within the ten business days required under the code, or ICPs that have switched away while still bridged have corrections processed, to ensure that volume corrections are applied at the earliest opportunity.

If these issues with static data or volumes are not resolved prior to submission, they will result in inaccurate submission data. The reconciliation team has some processes to identify corrections required, but these are not being completed as frequently as they were and there is sometimes insufficient time to resolve discrepancies prior to submission due to staffing changes, handover of responsibilities, and workloads. Some data has not been corrected at the next available opportunity for submission as discussed in detail in **section 12.7** including:

- some missing unmetered load settlement units, which prevented unmetered load being submitted; the missing settlement units were added during the audit and correct submission data will be washed up,
- some incorrect daily unmetered kWh applied for reconciliation,
- some unreported inactive consumption,
- some incorrect ICP days,
- some ICPs which had their meters unbridged during the audit period or switched away bridged did not have corrections processed, and

- some corrections identified in the previous audit were not corrected and are now outside the revision cycle.

I repeat the previous audits recommendation around validation of inputs to the submission process.

Description	Recommendation	Audited party comment	Remedial action
<p>Validation of inputs to the submission process</p>	<p>CTCT</p> <p>I recommend confirming processes and responsibilities to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity. Team members responsible for managing the data should be aware of the impact incorrect information has on reconciliation submissions, and the process steps required to resolve issues completely.</p> <p>As a minimum management of the following data should be considered:</p> <ul style="list-style-type: none"> • aggregation factors including network, NSP, dedicated NSP, loss factor (and pricing category which is linked to this), profile, submission type, and flow direction, • ICP metering and unmetered load, including ensuring that SAP's unmetered load settlement units are correct and that meters have the correct status and details recorded on switch in, replacement and new connection, • management of ICP status including ensuring that SAP's settlement units are accurate and consistent with the registry, and that inactive consumption is identified, investigated and reported as required, and • identification and correction of meter defects including bridged meters. 	<p>CTCT</p> <p>Post this recommendation being made in the previous Audit, Contact had meetings with the responsible internal teams to further discuss and agree on definitive responsibilities and ownership for, audit areas/items, processes, data, as well as the flow on impacts these have if incorrect.</p> <p>This included a refresher and/or extra training where required, with the frequency of further refreshers or extra training opportunities being examined regularly.</p>	<p>Adopted.</p> <p>Meetings have been held to confirm responsibilities and training has been provided.</p>

CTCX and CTCS

Registry and static data accuracy

Simply Energy manages information completeness and accuracy as an agent. Registry updates are processed directly on the registry using the web interface, and Salesforce is updated at the same time. The user will identify any failed updates by reviewing the registry acknowledgement message displayed after they save the update. Registry information is imported into Salesforce at 12.50pm and 12.30am daily.

Activities which require registry updates such as new connections, disconnections, reconnections, and metering changes are managed using Salesforce cases and Microsoft Outlook. These cases are assigned to team members and can easily be reassigned if they are absent. Next actions and next action dates are set for each case.

Data accuracy is monitored using a combination of Salesforce Dashboard reports, and other Simply Energy reports and queries, and the registry AC020 trader compliance report. Simply Energy runs a business day checklist to ensure that all checks are completed on time.

Simply Energy also maintains a “non-compliance log” which records ICPs where non-compliant activity has occurred, such as late or inaccurate registry updates. The log provides an explanation and any corrective action taken and is used to understand the causes of non-compliances and identify improvements Simply Energy could make to prevent recurrence. The log was very helpful during the audit, and I found Simply Energy had already identified and investigated many of the non-compliances I identified during the audit analysis.

The following data accuracy checks are completed:

Validation area	Findings
ANZSIC codes	<p>ANZSIC codes are provided as part of the application process, and validated on switch in. Account Managers advise the switching team if they believe the customer’s existing ANZSIC code is incorrect and should be updated.</p> <p>The Salesforce Dashboard reports ICPs which have T9 series ANZSIC codes and ICPs with landlord L671 codes, which are reviewed and updated monthly.</p> <p>The AC020 report is reviewed twice monthly to identify, investigate, and correct ICPs with T9 series codes, or residential codes with metering category two or higher.</p> <p>The Head of Pricing and Risk creates a monthly report which compares the end consumer name and address to the ANZSIC code for reasonableness. This identifies any unusual codes for investigation and/or correction.</p>
Unmetered load	<p>Twice monthly the Head of Pricing and Risk provides the compliance teams lists of new unmetered ICPs gained, changes to trader or distributor unmetered load details, and unmetered ICPs lost since her last update. These lists are created by analysing registry list information. The lists are reviewed to ensure that the unmetered load is set up correctly in Datahub, MADRAS, and the unmetered ICPs spreadsheet, and the values are recorded correctly.</p> <p>When a new application is received for an ICP with the unmetered flag set to Y on the registry, it will fail NT validation. The switching team will check the ICP with the team members responsible for unmetered load to determine whether the application can be accepted, and which profile should be assigned. The staff responsible for unmetered load will ensure that the ICP is set up correctly once it switches in.</p> <p>The AC020 trader compliance report is reviewed at least twice monthly, which includes ICPs with missing unmetered load details and unmetered load discrepancies.</p>

Validation area	Findings
ICPs with estimated switch in reads with an AMI meter	The Salesforce Dashboard reports ICPs with estimated switch in reads with an AMI meter, which are checked every two to three days to determine whether read renegotiations are required.
New connections	<p>The Salesforce Dashboard reports ICPs with “inactive - new connection in progress” status, including their initial electrical connection dates and MEP details if populated on the registry. This report is reviewed daily, and any ICPs with initial electrical connection dates or meter certification details are checked and updated to “active” status once the correct connection date is confirmed. The report is also used to track MEP nominations.</p> <p>ICPs at “new” and “ready” status on the registry are checked against Salesforce weekly to make sure they have been added to Salesforce, and if no application has been received, they are followed up with the distributor.</p> <p>ICPs at “new” or “ready” status for over 24 months are identified through review of the AC020 trader compliance reports and followed up every three months.</p> <p>New connection accuracy discrepancies are identified through the twice monthly review of the AC020 trader compliance report.</p>
Inactive ICPs	The Salesforce Dashboard reports ICPs with “inactive” status, which is reviewed monthly to confirm that the “inactive” status is correct and genuine.
Distributed generation	<p>NHH distributed generation ICPs are checked monthly by reviewing registry information to identify ICPs with generation recorded by the distributor and check whether the ICP has compliant I flow metering and correct profiles recorded. Findings are verified against meter reading information where I flow metering is installed.</p> <p>During the audit, Simply Energy began conducting checks for HHR ICPs with distributed generation indicated by the distributor and no settled I flow meter channels. They confirmed that this check identified the HHR ICPs found during the audit analysis. They intend to continue running this analysis at least every three months.</p>
Meter details	<p>Metering changes are identified through the daily read validation process. Where a ICP – meter – register match cannot be found for imported meter reading and volume information, an exception is generated for review. The Operations Team is advised by the Data Management Analyst where metering details need to be checked and updated.</p> <p>The Salesforce Registry Metering Workflow – NHH supply dashboard identifies ICPs where registry metering information is different to DataHub including meter number, multiplier, content code, number of registers or meters, import metering without installation type B or G. These are reviewed daily and any missing paperwork is followed up with the MEP.</p> <p>There is a weekly check for ICPs with the AMI flag set to N and HHR profile. The affected ICPs are returned to NHH profile from the first day of the month where they last had an actual reading, once Simply Energy confirms whether the issue is intermittent or persistent.</p>
MADRAS workflow issues	MADRAS workflow issues are checked daily for business days 1-4, 6, and 9-13 each month, and then every 2-3 days for the remainder of the month.

Validation area	Findings
	<p>The Salesforce Operations Registry Update screen alerts users when data maintained by another participant changes on the registry including distributor and MEP populated data. The user then checks and updates Salesforce and DataHub as necessary and ensures that changes flow through to MADRAS. This process identifies any changes to unmetered load, NSP, or distributed generation details.</p> <p>The Salesforce Dashboard produces a series of reports for ICPs which have missing MADRAS workflows, are not set up in MADRAS, or are end dated by a Simply Energy code that is still responsible for the ICP. These discrepancies are investigated and resolved.</p>

No active ICPs have been supplied by CTCX since October 2022. Analysis of the AC020 report and registry list for CTCX found:

Issue	CTCS Feb 2022 Qty	CTCS Apr 2022 Qty	CTCS Aug 2021 Qty	CTCS Jan 2021 Qty	Comments
ICP at status "new connection in progress" (1,12)	20	13	14	3	Compliant.
Active date variance with Initial Electrical Connection Date and/or meter certification date	22	13	26	4	I checked a diverse sample of 14 ICPs and found one had an incorrect active status date and was corrected during the audit. See section 3.5 .
Active ICPs with metering category 3 or higher with NHH submission flag	0	0	0	0	Compliant.
Active ICPs with blank ANZSIC codes	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T994" or "T994000" don't know	0	0	2	0	Compliant.
Active ICPs with ANZSIC "T997" "response unidentifiable"	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T998" "response outside of scope"	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T99", "T999" or "T999999" not stated	0	0	0	0	Compliant.
Active ICPs with metering category 3 or above with a residential ANZSIC code	0	0	1	0	Compliant.
Active ICP with no MEP and unmetered flag set to N	0	2	3	0	Compliant.

Issue	CTCS Feb 2022 Qty	CTCS Apr 2022 Qty	CTCS Aug 2021 Qty	CTCS Jan 2021 Qty	Comments
Active ICP with meter category 9 or blank and unmetered flag set to N	0	5	0	0	Compliant.
ICPs with Distributor unmetered load populated but retail unmetered load is blank or 0	0	0	0	0	Compliant.
ICPs with unmetered load flag Y but load is recorded as zero, excluding SB ICPs	1	2	3	1	See section 3.7.
ICP with incorrect standard unmetered load	0	2	3	0	Compliant.
ICPs with incorrect shared unmetered load	0	0	0	0	Compliant.
Submission against the RPS profile where the registry has a controlled profile.	0	0	0	0	Compliant.
Active ICPs with invalid NHH and/or HHR profiles recorded on the registry.	0	0	0	0	Compliant.
Incorrect generation profiles recorded on the registry.	0	0	0	0	Compliant.
Arc category 2 meters submitted as HHR	0	0	0	0	Compliant.
Incorrect status recorded on the registry	2	0	11	2	One new connection and one disconnection had incorrect status dates and were corrected during the audit. See section 3.5.

The following registry and static data accuracy issues were identified during the audit and were not resolved as soon as practicable:

Field	Discrepancy	Report section
Incorrect status dates	One new connection and one disconnection had incorrect status dates and were corrected during the audit.	3.5, 3.8, 3.9

Read and volume data accuracy

Read and volume accuracy issues are identified through Simply Energy’s validation processes, which are described in detail in **sections 9.5** and **9.6**. I walked through the correction process for each correction type and viewed examples where available.

<p>Defective meters</p>	<p>There is no process to identify potentially bridged and faulty meters by validating zero consumption and a recommendation is made in section 9.5.</p> <p>Where a meter is found to be stopped or faulty it will be replaced. Estimated consumption during the stopped or faulty period will be calculated based on the consumption of the replacement meter, or historic consumption prior to the stopped or faulty period. The consumption is typically added as permanently estimated meter removal read and sent to EMS.</p> <p>I re-checked the previous audit exception for 0016097210ELOAA, which had a blank screen with the mains on. A field service order was raised, and the faulty meter was replaced by the MEP. An appropriate removal read was calculated using a daily average consumption from two actual read obtained prior to the meter fault.</p> <p>No examples of potential stopped or defective meters for CTCS were identified.</p>
<p>Incorrect multipliers</p>	<p>Meter multiplier discrepancies appear on Salesforce’s NHH Registry dashboard and are reviewed periodically.</p> <p>Multipliers are stored in Salesforce and DataHub based on the metering information held on the registry. Raw readings and meter installation information including the multiplier are sent to EMS and loaded into MADRAS. MADRAS correctly applies the multiplier provided when calculating volumes.</p> <p>When a multiplier changes for an existing meter, the original meter is archived in MADRAS from the date of the change. A new meter is created with the correct multiplier, and readings during the affected period are transferred to the new meter.</p> <p>Where meter paperwork is received, the case instructions note that the multiplier on the paperwork should be checked against the registry record and queried with the MEP if inconsistent. This validation was added after some inconsistencies were found though ad hoc checks of meter multipliers.</p> <p>If a multiplier is changed without paperwork being received this validation is not possible</p> <p>One example of an incorrect meter multiplier was identified for CTCS (ICP 0000164583CK6A0). This has been corrected back to the meter change date and the volume corrections are in the process of being washed up through the revision cycle.</p>
<p>Bridged meters</p>	<p>Bridged meters are usually identified by contractors indicating that a meter is bridged, and further work is required to un-bridge on work completion paperwork. There is no process to identify potentially bridged and faulty meters by validating zero consumption and a recommendation is made in section 9.5.</p> <p>No bridged meters were identified during the audit period.</p>
<p>Consumption while inactive</p>	<p>Data streams remain open in DataHub when an ICP is disconnected, which allow reads to continue to be imported if received after disconnection.</p> <p>There is now regular reporting on ICPs with inactive status with consumption. No inactive ICPs are supplied by CTCX. 80 inactive ICPs are supplied by CTCS excluding “inactive - new connection in progress” and “inactive - reconciled elsewhere” ICPs. Seven of the ICPs are “inactive - ready for decommissioning”.</p>
<p>Unmetered load corrections</p>	<p>Simply Energy normally records unmetered load by manually calculating and entering meter readings against an unmetered load register. The readings are calculated as previous reading + (daily unmetered kWh x number of days between reading dates). Where a correction is</p>

	<p>required, the reads are invalidated and recalculated and then resent to EMS using the read replacement process discussed in section 12.3.</p> <p>All unmetered daily kWh changes related to DUML ICPs which had their daily unmetered kWh values changed to zero.</p>
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I rechecked submission accuracy issues which were not resolved by the time the previous audit report was finalised:

Issue	Issue description
Missing NHH readings in MADRAS	The issues with NHH reads missed from the data transfer from Datahub to MADRAS has been resolved with Simply Energy’s February 2023 material change audit. As part of the change, historic readings were re-loaded into MADRAS to ensure that all validated readings are correctly included in historic estimate calculations.
Incorrect agreed switch readings	<p>The meter readings used in the switching process are validated meter readings or permanent estimates. All CS and RR readings checked during this audit were confirmed to be correct.</p> <p>I re-checked incorrect switch event readings identified during the previous audit for CTCS and found that the reads remain incorrect, apart from ICP 0000045646HR5D5, which had its switch withdrawn. ICP 0007671629HB2B5 underwent a read renegotiation, but the switch event read still does not match the expected value. Simply Energy does not intend to take any further action because the other traders affected have not disputed the readings and revision 14 has now been completed. The incorrect switch event readings have resulted in over submission of 7,076 kWh, and the affected ICPs are listed in section 4.16.</p>
Incorrect volumes around NSP change	ICP 0007173300RN6EB had a change of NSP, but no boundary reads were entered for the NSP change, which created small ICP days differences for BRY0661 and ISL0661 in July and August 2021. There is a process to enter boundary readings, but no read history was available to create the permanent estimates; the ICP was made ready for decommissioning on 11 March 2022 and was decommissioned on 11 June 2022, and now that decommissioning readings are available permanent estimate reads have been created and applied.
Application of seasonal shapes	As detailed in section 12.8 , where the seasonal shape values published by the reconciliation manager are all zero values, MADRAS treats zero values as nulls therefore MADRAS flags the volumes calculated between the actual reads as FE.

I rechecked submission data accuracy issues raised in audits prior to August 2022. I found that the issues were resolved, where revision 14 had not already been completed, with the exception of:

Issue	Description
Replacement HHR data	The previous audit recorded that when trading period data has been estimated and actual data is received later, the actual data is imported and validated against the estimates. HHR replacement data can now be loaded without a register reading. Where an MEP has provided a part day of data, they may later provide a replacement file which contains nulls for the trading periods already provided and HHR volumes for the part of the day that was originally missing. The previous audit found that where this occurs, DataHub imports the whole replacement file, which replaces the actual data originally provided with the null values. DataHub then creates estimates for the missing periods. No progress has been made to resolve this issue during this audit period.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 2.1</p> <p>With: Clause 10.6, 11.2, 15.2</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>Some inaccurate data is recorded and was not updated as soon as practicable.</p> <p>Some previous audit corrections not carried out.</p> <p>CTCS and CTCX</p> <p>Some inaccurate data is recorded and was not updated as soon as practicable.</p> <p>Some previous audit corrections not carried out.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
<p>High</p>	<p>The controls are moderate overall, as there is some room for improvement to validation of inputs into the submission process which will help to improve data accuracy.</p> <p>The impact is high based on the volume differences identified, and that corrected data has not yet been prepared in some instances.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>Active date variance with IED and/or meter certification date</u></p> <p>Contact is actively working through the exceptions identified during the audit process.</p> <p>We are continuously working with MEPs, Networks and field service providers to ensure accurate information is returned on the paperwork.</p> <p>We are also reviewing late and inaccurate paperwork issues through our Simplification project to identify ways to further reduce these errors from arising.</p> <p><u>Active ICPs with ANZSIC "T994" or "T994000" don't know</u></p> <p>Contact is actively investigating and resolving all 'T9' series ANZSIC code discrepancies identified during the RP Audit.</p>		<p><u>CTCT</u></p> <p>Ongoing</p> <p>Ongoing</p>	<p>Identified</p>

<p><u>Active ICP with no MEP and unmetered flag set to 'N'</u></p> <p>Contact has BPEMs within SAP to identify ICPs in this scenario. We find most of these exceptions are where an MEP has auto accepted the nomination and metering details are still required to be uploaded into the Registry.</p> <p>Contact is creating additional Registry reporting within Data Bricks to identify active ICPs with no metering event loaded in the Registry and UNM flag is set to 'N'. ICPs that appear on this report will also be investigated to identify if corrections are required to our nomination information loaded in the Registry.</p> <p><u>UNM discrepancies</u></p> <p>Contact has been continuously improving this process since the last audit. New reporting has been put in place, with more users have being trained in how to resolve these exceptions as they arise.</p> <p>We are working with our SAP technical team to create a new exception in our system to identify where UNM load details are removed within the Registry to ensure the change is replicated in our system in timely manner.</p> <p><u>Profile discrepancies</u></p> <p>Contact has strong reporting in place to seize any discrepancies. We are actively working with customers, distributors, and MEPs, to ensure the ICPs identified via our monthly reporting as having incorrect generation related data applied within SAP or the Registry is being investigated/corrected.</p> <p><u>Arc cat 2 meters submitted as HHR</u></p> <p>Arc meters are currently being replaced by vector, which is expected to be completed this year. We acknowledge as the program of work nears completion there is the risk of some further data attainment issues. These issues will self-resolve as a result of that work in due course.</p> <p><u>Incorrect status recorded on the registry</u></p> <p>Contact is actively investigating all status discrepancies identified via the RP Audit and will be completing corrections where feasible. Our teams will also cross check the status discrepancies identified during the RP Audit against our regularly run discrepancy reporting to ensure all discrepancy variances are covered within our data queries.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Later this year.</p> <p>Ongoing</p>	
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<p><u>CTCS and CTCX</u></p> <p>One ICP with incorrect Active status date corrected during the audit. One new connection and one disconnection had incorrect status dates and were corrected during the audit.</p> <p>Where issues from previous audits had not been corrected this was due to the R14 period having passed which meant any work undertaken to correct would not have improved submission accuracy.</p>	<p><u>CTCS/CTCX</u></p> <p>01/05/2023</p> <p>N/A</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>Contact will continue to review its processes, documentation, and reporting to ensure data discrepancies are identified and resolved at the earliest convenience. As shortfalls are realized, we will further investigate opportunities to reduce issues arising by implementing system, process, and/or report enhancements.</p> <p>We will continue to have regular conversations with internal teams, MEPs, Networks, and third-party service providers to ensure the importance of, and continued improvement to, timeframes and data completeness is recognized.</p>	<p><u>CTCT</u></p> <p>Ongoing</p>	
<p><u>CTCS and CTCX</u></p> <p>Simply Energy have raised the issue of being able to import partial HHR datafiles from MEPs with their system provider again and are hopeful of being able to progress a solution given other recent system changes may have facilitated a solution for this.</p> <p>Simply Energy have created a process where the Data Management analyst works with the Billing team to identify zero usage sites every three months, investigate these to find those that are reading 0, and then raise requests for the customer to be contacted to verify that 0 usage is correct. Where the customer believes this usage to be incorrect the business will raise service orders for the MEP to investigate.</p>	<p><u>CTCS/CTCX</u></p> <p>Ongoing</p> <p>23/06/2023</p>	

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

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

Audit observation

Processes to provide information were reviewed and observed throughout the audit.

Audit commentary

This area is discussed in a number of sections in this report and compliance is confirmed.

Audit outcome

Compliant

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

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

Audit observation

I checked the data transfer process and traced a sample of readings and interval data from the source to Contact's systems.

CTCT receives NHH read and interval data from agents and MEPS via SFTP, and generation data using its MV90 system.

CTCS and CTCX receive NHH and HHR information from agents and MEPS via SFTP.

Audit commentary

CTCT

NHH

NHH read data is transferred to CTCT from MEPS and agents via SFTP. NHH manual readings are imported directly into SAP.

AMI data (register readings and interval data) is first imported into IMDM which is a schema within the COLA oracle database. IMDM information is viewed and managed using the Smart Reads Console interface. AMI Interval data is validated in IMDM including sum-check validation. Validated AMI interval and unvalidated meter register read data is transferred from IMDM to SAP.

If reads are not available for all the ICP's meters and registers on the scheduled read date, SAP searches for the most recent date with readings for all meters and registers in the last three days for ICPs with monthly scheduled reads, and the last day for ICPs with weekly or fortnightly scheduled reads in SAP's midnight reads table. If there are reads available for all registers, they are uploaded with the correct date and SAP performs NHH reading validation. If reads are not available for all registers the available readings are uploaded and the reads for the remaining registers are estimated. No exceptions are generated where reads are not obtained for all registers because SAP handles these automatically.

I checked a sample of readings received from AMS, Arc, BOPE, FCLM, Smartco, Metrix, IntelliHUB, and MRS, and confirmed the source data matched the data recorded in SAP.

HHR

CTCT supplied four ICPs with meter category 3 or higher during the audit period, and I checked the data provision process:

- ICPs 0000018218HRB13, 0000032431HR99C and 0000880392WEA92 are generation ICPs with meter category 5 and are subject to the generation data validation process discussed in **section 9.6**, and
- ICP 1001157629CK617 has metering category 3 and was split into three tenancies by the property owner and two low voltage connections were completed by Wellington Electricity; the two low voltage connections have category 1 meters (ICPs 1001158552CK7FD and 1001156589CKCAB) and the third tenancy has a distribution board in place however this is not connected therefore the load for this third tenancy is still metered through ICP 1001157629CK617 (CTCT intends to work with Wellington Electricity to create a new metered ICP for this load, then ICP 1001157629CK617 can be decommissioned), in the meantime, the HHR volumes are submitted under ICP 1001157629CK617 based on readings provided by AMS.

Generation

Generation meters are interrogated by MV90 hourly, and the data is validated and exported to Oracle and SAP. I walked through the process and traced a sample of data from MV90 through to SAP and submission files.

Generation data is imported into SAP via MV90. I traced a sample of data from MV90/Oracle through to SAP and confirmed that it was recorded correctly.

CTCX and CTCS

NHH

NHH read data is transferred via SFTP. AMI HHR interval data is imported directly into DataHub, and AMI and manual readings are loaded into the Data warehouse and a daily read file is extracted and imported into DataHub.

Once validation is complete in DataHub, the validated (published) reads are exported back to the Datawarehouse, and then to AXOS billing engine and EMS' MADRAS for NHH settled ICPs. Changed reads are provided to EMS at least weekly, and switch event, meter change, submission type change, profile code change, loss code change, dedicated NSP change and NSP change readings are all provided to EMS by Simply Energy.

The issues with NHH reads missed from the data transfer from Datahub to MADRAS have been resolved with Simply Energy's February 2023 material change audit. As part of the change, historic readings were re-loaded into MADRAS to ensure that all validated readings are correctly included in historic estimate calculations.

I traced a sample of readings and AMI data received from MRS, Wells, and each MEP from the source files to DataHub, and to MADRAS for NHH settled ICPs. I found the readings were recorded correctly.

HHR

AMS and EDMI provide HHR data. I traced a sample of data from the raw meter data files provided by AMS and EDMI through to the submission files and confirmed that the data was recorded accurately.

Audit outcome

Compliant

2.4. Audit trails (Clause 21 Schedule 15.2)

Code reference

Clause 21 Schedule 15.2

Code related audit information

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

The audit trail must include details of information:

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

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

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

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

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

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

Audit observation

A complete audit trail was checked for all data gathering, validation and processing functions. I reviewed audit trails for a small sample of events. Large samples were not necessary because audit trail fields are expected to be the same for every transaction of the same type.

Audit commentary

CTCT

Complete audit trails are available for all data gathering, validation and processing functions for NHH, HHR and generation data. The logs of these activities for CTCT and all agents include the activity identifier, date and time and an operator identifier.

CTCS and CTCX

An audit trail was reviewed for data gathering, validation and processing functions in DataHub. The logs of these activities include the activity identifier, date and time and an operator identifier. I confirmed the original data is retained during the estimation and correction processes.

A compliant manual permanent estimate log is used where permanent estimates are created and this was reviewed during the audit.

Agent systems

Compliance is recorded in the agent audit reports.

Audit outcome

Compliant

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

Code reference

Clause 10.4

Code related audit information

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

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

Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the CTCT, CTCS, or CTCX codes.

Audit commentary

The terms and conditions include arrangements for meter access and shutdowns and these clauses extend to Contact's agents and are mirrored in agreements with MEPs.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

The trader must use its best endeavours to provide access:

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

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

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

Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the CTCT, CTCS, or CTCX codes and discussed compliance with these clauses.

Audit commentary

The terms and conditions include consent to access for authorised parties for the duration of the contract. Contact supports requests for access to metering by providing customer contact details on request.

CTCT

Processes are in place to arrange access to customer installations, where requested by other parties.

CTCT provides the MEP with customer information and details of any potential access issues or hazards. Where requested CTCT will also issue a letter to the customer and try to call them at least three times at different time of day. Sometimes a site visit will also be arranged. If a customer declines access to complete the required work, CTCT will negotiate with the customer and/or escalate the issue to the resolutions team. In some cases, this may also involve negotiation with the MEP.

CTCT provided five instances where access was requested but was unable to be arranged, and the best endeavours requirements were met.

CTCS and CTCX

Simply Energy supports other parties to gain access to metering by providing information and liaising with their customers. There were no instances where access to metering could not be arranged during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.35(1)&(2)

Code related audit information

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

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

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

Audit observation

A discussion was held regarding knowledge of any ICPs with loss compensation present. The presence of loss compensation factors was also checked with the HHR data team.

Audit commentary

Contact is not responsible for any metering installations with loss compensation factors.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

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

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

Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the CTCT, CTCS, or CTCX codes.

Audit commentary

The terms and conditions contain the appropriate clauses to achieve compliance with this requirement.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

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

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

Audit observation

The new connection processes were examined in detail to evaluate the strength of controls, and the registry list, audit compliance, and switch breach history reports were examined to confirm process compliance. Late updates to active for new connections are discussed in **section 3.5**.

Audit commentary

CTCT

The new connection process varies by network. The customer makes an application for new connection to the network and/or CTCT.

- Where ICPs are directly requested from the network by the customer or their agent, the network sends through a notification and CTCT accepts these nominations. Once notified, CTCT contacts the customer to arrange a customer supply agreement if it has not already been completed and raises a service order to complete the connection and install metering (if the ICP is to be metered).
- For ICPs requested by applying to CTCT, an application for a new ICP is raised with the network and a service order is raised to complete the connection and install metering (if the ICP is to be metered).

Once the work completion paperwork for the connection and meter installation is received, workflows update SAP and the registry to “active” status, and a trader update including MEP nomination is made.

CTCT do not generally use the “inactive - new connection in progress” status in the new connection process but instead claim the ICP from “ready” and make it “active”. This practice is compliant providing the ICP is made “active” within five business days of the event. For any ICPs updated late, the MEP nomination will also be late, as this is sent at the same time as the ICP is made “active”. The late MEP nominations are recorded as non-compliance in **section 3.5**. The “inactive - new connection in progress” status is only applied where a correction is required to make the ICP “active” from a later date.

Validation is in place for new connections:

- a robot checks new connections when the service order is closed by comparing the active date in SAP to the meter certification date and initial electrical connection date where these are available; if there are differences between the active date and a populated meter certification date or initial electrical connection date an exception is generated for a user to review,
- up to May 2023 CTCT used the NEWREADYICPSREPORT daily to monitor new connections; this report included ICPs at “new” or “ready” status, with either a service order raised, or an initial electrical connection date populated, and a counter which identifies the days remaining before a breach for late registry information will occur.
- in May 2023 SAS was decommissioned and from June 2023 a new Databricks report has been developed to include the same information as the NEWREADYICPSREPORT; the switching team have found the report includes some ICPs which do not require investigation or action and will use filtering to identify genuine discrepancies for investigation, and
- ICPs which have been at “new” or “ready” status for more than 24 months are being monitored on a regular basis; CTCT approaches either the customer or the distributor as appropriate i.e., the distributor in the case of ICP deconsolidation projects, to confirm if the new connection is still required and this also is discussed in **section 3.10**.

I checked 85 new connections and confirmed that the expected process was followed, and responsibility was accepted.

All active metered ICPs have an MEP recorded. The audit compliance report recorded 101 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. 85 ICPs had MEP nominations made and accepted and were awaiting

meter asset data on the registry, 15 ICPs had metering details populated on the registry after the report was run, and one ICP was moved to “inactive - ready for decommissioning” status after the report was run.

The audit compliance report identified three new ICPs which did not have an accepted MEP nomination within 14 business days. For two ICPs the nomination was made on time, but there was a delay in the MEP responding. Two new connection jobs were raised for Delta by a robot for ICP 0000514338CE7AF, because the customer requested the connection twice. The jobs were issued to two different contractors, who attempted to install meters for different MEPs. Investigation was necessary to confirm the correct meter installation date, connection date and MEP before the ICP was updated to “active” status and the MEP was nominated.

CTCX and CTCS

Simply Energy manages new connections as an agent.

The new connection process varies by network, and customers either request a new connection from the network who gains approval from the trader; or request a new connection from the trader who makes an application to the network.

ICPs supplied under the CTCX and CTCS codes may be supplied by a white label retailer, Simply Energy or Contact Energy. Application and customer contract information is received either directly from the customer, from Simply Energy’s solutions team or Contact Energy.

The new connection information is entered into Salesforce and added to the new connection workflow which is monitored to ensure that the job is completed, and Salesforce, DataHub, the registry, and MADRAS (if NHH settled) are updated.

The new connection process contains a step for Simply Energy to accept responsibility for CTCS and CTCX ICPs. Responsibility is accepted for each individual ICP and requires an MEP to be selected. Simply Energy completes MEP nominations when ICPs are moved to “inactive - new connection in progress status”.

The new connection job template states that certification is required and requests a load bank be taken if the site is not connected. Staff monitor this and contact the MEP if certification is not received promptly and are now receiving screenshots from AMS to confirm when energy began to flow through the meter for HHR new connections.

CTCX	<p>No new connections were completed.</p> <p>The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.</p>
CTCS	<p>I checked 25 new connections and confirmed that the expected process was followed, and responsibility was accepted.</p> <p>The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.</p> <p>ICP 0110007670EL116 is an NZTA streetlight ICP relating to the building of Transmission Gully. The meter was removed by persons unknown in January 2021. This load has been reconciled as unmetered load up to 30 June 2022 as from 1 July the ICP has been decommissioned and transferred to a Waka Kotahi DUML ICP. Volumes have been estimated to 30 June 2022. Estimation was calculated using historical meter reading history provided by the previous retailer to ensure a reasonable estimate of consumption has been applied and revised submission data is being provided through the revision cycle. Two months of revised consumption was reviewed and confirmed that the estimation is more accurate than the initial 55 kWh/day default initially applied.</p>

	The audit compliance report did not identify any new connections where an MEP nomination was not accepted within 14 business days.
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Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

- *for a point of connection to the grid – the grid owner has approved the connection,*
- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
- *the reconciliation participant is recorded in the registry as the trader responsible for the ICP,*
- *if the ICP has metered load, one or more certified metering installations are in place,*
- *if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the temporary electrical connection.*

Audit observation

The new connection process was examined in detail.

Audit commentary

CTCT

CTCT does not generally use the “inactive - new connection in progress” status, which means that if an ICP is temporarily connected before the active status date they may not be recorded as the trader on the registry.

As described in **section 2.9**, CTCT has processes in place to identify ICPs where the meter installation or certification date differs from the connection date. Where the meter appears to have been installed and tested prior to initial electrical connection, CTCT contacts the MEP to confirm how the meter was tested if this information is not available on the paperwork. If they find that the meter was genuinely connected from the meter certification date, the active status date will be amended to match. CTCT no longer amends dates on the distributor’s request without confirmation of the correct active status date.

The AC020 identified 31 ICPs where the meter certification date was earlier than the first active date. I checked a sample of 16 of these ICPs:

- ten ICPs were confirmed not to have been temporarily electrically connected, and
- six ICPs¹ are under investigation with the MEP and/or distributor to determine whether they were temporarily electrically connected.

¹ 0000052647HBDB4, 0000052648HB26A, 0000052650HBAD3, 0110012985ELC80, 0110013022EL1FC and 0110013216ELD09

I rechecked the ICPs where the previous audit found incorrect inactive dates, and found that the dates had been corrected, or further information had been obtained confirming that the original active status date was correct.

CTCX and CTCS

Simply Energy usually claims ICPs at 1,12 “inactive new connection in progress” status which helps to ensure that the trader is recorded on the registry if an ICP is temporarily electrically connected.

No new connections were completed for CTCX, and no temporary electrical connections occurred for CTCS.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(1)

Code related audit information

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

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

Audit observation

The new connection process was examined in detail to evaluate the strength of controls.

The AC020 reports were examined to confirm process compliance and that controls are functioning as expected.

Audit commentary

CTCT

Active ICPs without metering

All active metered ICPs have an MEP recorded. The audit compliance report recorded 101 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. 85 ICPs had MEP nominations made and accepted and were awaiting meter asset data on the registry, 15 ICPs had metering details populated on the registry after the report was run, and one ICP was moved to “inactive - ready for decommissioning” status after the report was run.

The audit compliance report identified three new ICPs which did not have an accepted MEP nomination within 14 business days. For two ICPs the nomination was made on time, but there was a delay in the MEP responding. Two new connection jobs were raised for Delta by a robot for ICP 0000514338CE7AF,

because the customer requested the connection twice. The jobs were issued to two different contractors, who attempted to install meters for different MEPs. Investigation was necessary to confirm the correct meter installation date, connection date and MEP before the ICP was updated to “active” status and the MEP was nominated.

New connections

CTCT does not generally use the “inactive - new connection in progress” status. The “inactive - new connection in progress” status is only applied where a correction is required to make the ICP active from a later date.

CTCT had accepted responsibility for all newly electrically connected ICPs. The audit compliance report found 117 NHH metered ICPs that were not certified within five business days of electrical connection and were not connected as unmetered builder’s temporary supplies.

73 of the ICPs expected to be metered and certified had no meter certification details. I checked the ten ICPs with the oldest status event dates. Two were decommissioned before the meter was certified, and the other eight were certified on time but the MEP updated the registry late or has not yet updated the registry.

The other 44 ICPs had certification dates between six and 136 business days after the initial electrical connection date. I checked the ten with the latest certification dates. Five were certified on time but the MEP updated the registry late or has not yet updated the registry, and five were certified late because the electricity was not connected at the time the meter was installed and the MEP needed to return to certify the meter.

Reconnections

Up to May 2023, CTCT reviewed a SAS report showing reconnected ICPs with expired meter certification. CTCT advised the MEP of the affected meters. If the MEP was willing to recertify at its own cost, CTCT asked the MEP to proceed with re-certification. If the MEP required CTCT to issue a service order and pay for the recertification, CTCT did not ask the MEP to proceed with re-certification.

SAS reports were decommissioned in May 2023 and a new version of this report is available in the Databricks reporting tool. The External Customer Solutions Specialist intends to talk to management to confirm who will be responsible for running this new report and how often it will be reviewed.

The audit compliance report identified 247 reconnected ICPs where the meter was not certified within five business days of reconnection. A diverse sample of 20 ICPs with different MEPs were checked and found certification was delayed by:

- pending meter replacements including meter roll outs, where the MEP was reluctant to recertify the existing meter where it was expected to be replaced in the near future,
- difficulty in arranging access to the meter for re-certification, or
- or there was no obvious reason why the meter was not certified.

Three of the updates were not physical reconnections by CTCT, and re-certification was not required.

Bridged meters

Meters are required to be certified on un-bridging, and CTCT issues field services jobs to “un-bridge and certify” to MEPs.

CTCT confirmed 198 ICPs had their meters bridged at some time between 1 June 2022 and 28 February 2023. 116 were unbridged, 48 switched away still bridged and the other 34 remain bridged. Another eight ICPs are remain bridged from the previous audit period.

The unbridged ICPs had their meters recertified on un-bridging with the exception of three ICPs (0041547000WRC82, 0000171978TR50B, 0000017176TC5C3) which were certified late. CTCT does not

monitor the recertification of bridged meters as they expect recertification will be completed as part of the un-bridge field work.

When an ICP is reconnected by bridging the meter the certification of the meter ends due to the breaking of the meter seals and the action to bypass the meter. The code enables trader to arrange the bypassing of a meter in certain circumstances providing the metering is reinstated back to ensuring all volume is measured and the meter is recertified.

CTCS and CTCX

Active ICPs without metering

CTCX	The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.
CTCS	The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.

New Connections

Simply Energy usually claims ICPs at 1,12 “inactive - new connection in progress” and nominates the MEP at the same time. Metered new connections are monitored to ensure that meter certification details are updated on the registry.

CTCX	No new connections were completed for CTCX.
CTCS	<p>The audit compliance report found two metered ICPs that were not certified within five business days of electrical connection and were not connected as unmetered builder’s temporary supplies.</p> <p>ICP 0000052395HB576 was confirmed to be certified on time. CTCS had recorded an incorrect active status date and the MEP had recorded an incorrect certification date. The correct dates were confirmed from connection paperwork and CTCS corrected the active status date on the registry. The incorrect status date is recorded as non-compliance in sections 3.5 and 3.8.</p> <p>ICP 0003612466AL5D1 was certified late because a different MEP’s meter was installed by the contractor in error, which caused some confusion and delays. The meter was certified six business days after installation.</p>

Reconnections

The operations team checks meters with certification due to expire in the next three months using a Salesforce dashboard report and follows the affected meters up with the MEP.

Simply Energy’s reconnection purchase orders for Wells contain text reminding staff to check that the meter certification is not expired on the registry. If there is no current certification, staff are expected to request re-certification. The reconnection job templates for MEPs do not mention meter certification.

CTCX	No reconnections were completed for CTCX.
CTCS	All reconnections were certified within five business days of reconnection.

Bridged meters

Simply Energy’s policy is to never bridge meters, and no meters were bridged during the audit period.

Audit outcome

Non-compliant

Non-compliance	Description	
<p>Audit Ref: 2.11</p> <p>With: Clause 10.33A</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>104 new ICPs did not have their meters certified within five business days of initial electrical connection.</p> <p>244 reconnection ICPs did not have their meters certified within five business days of reconnection.</p> <p>Metering for three ICPs was not recertified on un-bridging.</p> <p>CTCS</p> <p>One new ICP did not have its meter certified within five business days of initial electrical connection.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>The controls are rated as strong. Uncertified meters are monitored.</p> <p>The audit risk rating is low as a small proportion of ICPs were affected. Uncertified meters may have unidentified accuracy issues, but other validation processes will help to identify these.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>Late certification</u></p> <p>Unfortunately, Contact is unable to resolve this non-compliance as this has already occurred, however, we have started investigating and implementing preventative actions to increase our controls and further reduce the likelihood of this non-compliance arising in the future. - Please refer to the preventative actions section.</p> <p><u>Not recertified on un-bridging</u></p> <p>We are in the process of organising certification for the ICPs identified during the RP Audit as not being recertified on un-bridging.</p>		<p>Identified</p>

<p><u>CTCS</u></p> <p>Simply Energy cannot correct historic timeliness of these updates.</p>	<p><u>CTCS</u></p> <p>NA</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>Contact will continue to communicate & work with MEPs and field service providers to determine how we can further decrease the opportunity of non-certified metering and late meter certifications from arising.</p> <p>We have identified a gap where replication of our recertification monitoring report had not been successfully replicated from SAS to Data Bricks. We are in the process of replicating this report into Data Bricks, and plan on using this as an opportunity to implement improvements to the reporting, as well as discuss ownership, responsibilities, and training with the respective teams involved.</p>	<p><u>CTCT</u></p> <p>30/09/2023</p>	
<p><u>CTCS</u></p> <p>Simply Energy have identified more resource is needed in this space and as a result, are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control.</p> <p>Simply Energy is also working with their internal system administrator to improve current process in Salesforce to assist with timing and actions and to provide the Operations Team Leader visibility to assist and/or add resource where required.</p>	<p><u>CTCS</u></p> <p>01/09/2023</p> <p>01/12/2023</p>	

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

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

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

Audit observation

The process to ensure an arrangement is in place before trading commences on a network was examined and controls within each system were checked.

Audit commentary

CTCT

CTCT has previously demonstrated the existence of either a UoSA or other trading arrangement for all relevant networks. CTCT did not begin trading on any new networks during the audit period.

The NSP is added to SAP once the UoSA is in place. SAP will not accept a new ICP or ICP switching from a network where there is no agreement.

CTCX and CTCS

CTCS began trading on the CIAL, SMAL, and TIKL networks during the audit period, and no arrangements were in place between the networks and Contact Energy. CIAL has since been closed and the ICPs have moved to another network where an arrangement is in place. Seven active ICPs are still supplied across the SMAL and TIKL networks, and CTCS is planning to make arrangements with these networks which are managed by Tenco.

CTCS has previously demonstrated the existence of either a UoSA or other trading arrangement for all other relevant networks. Networks must be recorded in SalesForce before ICPs can be assigned to them.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.12 With: Clause 11.16 From: 01-Sep-22 To: 31-May-23	CTCS CTCS traded on ICPs connected to the CIAL, SMAL and TIKL networks where there was no arrangement or agreement in place. Potential impact: High Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating
Low	The controls are rated as moderate. CTCS had assumed that Contact had arrangements in place for these existing embedded networks and is working to put arrangements in place. The impact is low because 12 active ICPs were supplied across the affected networks during the audit period, and seven active ICPs are currently supplied. No issues arose during the audit period which could not be resolved because there was no arrangement in place. Contact and Simply Energy have existing arrangements in place with other networks managed by Tenco.

Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCS</u></p> <p>Simply Energy is in the process of agreeing terms with SMAL, CIAL has ceased effective 30 April 2023, and TIKL do not have an agreement with any Traders.</p>	<p><u>CTCS</u></p> <p>31/08/2023</p>	Identified
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCS</u></p> <p>Most networks will insist on a trader entering into a DDA before trading so in the unlikely case that this has not happened, a monthly check will be incorporated into the business day schedule to check for this and ensure we progress these to completion.</p>	<p><u>CTCS</u></p> <p>20/06/2023</p>	

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

The process to ensure an arrangement is in place with the metering equipment provider before an ICP can be created or switched in was checked, and the controls within each system were reviewed.

Audit commentary

CTCT

The new connection process requires a valid MEP to be nominated and an MEP to be recorded for all metered ICPs. MEP nomination rejections are monitored using BPEMs.

Contact has previously demonstrated that arrangements in place with all MEPs for their ICPs, with the exception of BOPE. CTCT is currently investigating this, and in the interim read attainment services are being provided by IHUB. The registry list recorded 957 active ICPs with BOPE meters.

Contact has previously demonstrated the existence of either a UoSA or other trading arrangement for all other relevant MEPs.

CTCX and CTCS

The new connection process requires a valid MEP to be nominated and a MEP to be recorded for all metered ICPs. MEP nomination rejections are monitored by daily review of incoming MN files from the registry.

Contact has previously demonstrated the existence of either a UoSA or other trading arrangement for all relevant MEPs.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.13 With: Clause 10.36 From: 01-Dec-21 To: 31-May-23	CTCT No arrangement in place for the maintenance of BOPE metering. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong overall. BOPE meters are displaced as soon as possible. The audit risk rating is low as a small proportion of ICPs were affected.		
Actions taken to resolve the issue		Completion date	Remedial action status
CTCT Contact was originally in the process of establishing an agreement with BOPE/Nova, however, this ceased when BOPE meters were acquired by IHub. Our arrangements in relation to BOPE meters will be resolved either through the transfer of the BOPE MEP ownership within the registry to IHub or our next metering service arrangement iteration with IHub (due Feb 2024).		CTCT 28/02/2024	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

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

Code reference

Clause 10.33B

Code related audit information

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

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

Audit observation

The process for reconnecting ICPs in the process of switching in was examined, including review of reports used in the process.

Traders are only able to update ICP status for event dates where they are responsible for the ICP on the registry.

Audit commentary

CTCT

Approximately every six months, CTCT reviewed a SAS report which shows ICPs reconnected as part of the switching process where the switch is later withdrawn. Withdrawals up to November 2022 were reviewed in January 2023.

SAS reports were decommissioned in May 2023 and the switching team will ensure that a new version of this report is available in the new Databricks reporting tool.

If a withdrawal is completed for an ICP reconnected as part of the switch in process, CTCT's policy is to restore the status to disconnected and bear any associated costs if requested by the other trader.

CTCS and CTCX

If an ICP was reconnected as part of the switching process and the switch was later withdrawn, Simply Energy would restore the disconnection and reimburse the losing trader for any direct costs incurred if requested.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

The disconnection process was examined. Traders are only able to update ICP status for event dates where they are responsible for the ICP on the registry.

Audit commentary

CTCT

Contact cannot create a service order for disconnection if they are not listed as the current trader in SAP.

CTCS and CTCX

Simply Energy checks that CTCS or CTCX is listed as the current trader in the registry before initiating a disconnection.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

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

- *ensure 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,*
- *update the registry (if the profile code has changed),*
- *notify the metering equipment provider.*

Audit observation

Policies and processes for removal and breakage of seals were reviewed.

A sample of disconnections, reconnections, additions of export metering, and bridged meters were checked for compliance.

Audit commentary

CTCT

All activities which could result in seals being removed or broken are completed by Delta, the MEP, or subcontractors to Delta and/or the MEP.

CTCT liaises directly with Delta for legacy meters, and the MEP for AMI and HHR meters. Any field services jobs which could result in seals being removed or broken are raised in ORB, and rules apply to ensure that jobs are sent to the correct service provider. The only exception to this is where the MEP raises a field services job themselves and advises CTCT when work is completed. CTCT provided five examples of service orders raised for broken seals or un-bridging meters and the requests included clear instructions on resealing and recertifying the metering.

CTCT has agreements in place with Delta and the MEPs, which include service levels. Delta and the MEPs are required to ensure that only qualified personnel perform work and manage and trace seals. Delta and the MEPs do not usually provide details of seals in their job completion paperwork.

CTCT receives work completion paperwork from Delta and the MEPs and uses this information to confirm the correct ICP attributes including status and profile, and update SAP and the registry. Service orders are monitored in ORB, and reports of overdue jobs are generated each Tuesday and emailed to Delta or the MEP for action.

A sample of disconnections, reconnections, and additions of distributed generation were checked. I found that the MEP had completed the work where the seals were removed or broken.

CTCS and CTCX

All activities which could result in seals being removed or broken are completed by Wells, the MEP, or subcontractors to the MEP. If Simply Energy discovers that another party has removed or broken a meter's seals (such as the customer's electrician) they will arrange for the MEP to check and reseal the meter. I confirmed this process by reviewing two examples where reseals occurred following the customer's electrician removing seals due to damage to the meter box or work conducted by the electrician.

Simply Energy has agreements in place with Wells and the MEPs, which include service levels. Wells and the MEPs are required to ensure that only qualified personnel perform work and manage and trace seals. Wells and the MEPs do not usually provide details of seals in their job completion paperwork.

Simply Energy receives work completion paperwork from Wells and the MEPs and uses this information to confirm the correct ICP attributes including status and profile, and update Salesforce, MADRAS and the registry. Service orders are monitored using cases in Salesforce and/or Microsoft Outlook, and overdue service orders are followed up.

Most disconnections and reconnections are completed remotely, and any metering changes or addition of distributed generation is completed by the MEP. Wells completes any on-site disconnections and reconnections. No meters were bridged at CTCS or CTCX's request during the audit period.

A sample of disconnections, reconnections, and additions of distributed generation were checked. I found that the MEP had completed the work where the seals were removed or broken.

Audit outcome

Compliant

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

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

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

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

If the trader bridges a meter, the trader must:

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

The trader must determine meter readings as follows:

- *by substituting data from an installed check meter or data storage device*

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

Audit observation

The process for bridging meters was discussed and a sample of bridged meters were reviewed.

Audit commentary

CTCT

Bridged meters are identified through returned work completion paperwork, and the NHH meter reading validation process.

CTCT only allows meters to be bridged where an urgent reconnection is required, and it is not possible to reconnect without bridging the meter. When an onsite reconnection is requested for an AMI meter, Delta phones the MEP while on site to attempt a soft reconnection, and only bypasses the meter if that fails. CTCT requires the contractor to use the FWR (further work required) function on the returned paperwork, which ensures that a job to “un-bridge and recertify” is raised with the MEP. Service orders to un-bridge and recertify meters are issued to the MEPs.

CTCT confirmed 198 ICPs had their meters bridged at some time between 1 June 2022 and 28 February 2023 and another eight ICPs remain bridged from the previous audit period. 116 were unbridged, 48 switched away prior to being unbridged and the other 34 remain bridged. The bridged meters have not been un-bridged because:

- access to un-bridge the meter has not been granted by the customer, or
- a job to un-bridge the meter is in progress but has not been completed.

A sample of 21 ICPs were reviewed to determine that the MEP was notified within one business day of Contact being advised the meter had been bridged. Two ICPs (0000544389TU4D3 and 0010384088ELE72) were notified late to the MEP due to the field service contractor not applying the FWR (further work required) flag on the completed service order resulting in a delayed notification.

Corrections to capture and report consumption during bridged periods continue to not be consistently processed. The field services team identify bridged meters on receipt of reconnection paperwork and arrange for the meters to be unbridged.

The revenue assurance team have a report to identify completed un-bridged service orders to enable the revenue assurance team to calculate and apply estimates of consumption during the bridged periods. However, ICPs that switch away bridged or ICPs that have bridged period that span multiple consumers or exceed 12 months are manually passed to the Reconciliation team via email notification to apply a correction directly to the volume information used for submission.

The reconciliation team also uses the Databricks data warehouse to search for ICPs with notes indicating that they have been bridged or unbridged. This report is intended to be reviewed every month once the backlog has been worked through. The report review process includes:

- bridged meters which have not been un-bridged are referred to field services, so that a service order can be raised for un-bridging, and
- if an ICP has been un-bridged, it is checked to determine whether a correction to capture consumption during the bridged period has been made and if not, this will be followed up.

While this additional reporting has now been implemented the backlog of corrections to be applied from the previous audit period and also early in the current audit period have not been fully resolved. Additionally, there are delays from when the meters have been un-bridged to when the revenue

assurance team have assessed the consumption patterns post the bridged period before calculating a daily average consumption to apply for the affected period. The various delays from the correction process means volume information is not being corrected as soon as practicable as required by the code (Clause 15.2 (2)).

A sample of nine ICPs were reviewed to determine that a volume correction had been appropriately applied. Four NHH ICPs have had NHH corrections applied, one HHR ICP has had a NHH correction applied meaning this will not flow through to the HHR submission volumes, one ICP has a bill block in place indicating a correction is still to be calculated and three ICPs did not have a correction applied.

The last audit identified no corrections had been applied for a sample of 15 ICPs. These were reviewed again to see if a correction has now been applied. No corrections have been applied for any of this sample prior to this audit and 13 ICPs are now outside the revision window for the affected period. However, volume corrections for this sample were applied to the next available revision window including updates to the submission type to enable NHH volume corrections to be applied for seven of these affected ICPs. CTCT did not review all 98 bridged meters reported in the previous audit to determine if a volume correction had been applied or not.

The last audit also identified 14 ICPs that had not been un-bridged during the previous audit period. These were also reviewed and found:

- six ICPs had subsequently switched away and no volume corrections have been applied,
- five ICPs have been un-bridged, and no volume corrections have been applied,
- two ICPs have been un-bridged, and volume corrections have been correctly applied, and
- one ICP has been disconnected at the pole fuse and no volume corrections have been applied.

Non-compliance is recorded in **sections 12.2** and **12.7**.

While the additional reporting implemented has improved the identification of bridged meters the application and timeliness of corrections remains inconsistent across the process. I recommend that CTCT continues with the process improvement to date by implementing further end to end process monitoring to ensure the process is fully completed within an appropriate period of time.

Recommendation	Description	Audited party comment	Remedial action
Bridged meter process	<p>CTCT</p> <p>Enhance the current processes to:</p> <ul style="list-style-type: none"> • review the correction for accuracy and ensure that the volumes are correctly applied for submission based on the submission type for the affected ICP, and • provide end to end monitoring to ensure that bridged meters are un-bridged, and corrections are processed. 	<p>CTCT</p> <p>Contact will take into consideration the Auditors recommendations</p>	Under investigation

CTCS and CTCX

Simply Energy’s policy is to never bridge meters, and no meters were identified as being bridged during the audit period.

Bridged meters would be identified through consumption validation checks, and review of reconnection paperwork. Simply Energy is also developing a zero-consumption report to increase the monitoring of potential bridged/faulty meters.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 2.17</p> <p>With: Clause 10.33C and 2A of Schedule 15.2</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>Two ICPs from a sample of 21 where the MEP was notified of a bridged meter later than one business day from when Contact was notified.</p> <p>Volume corrections not applied for 48 bridged ICPs that have subsequently switched away.</p> <p>Volume corrections not applied or applied incorrectly for five bridged ICPs from a sample of nine ICPs.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: None</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Medium</p>	<p>The controls are rated as weak. While the reporting and identification of bridged meters has improved the controls around processing corrections are not sufficient to ensure that these are consistently processed.</p> <p>The audit risk rating is medium based on the number of ICPs with bridged meters identified.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>Late notification to MEP of a bridged meter</u></p> <p>Unfortunately, we are unable to resolve this non-compliance as this has already occurred, however, we have started investigating and implementing preventative actions to increase our controls and further reduce the likelihood of this non-compliance arising in the future. - Please refer to the preventative actions section.</p> <p><u>Volume Corrections</u></p> <p>Energy Rec team to complete reconciliation of existing corrections for accuracy, including apply consumption corrections for Bridged ICPs not yet corrected and ensure that the volumes are correctly applied for submission based on the submission type for the affected ICP.</p>		<p>N/A</p> <p>30/09/2023</p>	<p>Identified</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
<p><u>CTCT</u></p> <p><u>Late notification to MEP of a Bridged meter</u></p> <p>With the implementation of Project Edna, we have been successful in advocating for data previously only accessible via Orb, to be available within our new data platform.</p> <p>This newly accessible data will open further opportunities to automate the monitoring and notifying of bridged meters to MEPs.</p> <p>We are working with our Business Simplification Team to identify how we can utilise this newly accessible data to improve our processes and reporting of bridged meters, to further decrease the likelihood of this non-compliance arising in the future.</p> <p>While our Business Simplification Team investigate these opportunities, we will continue to identify bridged metering daily via our FWR (further work required) flags within our service order dockets and will notify MEPs the same day these are identified.</p> <p><u>Volume Corrections</u></p> <p>Contact will investigate the current process to investigate room for further improvements.</p>	Working progress	

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

Code reference

Clause 11.30

Code related audit information

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

Audit observation

A sample of invoices and letter templates relating to invoicing were reviewed to confirm that the ICP number is present.

Audit commentary

CTCT

Invoices contain the ICP number, and ICP numbers are included in communications relating to the sale of electricity. Only the account number is included on correspondence relating to payments, as one account can have one or many ICPs attached.

CTCS and CTCX

CTCS customers are supplied under the Contact Energy brand, and CTCX customers are supplied under the Simply Energy, Compass Communications or Plains Power brands.

The invoices for all four brands contain the ICP number, and ICP numbers are included in communications relating to the sale of electricity.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Utilities Disputes is provided to customers was discussed. A sample of invoices, letter templates, emails, messenger correspondence, and recorded greetings for inbound calls were reviewed to determine whether clear and prominent information on Utilities Disputes is provided.

Audit commentary

CTCT

Clear and prominent information on Utilities Disputes is provided:

- on CTCT's website,
- on CTCT's invoices,
- in the text of letter templates including a generic template, and those related to pricing, invoicing, payments, complaints, outages, medically dependent customers, bonds, welcomes, transaction history,
- as part of the email footer for outbound emails,
- in all the social media channels, and
- in the recorded welcome message for inbound telephone calls.

Most outbound communications to customers regarding their invoices are by letter.

CTCS and CTCX

CTCS customers are supplied under the Contact Energy brand, and CTCX customers are supplied under the Simply Energy, Compass Communications or Plains Power brands.

All four brands have clear and prominent information on Utilities Disputes displayed on their websites, on their invoices, email footers, and in their terms and conditions. All directly addressed correspondence with customers is issued via email.

The Utilities Dispute service is promoted on all inbound phone calls for the Contact Energy and Simply Energy brands. Plains Power and Compass communications cannot add a Utilities Disputes message to their interactive voice recordings but ensure that the information is provided verbally when they respond to telephone enquiries.

Audit outcome

Compliant

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Powerswitch is provided to customers was discussed. A sample of invoices, letter templates and emails were reviewed to determine whether clear and prominent information on Powerswitch is provided.

Audit commentary

CTCT

Clear and prominent information on Powerswitch is provided:

- on CTCT's website,
- on CTCT's invoices,
- in the text of letter templates including a generic template, and those related to pricing, invoicing, payments, complaints, outages, medically dependent customers, bonds, welcomes, transaction history, and
- as part of the email footer for outbound emails.

Most outbound communications to customers regarding their invoices are by letter.

The annual notification requirement is met through issuing of invoices, which contain information on Powerswitch. Pre-pay customers who do not receive invoices are scheduled to be notified annually via text message each September. Having a mobile phone capable of receiving text messages is part of the terms and conditions of being a CTCT pre-pay customer.

CTCS and CTCX

Information on Powerswitch is required to be provided to any customers with a residential ANZSIC code. All three brands have clear and prominent information on Powerswitch displayed on their website and invoices.

The annual notification requirement is met through issuing of invoices, which contain information on Powerswitch.

Audit outcome

Compliant

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

The “new connections” process was examined in detail to confirm compliance with the requirement to obtain ICP identifiers for points of connection to local or embedded networks.

Audit commentary

A walkthrough of the process confirmed that this requirement is well understood and managed for all Contact's participant codes. There were no connections to networks identified without ICPs.

Audit outcome

Compliant

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

Code reference

Clause 11.7(2)

Code related audit information

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

Audit observation

The new connection processes were examined in detail to evaluate the strength of controls, and the registry list and audit compliance reports were examined to confirm process compliance. Late updates to “active” for new connections are discussed in **section 3.5**.

Audit commentary

The new connection processes are detailed in **section 2.9** above. The processes in place ensure that the trader required information is populated as required by this clause.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

The process to manage status changes is discussed in detail in **sections 3.8** and **3.9** below. The process to manage MEP nominations and trader updates was discussed.

The AC020 reports for each code were reviewed. A sample of late status updates, trader updates and MEP nominations were checked as described in the audit commentary.

Audit commentary

CTCT

Updates to active status

The status of an ICP is only changed to “active” when work completion paperwork is received. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A status update is transferred from SAP to the registry overnight.

The timeliness of status updates to “active” (for reconnections) is set out on the table below.

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
Active	2015	1,991	81%	8.7
	2016	2,760	85%	7.6
	2017	3,578	91%	12.7
	2018	2,707	86%	10.2
	2019	3,762	90%	5.4

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
	2020	1,186	91.33%	4.17
	Jan 2021	928	91.01%	3.58
	Aug 2021	1,192	85.38%	3.87
	Apr 2022	1,019	85.86%	4.14
	Feb 2023	1,718	85.29%	4.92

360 of the 1,718 late updates were made within ten business days of the event date, 1,143 were within 30 business days, and 1,689 were within 100 business days. The latest update was made 1,457 business days after the event date. I checked an extreme case sample of the ten latest updates, and ten late updates which were made 30 to 100 business days after the event date. The updates were late because:

- work completion paperwork was provided late,
- the ICP had a backdated switch, and the status could not be updated on the registry until the switch was complete, or
- corrections for inactive consumption, missed reconnections, or incorrect event dates.

Updates to inactive status

The status of “inactive” is only used once a CTCT approved contractor has confirmed that the ICP has been disconnected, except for some ICPs at “inactive - ready for decommissioning” status which are confirmed to be ready for decommissioning by the network. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A status update is transferred from SAP to the registry overnight.

The timeliness of status updates to inactive is set out on the table below.

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
Inactive	2015	794	93%	3.9
	2016	462	96%	9.6
	2017	324	98%	1.2
	2018	461	94%	4.0
	2019	486	98%	2.0
	2020	860	94.44%	5.43
	Jan 2021	649	94.51%	3.29
	Aug 2021	491	94.24%	6.19

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
	Apr 2022	435	94.84%	2.60
	Feb 2023	721	94.21%	3.12

15 of the late updates were to 1,12 (“inactive - new connection in progress”) status. This status is only used where an ICP is moved to “active” status and then a correction is required to move the ICP to “active” from a later date. 1,12 status is applied to the days between the original “active” status date and the day before the correct “active” status date.

253 of the other 706 late updates were made within ten business days of the event date, 480 were within 30 business days, and 645 were within 100 business days. The latest update was made 1,696 business days after the event date. I checked an extreme case sample of the five latest or all late updates per status reason code, and found the late updates were caused by:

- late receipt of paperwork or confirmation of the correct status, or inconsistent paperwork which needed to be followed up before the correct attributes could be confirmed,
- corrections where data had been entered incorrectly, incorrect information was provided by a contractor, or the ICP had switched in with an incorrect status recorded by the previous retailer,
- reinstating status events following a backdated switch withdrawal, and
- late processing of the disconnection by CTCT due to workloads.

The late updates were processed correctly.

Trader updates

The timeliness of trader updates is set out on the table below.

Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2020	16,591	90.63%	5.21
Jan 2021	1,912	94.90%	5.05
Aug 2021	2,498	89.18%	6.06
Apr 2022	1,431	89.19%	5.79
Feb 2023	2,544	84.61%	7.69

889 late updates were made within ten business days of the event date, 1,900 were within 30 business days, and 2,340 were within 100 business days. The latest update was made 1,964 business days after the event date. I reviewed an extreme case sample of the late updates as described below:

Update type (if listed)	Number late	Maximum days after event date	Findings
ANZSIC	367	1078	I checked the five latest updates and found they were corrections backdated to the customer’s move in date.

Update type (if listed)	Number late	Maximum days after event date	Findings
Profile	580	740	I checked the five latest updates and found they were delayed by backdated switch withdrawals or were backdated corrections to profiles.
Proposed MEP	1,194	355	I checked the 15 latest updates and found they were not MEP changes, but appeared to be because they replaced the most recent event and the MEP for the previous event was different. All were backdated profile corrections.
Submission type and profile	205	632	I checked the five latest updates and found they were delayed by backdated switch withdrawals or were backdated corrections to profiles.
Unmetered load	139	1,964	I checked the five latest updates and found they were backdated corrections to unmetered load data following validation.
(blank)	59	1656	I checked the five latest updates and found two were backdated profile corrections, and three removed a space from the profile field, and two were proposed MEP corrections.
Grand Total	2,544	1,964	

The late updates contained the correct event date and attributes except 0007680774HB8DE which had an incorrect daily unmetered kWh recorded. The incorrect data is recorded as non-compliance in **sections 2.1** and **3.7**. I re-checked incorrect trader updates identified during the previous audit and found they had been corrected.

186 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. I checked a sample of the ten latest updates and found they were delayed by backdated switch ins or new connections, or corrections to the ANZSIC code following switch in.

CTCX and CTCS

Updates to active status

ICP status is updated to “active” using the registry user interface once the correct status and status date are confirmed. The timeliness of status updates to “active” (for reconnections) is set out on the table below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Active	Jan 2021	11	71.05%	6.00
		Aug 2021	18	75.00%	7.63
		Apr 2022	4	90.00%	5.40
		Feb 2023	8	85.96%	11.11
CTCX	Active	Jan 2021	-	-	-

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
		Aug 2021	-	-	-
		Apr 2022	-	-	-
		Feb 2023	-	-	-

The eight late updates for CTCS were made between seven and 317 business days after the event date because:

- they corrected incorrect statuses or event dates found during the previous audit,
- they reinstated status events during a previous retailer’s period of supply which were reversed when a backdated switch was completed,
- they corrected the status to “active” where consumption occurred during a period which had been recorded as “inactive”, or
- there was a delay in processing reconnection paperwork due to workloads and priorities; these updates were made eight to 47 business days after the event date.

The missing status events were detected through the billing team’s issues tracker and passed to the operations team for resolution. Further training has been provided to staff regarding reinstating status events which were made by the previous trader and reversed when backdated switches occur, and correct application of statuses and event dates.

The late updates all reflected the correct status and status date.

Updates to inactive status

ICP status is updated to “inactive” using the registry user interface once the correct status and status date are confirmed. The timeliness of status updates to “inactive” is set out on the tables below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Inactive	Jan 2021	2	75.00%	12.13
		Aug 2021	37	49.32%	34.49
		Apr 2022	10	72.22%	13.56
		Feb 2023	22	81.67%	18.43
CTCX	Inactive	Jan 2021	-	-	-
		Aug 2021	-	-	-
		Apr 2022	-	-	-
		Feb 2023	-	-	-

Four of the late updates were to 1,12 (inactive - new connection in progress) status. Two were not genuinely late, because the update occurred prior to initial electrical connection. I checked the two genuine late updates:

- ICP 0000010073TE5D4 had its incorrect status reason code corrected from 1,4 to 1,12, and
- ICP 1002000911RJ60C was required to be claimed by a different trader code, and the MEP needed to reverse their event before this could be processed on the registry.

Four of the other 18 late updates were made within ten business days of the event date, 11 were within 30 business days, and 16 were within 100 business days. The latest update was made 604 business days after the event date. I checked an extreme case sample of the five latest or all late updates per status reason code. The late updates occurred because:

- they corrected incorrect statuses or event dates found during the previous audit,
- they reinstated status events during a previous retailer’s period of supply which were reversed when a backdated switch was completed, or
- the MEP and/or network provided late confirmation that the meter had been removed and/or the ICP was decommissioned or ready for decommissioning; in some cases, this notice was provided after a lengthy investigation into a non-communicating meter.

The late updates were processed with the correct status and reason code and event attributes apart from ICP 0000010073TE5D4 19 March 2021 which had an incorrect status reason code. This is recorded as non-compliance in **section 3.9**.

Trader updates

Trader updates including MEP nominations are updated using the registry user interface once the correct attributes and event date are confirmed. The timeliness of trader updates is set out on the table below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Trader	Jan 2021	29	43.14%	8.76
		Aug 2021	113	26.14%	4.31
		Apr 2022	63	87.27%	8.04
		Feb 2023	127	79.97%	13.37
CTCX	Trader	Jan 2021	1	50.00%	8.50
		Aug 2021	18	0.00%	15.61
		Apr 2022	5	70.59%	23.82
		Feb 2023	-	100.00%	0.17

For CTCS, 14 late updates were made within ten business days of the event date, 60 were within 30 business days, and 107 were within 100 business days. The latest update was made 302 business days after the event date.

I reviewed an extreme case sample of the five latest updates (or all late updates) of each type as described below. The updates contained correct content.

Update type	Number late	Maximum days after event date	Findings
Profile	8	103	The five latest updates were corrections from UML to RPS profile for ICPs where the unmetered load was connected for less than 24 hours per day. The changes were backdated so that the profile would be correct in time for the revision 7 submission.
Proposed MEP	8	235	All eight late MEP nominations were checked. Three were delayed by late notice of the meter change from the MEP. Two MEP nominations were not issued when the service order to change the meter was raised due to an oversight. One was a correction to reinstate a nomination which had accidentally been removed when updating the ICP's profile on the registry. One was a correction to change the MEP after the contractor installed a different MEP's meter to what was expected. One change had been initiated by another trader prior to the ICP switching to CTCS. CTCS needed to investigate to confirm the correct details before processing the MEP nomination.
Submission type and profile	77	97	The five latest updates were corrections from HHR-HHR to NHH-RPS where AMI data was not being received and/or passing validation. The changes were backdated to the last date when actual validated HHR data was received.
Unmetered load	34	302	The five latest updates were corrections to the daily unmetered kWh, identified through a project to determine the correct profile for unmetered load ICPs. All were backdated so that correct volumes could be included in the next revision 14 submission.

One ANZSIC code update for CTCS was made more than 20 business days after CTCS began trading at the ICP because of a backdated new connection.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.3 With: Clause 10 Schedule 11.1	<p>CTCT</p> <p>1,718 late updates to "active" status.</p> <p>721 late updates to "inactive" status.</p> <p>2,544 late trader updates.</p> <p>186 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p>CTCS</p>

<p>From: 01-Jun-22 To: 20-Feb-23</p>	<p>Eight late updates to “active” status. 20 late updates to “inactive” status. 127 late trader updates. One ANZSIC code update was made more than 20 business days after CTCS began trading at the ICP. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>The controls are rated as moderate overall, as there is room for improvement. Overall, the level of compliance is high with the majority of updates being completed within five business days of the event. The audit risk rating is low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCT</u> <u>Status & Trader updates</u> Contact acknowledges the non-compliances identified and the underlying factors that lead to incorrect or late notifications in the Registry. Where errors or delays are a result of the paperwork returned from the field, we will continue to utilise the contractor performance provisions within our respective agreements to address any concerns and improve the process moving forward. Where trending errors or delays are found to be a result of data entry issues, processes, or system related errors, we will continue to review the respective areas to identify opportunities for improvement. These improvements will be by way of improving process documentation, providing additional training where required, and/or completing system enhancements.</p> <p><u>ANZSIC Codes</u> Contact has monthly reporting in place to identify ICPs with an incorrect ANZSIC code applied in the Registry. This reporting is utilised to identify and correct ANZSIC code inaccuracies where they exist, as well as being used to help identify the underlying factors causing the data inaccuracies to arise.</p>	<p><u>CTCT</u> Ongoing Ongoing</p>	<p>Identified</p>

<p>The late updates identified by the Auditors were predominately a result of correcting data inaccuracies identified via the above-mentioned reporting, or a result of the delays in paperwork affecting new connections and meter changes.</p> <p>As the root cause of the data inaccuracies are identified, we are actively working to implement further training and or process changes to assist with decreasing the opportunity for the loading of incorrect late ANZSIC codes updates to the Registry from arising.</p> <p><u>CTCS</u></p> <p>The 127 late trader updates were caused by an MEP providing consistent unvalidated HHR AMI data. Simply Energy performed a review of estimated HHR data and therefore backdated any changes to when the last time was that Actual data was received. A backdated date therefore was unavoidable.</p> <p>Late updates cannot be corrected. NB Meetings were held immediately after the Audit to ensure that Data Quality and timeliness was a daily priority. Process refreshers were also provided to all team members.</p>	<p><u>CTCS</u></p> <p>N/A</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>We will continue to assess and enhance our processes, discrepancy reports, documentation, etc on a regular basis to ensure they are fit for purpose.</p> <p><u>CTCS</u></p> <p>Trader updates for Profiles HHR to RPS will more than likely always be a non-compliance as MEP's only update the Advanced Meter Flag when there's been 10 days of no reads received. As soon as the flag is updated, Simply Energy updates the Profile.</p> <p>Simply Energy have identified more resources are needed in this space and as a result, are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control.</p> <p>Simply Energy is also working with their internal system administrator to improve current process in Salesforce to assist</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>01/09/2023</p> <p>01/12/2023</p>	

with timing and actions and to provide the Operations Team Leader visibility to assist and/or add resource where required.		
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3.4. Trader responsibility for an ICP (Clause 11.18)

Code reference

Clause 11.18

Code related audit information

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

A trader ceases to be responsible for an ICP if:

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

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

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

Audit observation

The new connection, MEP nomination and decommissioning processes were reviewed, and the registry list and audit compliance reports were examined to confirm process compliance.

A sample of MEP nomination rejections and decommissioned ICPs were examined.

Audit commentary

CTCT

Retailers Responsibility to Nominate and Record MEP in the Registry

FCLM MEP nominations are processed manually using the registry interface at the time the service order is issued. For all other MEPs, MEP details are transferred from ORB to SAP once completion paperwork is received, and the SAP workflow creates an MEP nomination. MEP nominations for new connections are issued when the work is complete and the ICP moves to “active” status, and any late “active” status updates will also have late MEP nominations. Trader updates (including MEP nominations) are transferred to the registry from SAP overnight.

If the information required for the MEP nomination is incomplete or inconsistent with expected values for the fields in SAP (e.g., a relay owner is recorded in the MEP field) a BPEM is created, and a user will update the required information so that the MEP nomination can be created.

Rejected nominations are identified through the BPEM process, and missing nominations are identified by BPEMs (where SAP information is incomplete) or the MEP. 18,233 (99.95%) of the 18,243 MEP nominations identified on the event detail report were accepted. Ten MEP nominations were rejected

and were identified and reissued through the BPEM processes. The incorrect nominations were issued because:

- the wrong MEP was recorded in the contractor’s work completion paperwork,
- the wrong MEP was manually entered into SAP where the nomination could not be processed automatically, or
- the ICP’s meter had previously been owned by a different MEP, and SAP raised the nomination for the earliest MEP recorded for that meter number in error.

All “active” metered ICPs have an MEP recorded. The audit compliance report recorded 101 “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. 85 ICPs had MEP nominations made and accepted and were awaiting meter asset data on the registry, 15 ICPs had metering details populated on the registry after the report was run, and one ICP was moved to “inactive - ready for decommissioning” status after the report was run.

The audit compliance report identified three new ICPs which did not have an accepted MEP nomination within 14 business days. For two ICPs the nomination was made on time, but there was a delay in the MEP responding. Two new connection jobs were raised for Delta by a robot for ICP 0000514338CE7AF, because the customer requested the connection twice. The jobs were issued to two different contractors, who attempted to install meters for different MEPs. Investigation was necessary to confirm the correct meter installation date, connection date and MEP before the ICP was updated to active status and the MEP was nominated.

ICP Decommissioning

CTCT continues with their obligations under this clause. ICPs that are vacant and “active”, or “inactive” are still maintained in SAP.

Where decommissioning is required, CTCT raises a field services job for the MEP to collect their meter and the network to decommission. If the MEP cannot complete the job due to either the meter’s location or the urgency of the decommissioning, a job will be raised with Delta who are expected to advise the MEP and return the meter to them. Once work completion paperwork is received in ORB, the disconnection reads and status are transferred to SAP, which then updates the registry to “inactive - ready for decommissioning” status.

A diverse sample of ten ICPs were examined, and an attempt to read the meter was made at the time of removal. Where an actual read could not be obtained for the disconnection date, a permanent estimate read was entered. The MEP was notified of the decommissioning by issuing a service order for meter removal, except where the MEP had advised CTCT that the meter was already removed.

CTCX and CTCS

Retailers Responsibility to Nominate and Record MEP in the Registry

Simply Energy creates MEP nominations for all MEPs when the ICP moves to 1,12 “inactive - new connection in progress” status, or when a field services job is nominated. MN responses received from the registry are manually reviewed and actioned daily, and Salesforce cases are raised to monitor meter and MEP changes in progress.

CTCX	<p>All active metered ICPs had an MEP recorded.</p> <p>The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.</p> <p>No MEP nominations were made.</p>
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CTCS	<p>All active metered ICPs had an MEP recorded, and the audit compliance report did not identify any new connections where an MEP nomination was not accepted within 14 business days.</p> <p>The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.</p> <p>All 278 MEP nominations identified on the event detail report were accepted.</p>
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ICP Decommissioning

ICPs that are vacant and “active”, or “inactive” are be maintained in Simply Energy’s systems.

Simply Energy’s normal policy is to arrange for the meter(s) to be removed once decommissioning is confirmed and return the meter(s) to the MEP. The MEP is notified as part of the service order if they are to remove the meters, or through the registry status update and return of the meters if the service order is completed by Wells.

When an ICP is decommissioned, an attempt is made to read the meter at the time of removal. If this is not possible then the last actual meter reading will be used.

CTCX	No ICPs were decommissioned during the audit period.
CTCS	<p>A diverse sample of ten ICPs were examined, and an attempt to read the meter was made at the time of removal. Where an actual read could not be obtained for the disconnection date, a permanent estimate read was entered into Datahub and MADRAS.</p> <p>The MEP was notified of the decommissioning by issuing a service order for meter removal, except where the MEP had advised Simply Energy of the pending decommissioning.</p>

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 3.4</p> <p>With: Clause 11.18</p> <p>From: 18-Nov-22</p> <p>To: 23-Feb-23</p>	<p>CTCT</p> <p>ICP 0000514338CE7AF did not have an accepted MEP nomination within 14 business days of initial electrical connection.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>The controls are strong, because the late nomination was caused by a rare event where two service orders were raised for one new connection and needed subsequent investigation to confirm the correct MEP.</p> <p>The impact is low, because the MEP had accepted responsibility and certified the meter on the initial electrical connection date.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>CTCT</p> <p>An MEP event is now present within the Registry.</p> <p>The missing data was a result of two new connection jobs being raised for the same ICP, which entail required investigation to confirm if the metering information returned on the completed service order was correct or not.</p>	<p>CTCT</p> <p>26/06/2023</p>	<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>CTCT</p> <p>We are looking into what opportunities we have to improve existing reporting to identify ICPs that did not have an accepted MEP nomination within 14 business days of initial electrical connection as a result of paperwork related issues.</p>		

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

Code reference

Clause 9 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The new connection processes were examined in detail to evaluate the strength of controls, and the registry list and audit compliance reports were examined to confirm process compliance.

Audit commentary

CTCT

New connection timeliness

Contact claim ICPs from the “ready” status and change them to “active” once electrical connection has occurred. MEP nominations will be late for any ICPs not updated within the required timeframe.

The timeliness of status updates to active (for new connections) is set out on the table below.

Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2015	1,077	68%	9.7
2016	985	79%	5.6
2017	1,138	89%	3.1
2018	1,239	84%	6.0
2019	784	77%	8.0
2020	1,083	82%	5.4
Jan 2021	306	92.64%	3.35
Aug 2021	195	94.22%	5.05
Apr 2022	131	94.64%	2.83
Feb 2023	503	88.58%	3.44

303 of the 503 late updates were made within ten business days of the event date, 455 were within 30 business days, and 498 were within 100 business days. The latest update was made 185 business days after the event date. I checked an extreme case sample of the 20 latest updates and found they were delayed by:

- the network choosing an incorrect proposed trader and CTCT could not update the registry until the proposed trader was corrected,
- the trader changing part way through the connection process, resulting in confusion about which trader’s new connection job was completed and an investigation to confirm the correct connection details,
- late notification of completion of the connection from the contractor, or an error on the contractor’s paperwork which led to a correction of the “active” status date, or
- late processing of the connection by CTCT, or an error when processing the connection which led to a correction of the “active” status date.

The late updates were processed with the correct status and connection date.

The previous audit recorded that ICP 0000010882TE98B had “active” status from 31 August 2021 but should not have been made “active” until metering was installed on 7 December 2021. The ICP has now switched out and has not been corrected.

New connection information accuracy

The status of an ICP is only changed to “active” once confirmation has been received by a contractor. Submission information is provided for all “active” ICPs. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A workflow will be generated for a user if SAP cannot find the correct service order number or information is missing, such as readings or dates. A user manually checks the paperwork and/or confirms the missing details with the contractor before updating SAP.

Validation is in place for new connections:

- a robot checks new connections when the service order is closed by comparing the active date in SAP to the meter certification date and initial electrical connection date where these are available; if there are differences between the active date and a populated meter certification date or initial electrical connection date an exception is generated for a user to review,
- up to May 2023 CTCT used the NEWREADYICPSREPORT daily to monitor new connections; this report included ICPs at “new” or “ready” status, with either a service order raised, or an initial electrical connection date populated, and a counter which identifies the days remaining before a breach for late registry information will occur.
- in May 2023 SAS was decommissioned and from June 2023 a new Databricks report has been developed to include the same information as the NEWREADYICPSREPORT; the switching team have found the report includes some ICPs which do not require investigation or action and will use filtering to identify genuine discrepancies for investigation, and
- ICPs which have been at “new” or “ready” status for more than 24 months are being monitored on a regular basis; CTCT approaches either the customer or the distributor as appropriate i.e., the distributor in the case of ICP deconsolidation projects, to confirm if the new connection is still required.

The AC020 report identified 54 ICPs with an initial electrical connection date populated which had not been made “active”:

- 50 ICPs were updated to “active” status from the initial electrical connection date or decommissioned after the report was run,
- ICPs 0000575046NR332 and 1002150796LC3BD are under investigation to confirm whether connection is complete,
- ICP 1002163519LC0E2 has not been connected yet and CTCT’s status is correct, and
- ICP 0000062294NT59C was connected on 13 February 2023 and the meter has recorded consumption since 14 February 2023; the ICP has not been claimed and moved to “active” status by CTCT because it is a TOU meter and expected to be supplied under CTCS but the network has CTCT recorded as the proposed trader, which has prevented CTCS from claiming the ICP.

Recommendation	Description	Audited party comment	Remedial action
Process the new connection for ICP 0000062294NT59C. Review the new connection process and add controls to prevent HHR new connections being accepted.	CTCT Arrange for the distributor to change the proposed trader for ICP 0000062294NT59C to CTCS, so that CTCS can claim the ICP, move it to “active” status and provide submission data.	CTCT ICP 0000062294NT59C is now claimed by CTCS from active date of 13/02/2023. Contact is regularly providing training to our operators to ensure new connections for ToU meters are passed over to CTCS, we are exploring changes in our system to have more robust controls in place.	Adopted for ICP 0000062294NT59C. The ICP has been claimed and moved to active status. Training is in place as a preventative control to prevent HHR new

Recommendation	Description	Audited party comment	Remedial action
	Review the new connection process and add controls to prevent HHR new connections being accepted.		connections for CTCT.

Active dates for new connections were compared to the distributor’s initial electrical connection date (IECD), and MEP’s certification date (MCD) using the AC020 report which identified 1,080 ICPs with date discrepancies. 49 unmetered ICPs had an “active” date consistent with the initial electrical connection date and were confirmed to be correct. I checked a sample of 49 of the remaining 1,031 exceptions as shown in the table below.

Findings	Quantity	Sample size	Number in sample incorrect
IECD = active date and MCD ≠ active date	12	5	-
IECD ≠ active date and MCD = active date	53	5	1
IECD ≠ active date and MCD ≠ active date	8	5	5
IECD = active date and no MCD	70	5	-
IECD ≠ active date and no MCD	4	4	2
IECD ≠ active date and unmetered	7	5	1
No IECD and MCD = active date	763	5	2
No IECD and MCD ≠ active date	12	5	-
No IECD and no MCD	67	5	2
No IECD and unmetered	35	5	-
Total	1,031	49	13

The discrepancies are listed in the table below, and remain incorrect apart from ICP 1001283070UN450:

ICP	Recorded Status Event Date	Correct Status Event Date	Exception type
0000574620NRAEB	30 September 2022	29 September 2022	IECD ≠ active date and MCD = active date
0000513860CEADD	6 July 2022	5 July 2022	IECD ≠ active date and MCD ≠ active date
0000540328WT809	15 August 2022	12 August 2022	IECD ≠ active date and MCD ≠ active date
1100000278WM1E3	6 September 2022	5 September 2022	IECD ≠ active date and MCD ≠ active date
1100000173WMC34	12 July 2022	11 July 2022	IECD ≠ active date and MCD ≠ active date

ICP	Recorded Status Event Date	Correct Status Event Date	Exception type
0007211289RN958	16 September 2022	15 September 2022	IECD ≠ active date and MCD ≠ active date
1002161054LCB59	22 July 2022	13 July 2022	IECD ≠ active date and no MCD
0000416097WT4BE	11 July 2022	18 July 2022	IECD ≠ active date and no MCD
0007209556RN127	13 August 2022	12 August 2022	IECD ≠ active date and unmetered
0007212818RN210	8 December 2022	7 December 2022	No IECD and MCD ≠ active date
0110013363ELC1F	18 January 2023	19 January 2023	No IECD and no MCD
0110013367ELD15	16 November 2022	17 November 2022	No IECD and no MCD
1001283070UN450	18 October 2022	Not connected, now moved to ready for decom	No IECD and MCD ≠ active date

I rechecked the ICPs where the previous audit found incorrect “inactive” dates. ICPs 0007205438RNFC8 (active date 13 December 2021, expected date 8 December 2021) and 0007205215RNBCO (active date 13 December 2021, expected date 8 December 2021) are being investigated to confirm the correct dates. Once the date is confirmed CTCT will ask the network to change their “ready” status date if necessary, so that the “active” status date can be corrected. The other ICPs had undergone corrections, further investigation had confirmed that the applied dates were correct, or the ICPs were switched out or decommissioned before the issues could be resolved.

MEP nomination

As CTCT does not use the “new connection in progress” status, the nomination of the MEP will be late for any ICPs not updated within the required timeframe. The 503 late new connections identified above have a late MEP nomination and are recorded as non-compliant.

ANZSIC code population

186 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. I checked a sample of the ten latest updates and found they were delayed by backdated switch ins or new connections, or corrections to the ANZSIC code following switch in.

CTCX and CTCS

New connection timeliness

New connections are managed using workflows and Salesforce cases which remain open until the new connection is completed. Meters for new connections are imported into Salesforce and then through to DataHub from a meter change sheet which is processed twice per month.

The timeliness of status updates to active (for new connections) is set out on the tables below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Active	Jan 2021	5	16.67%	22.33

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
		Aug 2021	27	27.03%	16.49
		Apr 2022	19	26.92%	15.23
		Feb 2023	18	71.43%	13.16
CTCX	Active	Jan 2021	-	-	-
		Aug 2021	-	-	-
		Apr 2022	-	-	-
		Feb 2023	-	-	-

Nine of the 18 late updates were made within ten business days of the event date, 13 were within 30 business days, and 15 were within 100 business days. The latest update was made 210 business days after the event date. I checked an extreme case sample of the ten latest updates and found they were caused by:

- investigation to confirm the correct “active” status date where there were discrepancies between MEP, meter and/or distributor information,
- late receipt of connection paperwork,
- late processing of an unmetered new connection due to the staff member being unsure of the process, and
- late processing of a request for connection due to an oversight.

All of the late updates had the correct status and event date applied, and three of the late updates also had late MEP nominations.

Screenshots are provided by the MEP and used to confirm when electricity began to flow through the meter, which is helping to determine the correct initial electrical connection date more quickly.

New connection information accuracy

The accuracy of “active” status dates was checked using the AC020 report:

CTCX	CTCX did not complete any new connections and no “active” status date discrepancies were identified.
CTCS	The AC020 report identified one ICP with a missing update to “active” status, which was moved to “active” status after the report was run. “Active” dates for new connections were compared to the distributor’s initial electrical connection date and MEP’s certification date using the AC020 report, and 22 date discrepancies were identified. I checked a sample of 14 discrepancies including five (or all) for each exception type and found Simply Energy’s status and event date were correct for 13 of the ICPs. ICP 0000052395HB576 had an incorrect status date recorded and was updated during the audit following investigation to confirm the correct date.

The previous audit recommended that the correct connection date should be confirmed for ICP 0110012926EL85F. This has been done and I confirmed that the connection date is correctly recorded on the registry.

MEP nomination

The new connection process contains a step for Simply Energy to accept responsibility for CTCS and CTCX ICPs. Responsibility is accepted for each individual ICP and requires an MEP to be selected. Simply Energy completes MEP nominations when ICPs are moved to 1,12 “inactive - new connection in progress” status.

I found that four ICPs had late MEP nominations because the ICP was not claimed until it after they became “active” for CTCS.

ANZSIC code population

The code requires that the ANZSIC code is populated within 20 days of trading commencing.

CTCX	The AC020 report did not record any late updates to ANZSIC codes for new connections and switch ins.
CTCS	One ANZSIC code update for CTCS was made more than 20 business days after CTCS began trading at the ICP because of a backdated new connection.

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 3.5</p> <p>With: Clause 9 Schedule 11.1</p>	<p>CTCT</p> <p>503 late updates to active status and MEP nominations for new connections.</p> <p>ICP 0000062294NT59C was connected on 13 February 2023 and the meter has recorded consumption since 14 February 2023. The ICP has not been claimed and moved to active status by CTCT because it is a TOU meter and expected to be supplied under CTCS.</p> <p>13 of a sample of 49 ICPs checked had incorrect active status dates, and one was corrected during the audit.</p> <p>186 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p>CTCS</p> <p>18 late updates to active status for new connections.</p> <p>One ICP had an incorrect active status date recorded and was corrected during the audit.</p> <p>One ANZSIC code update was made more than 20 business days after CTCS began trading at the ICP.</p> <p>Four late MEP nominations for new connections.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p>

From: 29-Jun-22 To: 31-May-23	Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as moderate for both codes, as there is room for improvement. The audit risk rating is low because the number of ICPs affected overall is small. Late or inaccurate changes to "active" can result in delays in providing submission information and billing the customer, and incorrect active dates can have an impact on submission data.		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>New Connection</u></p> <p>Correction process is underway for the ICPs identified during the audit process.</p> <p>New connections are monitored through automated daily reports. Late updates are often related to delayed paperwork returned from the field by the contractors. We are reviewing this process under our business simplification project to work more collaboratively with our field service providers to ensure field paperwork is returned accurately and in timely manner.</p> <p>ICP 0000062294NT59C is now claimed by CTCS with an active date of 13/02/2023.</p> <p>We are regularly providing training to our operators to ensure new connections for ToU meters are passed over to CTCS at the earliest convenience, and we are exploring further changes to our system that would ensure more robust controls to monitor these are in place.</p> <p><u>ANSIC codes</u></p> <p>Contact has monthly reporting in place to identify ICPs with an incorrect ANZSIC code applied in the Registry. This reporting is utilised to identify and correct ANZSIC code inaccuracies where they exist, as well as being used to help identify the underlying factors causing the data inaccuracies to arise.</p> <p>The late updates identified by the Auditors were predominately a result of correcting data inaccuracies identified via the above-mentioned reporting, or a result of the delays in paperwork affecting new connections and meter changes.</p> <p>As the root cause of the data inaccuracies are identified, we are actively working to implement further training and or process changes to assist with decreasing the opportunity for the</p>		<p><u>CTCT</u></p> <p>Ongoing</p>	Identified

<p>loading of incorrect late ANZSIC codes updates to the Registry from arising.</p> <p><u>CTCS</u></p> <p>Late updates cannot be corrected. Simply Energy continues to review the ANZSIC codes of ICPs that switch in from other traders to get them as accurate as possible, which includes periodic reviews of all ICPs. Sometimes this will mean an ANZSIC code is updated weeks after switching an ICP where the business believes the coding can be improved - as discussed with the auditor, Simply Energy are prioritizing accuracy over timeliness.</p>	<p><u>CTCS</u></p> <p>N/A</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>We continue to work with our field service providers to ensure complete and accurate paperwork is returned in a timely manner. Regular training is provided to the agents, and we are exploring potential changes within the system to ensure more robust controls are in place to restrict ToU meter new connections being accepted or raised by under CTCT.</p> <p>We will continue to assess an enhance our processes, discrepancy reports, documentation, etc on a regular basis to ensure they are fit for purpose.</p> <p><u>CTCS</u></p> <p>Simply Energy have identified more resource is needed in this space and as a result, are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control</p> <p>Monthly reports are sent to Operations where the ANZSIC code requires further investigation for existing ICP's - the Operations Team works closely with the Customer Care Team to provide the correct codes and the Registry is updated as soon as an improved code is confirmed.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>01/09/2023</p> <p>Ongoing</p>	

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

The process to capture and manage ANZSIC codes was examined. The registry list and AC020 reports were reviewed and ANZSIC codes were checked for a sample of ICPs to determine compliance.

Audit commentary

CTCT

Contact captures an ANZSIC code for all new connections. For customers switching in, the CSR is required to verify the ANZSIC code.

ANZSIC code mismatches between SAP and the registry, meter category 2 ICPs with residential ANZSIC codes, and ICPs with unknown ANZSIC codes are checked and corrected at least monthly, and ICPs with T99 series ANZSIC codes are identified and corrected at least weekly.

The AC020 report was reviewed to identify ANZSIC code exceptions:

Issue	Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017
Active ICPs with blank ANZSIC codes	-	-	-	-	-	-	-	-
Active ICPs with ANZSIC "T994" or "T994000" don't know	5	2	3	43	1	140	183	524
Active ICPs with ANZSIC "T997" "response unidentifiable	-	-	-	-	-	-	-	-
Active ICPs with ANZSIC "T998" "response outside of scope	-	-	-	-	-	-	-	1
Active ICPs with ANZSIC "T999" or "T999999" not stated	-	-	-	4	-	28	30	161
Active ICPs with metering category 2 or above with a residential ANZSIC code	22	26	22	16	-	69	-	1

All exceptions were checked:

- all ICPs with T994 ANZSIC codes were updated to residential ANZSIC codes as part of the weekly validation process, and
- all 22 ICPs with meter category 2 and residential ANZSIC codes were checked and confirmed to be residential.

I checked a sample of 100 ICPs with the ten most frequently applied codes by checking Google street view and registry property name information. Customer industry information held by CTCT was checked for any ICPs where I could not validate the ANZSIC code using the registry and Google street view. I found 93 ICPs had the correct ANZSIC code applied, and six had incorrect ANZSIC codes which were

updated during the audit. The customer for ICP 0000000153TE964 has been contacted to confirm whether the ANZSIC code is correctly recorded but has not responded to date.

CTCX and CTCS

ANZSIC codes are provided as part of the application process, and validated on switch in. Account Managers advise the switching team if they believe the customer’s existing ANZSIC code is incorrect and should be updated.

The Salesforce Dashboard reports ICPs which have T9 series ANZSIC codes and ICPs with landlord L671 codes, which are reviewed and updated monthly.

The AC020 trader compliance report is reviewed twice monthly to identify, investigate, and correct ICPs with T9 series codes, or residential codes with metering category two or higher.

The Head of Pricing and Risk creates a monthly report which compares the end consumer name and address to the ANZSIC code for reasonableness. This identifies any unusual codes for investigation and/or correction.

No active ICPs have been supplied by CTCX since October 2022. Analysis of the AC020 report and registry list for CTCS found no exceptions:

Issue	CTCS Feb 2023	CTCS Apr 2022	CTCS Aug 2021	CTCS Jan 2021
Active ICPs with blank ANZSIC codes	-	-	-	-
Active ICPs with ANZSIC “T994” or “T994000” don’t know	-	-	2	-
Active ICPs with metering category 2 with a residential ANZSIC code	-	-	2	1
Active ICPs with metering category 3 with a residential ANZSIC code	-	-	1	-

A sample of ANZSIC codes were checked:

CTCX	No active ICPs are supplied by CTCX.
CTCS	I checked a sample of 30 ICPs with the ten most frequently applied codes by checking Google street view and registry property name information. Customer industry information held by CTCS was checked for any ICPs where I could not validate the ANZSIC code using the registry and Google street view. I found 27 ICPs had the correct ANZSIC code applied, and three had incorrect ANZSIC codes which were updated during the audit.

Active ICPs with the incorrect ANZSIC code are recorded as non-compliance below.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 3.6</p> <p>With: Clause 9 (1(k) of Schedule 11.1</p> <p>From: 01-Oct-20</p> <p>To: 02-May-23</p>	<p>CTCT</p> <p>Six (6%) of the 100 ICPs sampled had an incorrect ANZSIC code applied and were corrected during the audit.</p> <p>CTCS</p> <p>Three (10%) of the 30 ICPs sampled had an incorrect ANZSIC code applied and were corrected during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate overall but there is room for improvement.</p> <p>The audit risk rating is low because there is no impact on settlement outcomes and a low impact on the Electricity Authority's reporting accuracy.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>CTCT</p> <p>Contact has monthly reporting in place to identify ICPs with an incorrect ANZSIC code applied in the Registry. This reporting is utilised to identify and correct ANZSIC code inaccuracies where they exist, as well as being used to help identify the underlying factors causing the data inaccuracies to arise.</p> <p>As the root cause of the data inaccuracies are identified, we are actively working to implement further training and or process changes to assist with decreasing the opportunity for the loading of incorrect or late ANZSIC code updates to the Registry from arising.</p> <p>CTCS</p> <p>30 ICPs sampled had an incorrect ANZSIC code applied and were corrected during the audit.</p>		<p>CTCT</p> <p>Ongoing</p> <p>CTCS</p> <p>26/05/2023</p>	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>CTCS</p> <p>Simply Energy's project to improve the accuracy of ANZSIC codes is ongoing. There are regular monthly checks of any new ICP on the "Residential" or "Unknown" ANZSIC codes and in</p>		<p>CTCS</p> <p>Ongoing</p>	

<p>addition, the team are going through all ICPs in order of ANZSIC codes, to assess if the code seems appropriate based on the business name and contacting the customer to confirm if not. This process is currently up to ANZSIC C130 so it will take time to check every ICP Simply Energy are the responsible Trader for and the business accepts that there may be some inaccuracies in the meanwhile as they work towards completion of this review.</p>		
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3.7. Changes to unmetered load (Clause 9(1)(f) of Schedule 11.1)

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

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

- *the code ENG - if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or*
- *the daily average kWh of unmetered load at the ICP - in all other cases (clause 9(1)(f)(ii)).*

Audit observation

The processes to manage unmetered load were examined.

The audit compliance reports were examined to identify any ICPs where:

- unmetered load is identified by the distributor, but none is recorded by Contact; and
- Contact’s unmetered load figure does not match with the distributor’s figure where it was possible to calculate this if the distributor is using the recommended format and the variance is greater than 0.1 kWh per day (0.1 kWh per day was chosen as a sample only; this does not indicate compliance is achieved if an error is found that is less than 0.1 kWh per day).

Audit commentary

CTCT

CTCT supplies 610 “active” ICPs with the unmetered flag set to “yes”. 311 ICPs are indicated to have shared unmetered load, and 299 have standard unmetered load.

SAP holds two fields for the unmetered daily kWh, one for reconciliation and one for billing, which are independent. This enables settlement corrections to be processed without reversing and rebilling invoices. It is the reconciliation value that is validated against the registry. Standard unmetered load corrections can be processed in SAP and will flow through to reconciliation submissions. The correction process is discussed in **sections 2.1** and **8.1**.

New connections of unmetered load

All unmetered load new connections or capacity changes require an application to CTCT, which then follows the “new connections” process. The process includes checks of whether the ICP can be metered and the daily unmetered kWh. If an application is received for an ICP with unmetered load over the 3,000-kWh threshold, it is checked with the operations team member responsible for unmetered load before being accepted.

Monitoring of unmetered load

A BPEM is generated when an ICP switches in with unmetered load details, so that they can be checked and updated as necessary.

Changes to distributor unmetered load are also monitored through the BPEM process:

- an IE11 BPEM is created when a distributor adds new unmetered load details,
- an IE22 BPEM is created when a distributor changes unmetered load details, and
- an IE19 BPEM is created when a distributor changes their pricing category information (because some distributors have separate codes for unmetered load, these changes can coincide with addition or removal of unmetered load).

As recorded in the previous three audits, BPEMs are not consistently being generated where unmetered load details were removed. CTCT is intending to create a new BPEM to identify unmetered load removals I have repeated the previous audit recommendation to maintain visibility.

Description	Recommendation	Audited party comment	Remedial action
BPEMs for changes to distributor unmetered load	CTCT Create a new BPEM to identify removal of unmetered loads.	CTCT Our Business Simplification team is still investigating further opportunities within SAP to create a new BPEM that identifies changes to UML data within the Electricity Registry, so variances in SAP can be updated in a timelier manner. As these investigations can take some time to complete, and with our existing discrepancy reporting being replicated from SAS to Data Bricks, we are exploring what opportunities we have to upgrade our existing reporting during the replication process to include identifying when the removal of UML has not carried across into SAP.	Under investigation

The following queries are run at least monthly to check unmetered load details:

Query name	Description
UNMETERED_REPORTING_1	This report shows: <ul style="list-style-type: none"> • discrepancies between the registry’s trader unmetered load details, unmetered flag, and daily unmetered kWh, and • ICPs with at least one unmetered load field populated, which do not have the other corresponding fields populated. <p>The correct details are confirmed, and the registry and SAP are updated as required. The report is checked irregularly because a very small number of ICPs are reported, and they have been previously investigated.</p>

Query name	Description
UNMETERED_REPORTING_2	This report shows “active” ICPs with meter category 9 or null and the unmetered flag set to no. The ICPs are checked to determine whether action or correction is required.

In addition to this the Operations Team Member responsible for unmetered load has been cleansing unmetered load data by comparing the distributor unmetered load details and trader unmetered load details, investigating any discrepancies, and checking the daily unmetered kWh calculations.

Accuracy of unmetered load

Distributor and trader unmetered load details for the standard unmetered load ICPs were compared using the audit compliance report. The table below lists the discrepancies found.

Issue	Feb 2022 ICPs	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	2020 ICPs	Comments
Daily kWh difference more than 1.0 kWh per day from the distributor unmetered load details	1	-	1	1	11	0000040854NT2F4 had incorrect daily unmetered kWh recorded and was updated on the registry and in SAP during the audit. Due to a calculation error the load was recorded as 0.62 kWh per day instead of 6.187 kWh per day. The ICP has been supplied since 14 June 2022 and revised submission data will be provided.
Daily kWh difference more than 0.1 kWh per day from the distributor unmetered load details	3	3	3	2	20	0000040854NT2F4 had incorrect daily unmetered kWh recorded as described above. 0000254425HB5DE had incorrect daily kWh recorded and has been corrected in SAP but not on the registry. Ballast was not included in the original calculation of 1.32 kWh per day which has now been corrected to 1.51 kWh per day. The ICP has been supplied since 2018, and revised submission information will be provided. 0000018605WECOF had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).
CTCT’s load value is different to that of their load description by more than 0.1 kWh	1	10	11	22	52	0000040854NT2F4 had incorrect daily unmetered kWh recorded as described above. The decimal point was recorded in the wrong place due to a calculation error.
Trader’s unmetered load field is populated but the Distributor has none	23	46	50	53	72	19 ICPs had the correct trader unmetered load details recorded, ICPs 0007302943NV9C7 and 0006510007HB388 have unmetered load details based on historical

Issue	Feb 2022 ICPs	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	2020 ICPs	Comments
						<p>information, and CTCT are trying to confirm the correct unmetered load details with their customer.</p> <p>ICP 0000509542DEABF is being checked with the network inspector to determine whether it should be decommissioned, because CTCT believes that the unmetered load has been removed.</p> <p>The trader unmetered load details for 0005075319RNEC9 indicate that the unmetered load is not connected/working and the customer has confirmed this. CTCT is working with the customer to confirm whether repairs will be carried out or the unmetered flag and trader details should be removed.</p>
Distributor's unmetered field is populated but the retailer field is not populated	2	6	8	3	1	<p>0000513779DEF35 has since been decommissioned. The distributor had populated "" in the distributor unmetered load details which appears to be a typo.</p> <p>0007208794RNDEA was a timing difference and had its trader unmetered load details removed when the ICP moved from being an unmetered BTS ICP to permanent.</p>
Unmetered flag = Y but daily unmetered kWh = 0	1	-	2	-	1	<p>The trader unmetered load details for 0005075319RNEC9 indicate that the unmetered load is not connected/working and the customer has confirmed this. CTCT is working with the customer to confirm whether repairs will be carried out or the unmetered flag and trader details should be removed.</p>

I rechecked previous audit unmetered load exceptions and confirmed that they had been cleared except for:

ICP	Exception
0000553257NR3D0	<p>This electronic gate ICP is recorded with 1.2 kWh per day, and 0.00;0.00;SecurityGate.</p> <p>Based on the 0.2 kW gate being opened five times per day on average for 1.2 minutes per opening, the on hours are estimated to be 6 minutes per day or 0.1 hours.</p> <p>The gate is expected to be recorded with 0.02 kWh per day and 0.2kW;0.10;SecurityGate.</p>
0000509542DEABF	<p>This is an abandoned temporary supply which should have had its unmetered load removed. It is being checked with the network inspector to determine whether it should be decommissioned.</p>

During review of late trader updates I found that the 0007680774HB8DE’s trader update for 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh. Daily unmetered kWh should be 2.989 but was updated to 3.000 in error.

ICP 0000513944CEF86 switched in on 1 January 2023 with incorrect trader and distributor unmetered load details. CTCT has investigated the load with the network and customer who have confirmed that the ICP was livened with 480W connected 24 hours, equivalent to 11.52 kWh per day or 4,205 kWh per annum. The network has updated their unmetered load details on the registry, and CTCT intends to update their trader unmetered load details in SAP and the registry and provide revised submission data. This ICP is discussed further in **section 5.2**.

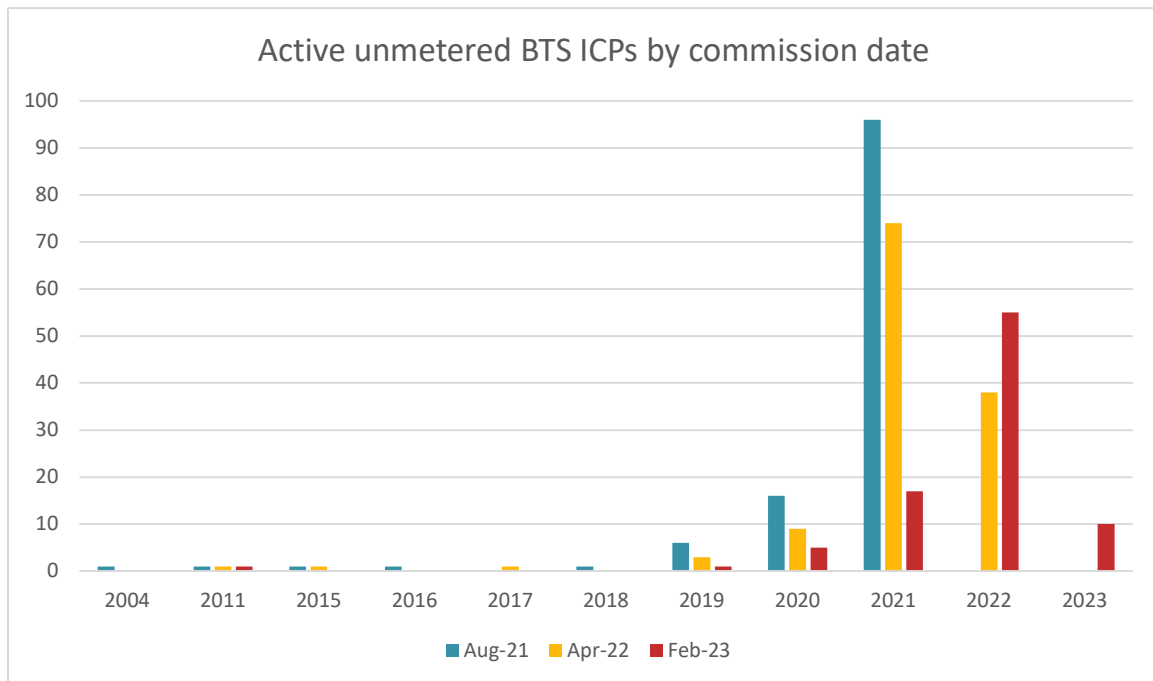
Meter category 9 or blank with no unmetered load recorded

The audit compliance report recorded 101 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. 85 ICPs had MEP nominations made and accepted and were awaiting meter asset data on the registry, 15 ICPs had metering details populated on the registry after the report was run, and one ICP was moved to “inactive - ready for decommissioning” status after the report was run.

Unmetered builders’ temporary supplies (BTS)

In 2022 customers for long term active BTS supplies were sent letters and given the option of having metering installed if the ICP was still required, or having the ICP disconnected and decommissioned if it was not. Contact received responses for some of the customers, which led to some ICPs having meters installed and others being decommissioned. Contact intends to refine the letter process to help improve the response rate and issue another round of letters later this year.

The chart below shows the number of active unmetered BTS ICPs by commission date for the last three audit periods. This shows that the older ICPs are being investigated and either moved to decommissioned status if they are no longer required or becoming permanent metered ICPs.



I checked all the ten oldest BTS ICPs:

- one ICP has since been metered,
- two ICPs have since been decommissioned,

- two ICPs have open service orders for decommissioning, and Contact is attempting to arrange approval for decommissioning for another two ICPs,
- building work is nearly complete for ICP 0007199078RN19C, and an application for a permanent supply is expected to be received soon,
- building work has been delayed for 0007195872RN880, and it will become a permanent metered supply once this is complete, and
- ICP 0007145674RN355 has been an unmetered BTS supply since 2011; it was subject to an EQC claim which has now been resolved, the network has accepted the long term BTS and are monitoring the ICP every six months, and it is expected that the ICP will be decommissioned in the near future, and Contact is working with the customer to arrange this.

CTCX and CTCS

CTCX does not supply any “active” ICPs. CTCS supplies 73 ICPs with unmetered load; 10 have shared unmetered, 17 have distributed unmetered load and 46 have standard unmetered load.

Simply Energy manages unmetered volumes using dummy unmetered load meter registers. They have created a spreadsheet containing all unmetered load ICPs and the daily unmetered kWh. A formula is used to calculate readings for the unmetered load meter registers as the previous reading + (daily unmetered kWh x the number of active days in the month) to three decimal places. The file takes into account aggregation factor changes, so that aggregation factor changes have a corresponding read entered. The calculated readings are formatted into a REA (read file) format and imported into Datahub monthly and then transferred to MADRAS once validated. MADRAS continues to use a default estimate of 55 kWh per day where readings are not provided.

Validation is in place for unmetered load.

- Twice weekly the Head of Pricing and Risk provides the compliance teams lists of new unmetered ICPs gained, changes to trader or distributor unmetered load details, and unmetered ICPs lost since the last update. These lists are created by analysing registry list information. The lists are reviewed to ensure that the unmetered load is set up correctly in Datahub, MADRAS, and the unmetered ICPs spreadsheet, and the values are recorded correctly.
- When a new application is received for an ICP with the unmetered flag set to Y on the registry, it will fail NT validation. The switching team will check the ICP with the team members responsible for unmetered load to determine whether the application can be accepted, and which profile should be assigned. The staff responsible for unmetered load will ensure that the ICP is set up correctly once it switches in.
- The AC020 trader compliance report is reviewed at least twice monthly, which includes ICPs with missing unmetered load details and unmetered load discrepancies.

During the audit period, Simply Energy has worked through its unmetered load ICPs to check for consistency between trader and distributor unmetered load and confirm correct profiles. I saw evidence of corrections made as a result of this review when checking backdated trader updates in **section 3.3**. As part of process, Simply Energy recalculated all the readings in Excel and updated Datahub and MADRAS for the affected ICPs, including ensuring that reads were recorded for any profile change dates.

Accuracy of unmetered load

Distributor and trader unmetered load details for the standard unmetered load ICPs were compared using the audit compliance report. The table below lists the discrepancies found for CTCS. A sample were checked, and I did not find any instances where CTCS’ information was incorrect.

Issue	Feb 2022 ICPs	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	Comments
Daily kWh difference more than 0.1 kWh per day	6	11	11	1	All ICPs with differences were DUML ICPs where CTCS had applied zero.
Daily kWh difference more than 1.0 kWh per day	6	11	11	1	All ICPs with differences were DUML ICPs where CTCS had applied zero.
Trader's unmetered load field is populated but the distributor has none	33	36	31	28	20 are DUML ICPs and six are residual load ICPs. The other seven ICPs were checked: Two were found to have no load connected and have been decommissioned. The customer has confirmed that the trader unmetered load details are correct for ICPs 0000068857CE865 and 0000480998CE092. Simply Energy is confirming the correct unmetered load details with the customer for ICPs 0000005114CE771 and 0000021564CE160.
CTCS' load value is different to that of their load description by more than 0.1 kWh	-	-	-	4	Compliant.
Distributor's unmetered field is populated but the retailer field is not populated	-	-	-	-	Compliant.
Unmetered flag = Y but daily unmetered kWh = 0	37	8	4	5	30 are DUML ICPs which are reconciled via a database therefore the registry kWh figure is not used. Five are residual load ICPs, and zero is correctly recorded. ICP 0001982631TG4C3 is set up for remote control of dimming for DUML streetlights and is not currently in use. The network has required CTCS to move the ICP to "active" status so that they can be billed for line charges although no load is connected. Trader unmetered load information will be populated by Simply Energy once load is connected.

Operational hours were discussed during the audit as there were some variances in what was being applied within the same network for load managed by the same streetlight operations. While these differences were small and did not have a material impact to the daily kWh calculation, these variances indicate that the process to review the accuracy of unmetered load does not extend to ensuring operational hours are consistently applied for unmetered load where the control of this load is uniformly applied. I recommend that Simply Energy confirms with each distributor where operation hours variances

are identified for streetlight load to confirm the annual operational hours so that consistent daily operation hours can be confirmed and applied.

Recommendation	Description	Audited party comment	Remedial action
Ensure consistency of unmetered load operational hours.	CTCS Confirm with each distributor the annual operational hours of unmetered streetlights so that consistent daily operation hours can be confirmed and applied	CTCS Simply Energy will complete a review of all the distributors to confirm their daily operation hours of unmetered streetlights, by 31/07/2023.	Under investigation

I rechecked the previous audit for unmetered load exceptions and confirmed that they had been cleared.

The previous audit recommended that CTCS liaise with CCC and the MEP to determine what load should be reconciled to ICP 0000298513MPF38, which has both metered and unmetered load at the corner of Main Road North and Empire Roads, Christchurch and was settled as DUML using the DST profile. CTCS confirmed all the connected lights are metered apart from two CCTV cameras. From the date of the meter installation, the load for the CCTV cameras has been submitted under the UML profile, and the metered load has been submitted under RPS. The load for the CCTV cameras will eventually be transferred to the appropriate NZTA DUML ICP and removed from ICP 0000298513MPF3.

Meter category 9 or blank with no unmetered load recorded

CTCX	The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.
CTCS	The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.

Unmetered BTS

CTCX	No active ICPs are supplied.
CTCS	There is one active BTS ICP supplied, and Simply Energy confirmed that it is not ready to move to permanent.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.7 With: Clause 9(1)(f) of Schedule 11.1	CTCT 000040854NT2F4 had incorrect daily unmetered kWh recorded and was updated on the registry and in SAP during the audit. Due to a calculation error the load was recorded as 0.62 kWh per day instead of 6.187 kWh per day. 0000254425HB5DE had incorrect daily kWh recorded and has been corrected in SAP but not on the registry. Ballast was not included in the original calculation of 1.32 kWh per day which has now been corrected to 1.51 kWh per day.

<p>From: 05-Mar-18 To: 31-May-23</p>	<p>0000018605WEC0F had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).</p> <p>0000553257NR3D0 is recorded with 1.2 kWh daily unmetered kWh and 0.00;0.00;SecurityGate. It is expected to be recorded with 0.02 kWh per day and 0.2kW;0.10;SecurityGate.</p> <p>0007680774HB8DE's trader update for 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh. Daily unmetered kWh should be 2.989 but was updated to 3.000 in error.</p> <p>ICP 0000513944CEF86 is an unmetered weather station which switched in on 1 January 2023. CTCT has investigated the load with the network and customer who have confirmed that the ICP was livened with 480W connected 24 hours, equivalent to 11.52 kWh per day or 4,205 kWh per annum. The network has updated their unmetered load details on the registry, and CTCT intends to update their trader unmetered load details in SAP and the registry and provide revised submission data.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating		Rationale for audit risk rating	
Low	<p>The controls are currently rated as moderate, as there are good validation processes in place to detect and resolve unmetered load errors. A small number of errors were identified during the audit analysis of all ICPs with unmetered load.</p> <p>The audit risk rating is low because the impact on settlement is minor based on the kWh differences described above.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p>Corrections have been made to all the ICPs identified during the audit process.</p> <p>Contact has been continuously improving this process since the last audit and will be reviewing the manual calculation process to reduce agent errors.</p> <p>We are working with our SAP technical team to create a new exception in the system to identify where UNM load details are removed in registry to resolve them in timely manner.</p> <p>New reporting has also been put in place and more users have been trained to resolve UNM exceptions.</p>		<p><u>CTCT</u></p> <p>Ongoing</p>	<p>Identified</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>CTCT</p> <p>We are reviewing the calculation process to further reduce operator errors. Our SAP team is investigating opportunities to trigger a notification within SAP when UNM is removed in the Registry.</p>	<p>CTCT</p> <p>Ongoing</p>	

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

Code reference

Clause 17 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The new connection processes were examined in detail as discussed in **sections 2.9** and **3.5**.

The reconnection process was examined using the AC020 and event detail reports.

- The timeliness and accuracy of data for new connections is assessed in **section 3.5**.
- The timeliness of data for reconnections is assessed in **section 3.3**, and a sample of 20 updates were checked for accuracy.

For new connections which had been electrically connected during the audit period, the initial electrical connection date, earliest active date, and meter certification date were compared to determine the accuracy of the connection dates.

Audit commentary

CTCT

The status of an ICP is only changed to “active” once confirmation has been received by a contractor. Submission information is provided for all “active” ICPs. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A workflow will be generated for a user if SAP cannot find the correct service order number or information is missing, such as readings or dates. A user manually checks the paperwork and/or confirms the missing details with the contractor before updating SAP.

Before being given an “active” status the trader is required to ensure that the ICP has only one customer, embedded generator, or direct purchaser; and that the electricity consumed is quantified by a metering installation(s) or other Authority approved method of calculation. SAP will not allow more

than one party per ICP, nor will it allow an ICP to be set up without either a meter or if it is unmetered, the daily kWh.

Reconnection prior to CTCT’s period of supply

0395721083LCCAF switched in to CTCT effective from a move in date of 27 December 2021. The ICP was disconnected for vacancy and CTCT issued a reconnection request. Due to an oversight CTCT did not specify the date that the reconnection was required, and it was completed on the request date (24 December 2021) which fell during the previous trader’s period of supply.

Accuracy of status updates

A robot compares the meter certification date and initial electrical connection date to CTCT’s active status date. If the dates are inconsistent, it creates a workflow exception which is directed to a user for investigation. If there is no initial electrical connection date the robot process will not identify a discrepancy, so the IE Mismatch report is run monthly to compare the initial electrical connection date, active date, meter certification date and ORB service order completion date. Any discrepancies are investigated.

I checked a sample of 20 reconnections and found three had incorrect status event dates, and one was processed in error for the wrong ICP. All the affected records were corrected during the audit.

Active dates for new connections were compared to the distributor’s initial electrical connection date (IECD), and MEP’s certification date (MCD) using the AC020 report, which identified 1,031 ICPs with date discrepancies. 49 unmetered ICPs had an active date consistent with the initial electrical connection date and were confirmed to be correct. I checked a sample of 49 of the remaining 1,031 exceptions and found 13 ICPs had incorrect “active” status dates. The affected ICPs are listed in **section 3.5**.

I rechecked the ICPs where the previous audit found incorrect “inactive” dates. ICPs 0007205438RNFC8 (active date 13 December 2021, expected date 8 December 2021) and 0007205215RNBCO (active date 13 December 2021, expected date 8 December 2021) are being investigated to confirm the correct dates. Once the date is confirmed CTCT will ask the network to change their “ready” status date if necessary, so that the “active” status date can be corrected. The other ICPs had undergone corrections, further investigation had confirmed that the applied dates were correct, or the ICPs were switched out or decommissioned before the issues could be resolved.

I confirmed that the incorrect active dates found in the August 2021 audit have not been corrected because of the impact on customer billing. Revision 14 wash ups are now complete for the affected periods.

The previous audit found that jobs (including new connections) which could not be completed by contractors were sometimes automatically closed by the robot, and CTCT would lose visibility of the job. CTCT are developing processes to efficiently identify these jobs, so that they can be reissued as necessary. I have raised a recommendation to maintain visibility of this issue, because in some cases these are not identified by CTCT, and other parties bring the issue to CTCT’s attention.

Recommendation	Description	Audited party comment	Remedial action
Field service orders returned as “could not complete” which are closed by the robot	CTCT Develop a process to identify any jobs which were returned as not completed which have been closed by the robots, so	<u>CTCT</u> As noted within the Auditors commentary, Contact is developing processes to efficiently identify these jobs so they can be reissued as necessary.	Under investigation

Recommendation	Description	Audited party comment	Remedial action
	that they can be reissued if necessary.		

CTCX and CTCS

Simply Energy manages “active” statuses as an agent, using the same processes as the existing trader codes that they manage. Simply Energy changes the status of an ICP to “active” once confirmation has been received from a contractor. The status is then updated on the registry using the web interface.

Before being given an “active” status the trader is required to ensure that the ICP has only one customer, embedded generator, or direct purchaser; and that the electricity consumed is quantified by a metering installation(s) or other Authority approved method of calculation. Salesforce will not allow an ICP to become “active” without either a meter or a dummy meter (for unmetered load).

The accuracy of active status dates for was checked:

CTCX	CTCX did not complete any new connections or reconnections, and no active status date discrepancies were identified.
CTCS	<p>As discussed in section 3.5, the AC020 report identified 22 ICPs with genuine date discrepancies. All were examined and a sample of 14 ICPs were checked. ICP 0000052395HB576 had an incorrect status date recorded and was updated during the audit following investigation to confirm the correct date.</p> <p>Three airport gate ICPs were supplied by Simply Energy code SELS with multiple customers per ICP before switching to CTCS. I confirmed that this issue was resolved prior to the ICPs switching to CTCS. There is one master airport customer for each contestable ICP, and billing to the individual airlines is managed using non-contestable dummy ICPs which have their billed kWh offset against the master ICP. Only the volume for the revenue ICP is counted in the AV120 report, and Simply Energy has a single airport customer that they can liaise with on any maintenance issues.</p> <p>I checked a sample of 14 reconnections and confirmed that the correct active date and status was applied to all ICPs.</p>

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 3.8</p> <p>With: Clause 17 Schedule 11.1</p>	<p>CTCT</p> <p>ICP 0395721083LCCAF was reconnected during the previous trader’s period of supply because the correct reconnection date was not provided to the MEP when requesting the reconnection.</p> <p>Three reconnections had incorrect status event dates which were corrected during the audit.</p> <p>One reconnection was processed for the wrong ICP and was corrected during the audit.</p> <p>13 of a sample of 49 new ICPs checked had incorrect active status dates, and one was corrected during the audit.</p>

From: 24-Dec-21 To: 13-Dec-22	<p>CTCS</p> <p>One new ICP had an incorrect active status date recorded and was corrected during the audit.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate, because most information is accurate but there is some room for improvement.</p> <p>The audit risk rating is low because the number of ICPs affected overall is small. Late or inaccurate changes to “active” can result in delays in providing submission information and billing the customer, and incorrect “active” dates can have an impact on submission data.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p>Contact is working through to resolve the data inaccuracies identified during the audit.</p> <p>ICP 0395721083LCCAF was reconnected earlier than Contact’s switch date due to a human error. We are in the process of providing refresher training to our operators to ensure correct dates are applied on the reconnection jobs.</p> <p>We will continue to work with our field service providers to ensure accurate paperwork is returned in a timely manner to further reduce the opportunity for this non-compliance to arise in the future.</p>		<p><u>CTCT</u></p> <p>Ongoing</p>	Identified
<p><u>CTCS</u></p> <p>The issue has been cleared.</p>		<p><u>CTCS</u></p> <p>26/05/2023</p>	
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><u>CTCT</u></p> <p>Contact is regularly providing training to the users and working with field service providers to further reduce these errors arising.</p>		<p><u>CTCT</u></p> <p>Ongoing</p>	
<p><u>CTCS</u></p>		<p><u>CTCS</u></p>	

Simply Energy have identified more resources is needed in this space and as a result, are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control.	01/09/2023	
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3.9. Management of “inactive” status (Clause 19 Schedule 11.1)

Code reference

Clause 19 Schedule 11.1

Code related audit information

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

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

Audit observation

The disconnection process was examined using the AC020 and event detail reports. The timeliness of data for disconnections is assessed in **section 3.3**, and a sample of updates were checked for accuracy.

The registry list file was examined to identify any ICPs that had been at the “inactive - new connection in progress” for more than 24 months.

The timeliness of updates to inactive statuses is detailed in **section 3.3**.

Audit commentary

CTCT

Management of inactive status

The status of “inactive” is only used once a CTCT approved contractor has confirmed that the ICP has been disconnected, except for some ICPs at “inactive - ready for decommissioning” status which are confirmed to be ready for decommissioning by the network. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A workflow will be generated for a user if SAP cannot find the correct service order number or information is missing, such as readings or dates. A user manually checks the paperwork and/or confirms the missing details with the contractor before updating SAP. CTCT continues to read all disconnected ICPs to identify unauthorised reconnections and incorrect statuses.

ICPs are not automatically updated to “active” status if they switch in with an “inactive” status. Their existing status is applied when they switch in, and if reconnected their status is changed once paperwork is received.

CTCT does not use the “inactive - new connection in progress” status for the new connections unless a correction to the “active” status date is required. No ICPs are currently at “inactive - new connection in progress” status.

Inactive status accuracy

Review of a sample of 40 updates to “inactive” status confirmed that the correct statuses and dates were applied.

The AC020 report identified 581 ICPs that have been recorded as AMI-remote disconnection, but AMI is not indicated. 577 ICPs had HHR or AMI metering indicated at the time of disconnection. The other four did not but were all disconnected in 2017 or earlier so compliance is recorded.

Monitoring of consumption on ICPs with inactive status

BPEMs are generated for the revenue assurance team when consumption occurs on an inactive ICP as a result of the receipt of a scheduled meter reading. The BPEM process does not identify all inactive consumption as where a read is applied outside of the schedule read process (such as applying a switch loss read) a BPEM is not generated. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status with an effective date to the last non advancing meter read prior to the inactive consumption be identified, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.

CTCT provided a list of 285 ICPs with inactive consumption from a list of BPEMS processed during the audit period totalling 94,786 kWh. 208 of the ICPs had less than 5 kWh of inactive consumption recorded and 194 had less than 1 kWh. A sample of ten ICP with the highest inactive consumption were reviewed and the following was found:

- two ICPs were corrected by removing the disconnection flag in SAP and updating the registry status during the audit,
- two ICPs continued to be submitted as HHR as the settlement unit was not updated when the ICP was disconnected,
- one ICP switch away from the inactive date, so the volume is now outside Contact's period of responsibility,
- one ICP is recorded as being reconciled elsewhere as it is related to a microgrid supplying other ICPs,
- one ICP was reported as a false positive exception and the volume is not genuine,
- two ICPs (0145325350LC9CE, 0462728447LC443) the volume recorded was found to be meter creep (infrequent 0.001 kWh interval volumes recorded) and the ICPs were confirmed remotely disconnected by the AMI MEP, and
- one ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process.

The reconciliation team historically maintains a spreadsheet of inactive ICPs with consumption which is refreshed approximately every three months using a SAP report. This report is used to identify any ICPs with consumption during periods with "inactive" status which have not already been corrected through the BPEM process. The process was completed for the first time this year during this audit. The delay was caused because the staff member responsible for overseeing this left Contact, and it is being added into the processes of other staff. This SAP report listed 377 ICPs with inactive consumption recorded totalling 127,192 kWh.

The difference between the SAP report and the list generated from the BPEM process is due to ICPs where the settlement unit assignment has been corrupted resulting in the inactive settlement unit assignment not being updated to enable the ICP to be included in submission. 66 ICPs were identified in this scenario with inactive consumption recorded totalling 29,112 kWh.

Consumption for active vacant ICPs is included in the relevant submission files, as discussed in **section 12.2**.

CTCX and CTCS

Management of inactive status

ICP status is updated to “inactive” using the registry user interface once the correct status and status date are confirmed.

CTCX	CTCX did not complete any “inactive” status updates during the period reviewed. The AC020 report did not identify any ICPs that that have been recorded as AMI-remote disconnection, but AMI is not indicated.
CTCS	Review of a sample of 22 updates to “inactive” found 20 had the correct status reason and event date. ICP 0000010073TE5D4 19 March 2021 had the incorrect status reason code applied, which was corrected prior to the audit and further training was provided to staff. ICP 0013528064EL012 11 February 2023 had the status date incorrectly entered as the date the update was processed on the registry and was corrected during the audit. This was a manual data entry error. The AC020 report identified seven ICPs that that had been recorded as AMI-remote disconnection, but AMI is not indicated. They were updated to AMI non-communicating post the disconnection date.

Inactive - new connection in progress

Simply Energy uses the 1,12 “inactive - new connection in progress” status and sends the MEP nomination when the ICP is claimed.

CTCX	CTCX did not complete any “inactive” status updates during the period reviewed, and no ICPs currently have “inactive - new connection in progress” status.
CTCS	13 ICPs currently have “inactive - new connection in progress” status, and none of those have initial electrical connection dates. Three ICPs have had this status for more than 24 months: <ul style="list-style-type: none"> • ICPs 1002135989UNFA9 and 1002135991UN710 are to be amalgamated into other ICPs and have been moved to “ready” status in preparation for this, and • the new connection for ICP 0000049473WE00E is still in progress, and the status is correct.

Monitoring of consumption on ICPs with inactive status

Data streams remain open in DataHub when an ICP is disconnected, which allow reads to continue to be imported if received after disconnection.

There is now regular reporting on ICPs with “inactive” status with consumption. No “inactive” ICPs are supplied by CTCX. 80 “inactive” ICPs are supplied by CTCS excluding “inactive - new connection in progress” and “inactive - reconciled elsewhere” ICPs. Seven of the ICPs are “inactive - ready for decommissioning”.

CTCX	No ICPs with “inactive” status are currently supplied and no “inactive” consumption was identified.
CTCS	A report of five “inactive” ICPs which had consumption identified during the audit period was provided. All five ICPs were confirmed to not have any genuine “inactive” consumption. I rechecked the previous audit exceptions and found that the status for ICP 0007200667RN539 had been corrected so that all consumption falls on active days.

<p>We are looking at opportunities to establish monthly reporting to identify discrepancies between SAP Settlement Unit and Registry Active/Inactive statuses.</p> <p>This includes completing a one-off reconciliation of existing exceptions, ensuring all are resolved and consumption successfully submitted going forward.</p> <p><u>CTCS</u> Issue has been cleared.</p>	<p>30/09/2023</p> <p><u>CTCS</u> 26/05/2023</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u> A will provide a refresher of the process with respective teams to ensure all areas understand the correct actions and flow on effects going forward.</p> <p><u>Inactive Consumption Report</u> Contact will review where the responsibility to manage ICP exceptions via SAP Report ZIN_EXT_SETTL_OPERAT best sits to ensure that in conjunction with the SAP BPEMS being monitored and worked, that all exceptions are identified and resolved by the appropriate teams in a timely manner.</p> <p><u>CTCS</u> Simply Energy have identified more resource is needed in this space and as a result, are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control. A task has been added to the regular monthly compliance schedule to ensure all inactive ICPs are reviewed to ensure there is no consumption. ICPs inactive will still remain on Meter Reader Schedules.</p>	<p><u>CTCT</u> 22/06/2023</p> <p><u>CTCS</u> 01/09/2023 Ongoing</p>	

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

Whilst this is a distributor's code obligation, I investigated whether any queries had been received from distributors in relation to ICPs at the "new" or "ready" status for more than 24 months and the process in place to manage and respond to such requests.

I analysed a registry list of ICPs with "new" or "ready" status and Contact as the proposed trader, and reviewed processes to monitor new connections.

Audit commentary

CTCT

Any requests received from distributors regarding ICPs at "new" and "ready" status are actioned as they are received.

ICPs which have been at "new" or "ready" status for more than 24 months are being monitored on a regular basis. CTCT approaches either the customer or the distributor as appropriate to confirm if the new connection is still required.

Analysis of the registry list found 142 ICPs at the "new" and "ready" statuses for two years or more:

Count of ICPs at new or ready status for two years or more				
Feb 2023	Apr 2022	Aug 2021	Jan 2021	2020
142	104	82	114	211

I checked the 20 oldest ICPs with "new" or "ready" status, which were created between 2016 and 2018:

- CTCT has not received any application information for ten of the ICPs,
- eight were confirmed as still required but are not ready for connection, and
- two are under investigation with the customer and/or network to determine whether they are still required.

CTCX and CTCS

New connections in progress are monitored using Salesforce workflows, and cases remain open until the connection is complete. New connections were also monitored using Salesforce dashboard reports and are being monitored daily.

The Salesforce Dashboard reports ICPs with "inactive - new connection in progress" status, including their initial electrical connection dates and MEP details if populated on the registry. This report is reviewed daily, and any ICPs with initial electrical connection dates or meter certification details are checked and updated to "active" status once the correct connection date is confirmed. The report is also used to track MEP nominations.

ICPs at "new" and "ready" status on the registry are checked against Salesforce weekly to make sure they have been added to Salesforce, and if no application has been received, they are followed up with the distributor.

ICPs at "new" or "ready" status for over 24 months are identified through review of the AC020 trader compliance reports and followed up every three months.

New connection accuracy discrepancies are identified through the twice monthly review of the AC020 trader compliance report.

Requests for information on ICPs at “new” or “ready” status for more than two years will be responded to as they are received. The recommendation in the last audit that ICPs at “new” and “ready” status be monitored regularly has been adopted. This is monitored monthly and there were no ICPs identified.

CTCX	No new connections have been initiated and no ICPs are at “new” or “ready” status.
CTCS	No ICPs have been at “new” or “ready” status for more than 24 months.

Audit outcome

Compliant

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The switch gain process was examined to determine when Contact deem all conditions to be met. A typical sample of NTs were checked for each trader code to confirm that these were notified to the registry within two business days, and that the correct switch type was selected.

Audit commentary

CTCT

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

Robots process applications made via the website. The values the customer enters into the application determine whether the customer is moving into the address or transferring between retailers at an existing address, which in turn determines the switch type. If the robot does not complete the action within 12 hours, an email is raised for a CSR to process the application and issue the NT. Applications received through other channels, such as customer's phoning in, are handled by CSRs.

Transfer switch type is applied where a customer is transferring between retailers at an address. Switch move is sometimes applied for transfer switches with the other trader's agreement if a certain switch event date is required, but this has not occurred during this audit period.

I checked the metering category for the 8,792 transfer switch NTs where this information was available on the PR255 report and found none had metering categories of three or above.

The ten most backdated NT files were checked. They were sent within two business days of pre-conditions being cleared, and the correct switch type was selected.

CTCX and CTCS

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

Customer application information, including whether the customer is transferring between retailers at an address or moving into the address is loaded into Emersion, and then transferred to Salesforce every five minutes. Salesforce completes validation to confirm that all required fields have been populated (including ANZSIC codes), pricing is consistent with the expected values in the tariff management tool, and that transfer switches do not have backdated proposed transfer dates. Any ICP that fails validation is directed to a user to review and correct, and NT files are automatically issued from Salesforce for ICPs which pass the validation and have “initiate switch” selected. Salesforce holds any future dated NTs until they are within three business days of the proposed event date.

NT files generated in Salesforce are pushed to the registry using a SQL script every two hours during business hours, and have their status updated to “switch requested”. Switch gain exceptions are generated for review by the operations team where an NT failure is notified by the registry.

Where a large number of ICPs require NTs created on a given day, Simply Energy creates a batch file of application details which can be imported directly into Salesforce to save time. A copy of the file is also provided to Emersion IT support so that it can be loaded into Emersion.

Salesforce selects the switch type based on the metering category and the proposed switch type set in Emersion. ICPs with a metering category of 3, 4 or 5 are set to HH, and ICPs with metering category of 1 or 2 are set to switch move if the customer is moving in, or TR if the customer is transferring between retailers at their existing address.

CTCX	No transfer NT files were issued during the audit period.
CTCS	I checked the metering category for the 59 transfer switch NTs where this information was available on the PR255 report and found none had metering categories of three or above. The five most backdated NT files were checked. The correct switch type was selected, and all were sent within two business days of pre-conditions being cleared.

Audit outcome

Compliant

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

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The event detail report was reviewed to:

- identify AN files issued by Contact during the audit period,
- assess compliance with the requirement to meet the setting of event dates requirement, and
- a diverse sample ANs were checked for each trader code to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

Audit commentary

CTCT

AN content

SAP generates AN files automatically and the codes are based on a hierarchy. BPEMs are created where the AN cannot be automatically generated, including for pre-pay ICPs with non-settled meter registers and ICPs which have not received a meter reading for more than 365 days. A user manually reviews the BPEM and creates the AN file directly on the registry.

I checked the AN response codes for all transfer switch ANs and found they were consistent with the information recorded on the registry and held by CTCT for the ICPs.

The event detail report was reviewed for all transfer ANs to assess compliance with the setting of event dates requirements:

- 98.64% had a proposed event date within five business days of the NT receipt date, and
- all had proposed event dates within ten business days of the NT receipt date.

AN timeliness

The AN responses are automated, and the switch breach report is checked each morning and afternoon to ensure that all ANs have been sent as expected. Any exceptions are manually processed.

The switch breach history report did not record any late AN files for transfer switches.

CTCX and CTCS

AN content

AN files are generated by Salesforce automatically once an NT is received, provided that the ICP has a switch loss in progress, the proposed switch date is in the future, and a valid response code can be determined by Salesforce. If any of these conditions are not met, an exception is generated for resolution by the Operations Team.

AN response codes are selected based on a hierarchy which achieves compliance. For transfer switches, the gaining trader's requested date is applied if it is within five business days of the NT receipt date, otherwise the NT receipt date + five business days is applied.

CTCX	No transfer AN files were issued during the audit period.
CTCS	I checked the AN response codes for the 138 transfer switch ANs where the ICP was recorded on the registry list with history. I found the codes applied were consistent with the registry information. The event detail report was reviewed for all transfer ANs to assess compliance with the setting of event dates requirements. All had proposed event dates within ten business days of the NT receipt date.

AN timeliness

Incoming NT files are retrieved from the registry and loaded into Salesforce every two hours during business hours. The incoming NTs are displayed on the switch loss dashboard with details of the NT received date, proposed switch date, metering category and proposed switch type.

For HH and transfer switches, Simply Energy requests confirmation that the ICP can switch out from their white label customer or the solutions team depending on which brand supplies the ICP. If approval is not received within 24 hours, the AN is released and the withdrawal process is used to cancel the switch if necessary. Salesforce automatically generates the AN, and outgoing AN files are pushed to the registry using a SQL script every two hours during business hours.

Exceptions are generated and viewed in Salesforce where an outgoing AN file cannot be automatically created and sent. Users check these exceptions daily and resolve any issues. The switch breach history report is monitored twice daily to identify AN files which are close to falling due.

No AN breaches were recorded in the switch breach history report for CTCS or CTCX.

Audit outcome

Compliant

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

Code reference

Clause 5 Schedule 11.3

Code related audit information

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

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

Audit observation

The event detail report was reviewed to identify CS files issued by Contact during the audit period. The accuracy of the content of CS files was confirmed by checking a sample of records per trader code. The content checked included:

- correct identification of meter readings and correct date of last meter reading,
- accuracy of meter readings, and
- accuracy of average daily consumption.

CS files with average daily kWh that was negative, zero, or over 200 kWh were identified. A sample of these CS files were checked to determine whether the average daily consumption was correct.

The process to manage the sending of the CS file within five business days of the event date was examined, and the switch breach history report for the audit period was reviewed to identify late CS files.

Audit commentary

CTCT

CS timeliness

CS generation is automated. If a CS fails to generate a BPEM is created. Failures most commonly occur because no reading has been received in the last 365 days, or the event reading is not plausible. CS BPEMs are actioned by the switching team, and the switch breach history report is reviewed twice daily in parallel to ensure that all switch files expected are received by the registry.

The switch breach history report was reviewed for transfer CS files and found:

- three CS breaches for transfer switches where the CS was not sent within five business days of the actual transfer date, and
- three E2 breaches where the CS actual transfer date is more than ten business days after the receipt of the NT.

A process change was applied last year, and no incorrect event dates were identified after the change was implemented.

CS content

CTCT has implemented system changes to ensure that average daily kWh is calculated as the average daily consumption between the last two actual readings. I confirmed that the issue where NHH ICPs on a TOU price plan (Good nights) had average daily kWh of zero included in their CS files was resolved on 30 March 2023, by checking CS files generated after that date.

Analysis of the average daily kWh on the event detail report found no CS files had average daily kWh which was less than zero or more than 200 kWh. 245 CS files had zero average daily kWh, and a sample of five were checked. One was correct because the ICP was disconnected and the zero consumption was genuine, four incorrectly reported zero for ICPs on the Good nights plan where the files were generated prior to the system change.

I checked for discrepancies between the last actual read date and switch event reading type for transfer switch CS files:

- no CS files had a last actual read date the day before the switch event date with only estimated readings in the CS file,
- no CS files had a last actual read date more than one day before the switch event date with only actual readings in the CS file,
- no CS files had a last actual read date on or after the switch event date, and
- one CS file for an unmetered ICP compliantly contained no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL rows.

I checked the content of a further seven CS files and confirmed that all details were accurately recorded.

CTCX and CTCS

CS timeliness

The timeliness of CS files is monitored using the switch breach history report, which is checked twice daily, and Salesforce dashboard. No late CS files were recorded on the switch breach history report for CTCS or CTCX.

CS content

Staff identify CS files which are due by reviewing the switch breach history report.

The CS content is created using existing switch data in Salesforce, and data manually entered into Salesforce by staff. Staff manually enter (or copy and paste) the switch event readings, read types, and

last actual read dates from Datahub, and manually calculate and key in the average daily kWh based on the last two actual readings. These values are also recorded against the ICP on the switch breach history report.

A second staff member checks the CS content entered into Salesforce against the notes on the switch breach history report and confirms that the CS content looks accurate. Then the CS batch job is run to generate the CS files, which are automatically sent to the registry every two hours during business days. After a few minutes, the second staff member checks that each of the expected CS files has been successfully received by the registry. Any failures are checked to determine the reason and appropriate action is taken. Typically, failures occur because of a mismatch in metering details and a withdrawal for metering issues will be processed so that the issue can be resolved. If a failed CS file is not identified through this check, it will appear on the switch breach history report the next time it is run.

Simply Energy found in February 2023 that manually entered average daily kWh values will be replaced with Datahub's average (not based on the last two actual readings) when Salesforce is refreshed with Datahub data. This refresh occurs every two hours between 9am and 7pm. The operations team are mindful of the refresh times, and endeavour to ensure that CS file content is created, checked, and generated from Salesforce between refreshes. Simply Energy has also found that where the average daily kWh is calculated to be less than one by Salesforce it is truncated to zero, rather than rounded if it is above 0.5. This is being investigated by IT support and in the meantime Simply Energy will ensure that the correct values are manually entered.

CTCX	No transfer CS files were issued.
CTCS	<p>Analysis of the average daily kWh on the event detail report found:</p> <ul style="list-style-type: none"> • no CS files had average daily kWh which was less than zero, • seven CS files had average daily kWh which was more than 200 kWh, and • eight CS files had zero average daily kWh. <p>I checked a sample of five CS files for each exception type and found the average daily kWh was correct and based on the last two actual reads.</p> <p>I checked for discrepancies between the last actual read date and switch event reading type for transfer switch CS files:</p> <ul style="list-style-type: none"> • one CS file had a last actual read date the day before the switch event date with only estimated readings in the CS file; the file was generated for a HHR ICP where no midnight readings were available, and the content was correct, • no CS files had a last actual read date more than one day before the switch event date with only actual readings in the CS file, • no CS files had a last actual read date on or after the switch event date, and • two CS files for unmetered ICPs compliantly contained no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL rows. <p>I checked the content of a further five CS files and confirmed that all details were accurately recorded.</p> <p>I rechecked CS switch event reading exceptions identified during the previous audit and found:</p> <ul style="list-style-type: none"> • the switch for ICP 0000045646HR5D5 has been withdrawn, and the incorrect event reading is no longer an issue, and • the switch event reading for ICP 0001521795PC22D (2 December 2021) remains 190256 but should have been 190192. Revision 14 has now been completed.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.3</p> <p>With: Clause 5 Schedule 11.3</p> <p>From: 03-Jun-22</p> <p>To: 15-Nov-22</p>	<p>CTCT</p> <p>Three CS breaches.</p> <p>Three E2 breaches.</p> <p>Four CS files had an average daily kWh of zero incorrectly recorded which was created prior to a system fix to ensure average daily kWh was correctly calculated.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>The controls are strong. The accuracy of CS content has improved, and a small number of late files were issued. No errors or late files were identified after November 2022.</p> <p>The impact is low. The average daily consumption value only has an impact if the gaining retailer uses it to create forward estimate where actual readings are not available, and there were a small number of late files.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>CS & E2 breaches.</u></p> <p>Contact has implemented a process change last year and since then no related non-compliances are noted. We are regularly providing refresher training to the agents to ensure adherence to the new process.</p> <p>Four CS files had an average daily kWh of zero incorrectly recorded which was created prior to a system fix to ensure average daily kWh was correctly calculated.</p> <p>The system change was deployed in March 2023 and has been validated to ensure working correctly, no further instance of this non-compliance has been noted after the system fix.</p>		<p>March 2023</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><u>CTCT</u></p> <p>Contact has implemented a process change and deployed system fix, no further occurrence of these issues is noted since then.</p>		<p>March 2023</p>	

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The process for the management of read change requests was examined.

The event detail report was analysed to identify all read change requests and acknowledgements during the audit period. A sample of RR and AC files issued for transfer switches were checked to confirm that the content was correct, and that Contact's systems reflected the outcome of the RR process.

I also checked for CS files with estimated readings provided by other traders where no RR was issued, to determine whether the correct readings were recorded in Contact's systems.

The switch breach history report for the audit period was reviewed.

Audit commentary

CTCT

RR

Inaccurate switch event reads are normally identified through the read validation process, or the customer querying their first bill. When a potential discrepancy is identified, CTCT gains a second actual reading as soon as possible to determine whether a read renegotiation is required. The billing team emails the other retailer using the switching inbox (so the switching team has a copy of the correspondence) and issues the RR. The switching team provides process support where requested, including for complex cases. CTCT attempts to issue RRs within four months as required by this clause.

BPEMs are generated for accepted and rejected AC files returned by other traders. These BPEMs are processed by the switching team daily.

CTCT issued 122 RR files for transfer switches. 80 were accepted and 32 were rejected. For the sample of five acceptances and five rejections checked there was a genuine reason for CTCT's RR, the RR was

supported by at least two validated readings, and the reads recorded in SAP reflected the outcome of the RR process.

The switch breach history report recorded four late RRs for transfer switches which were delayed while CTCT obtained readings to confirm that the RR was required and determine the expected switch event reading.

AC

A BPEM is generated when an RR file is received. These are worked through manually and accepted or rejected, then the BPEM is closed by the user. Another user is responsible for reviewing the switch breach report each morning and afternoon and checking any ICPs close to breaching, which are followed up with the user responsible.

CTCT issued one AC file for a transfer switch which accepted the other trader's RR. The switch was later withdrawn.

The switch breach history report did not record any late AC files.

CS files with estimated readings where no RR is issued

Review of five transfer CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in SAP.

CTCX and CTCS

RR

Inaccurate switch event reads are normally identified through the read validation process, or the customer querying their first bill. When a potential discrepancy is identified, Simply Energy gains a second actual reading as soon as possible to determine whether a read renegotiation is required.

Simply Energy has reinstated their validation of switch event readings for AMI ICPs which have switched in on estimated readings, to more promptly identify switches which may require read renegotiation.

RR details are entered into Salesforce and transferred to the registry. The files are automatically extracted from Salesforce and sent to the registry every two hours. Salesforce automatically applies an estimated switch event read type to outgoing RRs, so where an actual read type is required the RR is created manually using the registry user interface.

On receipt of an incoming AC file, the readings are manually updated in Salesforce and then automatically transferred to Datahub nightly. Once validated, the readings are transferred to MADRAS for NHH settled ICPs.

CTCX	No RR files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	One transfer RR file was issued by CTCS and accepted by the other trader. There was a genuine reason for the CTCS RR, the RR was supported by at least two validated readings, and the reads recorded in DataHub and MADRAS reflected the outcome of the RR process. No RR breaches for transfer switches were recorded in the switch breach history report.

AC

Read change workflows are managed using the SalesForce dashboard, and the timeliness of AC files is also monitored using the switch breach report twice daily.

CTCX	No AC files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	CTCS issued nine AC files for transfer switches. Five rejected the other trader's RR and four accepted the other trader's RR. In all cases the readings in Datahub and MADRAS (for NHH settled ICPs) reflected the outcome of the RR process, and rejections were for valid reasons. No AC breaches were recorded.

CS files with estimated readings where no RR is issued

CTCX	There were no incoming CS files with no RR issued.
CTCS	Review of five transfer CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in Datahub and Madras.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.4 With: Clause 6(1) and 6A Schedule 11.3 From: 08-Dec-22 To: 25-Jan-23	<p>CTCT</p> <p>Four RR breaches.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong and will mitigate risk to an acceptable level.</p> <p>The impact assessed to be low because the RRs were completed with sufficient time for revised submission information to be provided.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>CTCT</p> <p>Contact has robust process in place for RRs.</p> <p>Contact was attempting to acquire two validated reads to start the RR process, but it was delayed due to access issues to the meters. RRs were sent as soon as practicable once two validated reads were obtained.</p>		<p>CTCT</p> <p>Ongoing</p>	Identified

We believe our current processes are effective to reduce the number of late RR's but access issues at times can impact it overall.		
Preventative actions taken to ensure no further issues will occur	Completion date	
CTCT Please refer to actions taken to resolve field.	CTCT Ongoing	

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

The process for the management of read requests was examined. The event detail report was analysed to identify read change requests issued and received under Clause 6(2) and (3) Schedule 11.3 and determine compliance.

Audit commentary

CTCT

These RR requests are processed in the same way as those received for greater than 200 kWh. Each request is evaluated and validated against the ICP information. If the request is within validation requirements these are expected to be accepted.

Contact did not issue any read change requests where clause 6(2) and (3) of schedule 11.3 applied. All acknowledgements where clause 6(2) and (3) of schedule 11.3 applied were accepted.

CTCX and CTCS

Simply Energy is aware of the requirements of Clause 6(2) and (3) of Schedule 11.3 and has processes in place to ensure compliance.

No RR files were issued by CTCS or CTGX under Clause 6(2) and (3) of Schedule 11.3. All acknowledgements where clause 6(2) and (3) of schedule 11.3 applied were accepted, except for ICP 0000028585EAF0C 9 December 2022 which was switched out on reads 2099 E and 8249 E. Flick requested a read renegotiation to 2102 A and 8254 A, which was declined by Simply Energy because they subsequently received actual reads for the event date of 8253.62 and 2101.82. Simply Energy truncates the reads in their switching files, and Flick rounds the reads in their switching files, so both parties effectively wanted to apply the same reading. CTCS has recorded the agreed switch reading (which was recorded in the CS file) in Datahub and MADRAS.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

I confirmed with Contact whether any disputes have needed to be resolved in accordance with this clause.

Audit commentary

Contact confirmed that no disputes have needed to be resolved in accordance with this clause for any of the participant codes.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

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

Audit observation

The switch gain process was examined to determine when Contact deem all conditions to be met. A typical sample of NTs were checked for each trader code to confirm that these were notified to the registry within two business days, and that the correct switch type was selected.

Audit commentary

CTCT

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

Robots process applications made via the website. The values the customer enters into the application determine whether the customer is moving into the address or transferring between retailers at an existing address, which in turn determines the switch type. If the robot does not complete the action within 12 hours, an email is raised for a CSR to process the application and issue the NT. Applications received through other channels, such as customer's phoning in, are handled by CSRs.

Switch move is applied where a new customer is moving into an address. CTCT's customer help tool used by CSRs who process customer applications clearly states that MI should be applied where the customer is moving into a property, and PA (the internal code applied for transfer switches) should be applied where the customer is not moving. The robots are programmed to ensure that correct switch types are applied.

Switch move is also sometimes used where a backdated switch event date is required by a transferring customer following a withdrawal or contract ending with another retailer. This is technically non-compliant but ensures that the correct event date is applied.

I checked the metering category for the 38,834 switch move ICPs where this information was available on the PR255 report and found none had metering categories of three or above.

The 15 most backdated NT files were checked. They were sent within two business days of pre-conditions being cleared, and the correct switch type was selected for 12 of the NTs. Three transfer switches were requested as switch moves because a backdated switch was required to correct the switch event date following a withdrawal (0000023867CEBE8 NT-8118308 8 June 2022 and 1000010170OY2EB NT-8064138 13 June 2022) or to align with a contract end date (0000252184UNB4E NT-8174515 13 June 2022).

CTCX and CTCS

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

Customer application information, including whether the customer is transferring between retailers at an address or moving into the address is loaded into Emersion, and then transferred to Salesforce every five minutes. Salesforce completes validation to confirm that all required fields have been populated (including ANZSIC codes), pricing is consistent with the expected values in the tariff management tool. Any ICP that fails validation is directed to a user to review and correct, and NT files are automatically issued from Salesforce for ICPs which pass the validation and have "initiate switch" selected. Salesforce holds any future dated NTs until they are within three business days of the proposed event date.

NT files generated in Salesforce are pushed to the registry using a SQL script every two hours during business hours, and have their status updated to "switch requested". Switch gain exceptions are generated for review by the operations team where an NT failure is notified by the registry.

Where a large number of ICPs require NTs created on a given day, Simply Energy creates a batch file of application details which can be imported directly into Salesforce to save time. A copy of the file is also provided to Emersion IT support so that it can be loaded into Emersion.

Salesforce selects the switch type based on the metering category and the proposed switch type set in Emersion. ICPs with a metering category of 3, 4 or 5 are set to HH, and ICPs with metering category of 1

or 2 are set to switch move if the customer is moving in, or TR if the customer is transferring between retailers at their existing address.

CTCX	No switch move NT files were issued during the audit period.
CTCS	<p>I checked the metering category for the 1,797 switch move NTs where this information was available on the PR255 report and found none had metering categories of three or above.</p> <p>The ten most backdated NT files were checked. I found that all of the NTs were issued within two business days of pre-conditions being cleared. Two of the NTs were technically transfer switches (0003133660AAB48 NT-8093803 and 0652830142LCC20 NT-8204272) but were requested as switch moves to ensure that the correct backdated switch event date was applied. Both were switches between codes managed by Simply Energy and/or owned by Contact Energy, and there was no impact on other traders.</p>

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.7</p> <p>With: Clause 9 of Schedule 11.3</p> <p>From: 10-Oct-22</p> <p>To: 17-Jan-23</p>	<p>CTCT</p> <p>Three of a sample of 15 switch move ICPs should technically have been requested as transfer switches. Switch move was applied to ensure the correct event date was used.</p> <p>CTCS</p> <p>Two of the sample of ten switch move ICPs should technically have been requested as transfer switches. Switch move was applied to ensure the correct event date was used.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong and mitigate risk to an acceptable level.</p> <p>The impact is assessed to be low as this would have a greater customer and reconciliation impact if a switch move was not issued in these situations.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>CTCT</p> <p>Contact has strong controls and robust processes in place to assign the correct switch types. MI switch was assigned to align the switch date with contract end date (with alternate retailer)</p>		<p>CTCT</p> <p>Ongoing</p>	Identified

<p>or to correct the switch event date (after withdrawal process). These changes to switch event dates are not possible to achieve with current settings of TR switch. This limitation with the Transfer switch has been raised with Electricity Authority through the Switch process review via Switching Technical Group.</p> <p><u>CTCS</u></p> <p>These historic issues cannot be corrected.</p>	<p><u>CTCS</u></p> <p>N/A</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>This limitation with the Transfer switch has been raised with Electricity Authority through the Switch process review via Switching Technical Group.</p> <p><u>CTCS</u></p> <p>Simply Energy have immediately implemented a QA process on 26/05/2023, where the Operations Team lead acts as a backup to ensure that the use of Switch types is correct then a final approval is given.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>26/05/2023</p>	

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

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

Audit observation

The event detail report was reviewed to:

- identify AN files issued by Contact during the audit period,
- assess compliance with the requirement to meet the setting of event dates requirement, and
- check a diverse sample ANs for each trader code to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

Audit commentary

CTCT

AN content

SAP generates AN files automatically and the codes are based on a hierarchy. BPEMs are created where the AN cannot be automatically generated, including for pre-pay ICPs with non-settled meter registers and ICPs which have not received a meter reading for more than 365 days. A user manually reviews the BPEM and creates the AN file directly on the registry.

I checked the AN response codes for all transfer switch ANs and found they were consistent with the information recorded on the registry for the ICPs where the AA (acknowledge and accept), AD (advanced metering), or PD (premises electrically disconnected) response codes were applied. I checked a sample of five of the 195 ANs where the OC (occupied premises) code was applied and found they were correct.

The event detail report was reviewed for all switch move ANs to assess compliance with the setting of event dates requirements. All ANs had proposed event dates within ten business days of the NT receipt date, and no ANs had a proposed event date before the gaining trader's requested date.

The switch breach history report recorded three ET breaches where the proposed transfer date was more than ten business days after NT receipt or before the proposed date. One was not genuine, and the other two switches were later withdrawn due to customer error or being an unauthorised switch. The issue relating to application of incorrect event dates under certain circumstances is currently with the ICT team for resolution.

AN and CS timeliness

AN and CS generation is automated. If a CS fails to generate a BPEM is created. Failures most commonly occur because no reading is received in the last 365 days, or the event reading is not plausible. CS BPEMs are actioned by the switching team, and the switch breach history report is reviewed twice daily in parallel to ensure that all switch files expected are received by the registry.

The switch breach history report did not record any alleged breaches relating to AN or CS timeliness.

CTCX and CTCX

AN content

AN files are generated by SalesForce automatically once an NT is received provided that the ICP has a switch loss in progress, the proposed switch date is in the future, and a valid response code can be determined by SalesForce. If any of these conditions are not met, an exception is generated for resolution by the Operations Team.

AN response codes are selected based on a hierarchy which achieves compliance. For switch moves, proposed event dates are recorded as the gaining trader's proposed event date unless it is in the future, or more than 90 days in the past. NTs with event dates more than 90 days in the past or future event dates do not have an AN file created and are moved to a workflow for manual intervention by the Operations Team. This intervention may include negotiating a different date with the other trader, and/or issuing a withdrawal request.

CTCX	<p>I checked the AN response codes for all switch move ANs and found they were consistent with the information recorded on the registry for the ICPs.</p> <p>The event detail report was reviewed for all switch move ANs to assess compliance with the setting of event dates requirements. All ANs had proposed event dates within ten business days of the NT receipt date, and no ANs had a proposed event date before the gaining trader's requested date.</p>
CTCS	<p>I checked the AN response codes for the 1,220 switch move ANs where the ICP was recorded on the registry list with history. I found the codes applied were consistent with the registry information.</p> <p>The event detail report was reviewed for all switch move ANs to assess compliance with the setting of event dates requirements. All ANs had proposed event dates within ten business days of the NT receipt date, and no ANs had a proposed event date before the gaining trader's requested date.</p> <p>One AN file (0000730278NV116 AN-7473478) was issued with an incorrect date because a typo was made when updating the year of the AN proposed event date. The switch was later withdrawn, and process automation has prevented this issue from recurring.</p>

AN and CS timeliness

Incoming NT files are retrieved from the registry and loaded into Salesforce every two hours during business hours. The incoming NTs are displayed on the switch loss dashboard with details of the NT received date, proposed switch date, metering category and proposed switch type.

Simply Energy selects the AN files to be released within Salesforce, and Salesforce automatically generates the AN. Outgoing AN files are pushed to the registry using a SQL script every two hours during business hours. Exceptions are generated and viewed in Salesforce where an outgoing AN file cannot be automatically created and sent. Users check these exceptions daily and resolve any issues. The switch breach history report is monitored twice daily to identify AN files which are close to falling due.

The timeliness of CS files is monitored using the switch breach history report, which is checked twice daily, and Salesforce dashboard.

No AN or CS breaches were recorded on the switch breach history report for CTCS or CTCX.

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3</p>	<p>CTCT</p> <p>Two ET breaches. The switches were later withdrawn so the incorrect dates had no impact.</p> <p>CTCS</p> <p>One AN contained an incorrect proposed event date. The switch was later withdrawn so the incorrect date had no impact.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p>

From: 15-Jul-22 To: 15-Jul-22	Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are recorded as strong as they will mitigate risk to an acceptable level. The issue relating to application of incorrect event dates under certain circumstances which is causing ET breaches is currently with the ICT team for resolution.</p> <p>The audit risk rating is low because the impact on settlement and participants is minor. The affected switches were withdrawn.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCT</u> We are working with our ICT team to improve our system logic. This issue only happens in certain circumstances and a system change will resolve it.</p> <p><u>CTCS</u> These historic issues cannot be corrected.</p>	<p><u>CTCT</u> Nov 2023</p> <p><u>CTCS</u> NA</p>	Investigating
Preventative actions taken to ensure no further issues will occur	Completion date	
<p><u>CTCT</u> Contact's SAP technical team are working to identify/develop a solution.</p> <p><u>CTCS</u> Since the Automation of the AN's, there have been no further issues.</p>	<p><u>CTCT</u> Nov 2023</p> <p><u>CTCS</u> 31/07/2022</p>	

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

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

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

Audit observation

The event detail report was reviewed to identify AN files issued by Contact during the audit period, and assess compliance with the requirement to meet the setting of event dates requirement.

Audit commentary

CTCT

Analysis found all switch move ANs had a valid switch response code, and switches were completed as required by this clause.

All event dates were compliant. 31 switch move ANs did not have the gaining trader's NT proposed date applied. All 31 had compliant event dates set by CTCT and switches were completed as required by this clause.

CTCS and CTCX

Analysis found all switch move ANs had a valid switch response code, and switches were completed as required by this clause.

1,266 of the 1,267 switch moves had the gaining trader's proposed event date applied. One AN file (0000730278NV116 AN-7473478) was issued with an incorrect date because a typo was made when updating the year of the AN proposed event date. The event date was compliant with the Code, the switch was later withdrawn, and process automation has prevented this issue from recurring.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

The event detail report was reviewed to identify CS files issued by Contact during the audit period. The accuracy of the content of CS files was confirmed by checking a sample of records per trader code. The content checked included:

- correct identification of meter readings and correct date of last meter reading,
- accuracy of meter readings, and
- accuracy of average daily consumption.

CS files with average daily kWh that was negative, zero, or over 200 kWh were identified. A sample of these CS files were checked to determine whether the average daily consumption was correct.

Audit commentary

CTCT

CTCT has implemented system changes to ensure that average daily kWh is calculated as the average daily consumption between the last two actual readings. I confirmed that the issue where NHH ICPs on a TOU price plan (Good nights) had average daily kWh of zero included in their CS files was resolved on 30 March 2023, by checking CS files generated after that date.

Analysis of the average daily kWh on the event detail report found:

- no CS files had average daily kWh which was less than zero,
- two CS files had average daily kWh which was more than 200 kWh and were correct, and
- 245 CS files had zero average daily kWh, and a sample of five were checked; four were correct, and one incorrectly reported zero for a ICP on the Good nights plan where the file was generated prior to the system change.

I checked for discrepancies between the last actual read date and switch event reading type for switch move CS files:

- no CS files had a last actual read date the day before the switch event date with only estimated readings in the CS file,
- the CS files for 0000935327TU680 CS-4508101 6 October 2022 and 0000006760DE9DB CS-4667888 6 February 2023 had a last actual read date more than one day before the switch event date with only actual readings in the CS file; both ICPs had incorrect last actual read dates recorded as their meters had been “modified” in SAP with a closing read entered and the same meter reopened and when the CS file is generated, the process starts at the switch in date and looks for the removal reading and then determines the most recent actual reads on this date or earlier - this is usually the switch out reading, but where a meter has been removed and reinstalled, the process will select the earlier removal reading (these modifications are rare, and mainly used where a correction needs to be completed without replacing the meter),
- no CS files had a last actual read date on or after the switch event date, and
- three CS files for unmetered ICPs compliantly contained no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL rows.

I checked the content of a further seven CS files and confirmed that all details were accurately recorded.

CTCX and CTCS

CS content

Staff identify CS files which are due by reviewing the switch breach history report.

The CS content is created using existing switch data in Salesforce, and data manually entered into Salesforce by staff. Staff manually enter (or copy and paste) the switch event readings, read types, and last actual read dates from Datahub, and manually calculate and key in the average daily kWh based on the last two actual readings. These values are also recorded against the ICP on the switch breach history report.

A second staff member checks the CS content entered into Salesforce against the notes on the switch breach history report and confirms that the CS content looks accurate. Then the CS batch job is run to generate the CS files, which are automatically sent to the registry every two hours during business days. After a few minutes, the second staff member checks that each of the expected CS files has been successfully received by the registry. Any failures are checked to determine the reason and appropriate action is taken. Typically, failures occur because of a mismatch in metering details and a withdrawal for metering issues will be processed so that the issue can be resolved. If a failed CS file is not identified through this check, it will appear on the switch breach history report the next time it is run.

Simply Energy found in February 2023 that manually entered average daily kWh values will be replaced with Datahub's average (not based on the last two actual readings) when Salesforce is refreshed with Datahub data. This refresh occurs every two hours between 9am and 7pm. The operations team are mindful of the refresh times, and endeavour to ensure that CS file content is created, checked, and generated from Salesforce between refreshes. Simply Energy has also found that where the average daily kWh is calculated to be less than one by Salesforce it is truncated to zero, rather than rounded if it is above 0.5. This is being investigated by IT support and in the meantime Simply Energy will ensure that the correct values are manually entered.

CTCX	<p>Analysis of the average daily kWh on the event detail report found:</p> <ul style="list-style-type: none"> • no CS files had average daily kWh which was less than zero, • 33 CS files had average daily kWh which was more than 200 kWh, and • ten CS files had zero average daily kWh. <p>I checked a sample of five CS files for each exception type and found the average daily kWh was correct and based on the last two actual reads except for 0000032259EA8F3 CS-4548096 2 November 2022 where the calculated value of 0.99 was truncated to zero instead of being rounded to one.</p> <p>I checked for discrepancies between the last actual read date and switch event reading type for switch move CS files:</p> <ul style="list-style-type: none"> • one CS file had a last actual read date the day before the switch event date with only estimated readings in the CS file; the file was generated for a HHR ICP where no midnight readings were available, and the content was correct, • one CS file (0000031577EABDF CS-4411251 21 July 2022) had a last actual read date more than one day before the switch event date with only actual readings in the CS file; the switch event readings were correct, but the last actual read date was entered as 30 June 2020 instead of 30 June 2022, and the average daily kWh was incorrectly recorded as 100 kWh instead of 150 kWh, • no CS files had a last actual read date on or after the switch event date, and • seven CS files contained no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL rows; two of the ICPs were unmetered, and five had the AMI flag set to no and HHR Flag set to yes. <p>I checked the content of a further five CS files and confirmed that all details were accurately recorded.</p>
CTCS	<p>Analysis of the average daily kWh on the event detail report found:</p> <ul style="list-style-type: none"> • no CS files had average daily kWh which was less than zero, • 34 CS files had average daily kWh which was more than 200 kWh, and • 143 CS files had zero average daily kWh. <p>I checked a sample of five CS files for each exception type and found the average daily kWh was correct and based on the last two actual reads except for 0000140616WE07A CS-4397811 12 July 2022 where the average daily kWh was recorded as 644 but should have been 176.</p> <p>I checked for discrepancies between the last actual read date and switch event reading type for switch move CS files:</p> <ul style="list-style-type: none"> • ten CS files had a last actual read date the day before the switch event date with only estimated readings in the CS file; I checked a sample of five files and found three ICPs

	<p>with actual switch event readings had an estimated read type recorded² and two CS files had an incorrect last actual read date recorded³.</p> <ul style="list-style-type: none"> • no CS files had a last actual read date more than one day before the switch event date with only actual readings in the CS file, • one CS file (0000164583CK6A0 CS-4405498 18 July 2022) had a last actual read date on the switch event date, which was expected to be the day before the switch event date, • no CS files had a last actual read date after the switch event date, and • 131 CS files contained no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL rows; 56 of the ICPs were unmetered, and 75 had the AMI flag set to no and HHR Flag set to yes. <p>I checked the content of a further seven CS files and confirmed that all details were accurately recorded.</p> <p>I rechecked CS switch event reading exceptions identified during the previous audit and found that the reads have not been changed, and revision 14 has now been completed.</p>
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Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.10</p> <p>With: Clause 11 Schedule 11.3</p> <p>From: 11-Jul-22</p> <p>To: 09-Feb-23</p>	<p>CTCT</p> <p>One CS had an average daily kWh of zero incorrectly recorded in a CS file which was created prior to a system fix to ensure average daily kWh was correctly calculated.</p> <p>Two switch move CS files had an incorrect last actual read date.</p> <p>CTCX</p> <p>One switch move CS file had an incorrect last actual read date.</p> <p>Two switch move CS files had incorrect average daily kWh.</p> <p>CTCS</p> <p>Three switch move CS files had incorrect last actual read dates.</p> <p>Three switch move CS files had their switch event read type recorded as estimated, but should have been actual.</p> <p>One switch move CS file had incorrect average daily kWh.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating

² 0000803900WAA12 CS-4397006 11 July 2022, 0001005115WA5F5 CS-4397007 11 July 2022 and 0005280129WA325 CS-4397007 11 July 2022

³ 0000059131CP718 CS-4499358 3 October 2022 and 1000529565PCFCB CS-4613234 14 December 2022

<p>Low</p>	<p>The controls are recorded as strong. The accuracy of CS content has improved, and a small number of late files were issued.</p> <p>For CTCS and CTCX no errors were identified after December 2022 and for CTCT no errors were identified after February 2023. The inaccurate file content has little to no impact on other participants and settlement:</p> <ul style="list-style-type: none"> • the last actual read date does not directly impact on settlement or other participants, • the average daily consumption value only has an impact if the gaining retailer uses it to create forward estimate where actual readings are not available, and • the incorrect switch event read type does not impact on RRs for switch moves and does not impact on reconciliation as all switch event reads are treated as permanent by the reconciliation process. 	
<p>Actions taken to resolve the issue</p>	<p>Completion date</p>	<p>Remedial action status</p>
<p><u>CTCT</u></p> <p>One CS had an average daily kWh of zero incorrectly recorded in a CS file which was created prior to a system fix to ensure average daily kWh was correctly calculated.</p> <p>A system change was deployed in March 2023 and has been validated to ensure it is working correctly; no further instance of this non-compliance has been noted since the system fix was implemented.</p> <p>Two switch move CS files had an incorrect last actual read date.</p> <p>Our ICT team is investigating this issue to identify a solution. We are expecting this to be resolved by September 2023.</p> <p><u>CTCS & CTCX</u></p> <p>These historic issues cannot be corrected.</p>	<p><u>CTCT</u></p> <p>September 2023</p> <p><u>CTCS & CTCX</u></p> <p>N/A</p>	<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>Please refer to the actions taken to resolve this field.</p> <p><u>CTCS & CTCX</u></p> <p>Simply Energy immediately implemented a QA process on 01/11/2022, where a backup team member checks that the data is correct then gives the final approval. This process will be automated in Phase 2 of the Switching Automation currently scheduled for Quarter 3 of 2023.</p>	<p><u>CTCT</u></p> <p>September 2023</p> <p><u>CTCS & CTCX</u></p> <p>31/12/2023</p>	

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

Code reference

Clause 12 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The process for the management of read change requests was examined.

The event detail report was analysed to identify all read change requests and acknowledgements during the audit period. A sample of RR and AC files issued for transfer switches were checked to confirm that the content was correct, and that Contact's systems reflected the outcome of the RR process.

I also checked for CS files with estimated readings provided by other traders where no RR was issued, to determine whether the correct readings were recorded in Contact's systems.

The switch breach history report for the audit period was reviewed.

Audit commentary

CTCT

RR

Inaccurate switch event reads are normally identified through the read validation process, or the customer querying their first bill. When a potential discrepancy is identified, CTCT gains a second actual reading as soon as possible. If the two actual readings confirm an RR is required, the billing team emails

the other retailer using the switching inbox (so the switching team has a copy of the correspondence) and issues the RR. The switching team provides process support where requested, including for complex cases. CTCT attempts to issue RRs within four months as required by this clause.

BPEMs are generated for accepted and rejected AC files returned by other traders. These BPEMs are processed by the switching team daily.

CTCT issued 597 RR files for switch moves. 437 were accepted and 160 were rejected. For the sample of five acceptances and five rejections checked there was a genuine reason for the CTCT RR, the RR was supported by validated readings, and the reads recorded in SAP reflected the outcome of the RR process.

The switch breach history report recorded 24 late RRs for switch moves. I checked the ten latest which were delayed while CTCT obtained readings to confirm that the RR was required and determine the expected switch event reading.

AC

A BPEM is generated when an RR file is received. These are worked through manually and accepted or rejected, then the BPEM is closed by the user. Another user is responsible for reviewing the switch breach report each morning and afternoon and checking any ICPs close to breaching which are followed up with the user responsible.

CTCT issued eight AC files for switch moves. Seven were accepted and one was rejected. The rejection was for a valid reason, and all of the switches which underwent read renegotiation were later withdrawn.

The switch breach history report did not record any late AC files.

CS files with estimated readings where no RR is issued

Review of five switch move CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in SAP.

CTCX and CTCS

RR

Inaccurate switch event reads are normally identified through the read validation process, or the customer querying their first bill. When a potential discrepancy is identified, Simply Energy gains a second actual reading as soon as possible to determine whether a read renegotiation is required.

Simply Energy has reinstated their validation of switch event readings for AMI ICPs which have switched in on estimated readings, to more promptly identify switches which may require read renegotiation.

RR details are entered into Salesforce and transferred to the registry. The files are automatically extracted from Salesforce and sent to the registry every two hours. Salesforce automatically applies an estimated switch event read type to outgoing RRs, so where an actual read type is required the RR is created manually using the registry user interface.

On receipt of an incoming AC file, the readings are manually updated in Salesforce and then automatically transferred to Datahub nightly. Once validated, the readings are transferred to MADRAS for NHH settled ICPs.

CTCX	No RR files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	CTCS issued 37 RR files for switch moves. 34 were accepted and three were rejected. I checked five accepted and the three rejected files. There was a genuine reason for the

	<p>CTCS RR, the RR was supported by at least two validated readings, or a reconnection read, and the reads recorded in DataHub and MADRAS reflected the outcome of the RR process.</p> <p>Two RR breaches were recorded on the switch breach history report. Both were delayed while investigation was conducted to confirm the correct metering at the time of the switch and/or estimated switch event reading.</p>
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AC

Read change workflows are managed using the SalesForce dashboard, and the timeliness of AC files is also monitored using the switch breach report twice daily.

CTCX	No AC files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	<p>CTCS issued 12 AC files for switch moves. Two were rejected and ten were accepted. I checked a sample of five accepted and all rejected files. In all cases the readings in Datahub and MADRAS (for NHH settled ICPs) reflected the outcome of the RR process, and rejections were for valid reasons.</p> <p>No AC breaches were recorded on the switch breach history report.</p>

CS files with estimated readings where no RR is issued

CTCX	There were no incoming CS files with no RR issued.
CTCS	Review of five switch move CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in Datahub and Madras.

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.11</p> <p>With: Clause 12 of Schedule 11.3</p> <p>From: 01-Dec-21</p> <p>To: 22-May-22</p>	<p>CTCT</p> <p>24 late RR breaches for switch moves.</p> <p>CTCS</p> <p>Two RR breaches for switch moves.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>The controls are rated as strong and will mitigate risk to an acceptable level.</p> <p>The impact assessed to be low because the RRs were completed with sufficient time for revised submission information to be provided.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCT</u></p> <p>Contact has robust process in place for RRs. Contact was attempting to acquire two validated reads to start the RR process, but it was delayed due to access issues to the meters. RRs were sent as soon as practicable once two validated reads were obtained. We believe our current processes are effective to reduce the number of late RR's but access issues at times can impact it overall.</p> <p><u>CTCS</u></p> <p>These historic issues cannot be corrected.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>NA</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur	Completion date	
<p><u>CTCT</u></p> <p>Please refer to the actions taken to resolve field.</p> <p><u>CTCS</u></p> <p>As recently as 24/02/2023, Simply Energy had implemented a change in Salesforce where users can request special reads from Wells for this purpose. Where there is only one actual read, Simply Energy now requests a special read to ensure there are at least two actual reads before requesting a read amendment. Typically, Simply Energy would request the read history from the alternative retailer if there was only one read in place, however, the business now has the convenience of requesting special reads where applicable.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>24/02/2023</p>	

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

Code reference

Clause 14 Schedule 11.3

Code related audit information

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

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

- *the gaining trader will trade electricity through a non-AMI non half hour metering installation and the losing trader trades electricity through anon-AMI half hour metering installation.*

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

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

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

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

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

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

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

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

Audit observation

The switch gain process was examined to determine when Contact deem all conditions to be met. A typical sample of HH NTs were checked to confirm whether they were notified to the registry within three business days.

HH NTs on the event detail report were matched to the metering information on the meter event details report to confirm whether the correct switch type was selected.

Audit commentary

CTCT

CTCT did not request any HH switches during the audit period. All HH ICPs switch in to the CTCS participant code.

I checked the metering category for the 8,792 transfer switch ICPs and 38,834 switch move NTs issued during the audit period and found none had metering categories of three or above.

CTCX and CTCS

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

Customer application information is loaded into Emersion, and then transferred to Salesforce every five minutes. Salesforce completes validation to confirm that all required fields have been populated (including ANZSIC codes), pricing is consistent with the expected values in the tariff management tool, and that transfer switches do not have backdated proposed transfer dates. Any ICP that fails validation is directed to a user to review and correct, and NT files are automatically issued from Salesforce for ICPs which pass the validation and have “initiate switch” selected. Salesforce holds any future dated NTs until they are within three business days of the proposed event date.

NT files generated in Salesforce are pushed to the registry using a SQL script every two hours during business hours, and have their status updated to “switch requested”. Switch gain exceptions are generated for review by the Operations Team where an NT failure is notified by the registry.

Where a large number of ICPs require NTs created on a given day, Simply Energy creates a batch file of application details which can be imported directly into Salesforce to save time. A copy of the file is also provided to Emersion IT support so that it can be loaded into Emersion.

Salesforce selects the switch type based on the metering category and the proposed switch type set in Emersion. ICPs with a metering category of 3, 4 or 5 are set to HH, and ICPs with metering category of 1 or 2 are set to switch move if the customer is moving in, or TR if the customer is transferring between retailers at their existing address.

CTCX	No HH NT files were issued during the audit period.
CTCS	<p>The NT files for HH switches contained the information required by this clause.</p> <p>90 NTs were issued for gaining trader switches, all had metering category 3, 4 or 5 and the correct switch type was selected. No switch move or transfer switch NTs had metering categories of three or above.</p> <p>I checked a sample of the ten most backdated NTs and confirmed that they were issued within three business days of pre-conditions being cleared.</p> <p>The switch breach history report recorded one PT breach for ICP 0000166637CK55B, which switched between SELS and CTCS and was issued on 10 February 2023 for a proposed event date of 1 November 2022. Compliance is recorded because both codes are managed by Simply Energy and the dates were agreed to.</p>

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

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

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

Audit observation

An event detail report was reviewed to identify AN files issued by Contact during the audit period, and a sample of ANs were reviewed to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

Audit commentary

CTCT

No HH AN files were issued by CTCT during the audit period, and no breaches were recorded for HH AN files.

CTCX and CTCS

Incoming NT files are retrieved from the registry and loaded into Salesforce every two hours during business hours. The incoming NTs are displayed on the switch loss dashboard with details of the NT received date, proposed switch date, metering category and proposed switch type.

For HH and transfer switches, Simply Energy requests confirmation that the ICP can switch out from their white label customer or the solutions team depending on which brand supplies the ICP. If approval is not received within 24 hours, the AN is released and the withdrawal process is used to cancel the switch if necessary. Simply Energy selects the AN files to be released within Salesforce, and Salesforce automatically generates the AN. Outgoing AN files are pushed to the registry using a SQL script every two hours during business hours.

Exceptions are generated and viewed in Salesforce where an outgoing AN file cannot be automatically created and sent. Users check these exceptions daily and resolve any issues. The switch breach history report is monitored twice daily to identify AN files which are close to falling due.

The switch breach history report is also monitored daily to ensure that AN files are issued on time.

CTCX	Three HH AN files were issued during the audit period. All had the AA (acknowledge and accept) response code correctly applied. The switch breach history report did not record any breaches for HH switches.
CTCS	78 HH AN files were issued during the audit period. All had the AA (acknowledge and accept) response code correctly applied. The switch breach history report did not record any breaches for HH switches.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

The HH switching process was examined. The switch breach history report for the audit period was reviewed to identify late CS files.

Audit commentary

CTCT

CTCT did not request any HH switches during the audit period, and the switch breach history report did not record any late HH CS files.

CTCX and CTCS

Incoming AN files are retrieved from the registry and loaded into Salesforce every two hours during business hours. They appear on the gain acknowledged view in Salesforce for action. Outgoing HH CS files are generated in Salesforce and then pushed to the registry using a SQL script every two hours during business hours. The switch breach history report is also monitored twice daily to identify CS files which are close to falling due.

CTCX	CTCX did not request any HH switches during the audit period, and the switch breach history report did not record any late HH CS files.
CTCS	<p>The CS file content was as expected for all 86 of the 88 HH CS files issued during the audit period. Two CS files (0000022125WE134 CS-4471934 and 0388688165LC3B5 CS-4558003) had their AMI flag set to Y, and the registry required CTCS to provide CSMETERINSTALL, CSMETERCOMP, and CSMETERCHANNEL rows as well as CSPREMISES. Due to registry constraints the switches could not be completed without these rows.</p> <p>The switch breach history report did not record any late HH CS files, and CS content was as expected for all HH CS files.</p>

Audit outcome

Compliant

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

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

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

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

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*
 - o *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
 - and*
 - o *the withdrawal advisory code published by the Authority (clause 18(c)(ii))*
- *within five business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal (clause 18(d))*
- *on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c).*

All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request (clause 18(e))

- if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within two business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16 (clause 18(f)).

Audit observation

The event detail reports were reviewed to:

- identify all switch withdrawal requests issued by Contact, and check a sample for accuracy,
- identify all switch withdrawal acknowledgements issued by Contact, and check a sample of rejections, and
- confirm timeliness of switch withdrawal requests.

The switch breach history reports were checked for any late switch withdrawal requests or acknowledgements.

Audit commentary

CTCT

NW

NWs are created in SAP by users or robots. The robots generate NWs and emails to the other trader for unauthorised account withdrawals and customer requested withdrawals each morning, based on user created service orders. The service orders specify a service order type and category which is used to determine the NW reason code. Validation is in place to prevent the robots from creating NWs for any ICPs which have been supplied for over two months, and CTCT initiated withdrawals for reasons which are not related to the customer's error, authority, or preference are initiated by users. Any responses to the emails generated by the robots are returned to users for review.

Daily exception reports are generated which show all service orders for NWs and whether they were processed successfully by the robots, or an exception was generated. All exceptions are reviewed and actioned daily.

When an AW is returned in response to a CTCT NW a BPEM is created. The robot processes some accepted withdrawals if the user raising the NW has entered an instruction for the robot to action on receipt of the AW. All rejected withdrawals, and withdrawals without instructions for the robot are manually checked and processed by a user.

CTCT issued 3,061 NW files, and 505 (16.50%) of those files were rejected. The content of 22 NW files was compared to details in SAP. NW-1097618 for ICP 0007707965TUFF0 was sent in error due to a misunderstanding, the staff member should have issued an RR instead. Seven of the other 21 NWs did not have the withdrawal advisory code with the best fit applied:

ICP	Event audit no	Event date	Applied code	Code with best fit
0000491466CEF57	NW-1102670	25 November 2022	Customer error	Customer cancellation
0110012854EL483	NW-1084639	31 August 2022	Date failed	Customer error
0232605041LCA95	NW-1107435	25 January 2023	Date failed	Customer error
0000144902TR4CB	NW-1108004	9 February 2023	Date failed	Customer error

0000431844TU69C	NW-1084983	1 September 2022	Unauthorised switch	Customer cancellation
0004023527CN6E5	NW-1092663	3 November 2022	Unauthorised switch	Customer cancellation
0000009063ED973	NW-1074073	25 June 2022	Losing retailer not current retailer	Wrong premises

There has been some confusion about when the DF (date failed) code should be applied. The registry functional specification states:

Code	Description	Status	Explanation of use
DF	Date failed	Active	RTD (requested transfer date) greater than 10 business days in the future.

Recommendation	Description	Audited party comment	Remedial action
Training on application of the DF NW response code	<p>CTCT</p> <p>Provide refresher training to staff on the correct use of the DF NW response code.</p> <p>DF is expected to be used where the requested transfer date greater than 10 business days in the future only. Other date errors should have the CE (customer error) response code applied.</p>	<p>CTCT</p> <p>We will continue to provide regular refresher training for the operators involved in our switching processes to ensure the proper use of NW response codes is applied in all instances.</p>	Adopted, regular training will be provided.

The switch breach history report recorded:

- 34 SR breaches where the NW arrival date is more than 10 business days after the initial NW for the same trader requesting the withdrawal, and
- 133 NA breaches where the NW arrival date is more than two calendar months after the CS actual transfer date.

I checked the ten latest SR and 15 latest NA breaches and found the delays were caused by:

- late notification that the withdrawal was required from the customer, field technicians or other traders,
- double withdrawals and backdated switches, or
- delays while CTCT investigated whether the NW was required.

AW

A BPEM is generated when an NW file is received. These are worked through manually and accepted or rejected, then the BPEM is closed by the user. Another user is responsible for reviewing the switch breach report each morning and afternoon and checking any ICPs close to breaching which are followed up with the user responsible.

34 (11.06%) of the 3,110 AWs issued by CTCT were rejections. I reviewed a diverse sample of 21 rejections by CTCT (including at least three for each NW advisory code). 20 were validly rejected based on the information available at the time. One was rejected in error and accepted on reissue.

The switch breach history report recorded six AW breaches where the AW was not sent within five business days of NW receipt. The breaches all occurred on 20 September 2022 because a temporary system communication issue prevented the files from being delivered to the registry. They were successfully delivered the following day.

CTCX and CTCS

NW

NWs are issued as soon as possible after Simply Energy has confirmed that a withdrawal is required. As part of the investigation, Simply Energy confirms that the ICP is not at 1,12 “inactive - new connection in progress” or 1,6 “inactive - ready for decommissioning” status. NWs are created from Salesforce using the SQL (ETL) process. Withdrawal and response codes are applied based on the best information available.

Emails relating to NWs are issued from and received to the switching email inbox, and outgoing NWs are monitored using Salesforce workflows to make sure a response is received and actioned.

CTCX	CTCX did not issue any NWs, and the switch breach history report did not record any NW breaches.
CTCS	CTCS issued 103 NW files, and 11 (10.68%) of those files were rejected. The content of 12 NW files (including at least three or all for each NW advisory code) were compared to details in Salesforce. All contained correct withdrawal advisory codes except 0000049191HB97A NW-1103094 19 January 2023 which was issued in error because the staff member selected the wrong ICP. The other trader rejected the NW at Simply Energy’s request. The switch breach history report recorded three NA breaches where the NW arrival date is more than two calendar months after the CS actual transfer date. All were delayed while investigation was conducted to confirm the NW was required.

AW

AWs are created from Salesforce using the SQL (ETL) process. AWs are managed through Salesforce workflows and the switch breach report is also monitored twice daily.

CTCX	One AW accepting the other trader’s NW was issued by CTCX. The switch breach history report did not record any breaches.
CTCS	16 (21.62%) of the 74 AWs issued by CTCS were rejections. I reviewed a diverse sample of 11 rejections by CTCS (including at least three for each NW advisory code), and confirmed they were rejected based the information available at the time the response was issued. The switch breach history report did not record any AW breaches.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.15</p> <p>With: Clauses 17 and 18 Schedule 11.3</p> <p>From: 08-Nov-22</p> <p>To: 19-Jan-23</p>	<p>CTCT</p> <p>34 SR breaches.</p> <p>133 NA breaches.</p> <p>Six AW breaches.</p> <p>Seven of a sample of 21 NWs did not have the code with the best fit applied.</p> <p>NW-1097618 for ICP 0007707965TUFF0 was sent in error due to a misunderstanding, the staff member should have issued an RR instead.</p> <p>One incoming NW was rejected in error and was accepted on reissue.</p> <p>CTCS</p> <p>One NW was issued in error and rejected by the other trader because the wrong ICP was selected.</p> <p>Three NA breaches.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>The controls are moderate overall.</p> <ul style="list-style-type: none"> • The sample of NWs assessed for accuracy focussed on rejected NWs, which were more likely to be incorrect, but there is room for improvement. • The AW breaches were caused by an isolated system communications issue and were not caused by any issues with the switching process itself. • The NW breaches were caused by delays in receiving information to confirm that the withdrawal was required. <p>The audit risk rating is low because impact on settlement and participants is minor. Revised reconciliation data will be provided through the revision process.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>SR & NA breaches.</u></p> <p>Late withdrawals often involve complex investigations for meter mix-ups, back dated switches, and can require site visits to confirm correct ICPs which delays the overall NW process.</p> <p>Contact is regularly reviewing this process to make improvements.</p> <p><u>NW Code breaches</u></p>		<p><u>CTCT</u></p> <p>Ongoing</p>	<p>Identified</p>

<p>NW-1097618 for ICP 0007707965TUFF0 was sent in error due to a misunderstanding, the staff member should have issued an RR instead.</p> <p><u>NW sent in error</u></p> <p>Contact is regularly providing refresher training to the operators to ensure accurate NW code is applied in all instances and correct switching process is used to resolve the issues.</p> <p>We have provided more clarity on DF code to the agents which will reduce the re-occurrence of these non-compliances.</p> <p><u>AW breaches.</u></p> <p>All the late AW files were for one day from last year, and they were impacted due to system communication issue. Files were cleared the next day, and more controls have been put in place to stop the re-occurrence.</p> <p><u>CTCS</u></p> <p>These historic issues cannot be corrected.</p>	<p><u>CTCS</u></p> <p>NA</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>The controls have been made more stringent to avoid the late AWs and further training has been provided to the operators to apply the correct NW code.</p> <p><u>CTCS</u></p> <p>A QA process was implemented immediately on 26/05/2023, where a backup staff member checks that the data is correct then gives the final approval.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>26/05/2023</p>	

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The meter reading process in relation to meter reads for switching purposes was examined.

Audit commentary

Contact’s policy regarding the management of meter reading expenses is compliant for all participant codes.

The reads applied in switching files were examined in **section 4.3** for standard switches, **section 4.10** for switch moves, and **sections 4.4** and **4.11** for read changes.

CTCT

The meter readings used in the switching process are validated meter readings or permanent estimates. All CS and RR readings checked were confirmed to be correct.

CTCX

The meter readings used in the switching process are validated meter readings or permanent estimates. All CS and RR readings checked were confirmed to be correct.

CTCS

The meter readings used in the switching process are validated meter readings or permanent estimates. All CS and RR readings checked were confirmed to be correct.

I re-checked incorrect switch event readings identified during the previous audit and found that the reads remain incorrect, apart from ICP 0000045646HR5D5, which had its switch withdrawn. ICP 0007671629HB2B5 underwent a read renegotiation, but the switch event read still does not match the expected value. Simply Energy does not intend to take any further action because the other traders affected have not disputed the readings and revision 14 has now been completed. Compliance is recorded because the switch event readings during this audit period were compliant and revision 14 has passed for the affected ICPs.

ICP	Switch Type	Read sent	Correct Read	Impact	Comment
0000045646HR5D5	TR	9120	9127	7 kWh under submission	Withdrawn
0001521795PC22D	TR	190256	190192	64 kWh over submission	No change
0000314406MP117	MI	5246	5237	11 kWh over submission	No change
0007671629HB2B5	MI	78321 RR 74976	76437	1,884 kWh over submission 1,461 kWh under submission post RR	RR issued by MERX and accepted
0011201017EL49B	MI	644205	644205	0 kWh	No change
		877077	873415	3,662 kWh over submission	No change
		339354	334546	4,808 kWh over submission	No change

ICP	Switch Type	Read sent	Correct Read	Impact	Comment
0000387118TPA63	MI	231	239	8 kWh under submission	No change
Total				7,076 kWh over submission	

Audit outcome

Compliant

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

Code reference

Clause 11.15AA to 11.15AC

Code related audit information

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

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

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

Audit observation

Win-back processes were discussed. The event detail report was analysed to identify all withdrawn switches with a CX code applied within 180 days of switch completion. A sample were checked to determine compliance.

Audit commentary

CTCT

CTCT does not carry out any win-back activity. Customers who are switching out are not contacted to confirm they wish to switch or attempt a win-back.

Review of the event detail report identified 159 NWs issued for switch losses where CTCT was the losing trader within 180 days of switch completion with a CX withdrawal code. One of these NWs was rejected. I checked a sample of ten of these withdrawals including the rejected request, and confirmed they were initiated by the customer, and no win back activity occurred.

CTCX and CTCS

No win-back activity is undertaken for the CTCX and CTCS codes, and no NW CX files were issued by CTCS or CTCX.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

The processes to identify and monitor shared unmetered load were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with shared unmetered load and assess compliance.

Audit commentary

CTCT

Additions and changes to shared unmetered load are monitored as part of CTCT's validation processes discussed in **section 3.7**. 311 ICPs had shared unmetered load indicated by the distributor. The loads were confirmed to be correct within 0.1 kWh of the distributors value apart from 0000018605WEC0F which had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).

CTCX and CTCX

Additions and changes to shared unmetered load are monitored as part of Simply Energy's validation processes discussed in **section 3.7**.

CTCX	CTCX does not supply any “active” ICPs.
CTCS	Ten CTCS ICPs had shared unmetered load indicated by the distributor. The loads were confirmed to be correct.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 5.1 With: Clause 11.4</p> <p>From: 01-Dec-22 To: 31-May-23</p>	<p>CTCT</p> <p>0000018605WECOF had incorrect daily kWh recorded and is to be corrected in SAP and on the registry. The original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs).</p> <p>Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are currently rated as moderate, as there are good validation processes in place to detect and resolve unmetered load errors. A small number of errors were identified during the audit analysis of all ICPs with unmetered load.</p> <p>The audit risk rating is low because the impact on settlement is minor based on the kWh differences described above.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>CTCT</p> <p>Correction has been made for the ICP 0000018605WECOF.</p> <p>Contact has been continuously improving this process since the last audit and will be reviewing the manual calculation process to reduce agent errors.</p> <p>We are working with our SAP technical team to create a new exception in the system to identify where UNM load details are removed in registry to resolve them in timely manner.</p> <p>New reporting has also been put in place and more users have been trained to resolve UNM exceptions.</p>		<p>CTCT</p> <p>Ongoing</p>	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>CTCT</p> <p>Reviewing the calculation process to reduce operator errors. Contact SAP team is investigating to develop a solution to trigger a notification in the system when UNM is removed in registry.</p>	<p>CTCT</p> <p>Ongoing</p>	

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

Code reference

Clause 10.14 (2)(b)

Code related audit information

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

Audit observation

The processes to manage ICPs over the unmetered thresholds were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with unmetered load over 3,000 kWh per annum and assess compliance.

Audit commentary

CTCT

14 ICPs had a load between 3,000 and 6,000 kWh and all were confirmed to have a predictable load type.

ICP 0000513944CEF86 is an unmetered weather station which switched in on 1 January 2023. The trader unmetered load details inherited from the previous trader (CTCS) indicated that the load was 782W connected 24 hours. The recorded details were consistent with the network's records at the time and indicated that the load exceeded the 6,000-kWh threshold.

CTCT has investigated the load with the network and customer who have confirmed that the ICP was livened with 480W connected 24 hours, equivalent to 11.52 kWh per day or 4,205 kWh per annum. The ICP's load is predictable, and it is within the 3,000 to 6,000 kWh threshold for predictable unmetered load.

The network has updated their unmetered load details on the registry, and CTCT intends to update their trader unmetered load details in SAP and the registry and provide revised submission data. A correction has not been processed yet, and non-compliance is recorded in **sections 2.1** and **3.7**.

CTCX and CTCS

CTCX and CTCS customer applications are approved by Contact Energy before being requested by Simply Energy. As part of this process, CTCX and CTCS considers whether there is unmetered load over the thresholds.

CTCX	CTCX does not supply any unmetered ICPs with loads over 3,000 kWh.
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CTCS	CTCS supplies one non-DUML unmetered ICP with a load over 3,000 kWh but under 6,000. These loads are an approved type.
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Audit outcome

Compliant

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

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

Audit observation

The processes to manage ICPs over the unmetered thresholds were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with unmetered load over 6,000 kWh per annum and assess compliance.

Audit commentary

CTCT

As discussed in **section 5.3**, no ICPs have unmetered load which is genuinely over the 6,000-kWh threshold.

CTCX and CTCS

Simply Energy is aware of the unmetered load threshold and will install metering where an ICP breaches or is likely to breach the threshold.

CTCX	CTCX does not supply any unmetered ICPs with loads over 6,000 kWh.
CTCS	CTCS does not supply any non-DUML unmetered ICPs with loads over 6,000 kWh.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

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

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

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

Audit observation

All DUML ICPs are supplied under the CTCS trader code. CTCT and CTCX do not supply any DUML ICPs.

The processes to manage distributed unmetered load were reviewed.

Audit commentary

The following exemptions are in place for DUML:

Exemption No. 177: Exemption to clause 8(g) of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of providing half-hour (“HHR”) submission information instead of non-half-hour (“NHH”) submission information for distributed unmetered load (“DUML”). This exemption expires at the close of 31 October 2023 and is no longer used, because CTCS is responsible for DUML load and settles it as NHH.

Exemption No. 185: Exemption to clause 11 of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of creating DUML databases for the following ICPs. This exemption expires on the date on which Contact no longer has responsibility as the trader for these ICPs on the registry. One of the affected ICPs is still supplied by CTCT, therefore the exemption is still valid.

ICP identifier	Comments
0001183605HB0B0	CTCT still has responsibility for this ICP; under veranda lights with load of 3.7 kWh per day are connected.

DUML audits for databases were conducted by Veritek.

The Electricity Authority issued a memo on 18 June 2019 confirming that the code requirement to calculate the correct monthly load must:

- take into account when each item of load was physically installed or removed, and
- wash up volumes must take into account where historical corrections have been made to the DUML load and volumes.

Some DUML customers are providing changes tracked at a daily level and revisions are completed where required. Contact is working with those customers who are still providing a snapshot of the DUML database to derive submission from to get reporting which tracks changes at a daily level.

The previous audit recorded that the DUML audit for Kapiti Retirement Trust was overdue. DUML ICP has been metered since 2 March 2023, and a DUML audit was completed in January 2023 prior to the ICP being metered. CTCT applied the correct unmetered load volumes identified in the audit from 1 November 2022.

Some volume for Far North District Council Piers and Wharves 0000003946TEC6B was found to be also recorded on ICPs 0000003947TE02E and 0000910450TE75D. These two additional ICPs were decommissioned from 1 June 2021 to remove the double reporting of volume from the submission process.

Contact also received an updated daily kWh value for ICP 0000003946TEC6B from the FNDC RAMM database and this revised value was applied back to 1 September 2022.

Database	Trader	DUML Audit completed or to be completed by 16A.26	Deriving submission information 11(1) of schedule 15.3	ICP identifier 11(2)(a) of schedule 15.3	Location of items of load 11(2)(b) of schedule 15.3	Description of load 11(2)(c)&(d) of schedule 15.3	All load recorded in database 11(2A) of schedule 15.3	Tracking of load changes 11(3) of schedule 15.3	Audit trail 11(4) of schedule 15.3	Database accuracy 15.2 and 15.37B(b)	Volume information accuracy 15.2 and 15.37B(c)	Database indicative kWh +=over -=under Variance PA
Tasman NZTA	CTCS	1 May 2024	No	Yes	Yes	No	No	Yes	Yes	No	No	+8,600
Christchurch CC-Orion	CTCS	16 December 2023	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	-696,100
Christchurch CC-Mainpower	CTCS	1 October 2024	No	Yes	Yes	Yes	No	Yes	Yes	No	No	Accurate
Christchurch CC Traffic Lights	CTCS	Under review	No	Yes	Yes	No	Yes	Yes	No	No	No	Accurate
New Plymouth DC	CTCS	1 December 2023	No	Yes	Yes	No	No	Yes	Yes	No	No	+1,400
Central Otago DC	CTCS	1 June 2023	No	No	Yes	Yes	No	Yes	Yes	No	No	-1,300
Horowhenua DC	CTCS	Under review	No	No	Yes	No	No	Yes	Yes	No	No	+27,600
NZTA Mainpower (Waimakariri)	CTCS	18 Feb 2023 extended to end of July 2023	No	Yes	No	No	No	Yes	Yes	No	No	+25,300
Waimakariri DC	CTCS	Under review	No	Yes	Yes	No	No	Yes	Yes	No	No	Accurate

The Christchurch CC Orion DUML audit showed an accuracy difference of more than 50,000 kWh per annum. This is expected to be resolved by transitioning to a new dimming profile.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 5.4 With: Clause 11 of schedule 15.3 From: 01-Jun-22 To: 31-May-23	CTCT and CTCS The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code. Inaccurate submission information for six of the databases managed. Potential impact: High Actual impact: High Audit history: Multiple times Controls: Moderate Breach risk rating: 6		
Audit risk rating	Rationale for audit risk rating		
High	The controls in place mitigate risk most of the time, therefore the control rating is moderate. There is a major impact on settlement outcomes because there are examples of over submission and under submission; therefore, the audit risk rating is high.		
Actions taken to resolve the issue		Completion date	Remedial action status
CTCT We do not currently supply DUML sites. CTCS Discrepancies found in audits are discussed with clients promptly and work plans created to resolve discrepancies.		CTCT N/A CTCS Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
CTCT N/A CTCS Simply Energy continues to work with clients to improve the accuracy of their databases and reporting that will flow through into improved submission accuracy. This includes transitioning		CTCT N/A CTCS Ongoing	

to the new dimming profile(s) where appropriate, which is the most material issue affecting submission.		
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6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

Processes for metering, submission, and distributed generation were reviewed. The registry list and AC020 were examined to determine compliance.

Audit commentary

CTCT

Metering installations installed.

Contact's new connection process includes a check that metering is installed before energisation occurs, or that any unmetered load is quantified.

The following exemptions are in place to allow submission by subtraction:

- **Exemption No. 203:** Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000880392WEA92, and
- **Exemption No. 191:** Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000032431HR99C.

I walked through the submission process for each of the affected ICPs and checked a sample of data to confirm that the submissions were calculated correctly.

All "active" metered ICPs have an MEP recorded. The audit compliance report recorded 101 "active" ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. 85 ICPs had MEP nominations made and accepted and were awaiting meter asset data on the registry, 15 ICPs had metering details populated on the registry after the report was run, and one ICP was moved to "inactive - ready for decommissioning" status after the report was run.

The audit compliance report identified three new ICPs which did not have an accepted MEP nomination within 14 business days. For two ICPs the nomination was made on time, but there was a delay in the MEP responding. Two new connection jobs were raised for Delta by a robot for ICP 0000514338CE7AF, because the customer requested the connection twice. The jobs were issued to two different contractors, who attempted to install meters for different MEPs. Investigation was necessary to confirm the correct meter installation date, connection date and MEP before the ICP was updated to “active” status and the MEP was nominated.

ICP 1001157629CK617 double metered

ICP 1001157629CK617 is a metering category 3 installation and was split into three tenancies by the property owner and two low voltage connections were completed by Wellington Electricity downstream of ICP 1001157629CK617 creating a double metered situation and resulting in the metering installation for ICP 1001157629CK617 to be no longer fit for purpose as a subtraction calculation would be required to ensure the correct consumption volume is calculated for this ICP. A site audit confirmed that the two low voltage connections have category 1 meters (ICPs 1001158552CK7FD – IECD 26 May 2016 and 1001156589CKCAB – IECD 27 January 2015) and the third tenancy has a distribution board in place however this is not connected therefore the load for this third tenancy is still metered through ICP 1001157629CK617 (CTCT is working with Wellington Electricity to create a new metered ICP for this load, then ICP 1001157629CK617 can be decommissioned resolving the double metered situation).

In the meantime, the HHR volumes are submitted under ICP 1001157629CK617 based on readings provided by AMS but also by the traders for ICPs 1001158552CK7FD and 1001156589CKCAB. Non-compliance is recorded below and in **section 12.7**.

Distributed Generation

Contact validates distributed generation information:

- a monthly generation monitoring report shows installation type discrepancies between SAP and the registry, and instances where the profile is inconsistent with the installation type; where a job for import/export metering has been raised, no action is taken and where no job has been raised, the exception is passed to the distributed generation team to arrange meter installation (there are sometimes delays in jobs for meter installation being raised and/or completed),
- a Databricks report showing all ICPs which switch in with an EG1 or PV1 profile is reviewed fortnightly to ensure that the profiles are correctly recorded in SAP, and
- a Databricks report showing “active” and “inactive” ICPs with installation type B and a fuel type which is not solar is reviewed to confirm that correct profiles are applied.

I confirmed that CTCT’s NHH reconciliation process automatically changes the profile for injection registers to PV1 for submission if there is an open trading notification for PV1 profile at the GXP and the registry shows RPS. Because the registry management and reconciliation processes for generation profiles are not synchronised, the profiles recorded on the registry for generating ICPs may differ from the profiles used for submission. This is recorded as non-compliance in **section 2.1**.

7,417 active ICPs with generation listed by the distributor were identified on the registry list. The AC020, event detail, registry list and meter installation details reports were reviewed to determine compliance:

<p>Generation recorded by the distributor and an I flow register with no generation compatible profile</p>	<p>Review of the AC020 report confirmed that there were 49 NHH ICPs with generation recorded by the distributor and an I flow register where CTCT did not record a compatible generation profile on the registry. All 49 of the ICPs were updated to include PV1 profile or moved to HHR profile through CTCT’s validation process.</p>
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<p>Generation recorded by the distributor with no settled I flow register</p>	<p>57 ICPs with HHR profile have generation indicated by the distributor and no settled I flow register. The 56 ICPs supplied by CTCT in January 2023 had only X flows recorded on the HHR aggregates submissions.</p> <ul style="list-style-type: none"> • 19 ICPs had I flow metering installed after the report was run. If the ICP was moved to NHH settlement, the profile was also correctly updated to RPS PV1. • ICP 0000473757HBFCE has a service order to install generation metering underway and requires work to be completed on the meter board before generation metering can be installed. • 15 ICPs were confirmed not to have generation installed, and CTCT's records are correct. Several of these sites had undergone site visits as part of the confirmation process. • 20 ICPs are being investigated with the customer to confirm whether generation is present, where CTCT has either not received an application for distributed generation or has not been advised that generation work is complete. • ICP 0001622544BU3AB is being checked with the distributor to confirm whether generation is installed because they have recorded installation type L with a non-zero generation capacity and fuel type. • One ICP had switched out. <p>64 ICPs with NHH profiles have generation indicated by the distributor and no settled I flow register.</p> <ul style="list-style-type: none"> • 18 ICPs had I flow metering installed after the report was run. • 18 ICPs are in the process of having generation metering installed. • 15 ICPs are being investigated with the customer to confirm whether generation is present, where CTCT has either not received an application for distributed generation or has not been advised that generation work is complete. • Nine ICPs were confirmed not to have generation installed, and CTCT's records are correct. • ICPs 0419595066LC60F and 0000158421UN9EF are part of Vector's solar battery programme and electricity is expected to be exported rarely. These ICPs were expected to be added to the gifting register but this has not occurred. • One ICP is vacant, so generation details cannot be confirmed, and installation of generation metering cannot be arranged. • One ICP has switched out.
<p>Generation profile recorded but no generation details recorded by the distributor</p>	<p>183 active ICPs had profiles indicating generation was present, but no generation was recorded by the distributor.</p> <p>180 ICPs had settled I flow registers, and CTCT's profiles appear to be correct.</p> <p>The other three ICPs were confirmed not to have generation, two were corrected to RPS or HHR during the audit, and ICP 0000048742HR7FB is to be corrected to RPS.</p>
<p>Generation profiles inconsistent with the distributor fuel type</p>	<p>Where generation profiles were recorded, they were consistent with the generation fuel type apart from 109 ICPs with PV1 profile where the distributor had recorded a generation fuel type other. I checked a sample of 35 ICPs and found all were correct as they are solar installations with batteries.</p>

I followed up the previous audit recommendations and found all have been resolved with the exception of ICP 0221906002LC12A which is still to have generation metering installed. I have not re-raised issues for the two ICPs which switched out more than 14 months ago with PV1 profile recorded instead of EG1.

Where no payment will be received from the clearing manager for any generation which is exported to the grid, notification of gifting is required to be provided to the reconciliation manager. During the audit I found instances where notification of gifting was expected to be provided but had not been, and also situations where CTCT was unable to arrange installation of generation metering in a timely manner. I suggest reviewing processes to provide guidance on when gifting should occur, and how the reconciliation team will be notified so that they can provide the required notice. Gifting could be considered where CTCT has difficulty obtaining consent for generation metering to be installed.

Recommendation	Description	Audited party comment	Remedial action
CTCT Notification of gifting	CTCT Review processes for notification of gifting to provide guidance on when gifting should occur, and how the reconciliation team will be notified so that they can provide the required notice.	CTCT Contact will investigate further into the gifting process and its respective processes to ensure the correct process is being followed.	Under investigation

Bridged meters

CTCT confirmed 198 ICPs had their meters bridged at some time between 1 June 2022 and 28 February 2023 and another 14 ICPs remained bridged from the previous audit period. 116 were un-bridged, 48 switched away prior to being un-bridged and the other 34 remain bridged. The bridged meters have not been un-bridged because:

- access to un-bridge the meter has not been granted by the customer, or
- a job to un-bridge the meter is in progress but has not been completed.

I re-checked the 14 ICPs whose meters had not been un-bridged at the time of the previous audit and found:

- six ICPs switched away still bridged and no correction has been applied,
- five ICPs have been un-bridged but a correction has not been applied,
- two ICPs have been un-bridged, and a correction has been applied, and
- one ICP has been disconnected manually as part of the vacant process and no correction has been applied.

The existence of bridged meters is recorded as non-compliance below. Corrections to capture and report consumption during bridged periods are not consistently processed as discussed in **section 2.17**.

CTCX and CTCS

Metering installations installed

Simply Energy creates MEP nominations for all MEPs when the ICP moves to 1,12 “inactive - new connection in progress” status, or when a field services job is nominated.

No submission information is determined by subtraction.

CTCX	CTCX does not supply any “active” ICPs. The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.
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CTCS	<p>All “active” metered ICPs had an MEP recorded, and the audit compliance report did not identify any new connections where an MEP nomination was not accepted within 14 business days.</p> <p>The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.</p>
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Distributed Generation

NHH distributed generation ICPs are checked monthly by reviewing registry information to identify ICPs with generation recorded by the distributor and check whether the ICP has compliant I flow metering and correct profiles recorded. Findings are verified against meter reading information where I flow metering is installed.

During the audit, Simply Energy began conducting checks for HHR ICPs with distributed generation indicated by the distributor and no settled I flow meter channels. They confirmed that this check identified the HHR ICPs found during the audit analysis. They intend to continue running this analysis at least every three months.

CTCX	CTCX does not supply any “active” ICPs.
CTCS	<p>163 active ICPs with generation listed by the distributor were identified on the registry list. The AC020, event detail, registry list and meter installation details reports were reviewed to determine compliance:</p> <ul style="list-style-type: none"> • one NHH and 12 HHR ICPs had generation recorded by the distributor without settled I flow meter registers present, • eight ICPs had an incorrect settlement indicator recorded on the I flow register and two ICPs had generation incorrectly recorded by the distributor; Simply Energy queried these with the MEP and distributor, and they have now been updated on the registry - Simply Energy’s records are correct, • HHR ICPs 0005093997HBEBB and 0006804209RN6C3 have generation being gifted, and I confirmed that the RM was advised of the gifting on 8 May 2023; both ICPs have been supplied since 1 April 2022, but were not identified earlier because there was no specific check for generation metering for HHR ICPs, • HHR ICP 0000018295HB9A7 is applying to have solar installed, and the distributor has updated the generation details prematurely; Simply Energy’s records are correct, • no ICPs had generation recorded by the distributor and an I flow register with no generation compatible profile, • no ICPs had a generation profile recorded but no generation details recorded by the distributor, and • there were no generation profiles inconsistent with the distributor fuel type.

Bridged meters

Simply Energy’s policy is to never bridge meters, and no meters were bridged during the audit period.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 6.1 With: Clause 10.13</p> <p>From: 01-Apr-22 To: 08-May-23</p>	<p>CTCT</p> <p>ICP 0000048742HR7FB has RPS PV1 profile recorded, but no generation is present, and it should have RPS profile recorded on the registry. The correct profile is applied for submission.</p> <p>Two other ICPs had profiles indicating generation recorded on the registry when no generation was present and were corrected during the audit.</p> <p>Distributed generation ICPs 0419595066LC60F and 0000158421UN9EF do not have generation metering installed and have not been added to the gifting register.</p> <p>The metering for ICP 1001157629CK617 is not fit for purpose.</p> <p>While meters were bridged, energy was not metered and quantified according to the code for 206 ICPs.</p> <p>CTCS</p> <p>Notice of gifting of generation for HHR ICPs 0005093997HBEBB and 0006804209RN6C3 was provided to the RM on 8 May 2023. Both ICPs have been supplied since 1 April 2022 but were not identified earlier because there was no specific check for generation metering for HHR ICPs.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>Controls are rated as moderate as they are sufficient to reduce the risk most of the time.</p> <p>The audit risk rating is low. Bridging only occurs where a soft reconnection cannot be performed after hours, and the customer urgently requires their energy supply for health and safety reasons.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p>Contact is in the process of investigating and correcting the SAP and Registry data for the ICPs identified by Veritek as being non-compliant.</p> <p><u>CTCS</u></p> <p>This was actioned on 8 May 2023.</p>		<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>08/05/2023</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><u>CTCT</u></p>		<p><u>CTCT</u></p>	

<p>We will be investigating into opportunities to enhance our existing reporting and/or create additional reporting so we can identify and correct ICPs in these scenarios.</p> <p>CTCS</p> <p>New reporting has been created to detect any further ICPs and the first report was run in May 2023. This report will then be monitored actioned every 3 months as part of the Business Day Compliance schedule.</p>	<p>Ongoing</p> <p>CTCS</p> <p>19/06/2023</p>	
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6.2. Responsibility for metering at GIP (Clause 10.26 (6), (7) and (8))

Code reference

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

Code related audit information

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

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

The participant responsible for the metering installation must:

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

Audit observation

The NSP table was reviewed to confirm the GIPs which Contact is responsible for, and the certification expiry date for those GIPs. Changes to the NSP table were reviewed to determine whether they had been processed accurately.

Audit commentary

CTCS and CTCX are not responsible for any GIPs. CTCT is responsible for the GIPs shown in the table below and has not connected any new GIPs during the audit period.

Responsible party	Description	NSP	MEP	Previous certification expiry date (if different)	Certification expiry date
CTCT	CLYDE	CYD2201CTCTG	ACCM	16 September 2022	2 December 2023

Responsible party	Description	NSP	MEP	Previous certification expiry date (if different)	Certification expiry date
CTCT	OHAAKI	OKI2201CTCTG	ACCM	10 March 2023	5 August 2023
CTCT	POIHIPI	PPI2201CTCTG	ACCM		11 June 2023
CTCT	ROXBURGH	ROX1101CTCTG	ACCM		12 May 2025
CTCT	ROXBURGH	ROX2201CTCTG	ACCM		22 July 2024
CTCT	STRATFORD	SFD2201CTCTG	ACCM	17 December 2022	28 June 2024
CTCT	TE MIHI	THI2201CTCTG	ACCM		22 October 2023
CTCT	WHIRINAKI	WHI2201CTCTG	ACCM	17 October 2022	7 October 2025
CTCT	WAIRAKEI	WRK2201CTCTG	ACCM	14 October 2022	15 July 2023

Accucal updates meter certification changes directly, and the timeliness of meter recertifications is closely monitored by the generation operations team.

All grid connection points Contact is responsible for had current certification recorded on the network supply point (NSP) table, on the date that the table was reviewed.

Certification expiry dates for CYD2201CTCTG, OKI2201CTCTG, SFD2201CTCTG, and WRK2201CTCTG were updated on time during the audit period however for WHI2201CTCTG the update was later than 10 business days (35 business days).

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 6.2</p> <p>With: 5 of Schedule 15.2</p> <p>From: 07-Oct-22</p> <p>To: 27-Nov-22</p>	<p>CTCT</p> <p>The certification date for WHI2201CTCTG was not updated within 10 business days of the NSP being certified.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Controls are rated as moderate for the updating of GIPs meter recertifications.</p> <p>The audit risk rating is low as the meters were certified at all times and there was no impact on reconciliation.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<u>CTCT</u> Noted and will advise AccuCal of the requirement.	<u>CTCT</u> ASAP	Identified
Preventative actions taken to ensure no further issues will occur		
<u>CTCT</u> Contacts Energy Rec team will maintain a register of Certification Dates and will remind AccuCal of the requirement.	<u>CTCT</u> ASAP	

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

Code reference

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

Code related audit information

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

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

Audit observation

The AC020 reports and registry lists were reviewed to confirm the profiles used.

All active ICPs with profiles requiring control device certification were checked to determine whether AMI or HHR metering was installed, and/or the control device was appropriately certified.

Audit commentary

CTCT

Review of the registry list with history showed that CTCT has used profiles requiring certified control devices including E08, E11, E13, E24, TOC TON, T07 T23, and T08 T24.

The AC020 report identified 3,489 ICPs with profiles which require AMI or HHR metering, or a certified control device, where the control device was not certified. 2,766 of those had HHR certification or communicating AMI meters, leaving 723 genuine exceptions which had NHH non-AMI metering with no certified control device.

CTCT's reconciliation process applies RPS (using the force RPS process) if the ICP metering does not meet the requirements of the profile. CTCT elects not to update the profile to RPS in SAP and the registry, so that if/when the MEP updates their control device certification records the force RPS process will be disabled, and the correct profile will be applied. The affected ICPs are highly visible, so they can be tracked and followed up with the MEPs. I checked submission data for a sample of five ICPs to confirm the process works as described.

Compliance is recorded in this section, because where the controlled profiles are used for submission, the ICPs met the requirements of the profiles. Non-compliance is recorded in **section 2.1** for the 723 ICPs submitted as RPS which have controlled profiles recorded on the registry.

CTCX and CTCX

CTCX	CTCX did not supply any “active” ICPs.
CTCS	Review of the registry list with history showed that CTCS has used T07 T23 profiles which require certified control devices. The AC020 report did not record any ICPs with profiles requiring certified control devices where control devices were not certified.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

Processes relating to defective metering were examined. A sample of defective meters were reviewed, to determine whether the MEP was advised, and if appropriate action was taken.

Audit commentary

Defective meters are typically identified through the meter reading validation process, or from information provided by the meter reader, agent, the MEP, or the customer. Upon identifying a possible defective meter, a field services job is raised to investigate and resolve the defect and a consumption correction is processed if necessary. Corrections are discussed further in **sections 2.1, 8.1 and 8.2.**

CTCT

I reviewed 46 examples of potential defective meters, including 36 bridged meters and ten stopped meters. Notification was provided to the MEPs in the form of service orders to un-bridge, replace or check the affected meters. All jobs to un-bridge meters are issued directly to the MEPs.

CTCX and CTCX

CTCX	No meter defects were identified during the audit period.
CTCS	No meter defects were identified during the audit period. I re-checked the previous audit exception for 0016097210EL0AA, which had a blank screen with the mains on. A field service order was raised, and the faulty meter was replaced by the MEP. An appropriate removal read was calculated using a daily average consumption from two actual read obtained prior to the meter fault.

Audit outcome

Compliant

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

Code reference

Clause 2 Schedule 15.2

Code related audit information

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

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

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

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

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

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

2(6) – The interrogation systems must record:

- the time,
- the date,
- the extent of any change made to the meter clock.

Audit observation

The data collection and clock synchronisation processes were examined.

Contact's agents and MEPs are responsible for the collection of HHR and AMI data. Collection of data and clock synchronisation were reviewed as part of their agent and MEP audits. A sample of clock synchronisation events received by Contact were reviewed.

Contact's own data collection processes for generation data were reviewed.

Audit commentary

All information used to determine volume is collected by Contact, one of their agents, or the MEP.

CTCT

HHR

CTCT supplied four ICPs with meter category 3 or higher during the audit period:

- three are generation ICPs with meter category 5 and are read by CTCT using MV90, and
- ICP 1001157629CK617 has readings provided by AMS, and compliance is recorded in their agent audit report; no clock synchronisation issues were identified during the audit period.

AMI

MEPs monitor clock synchronisation, and this is covered as part of their audits. Each of the MEPs advise CTCT of clock synchronisation events, but these are not currently being checked or actioned. Emailed events are reviewed and actioned as required, but there are other events that are sent and not actioned. These two issues are not relevant to this clause because this clause relates to data collection by Contact, not by MEPs. Non-compliance is recorded in **section 9.6**.

Generation

The MV90 server is synchronised every two hours, and prior to the commencement of any interrogation.

During each hourly interrogation, a comparison occurs between data logger and MV90 clocks. MV90 is set to automatically synchronise all data logger clocks where time errors are less than or equal to five seconds. Where time errors exist, which are greater than five seconds, but less than or equal to 60 seconds, the error is recorded in the events log and this event is noted as a failed task. A time synchronisation is still performed automatically, and the data is accepted as it is considered by CTCT that the data has not been affected by the time error. If the time error is greater than 60 seconds, then the data is downloaded; however, the time is not synchronised, and the data is deemed invalid. An investigation then occurs which may result in data correction. No clock errors outside the threshold occurred during the audit period.

CTCX and CTCX

Information used to determine volume information is provided to Simply Energy by MEPs and agents, and compliance has been demonstrated as part of their MEP and agent audits.

Information on clock synchronisation events is provided when events occur and is manually reviewed by Simply Energy. There was one example (ICP 0000014546HBCA7) of clock synchronisation event requiring action during the audit period. This was reviewed and a data adjustment was appropriately applied by AMS.

Audit outcome

Compliant

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

Code reference

Clauses 3(1), 3(2) and 5 Schedule 15.2

Code related audit information

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

All validated meter readings must be derived from meter readings.

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

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

- obtain the meter register,*

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

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

Audit observation

The data collection process was examined.

Processes to provide meter condition information were reviewed as part of the agent audits. Contact's processes to manage meter condition information were reviewed, including viewing a sample of meter condition events.

Processes for customer and photo reads were reviewed, including review of process documentation.

Audit commentary

CTCT

Derivation of volume and labelling of readings

I reviewed a diverse sample of meter readings to confirm they were appropriately labelled, and validated readings were derived from meter readings.

MRS readings

MRS data collection processes were reviewed as part of their agent audits and found to be compliant.

MRS provide meter condition information with their read files. The meter condition information is imported into SAP and used to create BPEM events, which are directed to work queues in SAP for investigation and action.

I reviewed a sample of meter condition events during the audit period to determine if these had been identified and actioned, covering stopped meters, meter register differences, safety hazards, possible tampering, and damage.

Meter condition issue	Outcome
Not sealed/seal broken	BPEM was closed and no action taken for ICP 0000506626NR29D. CTCT is to follow up with the MEP regarding this ICP.
Suspect theft	Tamper was confirmed from site investigation and meters replaced. A revenue assurance read was applied to account for the unmeasured volume.
Blank screen	False positive event. The meter read was provided including photo from the meter reading provider.
Safety hazard	The customer was emailed regarding the issue.
Bad dials	A service order was raised to replace meter as dials are difficult to read.
Meter stopped/faulty	Meters were replaced for three ICPs sampled. ICPs 0007101488RN74E and 0007101488RN74E had revenue assurance reads applied to account for the unmeasured volume. ICP 0012156389ELB8F was confirmed as being faulty and was replaced but no revenue assurance read, or volume correction applied.
Broken glass/meter damaged	BPEM was closed and no action taken for ICP 0015774156EL1DE. CTCT will follow up with the MEP regarding this ICP.

It was observed that very few if any phase failure incidents have been reported via the manual meter reading process even though appropriate training has been provided to meter readers. Phase failures have a direct impact to both a customer’s invoice and also to submission volumes accuracy and need to be addressed in a timely manner. It is recommended that CTCT monitor the frequency of phase failures by region and reading provider and have regular operational discussions with to ensure reporting is consistent across all providers.

Description	Recommendation	Audited party comment	Remedial action
<p>CTCT</p> <p>Review of MRSL meter condition information</p>	<p>CTCT</p> <p>Add agenda item to MRSL meter reading operation meeting to review frequency of phase failure being identified by meter readers compared to AMI providers via meter event logs. Where power quality incidents cause phase failure within a region both AMI and non-AMI metering data providers should identify a similar number of phase failures per capita.</p>	<p>CTCT</p> <p>Agenda item will be added to the next meeting.</p>	<p>Adopted</p>

Customer reads

MRS does not record customer readings. Customers are advised to provide any customer readings directly to Contact.

Customer reads are entered through Contact’s app or provided to a customer services representative (CSR) by email or phone and are recorded as customer readings in SAP. Reads entered into the app are loaded directly into SAP and validated. If the read fails validation a high priority BPEM is created and directed to a user, who will check the read and reconfirm it with the customer. Readings entered by CSRs are manually validated on entry and pass through the SAP read validations.

If an actual reading is received after a customer reading is entered it will be loaded in SAP as an actual but unbillable read and create a “MRO (meter read order) not found” exception. The reading will be used to generate historic estimate and future invoice estimates but will not be used for billing.

I checked a sample of ten customer readings and found all had the customer read type correctly recorded. Customer reads are not used in the historic estimate process, and there is no impact on settlement.

CTCS and CTCX

Derivation of volume and labelling of readings

I reviewed a diverse sample of meter readings to confirm they were appropriately labelled, and validated readings were derived from meter readings. Estimates provided by MEPs are now recorded against a non-billing data steam and are not validated or used for submission. I checked an example of an estimate provided by IntelliHUB to confirm this.

Wells readings

Wells’ data collection processes were reviewed as part of their agent audits and found to be compliant.

MRS provide meter condition events via reading files delivered via SFTP. Additionally, Well’s also provides an end of month report of all meter condition/no read codes captured for CTCS & CTCX ICPs during the

month which are imported into SaleForce and reported on using a Power BI report. The reporting is split between the operations team (Meter condition codes) and the Data Management Analyst (no read codes). These reports are reviewed weekly to ensure high priority meter condition codes are investigated and actions taken, with notes also added to Salesforce for inclusion in any future field service works and meter reader notes are amended and sent to Wells. The remaining codes are investigated when sufficient resource is available. A sample of seven ICPs where meter condition codes were reported were reviewed and all were followed up and either confirmed that no issue is present, or the information held by CTCS was updated.

Customer reads

Wells only record reads that their meter readers have taken directly as actual readings.

Customers may provide customer and photo readings directly to Simply Energy, which are entered into DataHub as “customer actual” if they have been validated against a set of readings from another source, and “customer estimate” if they have not been validated against a set of actual readings from another source. Both “customer actual” and “customer estimate” reads are not sent to MADRAS as Simply Energy found that these customer reads are not always correctly classified and the controls around the validation process are not sufficient to ensure unvalidated reads are not incorrectly classified. A sample of ten customer reads were reviewed and confirmed that none were sent to MADRAS.

Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 6.6 With: Clauses 3(1), 3(2) and 5 Schedule 15.2 From: 01-Jun-22 To: 31-May-23	CTCT Meter condition information is not consistently investigated to identify issues with seals, tampering, phase failure or safety. Potential impact: Medium Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	The controls are recorded as moderate because they are likely to mitigate risk most of the time. The inconsistency in investigating meter condition events appears to be due to lack of training relating to a small number of users. The impact on settlement and participants is minor; therefore, the audit risk rating is low.	
Actions taken to resolve the issue		Completion date
CTCT Contact identifies issues with seals, tampering, phase failure, etc through BPEMs (Business Process Exception Monitoring) which are automatically generated within our SAP environment.		CTCT Ongoing
		Identified

<p>We have identified where knowledge shortfalls exist that have impacted the consistency of investigating and accuracy of resolving meter condition information. Please refer to the preventative actions field below to see how we intend to improve within this space.</p>		
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>We are in the process of creating a process documentation that will assist our teams with consistently identifying the correct method for resolving meter condition issues raised via BPEMs. In addition, we will be organising training sessions and on-going refreshers to ensure we retain a high level of knowledge in this space.</p>	<p><u>CTCT</u></p> <p>Ongoing</p>	

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

Code reference

Clause 6 Schedule 15.2

Code related audit information

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

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

Audit observation

The process of the application of meter readings was examined.

Audit commentary

NHH readings apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation except in the case of a switch event meter reading which applies to the end of the day prior to the event date for the losing trader and the start of the event date for the gaining trader as required by this clause.

All AMI systems have a clock synchronisation function, which ensures correct time stamping. Manual readings taken by MRS and Wells are applied correctly.

CTCT

Application of reads was reviewed as part of the historic estimate checks in **section 12.11** and found to be compliant.

The content of CS and RR files was examined in **sections 4.3, 4.4, 4.10** and **4.11**, and readings were recorded against the correct date with the correct read types.

I walked through the process for NHH to HHR and HHR to NHH meter changes, including viewing examples where possible. The industry has adopted a process that achieves accuracy in relation to submission information and ICP days.

- For upgrades, the process is to “remove” the NHH meter from the registry and SAP on the day before the meter change, and then the ICP becomes HHR all day on the day of the meter change, with the trading periods up until the meter change being populated with zeros. I checked one example involving a meter change (ICP 0000034034WE3F9) that was undertaken during the audit period. Compliance is confirmed because the NHH reading is correctly applied to the end of the day prior to the physical meter change with the trading periods up until the meter change being populated with zeros for the new HHR meter.
- The reverse applies for downgrades, with the ICP treated as HHR all day on the date of the removal, with zeros populated until the end of the day and the NHH meter installed the following day. There were no examples involving a meter change to examine during the audit period. I checked the event detail report to confirm this.

Both a NHH and HHR meter cannot be “present” on the same day in the registry. This matter is also relevant to decommissioned ICPs, where the disconnection readings are applied to the day before the disconnection to ensure submission does not occur for an “inactive” day.

I walked through the process for NHH to HHR and HHR to NHH profile changes and reviewed a sample of four upgrades, five downgrades and five profile changes and found:

- for all four upgrades, the submission type and profile changes occurred on actual or permanent estimate readings,
- for four out of five downgrades the submission type and profile changes occurred on actual or permanent estimate readings; for ICP 0000005122DEF1D no meter read was present for the event date and also the SAP event date for the submission type change does not align with the registry, and
- for four out of five NHH profile changes the profile changes occurred on actual or permanent estimate readings; for ICP 0000024655DE0E5 no meter read was present for the event date.

CTCS and CTCX

Application of reads was reviewed as part of the historic estimate checks in **section 12.11** and found to be compliant. The content of CS and RR files was examined in **sections 4.3, 4.4, 4.10** and **4.11**, and readings were recorded against the correct date with the correct read types.

I walked through the process for NHH to HHR and HHR to NHH profile changes. If the profile change coincides with a meter change, the process achieves accuracy for submission information and ICP days. For upgrades, the process is to “remove” the NHH meter from the registry and DataHub on the day before the meter change, and then the ICP becomes HHR all day on the day of the meter change, with AMI data on the day of the meter change recorded against the HHR register and the removal reading reflecting the midnight reading. The reverse applies for a downgrade, with the ICP treated as HHR all day on the date of the removal, and the NHH meter installed the following day.

CTCX	No profile changes occurred during the audit period.
CTCS	<p>I checked a sample of five upgrades and five downgrades and confirmed that the profile changes occurred on actual or permanent estimate readings.</p> <p>One upgrade (NHH to HHR involving a meter change) from the previous audit period was checked relating to ICP 0000009599NT87D. The previous audit identified that the NHH removal read was not loaded into datahub/MADRAS as the FSP had not initially provided this in the meter change paperwork. This also resulted in an under reporting of NHH ICP days for this ICP. Simply Energy was aware of the missing removal read as this ICP was present in the issues log for the reconciliation month that ensures issues are followed up in</p>

	time for the next revision opportunity. The removal read is now present in both Datahub and MADRAS and the NHH volume has now been included in submission.
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Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.7 With: Clause 6 Schedule 15.2 From: 01-Jun-22 To: 31-May-23	CTCT For two ICPs (0000005122DEF1D, 0000024655DE0E5) no actual meter read, or permanent estimate read was applied for the profile code event date. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate overall. The audit risk rating is assessed to be low based on the impact on settlement aggregation.		
Actions taken to resolve the issue		Completion date	Remedial action status
CTCT The Registry and SAP settlement data have been corrected to no longer reflect a profile change, resulting in actual meter read or permanent estimate read no longer being required.		CTCT 26/06/2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
CTCT We will be investigating further into how the incorrect NHH profiles were created. Once the cause has been identified we will investigate further into potential fixes which would decrease the opportunity for these to arise in the future, as well as additional reporting to identify these scenarios at the earliest convenience so corrections can be made.		CTCT Ongoing	

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

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The process to manage missed reads was examined, including review of reports used in the process and individual unread ICPs.

Contact provided lists of ICPs not read during the period of supply, where the period of supply had ended during the audit period. A sample of ICPs unread during the period of supply were reviewed.

Audit commentary

A validated meter reading must be obtained in respect of every meter register for every NHH metered ICP for which the participant is responsible, at least once during the period of supply to the ICP by the reconciliation participant, unless exceptional circumstances prevent this from occurring. This may be a validated meter reading at the time the ICP is switched to, or from, the reconciliation participant.

The NHH meter reading frequency guidelines published by the Electricity Authority define “Exceptional circumstances” as meaning “circumstances in which access to the relevant meter is not achieved despite the reconciliation participant’s best endeavours”. “Best endeavours” is defined as:

“Where a reconciliation participant failed to interrogate an ICP as a result of access issues, the reconciliation participant had made a minimum of three attempts to contact the customer, by using at least two methods of communication”.

CTCT

Missing AMI data is monitored using the Smart Reads Dashboard by the field services team, and IMDM by the operations team. AMI register reads are not validated in IMDM and are passed to SAP each night. If a whole file is missing, the field services team receives an email notification so that it can be followed up.

When a manually read meter is unable to be read, the meter reader leaves a card in the letterbox explaining that a read was unable to be obtained and asking the customer to communicate with Contact Energy. Cards are unable to be left where the meter reader cannot locate the property at all.

For non-AMI meters, the Automated Meter Reading Compliance (MRC) process applies. The process begins 130 days after an estimated read is entered, so ICPs supplied for shorter periods do not usually have any action taken, and the best endeavours requirement is unlikely to be achieved. The MRC process has the following steps:

- process initiation occurs on the day an estimated reading is entered,
- letter 1 is sent if the process is still active after 130 days,
- letter 2 is sent if the process is still active 70 days after letter 1 was issued,
- letter 3 is sent to advise that there are charges if a high priority read is requested,
- a high priority (out of cycle) meter reading is requested if the process is still active 70 days after letter 2 is issued, and
- a BPEM is raised if the process is still active 60 days after the high priority read is requested; the user attempts to gain a read and enters a permanent estimate if an actual reading cannot be obtained.

The letter content varies depending on which no read reason code is provided by the meter reader. If the meter is unread due to an access issue the letter asks for this to be resolved, and if the meter is unread due to a resourcing issue or Covid isolation rules preventing access the letter asks the customer to provide their own reading so CTCT can confirm whether the readings are in line.

The MRC process is terminated when the customer switches out, is disconnected, an actual reading is received, or they are added to a meter reader exclusion list (due to a health and safety issue or not being allocated to an active meter reading route). The MRC process continues after customer reads are received.

CTCT provided a list of 44 ICPs not read during the period of supply, where the period of supply ended between 1 June 2022 and 28 February 2023.

- 28 ICPs are still with CTCT,
- one ICP the switch was withdrawn so was never supplied by CTCT,
- six relate to inactive ICPs,
- three relate to decommissioned ICPs where a removed meter read/permanent estimate should be present, and
- four relate to ICPs that have switched away where an actual read was not obtained during CTCT's period of supply; for three ICPs (0000011492EACE3, 0000082543TR33B, 0002333343AL9CE), best endeavours requirements were not met as the period of supply (between 40 and 95 days) was too short for the Automated Meter Reading Compliance (MRC) process to be triggered, but for ICP 0000040231TRE11 best endeavours was achieved.

The accuracy of the unread during period of supply reporting made it difficult to identify the level of compliance achieved by CTCT. The inclusion of "inactive" ICPs and also "current supplied" but never read ICPs exceeding 365 days are also appearing in the unread for 12-month report meaning this exception report is displaying additional ICPs indicating a lower level of attainment than has actually occurred.

CTCX and CTCS

ICPs read manually

Simply Energy uses Wells as its non-AMI meter readings provider.

When meter readers cannot access a meter, a meter reader card is not left at the address. The card process would be too complex as Simply Energy also provides services for multiple brands other than CTCS and CTX.

Wells provide monthly reporting on unread ICPs including the no read code, no read reason and last actual read date. Simply Energy filters this report to identify ICPs not read for three months, adds customer account and contact information to the report and reviews the ICPs focussing on those which have never been read and the oldest last read dates.

Simply Energy have also recently trialled reviewing the CS files for recently gained ICPs to attempt to identify potential long term no access ICPs using the last actual read date captured in the CS file and also the meter location code held in the metering event. Where the last read date is more than two months from the time of the switching, then the ICP is escalated to the switching team to try and arrange access.

Initial analysis has been inconclusive as very few access related issues have been identified as opposed to other traders meter reader performance issues and ICPs transitioning to manual meter reading for non-communicating meters.

The support team and/or business specialists are tasked to contact the customer to attempt to resolve the issues preventing readings from being obtained. Communication is usually by email in the first instance, but the method of communication and frequency of these interactions with the customer is at the staff member's discretion. This customised approach to communication with these customers means that best endeavours are not able to be shown in the process to escalate the meter reading/access issue.

I recommend Simply Energy develop a standard process for the support team/business specialists to follow to ensure that the requirement to make at least three attempts to contact the customer using two different communication methods are met where the issue cannot be resolved promptly.

Recommendation	Description	Audited party comment	Remedial action
<p>Develop standard process to ensure the best endeavours requirements for read attainment are met</p>	<p>CTCS and CTCX</p> <p>I recommend developing a standard process for support team/business specialists to follow to ensure that the requirement to make at least three attempts to contact the customer using two different communication methods are met where the issue cannot be resolved promptly.</p>	<p><u>CTCS & CTCX</u></p> <p>Monthly reports are received from Wells on non-meter reads > 3months and actioned by the Key and Account Leads Team. Additional information is being added to this report to show ongoing non reads so contact will then be made each month up to 3 months in a row.</p> <p>There are further reports in Salesforce that highlight unread meters as second verification.</p> <p>The way the customer is contacted will be linked to each month of non-read to ensure multiple different ways to contact the customer are used.</p> <p>Simply Energy can also now raise a "Special meter read" to Wells to take action outside the normal read cycles. This will speed up the process of being able to send a meter reader back to a site to gain an actual read when additional access information is received from a customer.</p> <p>Simply Energy is also investigating the ability to automatically generate emails to the customer from salesforces for the first contact when they have been identified on the non-read report.</p>	<p>Improvements have been made and further improvements are under investigation.</p>

AMI ICPs read by MEPS

SalesForce's Read KPI report shows NHH settled meters which have not been read for more than 40 days including AMI and manually read meters. The report is reviewed approximately weekly, and service orders are raised to attempt to resolve communication issues for AMI meters. If the issue cannot be resolved promptly the ICP will be moved to a Wells reading route.

SalesForce's HHR recon no reads report shows ICPs with HHR profile where the AMI flag has been changed to no. The ICPs are investigated weekly and moved to NHH profile and a manual reading route if necessary.

Read attainment during the period of supply

CTCX	No ICPs were unread during the period of supply.
CTCS	<p>CTCS provided a list of 58 ICPs not read during the period of supply, where the period of supply ended between 30 June 2022 and 31 December 2022. Two of the ICPs had periods of supply less than 61 days.</p> <p>Ten ICPs with a period of supply longer than 200 days were reviewed and found the best endeavours requirements were not met for eight ICPs. For three of the ICPs where best endeavours were not met, the customer did provide a read via email for the transfer date to ensure boundary read between retailers was reasonably accurate (flagged as estimate as customer read was not validated).</p>

Audit outcome

Non-compliant

Non-compliance	Description				
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>For three ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>The meter read compliance process begins after 130 days with no readings so it is unlikely compliance will be achieved where the period of supply is less than this.</p> <p>CTCS</p> <p>For at least eight ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>The meter read compliance process begins after three months with no readings so it is unlikely compliance will be achieved where the period of supply is less than 90 days.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>				
Audit risk rating	Rationale for audit risk rating				
Low	<p>Controls are rated as moderate as there are meter read compliance processes in place however these do not trigger until 130 and 90 days respectively.</p> <p>The impact on settlement and participants is expected to be minor therefore, the audit risk rating is low.</p>				
Actions taken to resolve the issue	<table border="1"> <thead> <tr> <th>Completion date</th> <th>Remedial action status</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Completion date	Remedial action status		
Completion date	Remedial action status				

<p><u>CTCS</u></p> <p>Monthly reports are received from Wells on non meter reads > 3months and actioned by the Key and Account Leads Team. Additional information is being added to this report to show ongoing non reads so contact will then be made each month up to 3 months in a row.</p> <p>There are further reports in Salesforce that highlight unread meters as second verification.</p> <p>The way the customer is contacted will be linked to each month of non read to ensure multiple different ways to contact the customer are used.</p> <p>Simply Energy can also now raise a "Special meter read" to Wells to action outside the normal read cycles. This will speed up the process of being able to send a meter reader back to a site to gain an actual read when additional access information is received from a customer.</p> <p>Simply Energy is also investigating the ability to automatically generate emails to the customer from salesforces for the first contact when they have been identified on the non read report.</p>	<p><u>CTCS</u></p> <p>Ongoing</p>	
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6.9. NHH meters interrogated annually (Clause 8(1) and (2) Schedule 15.2)

Code reference

Clause 8(1) and (2) Schedule 15.2

Code related audit information

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

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

Audit observation

The meter reading process was examined. Monthly reports were provided and reviewed to determine whether they met the requirements of clauses 8 and 9 of schedule 15.2.

A sample of ICPs not read in the previous 12 months were reviewed to determine whether reasonable endeavours were used to attain reads, and if exceptional circumstances existed.

Audit commentary

As discussed in **section 6.8**, there are processes in place monitor read attainment, and attempt to resolve issues preventing read attainment.

CTCT

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Aug 2022	336	74	2,178	99.03%
Sep 2022	340	73	2,063	99.09%
Oct 2022	341	69	1,991	99.13%
Nov 2022	341	68	2,024	99.11%
Dec 2022	344	63	1,956	99.14%
Jan 2023	345	118	2,064	99.10%

Read attainment percentages are similar to the last audit.

I reviewed 20 ICPs not read in the previous 12 months to determine whether exceptional circumstances exist, and if CTCT had used their best endeavours to obtain readings. In all cases, appropriate communication had occurred to attempt to get access for meter reading. In some cases, the properties were vacant, but were still being read.

Copies of the meter reading frequency reports to the Electricity Authority for August 2022 to January 2023 were provided, and the reports were sent within 20 business days after the end of the month and met the reporting requirements.

CTCX

The monthly meter reading reports provided were reviewed, and all ICPs were read within the previous 12 months.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Jul 2022	1	-	-	100.00%
Aug 2022	1	-	-	100.00%
Sep 2022	1	-	-	100.00%

Copies of the meter reading frequency reports to the Electricity Authority for July to September 2022 were provided, and the reports were sent within 20 business days after the end of the month and met the reporting requirements.

CTCS

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Jul 22	145	57	288	78.86%

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Aug 22	146	90	281	80.70%
Sep 22	144	89	164	83.29%
Oct 22	144	88	295	78.28%
Nov 22	147	91	290	75.34%
Dec 22	173	121	495	61.89%

I reviewed 20 ICPs not read in the 12 months ending December 2022 to determine whether exceptional circumstances exist, and if CTCS had used their best endeavours to obtain readings.

- Best endeavours were met for six ICPs.
- Five ICPs were identified as being unmetered and appear in the unread report in error. This internal report was amended in March 2022 to exclude unmetered ICPs as an outcome from the previous audit. The report selection criteria are still searching prior to March 2022 for when unmetered ICPs were included, so is still reporting some false positives. Once the selection window passes March 2022, no unmetered ICPs will appear in this report.
- Best endeavours were not met for eight ICPs due to:
 - three where no attempts had been made to contact the customer, and
 - five where only one form of communication (email) was used.
- ICP 0000027946CE57C is being read regularly however the reads are not applied due to the switch reading being greater than the current actual read. This ICP switched to CTCS in June 2020 and the switch estimate read has found to be less than 200 kWh than the initial actual read obtained by Simply Energy. However, the site is a very low consuming ICP, and the actual read is unlikely to overtake the switch estimate for a number of years. Simply Energy is reviewing how to ensure this ICP is included in the read attainment reporting.

Copies of the meter reading frequency reports to the Electricity Authority for July to December 2022 were provided, and the reports were sent within 20 business days after the end of the month and met the reporting requirements.

Audit outcome

Non-compliant

Non-compliance	Description
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<p>Audit Ref: 6.9</p> <p>With: clause 8(1) and (2) Schedule 15.2.</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCS</p> <p>For eight of a sample of 20 ICPs unread in the 12 months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>Controls are rated as moderate as they have improved during the audit period, and all unread ICPs are now reviewed monthly, and contact with the customer or MEP is initiated.</p> <p>The impact on settlement and participants is expected to be minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCS</u></p> <p>The unread meter process has been improved with implementation from the 1st July and fully embedded by 30 Sep. The process is a monthly unread meter >3 months tracked and sent to Key & Account Leads for follow up contact. Any unread meters continuing to appear across multiple months will be linked with different contact methods for up to 3 months. Account leads and Key account leads have now been refreshed on the requirements to contact the customer 3 times using two forms of communication (Phone and Email).</p>		<p><u>CTCS</u></p> <p>30/09/2023</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><u>CTCS</u></p> <p>Monthly reports are received from Wells on non meter reads > 3months and actioned by the Key and Account Leads Team. Additional information is being added to this report to show ongoing non reads so contact will then be made each month up to 3 months in a row.</p> <p>There are further reports in Salesforce that highlight unread meters as second verification.</p> <p>The way the customer is contacted will be linked to each month of non read to ensure multiple different ways to contact the customer are used.</p>		<p><u>CTCS</u></p> <p>Ongoing</p>	

<p>Simply Energy can also now raise a "Special meter read" to Wells to action outside the normal read cycles. This will speed up the process of being able to send a meter reader back to a site to gain an actual read when additional access information is received from a customer.</p> <p>Simply Energy is also investigating the ability to automatically generate emails to the customer from salesforces for the first contact when they have been identified on the non read report.</p>		
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6.10. NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)

Code reference

Clause 9(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The meter reading process was examined. Monthly reports were provided and reviewed.

A sample of ICPs not read in the previous four months at NSPs where less than 90% of ICPs were read were reviewed to determine whether exceptional circumstances existed and if Contact had used their best endeavours to obtain readings.

Audit commentary

As discussed in **section 6.8**, there are processes in place monitor read attainment, and attempt to resolve issues preventing read attainment.

CTCT

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Aug 2022	347	31	6,053	97.66%
Sep 2022	352	29	5,532	97.87%
Oct 2022	353	31	5,888	97.74%
Nov 2022	353	34	5,725	97.8%

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Dec 2022	357	32	5,473	97.89%
Jan 2023	361	36	6,430	97.53%

Read attainment percentages are similar to the last audit.

I reviewed 20 ICPs not read in the previous four months determine whether exceptional circumstances exist, and if CTCT had used their best endeavours to obtain readings and found:

- for 17 cases, appropriate communication had occurred to attempt to get access for meter reading,
- two ICPs were vacant and exceptional circumstances existed, and
- for ICP 0000177608TRA99 the Automated Meter Reading Compliance (MRC) process had not been triggered so no attempts had been made to contact the customer therefore exceptional circumstances did not exist; a meter read was eventually obtained in March 2023.

CTCX

The monthly meter reading reports provided were reviewed, and all ICPs were read within the previous four months.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Jul 2022	1	-	-	100.00%
Aug 2022	1	-	-	100.00%
Sep 2022	1	-	-	100.00%

CTCS

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Jul 22	145	37	167	89.70%
Aug 22	146	41	161	89.38%
Sep 22	144	54	199	87.41%
Oct 22	144	62	231	87.43%
Nov 22	147	59	213	85.76%
Dec 22	173	67	219	87.82%

I reviewed ten ICPs not read in the previous four months where less than 90% of ICPs on the NSP had been read to determine whether exceptional circumstances exist, and if CTCS had used their best endeavours to obtain readings. In five cases Simply Energy had either made no attempt or one attempt to resolve the issues preventing read attainment.

Simply Energy have also recently trialled reviewing the CS files for recently gained ICPs to attempt to identify potential long term no access ICPs using the last actual read date captured in the CS file and also the meter location code held in the metering event. Where the last read date is more than two months from the time of the switching, then the ICP is escalated to the switching team to try and arrange access.

Initial analysis has been inconclusive as very few access related issues have been identified as opposed to other traders meter reader performance issues and ICPs transitioning to manual meter reading for non-communicating meters.

Audit outcome

Non-compliant

<p>on the requirements to contact the customer 3 times using two forms of communication (Phone and Email).</p>		
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>Contact are currently in discussions with our Meter Reading service provider around the opportunities of implementing an SMS message service which would be sent to customers just prior to their scheduled meter read date. This new 'near real time' communication should help provide better access to meters and improve our ability to meet the best endeavours requirement.</p> <p>We will continue to explore further enhancements internally and with our meter read service providers as opportunities arise.</p> <p><u>CTCS</u></p> <p>Monthly reports are received from Wells on non meter reads > 3months and actioned by the Key and Account Leads Team. Additional information is being added to this report to show ongoing non reads so contact will then be made each month up to 3 months in a row.</p> <p>There are further reports in Salesforce that highlight unread meters as second verification.</p> <p>The way the customer is contacted will be linked to each month of non read to ensure multiple different ways to contact the customer are used.</p> <p>Simply Energy can also now raise a "Special meter read" to Wells to action outside the normal read cycles. This will speed up the process of being able to send a meter reader back to a site to gain an actual read when additional access information is received from a customer.</p> <p>Simply Energy is also investigating the ability to automatically generate emails to the customer from salesforces for the first contact when they have been identified on the non read report.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p><u>CTCS</u></p> <p>Ongoing</p>	

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

Code reference

Clause 10 Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

NHH data is collected by MEPs and agents. The data interrogation log requirements were reviewed as part of their agent and MEP audits.

Audit commentary

Compliance with this clause has been demonstrated by Contact's agents and MEPs as part of their own audits.

Audit outcome

Compliant

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

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

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

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

Audit observation

HHR data is collected by agents, and generation data is collected by Contact. Data collection processes were reviewed for generation, and as part of the agent audits.

Audit commentary

CTCT

Contact collects generation data via the services access interface. Back-up meters are installed at every generation installation, which eliminates the requirement for manual data interrogation, and processes have therefore not been established for this activity. The backup meters are off the same measuring transformers. There are also backup SCADA installations with separate CTs, VTs and meters.

Of the four ICPs with meter category three or higher, only ICP 1001157629CK617 had HHR data supplied to CTCT and compliance with this clause has been demonstrated by AMS.

Missing AMI data is monitored using the Smart Reads Dashboard by the field services team, and IMDM by the operations team. AMI interval data is held for seven days (two days if ICP is prepay), or until 100% of reads are obtained before import into SAP if the data is complete or data gaps are estimated. If a whole file is missing, the field services team receives an email notification so that it can be followed up.

CTCS and CTCX

Compliance is recorded in the AMS and EDM I agent audit reports.

Audit outcome

Compliant

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

Code reference

Clause 11(2) Schedule 15.2

Code related audit information

The following information is collected during each interrogation:

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

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

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

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

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

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

Audit observation

CTCT

HHR data is collected by agents, and generation data is collected by Contact. Data collection processes were reviewed for generation, and as part of the agent audits.

Audit commentary

CTCT

The following information is collected during each automated interrogation of HHR generation metering:

- the unique identifier (serial no) of the meter or data logger,
- the connection time, disconnection time and recorder time,
- the half-hour metering information for each trading period, and
- the events log.

Event log information is provided to the appropriate generation station for review. If any actions are required, the instruction will be provided by generation engineers as required.

Of the four ICPs with meter category three or higher, only ICP 1001157629CK617 had HHR data supplied to CTCT and compliance with this clause has been demonstrated by AMS.

CTCS and CTCX

Compliance is recorded in the AMS and EDMI agent audit reports.

Audit outcome

Compliant

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

Code reference

Clause 11(3) Schedule 15.2

Code related audit information

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

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

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

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

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

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

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

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

Audit observation

HHR data is collected by agents, and generation data is collected by Contact. Data collection processes were reviewed for generation, and as part of the agent audits.

Audit commentary

CTCT

For generation metering an interrogation log is generated to record details of all interrogations and the audit confirmed that appropriate action is taken where problems are apparent.

The interrogation log contains the following information:

- the date of interrogation,
- the time of commencement of interrogation,
- the operator identification (for non-scheduled data collection),
- the unique identifier of the meter or data logger,
- the clock errors outside the range specified in clause 12, and
- the method of interrogation.

Of the four ICPs with meter category three or higher, only ICP 1001157629CK617 had HHR data supplied to CTCT and compliance with this clause has been demonstrated by AMS.

CTCS and CTCX

Compliance is recorded in the AMS and EDMI agent audit reports.

Audit outcome

Compliant

7. STORING RAW METER DATA

7.1. Trading period duration (Clause 13 Schedule 15.2)

Code reference

Clause 13 Schedule 15.2

Code related audit information

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

Audit observation

Trading period duration was reviewed as part of the MEP audits and agent audits.

Contact's clock synchronisation process ensures that trading period duration for generation meters is normally 30 minutes within ± 2 seconds.

Audit commentary

Compliance with this clause has been demonstrated by the agents and MEPs and is discussed in their audit reports.

Contact's clock synchronisation process for generation meters is discussed in **section 6.5**.

Audit outcome

Compliant

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

Code reference

Clause 18 Schedule 15.2

Code related audit information

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

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

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

Audit observation

Processes to archive and store raw meter data were reviewed.

Audit commentary

Compliance with this clause has been demonstrated by Contact's MEPs and agents.

CTCT

Contact's IT team confirmed that raw meter read data is retained for more than 48 months, and I viewed reading data that had been retained for over 48 months during the audit.

I viewed audit trails in SAP, IMDM, and MV90 and confirmed that read and volume data cannot be modified without an audit trail being created. Access to CTCT's systems is restricted using logins and passwords.

CTCX and CTCS

Simply Energy intends to retain raw meter data indefinitely, and I confirmed that the first data supplied for CTCX and CTCX ICPs was retained.

Access to systems is restricted using logins and passwords and I confirmed that read and volume data cannot be modified without an audit trail being created.

Audit outcome

Compliant

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

Code reference

Clause 21(5) Schedule 15.2

Code related audit information

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

Audit observation

Processes to archive and store non-metering data were reviewed. All DUML ICPs are supplied under the CTCS trader code. CTCT and CTCX do not supply any DUML ICPs.

Audit commentary

CTCS deals with some non-metering information for DUML ICPs. EMS retains the data logger files, and compliance is recorded in their agent audit report.

Simply Energy will retain DUML information provided by database owners indefinitely, and data from 2020 was viewed during the audit.

Audit outcome

Compliant

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

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

Code reference

Clause 19(1) Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

Processes for correction of NHH meter readings were reviewed, including checking examples of corrections where available. Corrections to volumes where meter readings match the value recorded by the meter, such as where a multiplier is incorrect, a meter is defective or bridged, or inactive consumption is identified were reviewed in **section 2.1**.

Audit commentary

CTCT

Where errors are detected during validation of non-half hour meter readings, a check reading is performed, or AMI data is checked. If an original meter reading cannot be confirmed, then an estimated reading is used and is labelled as an estimate in SAP.

Transposed meters are identified through the implausible read validations. These are typically reviewed by a robot, which will request a control read. The control read is returned to a user for validation. Once the correct reads are confirmed, a device modification is carried out to ensure that reads are recorded against the correct register. Two examples were reviewed and confirmed that the correction has correctly applied through to submission data.

CTCS and CTCX

Simply Energy manages NHH corrections as an agent.

Where errors are detected during validation of non-half hour meter readings, a check reading is performed, or AMI data is checked. If an original meter reading cannot be confirmed it is invalidated and an estimated reading is applied for billing. Estimated readings are ignored by the historic estimate calculation process; if no validated actual readings are available, forward estimates are created.

If a reading is invalidated before being sent to MADRAS, the read will not be sent. If the reading is invalidated after being sent to MADRAS it will be updated using the read replacement process discussed in **section 12.3**.

If transposed meters are identified through the validation process, they are corrected using the read renegotiation process if switch reads are affected, or by moving the readings to the correct registers.

Audit outcome

Compliant

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

Code reference

Clause 19(2) Schedule 15.2

Code related audit information

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

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

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

- (i) The total of all substituted intervals matches the total consumption recorded on a meter, if available; and*
- (ii) The reconciliation participant considers the pattern of consumption to be materially similar to the period in error.*

Audit observation

Processes for correction of HHR meter readings were reviewed. Ten HHR corrections were reviewed, including a check that updated consumption data flowed through to revision reconciliation submissions.

Processes for the correction of generation data were reviewed, including walking through a correction.

Audit commentary

CTCT

HHR meter data

No corrections were conducted for meters with category 3 or higher.

AMI HHR data errors are identified through the data validation process, missing reads process, or information provided by the customer or MEP. Where errors are detected replacement data is estimated by IMDM in accordance with the code. The estimation process is discussed in **section 9.4**.

I checked ten examples of corrections for ICPs settled as HHR and confirmed that they were reasonable and based on the best information available.

Generation data

Where errors are detected during validation of half-hour generation metering information the first course of action is to use data from back-up metering that is installed at all metering installations. In the unlikely event that back-up data is not available, estimation is performed using SCADA data. Corrections are made based on instructions from generation engineers.

There were four corrections performed during the audit period relating to meter testing and certification tasks where the meters have been placed into test mode by the authorised test house. In all four cases the authorised test house provided data from a reference meter for use during the affected period. This data was applied to MV90 as a correction and an appropriate error correction journal and audit trail was

applied. The data was then graphed to ensure that the affected period is consistent with actual data either side of the corrected period.

CTCS and CTCX

EDMI and AMS supply HHR data directly to Simply Energy. Simply Energy creates HHR submissions, including temporary estimates, permanent estimates, and corrections.

Corrections are calculated manually and imported into DataHub in an EIEP3 file. A compliant audit trail entry is added into the permanent estimate log.

CTCX	No corrections were required for CTCX during the audit period.
CTCS	I reviewed ten corrections made for CTCS. All were for meter changes, and they all had appropriate calculations and audit trails.

Audit outcome

Compliant

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

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

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

Audit observation

Error and loss compensation was discussed, and the processes in place reviewed.

Audit commentary

Contact does not deal with any loss and compensation arrangements. If a compensation arrangement was in place, this would be identified through the load check process employed at the time of certification or recertification.

Audit outcome

Compliant

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

Code reference

Clause 19(4) and (5) Schedule 15.2

Code related audit information

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

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

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

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

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

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

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

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

Audit observation

Corrections are discussed in **sections 8.1** and **8.2**, which confirmed that raw meter data is not overwritten as part of the correction process. Audit trails are discussed in **section 2.4**.

Raw meter data retention for MEPs and agents was reviewed as part of their own audits.

Audit commentary

Compliance with this clause has been demonstrated by Contact's MEPs and agents.

I reviewed journals for NHH, HHR, and generation data corrections for all codes and noted that they were compliant with the requirements of this clause.

Audit outcome

Compliant

9. ESTIMATING AND VALIDATING VOLUME INFORMATION

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

Code reference

Clause 3(3) Schedule 15.2

Code related audit information

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

Audit observation

A sample of reads and volumes were traced from the source files to Contact's systems in **section 2.3**.

Provision of estimated reads to other participants during switching was reviewed in **sections 4.3, 4.4, 4.10** and **4.11**. Correct identification of estimated reads, and review of the estimation process was completed in **sections 2.1, 8.1** and **8.2**.

Audit commentary

CTCT

CTCT arranged for IntelliHUB to cease providing estimate meter register reads from 14 March 2022 and AMI interval data from November 2022. Part day estimated IntelliHUB AMI interval data was accepted by IMDM where the sum-check performed by IMDM aligned with the total value of the interval data +/- 2 kWh. These IntelliHUB interval data estimates were correctly classified as being MEP estimates in IMDM.

All readings checked during the audit were correctly classified.

CTCX and CTCX

Estimated AMI register readings are provided by IntelliHUB when they cannot obtain a reading. I confirmed that these estimates are recorded against a non-billable register and not used for billing or reconciliation.

CTCX	All readings checked during the audit were correctly classified.
CTCS	As detailed in section 4.10 three ICPs with actual switch event readings had an estimated read type recorded ⁴ because the read type was incorrectly entered into Salesforce. All other readings checked during the audit were correctly classified.

Audit outcome

Non-compliant

⁴ 0000803900WAA12 CS-4397006 11 July 2022, 0001005115WA5F5 CS-4397007 11 July 2022 and 0005280129WA325 CS-4397007 11 July 2022

Non-compliance	Description		
Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2 From: 11-Jul-22 To: 11-Jul-22	CTCS Three switch move ICPs had incorrectly labelled switch event meter readings. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong because a small number of exceptions were identified, and no exceptions were identified after July 2022. The impact on settlement and participants is low. Applying the read type "E" does not impact on other traders' ability to issue read renegotiation requests under clause 6(2) and (3) Schedule 11.3, and the read values were correct so there is no impact on settlement or the customer.		
Actions taken to resolve the issue		Completion date	Remedial action status
CTCS This historic issue cannot be corrected.		CTCS NA	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
CTCS A QA process was implemented on 01/11/2022, where a backup person checks that the data is correct then gives the final approval. This process will be automated in Phase 2 of the Switching Automation currently scheduled for Quarter 3 of 2023.		CTCS Quarter 3 of 2023	

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

Code reference

Clause 3(4) Schedule 15.2

Code related audit information

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

- 3(4)(a) - validated meter readings
- 3(4)(b) - estimated readings
- 3(4)(c) - permanent estimates.

Audit observation

A sample of submission data was reviewed in **sections 11** and **12**, to confirm that volume was based on readings as required.

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 3(5) Schedule 15.2

Code related audit information

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

Audit observation

A sample of submission data was reviewed in **sections 11** and **12**, to confirm that volume was based on readings as required.

NHH data is collected by MEPs and agents, and HHR data is collected by agents, and generation data is collected by Contact.

EMS reports generation data to the reconciliation manager as CTCT's agent. Their processes for HHR data were reviewed as part of their agent audit.

Audit commentary

The MEPs and agents retain the raw, unrounded data.

CTCT

The MEPs and agents retain the raw, unrounded data. Compliance with this clause has been demonstrated by CTCT's MEPs and agents as part of their own audits.

NHH reads and HHR interval data is not rounded or truncated on import into IMDM. The number of decimal places recorded in IMDM matched the source files for the sample of data checked. IMDM transfers NHH meter reads and HHR interval data to SAP with the same precision as it received the data from the AMI MEPs. All NHH meter reads are loaded into a midnight read table in SAP ready to be retrieved and validated by processes such as billing where the reads are validated and uploaded into the SAP meter read table. Meter reads involved in the upload into the meter read table are truncated to zero decimal places. Truncating occurs prior to the creation of volume information; therefore, non-compliance exists.

CTCT supplied four ICPs with meter category 3 or higher during the audit period:

- three are generation ICPs with meter category 5 and are read by CTCT using MV90; the generation meter data is not rounded or truncated on import, and
- ICP 1001157629CK617 has meter category 3 and is to be decommissioned once a new ICP is created for the load still metered through this ICP; AMS provides HHR data and compliance was demonstrated during their agent audit.

For generation data I traced a sample of reads from MV90 to SAP and confirmed that generation meter data is not rounded or truncated on import.

CTCX and CTCS

Compliance with this clause has been demonstrated by AMS, EDM I and MEPs as part of their own audits.

AMI and HHR interval data is not rounded or truncated on import. The number of decimal places recorded in DataHub matched the source files for the sample of data checked. AMS and EDM I provides data to Simply Energy in the EIEP3 format with a precision of three decimal places. EMS also provides data to Simply Energy in the EIEP3 format, which from January 2023 now also rounds to three decimal places.

NHH readings are imported into DataHub with decimal places included, and MADRAS now accepts readings with decimal places.

Manually entered readings including those received from customers can be entered with decimal places.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 9.3 With: Clause 3(5) of schedule 15.2 From: 01-Jun-22 To: 31-May-23	CTCT Raw meter data is truncated upon upload into SAP meter read table and not when volume information is created. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	CTCT The controls are considered weak, because all NHH meter information is rounded before it is entered into SAP meter readings table where reconciliation submissions are calculated from. The audit risk rating is low, because only NHH meter readings provided with decimal places are affected		
Actions taken to resolve the issue		Completion date	Remedial action status
CTCT We are exploring what options we have to remedy this in our system.		CTCT Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

<p><u>CTCT</u> Please refer to actions taken to resolve this.</p>	<p><u>CTCT</u> N/A</p>	
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9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

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

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

Audit observation

The HHR estimate processes was examined, and a sample of estimates were reviewed.

Estimates for generation stations are rare due to the high degree of metering accuracy and use of check metering as described in **section 9.6**. No examples of generation data estimates were identified during the audit period.

Audit commentary

CTCT

HHR data

No estimates were created for meters with category 3 or higher.

AMI estimates for missing data are created in IMDM using a gap filling process to fill missing intervals. The estimates require boundary readings (which may be actual or estimated) and a historic consumption pattern for the ICP/meter/channel in order to calculate the consumption into intervals. I reviewed a sample of ten AMI estimates for missing data and found that the reasonable endeavours requirement was met.

Where an estimate for gap fill is completed and then a part day of this estimated gap is then replaced by actual data, this creates an exception as the remaining estimated gap now does not match the sum-check validation. As discussed in **section 9.6** where a sum-check exception is identified by IMDM then all interval data is re estimated resulting in the part day of actual data being replaced by estimated data. CTCT is working on a system fix that ensure actual data is not overwritten and the initial estimate is recalculated to then align with the midnight reads.

If no estimated or actual data is provided to SAP by IMDM, SAP will estimate based on the following hierarchy unless a meter register and profile are not set up in SAP. If no meter register or profile are set up in SAP, no estimation will occur:

- same day (and day type) from the previous week,
- same day (and day type) from five weeks ago,
- same day (and day type) last year, or
- 0.5 kWh per trading period per meter register.

There is sometimes a delay in setting up meter registers in SAP for new connections, switch ins, and meter replacements. A SM02 BPEM is created when HHR interval data is received for a meter register which is not set up in SAP, and staff check ORB and/or the registry for metering information and update SAP so that the data can be imported from SAP's staging table. Where no estimated or actual data is received, this BPEM will not be created, and missing data may not be detected unless it is discovered and addressed through the reconciliation submission validation process. A recommendation from the previous audit is repeated in **section 2.1** to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity.

Where an AMI meter is flagged as non-communicating on the registry, CTCT arranges for the ICP to be transitioned to an MRS manual meter reading round to ensure the billing of the customer remains accurate. Where the ICP is HHR settled, no update of the submission type or profile code is undertaken at the time of the change in meter reading source. Where an HHR settled ICP requires an extended estimation while a communication fault is being investigated the accuracy of the ongoing estimations reduces as SAP runs out of viable historic consumption patterns and then moves to the default 0.5 kWh per trading period method. When this scenario occurs then reasonable endeavours no longer applies in terms of estimation accuracy as the estimated interval consumption is not aligned with received manual meter reads.

CTCT transitions non communicating HHR ICPs back to NHH submission type via bulk processing activities on an infrequent basis during the year. Retailers have an obligation to ensure ICPs are read or downloaded within the max interrogation cycle published by the MEP on the registry to ensure no data is lost or becomes unrecoverable.

984 HHR submitted ICPs were identified as more than 20 days outside the MEPs max interrogation cycle. I reviewed a sample of six ICPs where the MEPs max interrogation cycle now exceeded the period of time from when the AMI Flag was set to N by more than 100 days. In all cases the ICPs remain "active" on the registry and continued to be flagged for HHR submission. The correct treatment is to either arrange for regular manual downloads of the AMI meter or transition the ICP back to NHH submission as soon as practicable.

I reviewed the process for estimating any missing intervals that have occurred during meter changes. IMDM reflects all meter installations as occurring at the beginning of a day (0000 hours) and meter removals as occurring at the end of a day using the last received midnight read as the removal read. The part day data from the removed meter up to the meter change time is not provided by the AMI MEP and the removed meter reading is not loaded into IMDM therefore when IMDM applies an estimation for the missing part day data for the installed meter between 00:00 hours and the meter change time, zero values are applied by IMDM. Non-compliance is recorded below and in **sections 2.1** and **12.7**.

Generation data

Estimates are fairly rare for generation metering. The generation engineers provide compensated data from the secondary metering at the station when estimates are required. No estimates occurred during the audit period.

CTCS and CTCX

EDMI and AMS supply HHR data directly to Simply Energy. Simply Energy creates HHR submissions, including temporary estimates, permanent estimates, and corrections.

TOU temporary estimates are created by DataHub, and a job is run to create temporary estimates for each ICP with missing data on business day two. Estimates are based on historic information for an equivalent day and trading period of the last week with actual volume data, unless other data such as check metering is available to confirm the correct values. The estimation methodology sets out how equivalent days are determined, and accounts for working days, non-working days, daylight savings beginning and ending, and public holidays for days that are estimated. Where insufficient metering

history is available for DataHub to calculate estimates, estimates are manually calculated and then imported into DataHub in EIEP3 format. Simply Energy also runs a report monthly looking for outstanding estimated data for the previous 14 months in order to follow up with the respective data collector.

Volumes are identified as F (final actual), E (estimated) or D (deleted) in DataHub at trading period level. Permanent estimates are created in DataHub by importing a new file with the permanent estimate data marked as F (final). Permanent estimates can be identified at trading period level using the permanent estimate log, which is updated manually when permanent estimates are created as described in **section 8.4**. Temporary estimates are marked as E (estimated) at trading period level. All estimations are peer reviewed and in the permanent estimation the user performing the estimation and the peer reviewer are identified.

AMI HHR data estimates are also performed in Datahub using a procedure run twice weekly. Where a data gap is identified the amount of missing consumption is derived from the available midnight reads either side of the data gap. The RPS seasonal shape profile from the GR020 (PRSHAPE) file is used to apportion this missing consumption volume into HHR intervals. If the missing data is open ended, meaning there are not sufficient midnight reads to determine the missing consumption then datahub will apply a daily default value for the affected period.

The previous audit recorded that when trading period data has been estimated and actual data is received later, the actual data is imported and validated against the estimates. HHR replacement data can now be loaded without a register reading. Where an MEP has provided a part day of data, they may later provide a replacement file which contains nulls for the trading periods already provided and HHR volumes for the part of the day that was originally missing. The previous audit found that where this occurs, DataHub imports the whole replacement file, which replaces the actual data originally provided with the null values. DataHub then creates estimates for the missing periods. No progress has been made to resolve this issue during this audit period and I repeat the previous audits recommendation. This is recorded as non-compliance in **section 12.7**. When data is replaced, compliant audit trails are created within DataHub's job log.

Recommendation	Description	Audited party comment	Remedial action
Replacement of data	CTCS and CTCX If partial replacement data is provided, ensure that only the periods with valid replacement data are updated in DataHub.	<u>CTCS & CTCX</u> Simply Energy have raised the issue of being able to import partial HHR datafiles from MEPs with their system provider again and are hopeful of being able to progress a solution given other recent system changes may have facilitated a solution for this.	Under investigation

Estimates provided by MEPs are now recorded against a non-billing data steam and are not validated or used for submission. I checked an example of an estimate provided by IntelliHUB to confirm this.

CTCX	No active ICPs were supplied during the audit period and no HHR estimates occurred.
CTCS	I reviewed ten TOU, and ten AMI estimates for missing data for CTCS. In all cases the reasonable endeavours requirement was met.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 9.4</p> <p>With: Clause 15 Schedule 15.2</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>Reasonable endeavours to ensure CTCT has provided it's best estimate of consumption volume not met for a sample of six "active" long term non-communicating AMI metered ICPs where estimations are provided for more than 1,000 days and the estimates are not aligned with received meter reads from manual meter reading.</p> <p>Interval data consumption not correctly estimated for AMI meter changes to ensure the interval data matches the consumption calculated between meter reads.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>The controls are moderate, estimates are created by IMDM however by not comparing the estimated consumption with received manual meter readings or addressing the communication issue there is risk of consumption relating to these ICPs not being accounted for in the reconciliation process.</p> <p>The impact is assessed to be low due to the small number of HHR meter changes. The impact of the extended estimation of non-communicating AMI metered HHR ICPs is unknown.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>CTCT</p> <p>Contact is working with our system provider to investigate and improve the estimation process for interval data in meter change scenarios.</p> <p>We are also collaboratively working with our interval data providers to ensure part day of AMI data is delivered to reduce the re-occurrence of this issue.</p>		<p>CTCT</p> <p>Ongoing</p>	<p>Investigating</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>CTCT</p> <p>Contact system provider is investigating to develop a solution to improve estimation process, and consistently collaborating with interval data providers to ensure AMI data is captured/delivered for part day meter removal/install scenarios.</p>		<p>CTCT</p> <p>Ongoing</p>	

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

Code reference

Clause 16 Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

I reviewed and observed the NHH data validation process, including checking a sample of data validations. I reviewed system and process documentation, to confirm validation settings and procedures for readings which have failed validation.

Audit commentary

CTCT

Data validation for NHH metering information occurs at multiple levels.

Meter reader validation

For meters manually interrogated by MRS, a validation within their hand-held device identifies readings outside specified high/low parameters and prompts the reader to check the reading. This process is discussed further in their agent audit reports.

MRS also check the condition of the meters, to identify issues that could affect meter accuracy or safety. If an issue is identified, the appropriate condition code is entered into the hand-held device and provided to CTCT. This process is discussed further in **section 6.6**.

AMI validation

For AMI meters, the MEPs have access to meter event and clock synchronisation information that may identify issues with meter accuracy. The process to receive and review this information is discussed in **section 9.6**.

Read import and billing validation.

Contact's file import process identifies any file errors or corruption and creates an exception for ICT to investigate.

Once successfully imported, the billing validations identify any consumption outside prescribed limits and creates an exception. There are different limits for AMI and standard meters. A summary of the validations is set out below:

Validation type	Description
Implausible reads	High consumption Extra high consumption
Negative consumption	Negative consumption
Zero consumption	Zero consumption for the previous month
Vacant and disconnected consumption	Vacant consumption >0 units Disconnected consumption >2 units
Billing period	Short or long bill period
Bill value	Billed dollar value outside of tolerance

When exceptions are created, they are assigned to users or robots as BPEMs. Robots primarily process implausible read, zero consumption and bill value exceptions, and approve them based on a set of rules or request a control read. For instance, if an implausible read is the first reading after a switch gain read the robot will issue a request for a control (out of cycle) meter reading. Where a reading has also triggered the MRS High/Low validation threshold within the meter readers handheld device the meter reader will also take a photo of the reading which is available on the AD Riley portal. The availability of photos to support the reading obtained by the meter reader has the potential to reduce the number of control (out of cycle) meter readings being requested and also the small delays in making reading plausible. I recommend that CTCT reviews its automated implausible read process to include a manual step where the outcome of the validation is to request a control (out of cycle) meter reading, to include a pause in the process to allow a user to check for a photo on the AD Riley portal prior to releasing the control (out of cycle) meter reading request.

Recommendation	Description	Audited party comment	Remedial action
Review automated implausible read process to include step to review photos obtained by meter reader	CTCT CTCT to review its automated implausible read process to include a manual step where the outcome of the validation is to request a control (out of cycle) meter reading, to include a pause in the process to allow a user to check for a photo on the AD Riley portal prior to releasing the	CTCT We will review our automated implausible read process to identify whether this recommendation, or a similar enhancement can be implemented.	Under investigation

Recommendation	Description	Audited party comment	Remedial action
	control (out of cycle) meter reading request.		

Exceptions not validated by the robots and returned control readings are directed to work queues. Users investigate each exception, starting with the oldest and highest priority exceptions. If an exception is not resolved on the first day because it requires further investigation, the BPEM will remain until it is resolved. If a BPEM will require later follow up (such as when a control read is requested), the user can set the BPEM status to pending and specify a number of days, after which time the BPEM will reappear in the user's main queue. This process helps to prevent double handling.

Each type of exception is assigned to several primary users, to ensure that several team members are familiar with the process to cover absences. The Operations Team Leader (Billing) monitors overdue service orders and BPEMs and the total number of service orders and requests twice daily, and takes action to follow up and redistribute tasks, if required. Summary reporting of open service orders, performance and workloads is reviewed weekly. Similar monitoring is in place for field services BPEMs.

Billed dollar value outside of tolerance validation thresholds are not reviewed as part of any price change and have not been amended for a number of years. Where an ICP triggers this threshold repeatedly and is confirmed as being valid, it is moved into the next price band. I recommend that a process is implemented to review the billed dollar value outside of tolerance validation thresholds as part of any price change to reduce the number of false positive exceptions being triggered due to incremental changes in price and not some other reason requiring investigation.

Recommendation	Description	Audited party comment	Remedial action
Implement process to review the billed dollar value outside of tolerance validation thresholds as part of any price change	CTCT Implement process to review the billed dollar value outside of tolerance validation thresholds as part of any price change to reduce the number of false positive exceptions being triggered due to incremental changes in price and not some other reason requiring investigation.	<u>CTCT</u> We will investigate further into this recommendation to identify what opportunities we have within our processes and reporting to review billed dollar values outside of tolerance validation thresholds.	Under investigation

BPEMs are generated for the revenue assurance team when consumption occurs on an inactive ICP. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status, add disconnection and reconnection reads and/or invalidate misreads as necessary. These BPEMs rely on the SAP status being disconnected and where there is a mismatch between SAP and the registry status, no BPEM is generated, however this consumption is excluded from submission. Consumption on inactive sites is discussed further in **section 3.9**.

Disconnected ICPs with consumption

The reconciliation team historically maintains a spreadsheet of "inactive" ICPs with consumption which is refreshed approximately every three months using a SAP report. This report is used to identify any

ICPs with consumption during periods with “inactive” status which have not already been corrected through the BPEM process. The process was completed for the first time this year during this audit. The delay was caused because the staff member responsible for overseeing this left Contact and it is being added into the processes of other staff. This SAP report listed 377 ICPs with inactive consumption recorded totalling 127,192 kWh.

The difference between the SAP report and the list generated from the BPEM process is due to ICPs where the settlement unit assignment has been corrupted resulting in the inactive settlement unit assignment not being updated to enable the ICP to be included in submission. 66 ICPs were identified in this scenario with inactive consumption recorded totalling 29,112 kWh. Non-compliance is recorded in **sections 2.1, 3.9, 12.2 and 12.7.**

Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.

Legacy meters with zero consumption for more than 90 days and AMI meters with zero consumption for more than 120 days are monitored by the customer resolutions team using BPEMs.

Contact has phased out its legacy pre-pay meters, therefore the pre-pay no vend reports are not required. There are now two “active” vacant ICPs with the prepay flag set to yes which have been moved to post pay mode. The meters will be replaced once the ICPs are occupied.

CTCS and CTCX

Data validation for NHH metering information occurs at multiple levels and is managed by Simply Energy.

Meter reader validation

As discussed in **section 6.6**, Wells validates readings and check meter condition when readings are obtained, but this information is not consistently reviewed.

For AMI meters, the MEPS have access to meter event and clock synchronisation information that may identify issues with meter accuracy. The process to receive and review this information is discussed in **sections 6.5 and 9.6.**

Read import and billing validation.

Simply Energy’s NHH validation process includes the following checks:

- the reading relates to a valid ICP meter and register, and
- the content of each field is valid and not corrupted, including dates and times.

The meter reading validations check:

- the reading is consistent with the number of dials recorded,
- whether the reading is higher than previous reads, which identifies negative consumption,
- whether the meter has rolled over, and
- consumption between reads against the estimated forward daily kWh to identify high or low consumption.

Any ICPs which fail the validation are individually reviewed. The user can manually force a read to pass validation so that it is published and available for reconciliation and billing or leave the read as unvalidated.

For all codes, a billing volume check is completed prior to each day’s billing run for end of month billing. The report is used to identify the following exceptions:

- ICPs which are missing removal reads,
- ICPs with large consumption differences, negative consumption, or missing reads over the last three months, and

- new ICPs with only a switch in read, which are checked to confirm that their estimated consumption is reasonable based on information obtained on switch in.

NHH reads sent to EMS for reconciliation are also validated by EMS, and exceptions are sent to Simply Energy for investigation and resolution. Simply Energy also validates the EMS records against their own. These validation checks are discussed in **section 12.3**.

There is no specific monitoring of persistent of zero consumption at a meter or ICP level. Simply Energy has developed some reporting to try and identify zero consuming ICPs however the testing of this reporting was impacted by a high number of seasonal (irrigation) loads being identified due to the relatively wet summer and also by a number of extreme weather events which resulted in a number of ICPs having extended outages. Simply Energy plans to recommence the testing of this reporting in the near future therefore I repeat the last audits recommendation.

Recommendation	Description	Audited party comment	Remedial action
Zero consumption reporting	CTCS and CTCX Establish a validation process for meters with zero consumption.	CTCS & CTCX Simply Energy have created a process where the Data Management analyst works with the billing team to identify zero usage sites every three months, investigate these to find those that are reading 0, and then raise requests for the customer to be contacted to verify that 0 usage is correct. Where the customer believes this usage to be incorrect the business will raise service orders for the MEP to investigate.	Identified

Consumption on inactive ICPs

The data stream is no longer end dated in DataHub so the reads will be imported regardless of the ICPs status. Simply Energy requests that Wells stop manually reading meters once they become disconnected, but do not routinely ask the AMI MEPs to stop reading ICPs. I note that reads are often unable to be obtained by the MEPs where the meter has been physically disconnected at the fuse point. This inconsistent approach to meter reading of inactive ICPs means that some consumption occurring at inactive ICPs is not being detected or investigated. I have recommended that Simply Energy standardises the process for meter reading of inactive ICPs across all inactive ICPs in **section 3.9**.

Simply Energy has implemented a new inactive consumption report from October 2022 and ICPs where the inactive consumption is more than 1 kWh are investigated. This report was reviewed and five ICPs reported were checked to determine if the inactive consumption was genuine. In all five cases it was confirmed the consumption was not genuine.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 15.2

Code related audit information

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

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

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

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

17(4)(c) - checks of unexpected zero values,

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

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

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

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

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

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

Audit observation

I reviewed and observed the HHR, generation, and AMI data validation processes, including checking a sample of data validations and validation setting documentation.

Audit commentary

Electronic data used to determine volume information is provided by MEPs, AMS, EDM I and EMS as agents, and by Contact for CTCT generation information. This function was examined as part of the MEP and agent audits and found to be compliant.

CTCT

HHR

CTCT supplied four ICPs with meter category 3 or higher during the audit period:

- three are generation ICPs with meter category 5 and are read by CTCT using MV90, and
- ICP 1001157629CK617 has readings are provided by AMS, and compliance is recorded in their agent audit report; no clock synchronisation issues were identified during the audit period.

AMI

information is viewed, validated, and managed using the Smart Reads Console interface to IMDM.

- HHR ICPs with missing trading period data are put “on hold” in IMDM and the data is not transferred to SAP. The exceptions are suppressed for seven business days for most ICPs and two to three days for prepay ICPs to allow time for the MEPs to provide the data. The exceptions are worked through daily, and estimation of the missing trading period data is completed in IMDM. Without intervention, data remains “on hold” and will not be transferred to SAP until 55 days after the latest missing period, then the import will restart. Users can manually adjust the dates

for individual ICPs so that the missing records are ignored by the process and data transfer to SAP can resume (e.g., where reads are missing during a disconnected period).

- Check-sum validation identifies ICPs where the sum of the volumes for the trading periods between midnight readings does not match the difference between midnight readings, or midnight readings are missing. These exceptions are individually reviewed and is corrected by processing an adjustment in IMDM so that the interval data is consistent with the volume calculated between the two midnight reads. In most cases the sum-check exception is due to the meter reads used for the sum-check validation not being at midnight and the actual interval data being replaced by estimates was accurate and correct. Non-compliance is recorded in **sections 12.2** and **12.7** where accurate actual interval data is replaced by estimated data due to inaccurate midnight reads provided by the MEP.
- IMDM requires actual or estimated boundary readings to be entered so that estimates can be generated to align with the consumption calculated between these reads.
- Meters with negative consumption are put “on hold” in IMDM. Where the consumption is at least -1000 kWh it is treated as a meter rollover and automatically corrected. Differences between -1 and -999 kWh are individually checked and corrected as necessary by replacing invalid or high estimated reading where required.
- When data for a new meter at an ICP is provided, IMDM will automatically create the meter and register against the ICP with an effective start date of the first day data is provided for. If it replaces another meter, the ICP will be identified through the missing data validation and the user will manually end date the removed registers, confirm the correct start date for the new registers and check the readings provided against ORB field services paperwork. SAP will not accept data outside the meter install and removal dates, so date exceptions are sometimes identified in SAP and referred back to the IMDM team.

Validated AMI interval and unvalidated meter register read data is transferred from IMDM to SAP, and the reads also undergo the SAP NHH read validations described in **section 9.5**.

MEPs provide clock synchronisation information via SFTP, and I viewed examples of these.

Most MEPs provide clock synchronisation event emails which are reviewed on receipt by CTCT, to determine whether the issue has been resolved or a field services job is required.

CTCT does not actively review the time difference reports published by the AMI MEPs as they rely on these AMI MEPS to alert them of any clock synchronisation events requiring attention.

I reviewed an ARCS time difference report for April 2023. Most clock adjustments reviewed were small, however I identified 78 HHR submitted ICPs with meters where the time correction exceeded 1,900 seconds for a given day and then this correction was reverted back during the proceeding days’ time correction.

CTCT does not have a process to estimate data where a clock synchronisation event affects more than one trading period and I recommend that a process is developed.

Description	Recommendation	Audited party comment	Remedial action
Clock synchronisation events	<p>CTCT</p> <p>Where a clock synchronisation over 1800 seconds occurs, and data for multiple trading periods is pushed into the period of adjustment, develop a</p>	<p>CTCT</p> <p>Contact will investigate further into the Auditors recommendation.</p>	Investigating

Description	Recommendation	Audited party comment	Remedial action
	process to spread the total consumption for the adjustment period across the periods it actually occurred within.		

MEPs monitor meter events which could affect accuracy and clock synchronisation, and this is covered as part of their audits. Each of the MEPs advise CTCT of clock synchronisation and meter events either via individual emails or the provision of full meter event log or time difference reports. Any meter events requiring action emailed to CTCT by MEPs are reviewed and actioned. However, where the MEP does not provide emails the meter event logs/time difference reports are not currently being checked or actioned.

A sample of meter events were reviewed across NGCM, SMCO, ARCS and IHUB AMI MEPs and where an email was sent by the AMI MEP the requested action by the MEPs in the form of a works order to attend the site was undertaken. Metering Installation Category two ICP 0110003151EL984 reported an EFA - VT FAILURE (commonly known as a phase failure) event on 12 January 2022, which was notified by the AMI MEP to CTCT and a works order was raised to attend the site. The completed service order was returned with a completion date of 3 May 2023. As there was no meter change as part of the service order the automated process between Orb and SAP did not trigger a workflow item for a user to review and no HHR data correction was applied to the affected data. The current process for raising field work as a consequence of receiving an AMI MEPs request for a service order for a meter event issue does not include end to end monitoring of these to review the outcome in case consumption volumes require correction similar to CTCT's stopped meter process. I recommend that a review of all service orders relating to faulty meters are peer reviewed on completion to ensure where a data or volume correction is also required, that this is undertaken consistently.

Recommendation	Description	Audited party comment	Remedial action
Develop process to peer review all service orders relating to faulty meters	CTCT I recommend CTCT develops a process to peer review all service orders relating to meter faults to ensure that where a data or volume correction is also required, that this is undertaken consistently.	CTCT We will investigate what opportunities we have within our automation space to review meter fault service orders.	Investigating

Where an AMI meter is flagged as non-communicating on the registry, CTCT arranges for the ICP to be transitioned to an MRS manual meter reading round to ensure the billing of the customer remains accurate. Where the ICP is HHR settled no update of the submission type or profile code is undertaken at the time of the change in meter reading source. CTCT does transition non communicating HHR ICPs back to NHH submission type in bulk processing activities on an infrequent basis during the year. Retailers have an obligation to ensure ICPs are read or downloaded within the max interrogation cycle published by the MEP on the registry to ensure no data is lost or becomes unrecoverable.

984 HHR submitted ICPs were identified as more than 20 days outside the MEPs max interrogation cycle. I reviewed a sample of six ICPs where the MEPs max interrogation cycle now exceeded the period of time from when the AMI Flag was set to N by more than 100 days. In all cases the ICPs remain "active" on the

registry and continued to be flagged for HHR submission. Non-compliance is recorded below and also in **sections 9.4 and 12.7**.

An assessment of the count of AMI HHR intervals estimated by IMDM for use in the CTCT HHR submission for the July 2022 submission was performed. CTCT performed estimations for 1.19 million intervals out of a total number of intervals submitted of 327 million intervals (0.36 % of all intervals estimated). SAP also performs HHR estimations where AMI meters have stopped communicating and the ICPs are still recorded with HHR submission type. Additionally, as noted above 984 ICPs were flagged by the AMI MEPS as being non communicating and being outside the MEPs max interrogation cycle as of February 2023. This means at least an additional 1.375 million intervals (0.42 % of all intervals estimated) were estimated by CTCT for February 2023.

Generation

The installed data loggers have a data storage capacity of at least 30 days, and MV90 attempts to retrieve data hourly from each meter. If data cannot be retrieved by the system, a user will investigate and then reattempt to retrieve the data.

Each morning, MV90 is checked to ensure that meter data has been collected including meter event log information. Any missing data or issues (including failed data validations, and meter events which could affect data accuracy) are highlighted in the front end in blue text. I confirmed that no meter events which could affect accuracy occurred during the audit period.

Each metering installation contains primary metering and back-up metering, plus SCADA data. The SCADA system generally uses a separate set of CTs and its own VT.

Contact conducts a comparison between the primary data in MV90, the data in MDM, the AV130 file and SAP.

CTCS and CTCX

HHR

EDMI and AMS supply HHR data directly to Simply Energy, and Simply Energy validates the data and creates HHR submissions. Validation includes:

- reporting to identify missing trading period data, which is followed up with AMS and EDM; any missing data which is unable to be obtained is estimated, and replaced with actual data if it becomes available at a later date,
- a sum-check, and
- comparison of ICP and flow direction level submission data to the previous submission(s) for the month for revisions, and previous month for revisions; any combinations with differences of more than $\pm 80\%$ or $\pm 50,000$ kWh are checked unless the ANZSIC code indicates that they are an irrigation ICP.

While a threshold of $\pm 80\%$ is likely to eliminate potential false positive exceptions when comparing a current initial submission to a previous month's revision, it is too coarse to identify issues between revisions for the same consumption period to ensure HHR submission accuracy is within $\pm 10\%$. I recommend that Simply Energy reviews its thresholds for comparing volume differences between revisions for the same consumption period.

Recommendation	Description	Audited party comment	Remedial action
Review consumption difference thresholds between revisions for the	CTCS and CTCX I recommend a review of the consumption threshold is undertaken to better	<u>CTCS & CTCX</u> This change was implemented during the audit and a threshold of $\pm 10\%$ was applied to the R1,3,7, &	Adopted

Recommendation	Description	Audited party comment	Remedial action
same consumption period	align the internal validation of revisions of HHR submission data for the same consumption period to the current $\pm 10\%$ Authority determined tolerance.	14 submissions made during June 2023.	

AMS and EDMI provide any meter events requiring action to Simply Energy, and I saw evidence that these are reviewed and actioned appropriately.

AMI

For HHR AMI ICPs Simply Energy carries out the same billing validation as used for NHH ICPs. This includes high and low consumption to achieve compliance with 17(4)(d). Reporting is in place for missing data.

Files with incorrect dates or times will be identified at the time of loading and two identical files cannot be loaded.

Simply Energy does not load any AMI HRR data that is not flagged as having passed Validation by the AMI MEP. Additionally, HHR data must pass a sum-check validation check by Datahub.

Data completeness checks are also performed by ensuring all valid ICP/meter/registers listed on the latest registry data extract have complete interval data loaded.

AMI Meter event log information is received via SFTP but is not reviewed as required by the Code. The data warehouse development is now complete, and the event logs are being loaded into a development environment ready for testing. Once the event logs are available in production then Simply Energy will begin to develop queries and processes to analyse these logs and investigate identified exceptions.

MEPs monitor meter events which could affect accuracy and clock synchronisation, and this is covered as part of their audits. Each of the MEPs advise Simply Energy of clock synchronisation and meter events. Any meter events requiring action emailed to Simply Energy by MEPs are reviewed and actioned.

An assessment of the count of AMI HHR intervals estimated for use in the CTCX HHR submission for the July 2022 submission was performed. Simply Energy performed estimations for 38,000 intervals out of a total number of intervals submitted of 4.39 million intervals (0.88 % of all intervals estimated). For CTCX Simply Energy performed estimations for 159 intervals out of a total number of intervals submitted of 147,000 intervals (0.11 % of all intervals estimated)

I recommend that Simply Energy develop a process to identify and escalate missing AMI HHR data to the respective MEPs to determine if the data is in fact unrecoverable or just not delivered to reduce the amount of estimation required in the HHR submission process.

Description	Recommendation	Audited party comment	Remedial action
Identification and escalation of missing AMI interval data to MEPs.	CTCS and CTCX Develop and implement reporting of missing/ estimated interval data used in submission and the process to escalate these instances to the relevant AMI MEP for resolution.	<u>CTCS & CTCX</u> A request has been made to the Service Provider to create a report to be produced off the back of each Reconciliation Submission for each Reconciliation period. The business should have this	Identified

Description	Recommendation	Audited party comment	Remedial action
		reporting in place by 30/09/2023.	

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 9.6</p> <p>With: Clause 17(4)(f)&(g) of schedule 15.2</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>Full AMI meter event logs provided by MEPs are not routinely reviewed.</p> <p>78 (ARC AMI MEP) HHR submitted ICPs where the time correction exceeded 1,900 seconds and this time correction was then reverted at the next interrogation and no review of the raw meter data was conducted to determine if any corrections were required.</p> <p>Volume correction not applied for ICP 0110003151EL984 due to a phase failure.</p> <p>HHR AMI data incorrectly replaced by estimates due to inaccurate midnight reads used for sum-check validation.</p> <p>A sample of six ICPs from a population of 984 where the submission type was HHR and where the MEPs maximum interrogation cycle expired. In all cases the ICPs remain “active” on the registry and continued to be flagged for HHR submission.</p> <p>CTCS and CTCX</p> <p>Full AMI meter event logs provided by MEPs are not routinely reviewed.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 6</p>
Audit risk rating	Rationale for audit risk rating
Medium	<p>The controls are recorded as weak due to:</p> <ul style="list-style-type: none"> meter event information is only dealt with if the MEP sends additional correspondence and not all provided notifications of meter events requiring action, time corrections are not reviewed for HHR submitted ICPs to determine if a data correction is required, and the lack of monitoring of MEPs max interrogation cycle where ICPs are flagged as non-communicating and submitted as HHR. While CTCT has a process to transition ICPs from HHR to NHH submission, non-communicating ICPs fail to transition as there are no recent AMI midnight reads to apply for the change in submission type. <p>The impact is assessed as medium overall:</p> <ul style="list-style-type: none"> the impact of the lack of event log monitoring is low because any events requiring action identified by the MEPs and sent to Contact are reviewed and actioned,

	<ul style="list-style-type: none"> the assessed impact of the lack of HHR volume correction for ICP 0110003151EL984 was more than 10,000 kWh, and the impact of the number of ICPs outside the max interrogation cycle is unknown and these are metering installation category one ICPs in most cases. 	
Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCT</u></p> <p><u>AMI event logs</u></p> <p>Despite us making steady improvements to our processes and systems (post last audit) to routinely review AMI event logs provided by MEPS, we acknowledge there is still knowledge gap which has resulted in the event logs not being monitored as routinely as they should.</p> <p>We will continue to review the AMI event logs as they are received.</p> <p>To ensure a continued improvement in this space we will also be investigating potential opportunities to further increase the knowledge of those reviewing the logs and potential enhancements to our process. Please refer to the preventative action field for further information on the improvements we are intending to make and/or investigate.</p> <p><u>Time Sync issues</u></p> <p>We are exploring what options we have to remedy this in our system.</p> <p><u>Volume correction not applied due to a phase failure.</u></p> <p>We are working to complete a volume correction.</p> <p><u>HHR AMI data incorrectly replaced by estimates due to inaccurate midnight reads used for sum-check validation.</u></p> <p>We are actively engaging with meter owners to resolve this issue. Inaccurate midnight read issue is mostly occurring on a specific meter type and meter owner has an initiative in place to replace these meters in the field.</p> <p>Contact is also working with our service provider to improve existing reporting which will be utilized to get meter owners to prioritize update/replace the problematic meters.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p>Ongoing</p> <p>TBC</p> <p>Ongoing</p>	<p>Identified</p>

<p><u>CTCS & CTCX</u></p> <p>The Simply Energy Technology team are scheduled to build a Dashboard in the next two months so that the operational teams can start monitoring Event Logs.</p>	<p><u>CTCS & CTCX</u></p> <p>31/08/2023</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p><u>AMI event logs</u></p> <p>We will be enhancing our documentation to ensure they are fit for purpose and provide the required information our staff need to review AMI event logs accurately and routinely.</p> <p>We will also be investigating with the MEPs what opportunities there may be to standardise the formats for AMI event log files to provide consistency across all the MEPs we use, which entail would further simplify the reviewing and resolving of issues arising.</p> <p><u>HHR AMI data incorrectly replaced by estimates due to inaccurate midnight reads used for sum-check validation.</u></p> <p>Proactively working with meter owners to replace the meters in the field and developing better reporting in the system to get MEP to prioritize the replacement of meters.</p> <p><u>CTCS & CTCX</u></p> <p>Once the Dashboard is completed the process around monitoring Event Logs will be created and become part of BAU.</p>	<p><u>CTCT</u></p> <p>Ongoing</p> <p>Ongoing</p> <p><u>CTCS & CTCX</u></p> <p>31/10/2023</p>	

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

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

Code reference

Clause 13.136

Code related audit information

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

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

Audit observation

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

Audit commentary

Generation data is sent to EMS directly from SAP, according to a system schedule. EMS monitors to ensure that the data is received on time and Contact staff also complete monitoring to ensure that all data is released prior to leaving for the day. Review of the EMS audit report confirmed that this process is managed in a compliant manner.

Audit outcome

Compliant

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

Code reference

Clause 13.137 and 13.137A

Code related audit information

Using an approved system or by written notice, each generator must give the relevant grid owner half-hour metering information for—

(a) unoffered generation from a generating station with a point of connection to the grid,

(c) electricity supplied from a type B industrial co-generating station with a point of connection to the grid.

If the half-hour metering information is not available, the generator must give the relevant grid owner a reasonable estimate of such data using an approved system or by written notice.

Using an approved system or by written notice, each intermittent generator must, in relation to an intermittent generating station with a point of connection to the grid, give the relevant grid owner half-hour metering information for the intermittent generating station.

This clause does not apply to unoffered generation. If the half-hour metering information is not available, the generator must give the relevant grid owner a reasonable estimate of such data using an approved system or by written notice.

Using an approved system or by written notice, each intermittent generator must, in relation to an intermittent generating station with a point of connection to the grid, give the relevant grid owner half-

hour metering information for the intermittent generating station. This clause does not apply to unoffered generation. If the half-hour metering information is not available, the intermittent generator must give the relevant grid owner a reasonable estimate of such data.

Audit observation

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

Audit commentary

This process is managed by EMS on behalf of Contact. Review of the EMS audit report confirmed that this process is managed in a compliant manner.

Audit outcome

Compliant

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

Code reference

Clause 13.138

Code related audit information

Each generator must provide the information required by clauses 13.136, 13.137, and 13.137A—

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

(b) in the manner and form that the relevant grid owner stipulates; and

(c) by 1000 hours on a trading day for each trading period of the previous trading day.

To avoid doubt, each generator must provide the half-hour metering information required under this clause—

(a) in accordance with the requirements of Part 15 for the collection of that generator's volume information; or

(b) from a source and in a manner agreed between the generator and the grid owner.

Audit observation

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

Audit commentary

This process is managed by EMS on behalf of Contact. Review of the EMS audit report confirmed that this process is managed in a compliant manner.

In most instances, EMS collects the data as an agent for generators. Interrogation begins at midnight and is complete before 0500 on each day. If actual data is not available, an estimate is automatically generated and sent to EMS, and the users will check for actual data and send an update later that morning.

Any loss adjustment relative to the grid injection point is normally made within the metering installation at the time of installation and commissioning.

Contact is responsible for two embedded generators (Te Rapa 0000880392WEA92 (TWH0331) and Te Huka 0000018218HRB13 (WRK0331)) where the capacity exceeds 10MW and the distributor has published a loss code and factor specific for these stations.

The generation loss factors are recorded in SAP as part of a profile formula and applied to the generation data as part of the pricing manager file (EMB file) creation process within SAP. The two loss factors (CBTPO

– Te Huka, 534 – Te Rapa) were reviewed within SAP to confirmed they match the values recorded on the registry.

Audit outcome

Compliant

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

Code reference

Clause 13.140

Code related audit information

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

Audit observation

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

Audit commentary

EMS is the agent to the grid owner and conducts this notification. Compliance is confirmed in the EMS audit report.

Contact receives an email when data sent to EMS has failed or needs to be estimated, and these are acted upon by Contact.

Audit outcome

Compliant

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

Processes to create buying and selling notifications were reviewed. I checked examples of notifications provided and whether any breach allegations had been made.

Audit commentary

CTCT

If a new combination of network and NSP requires set up in SAP, the reconciliation team is notified by the network, the switching team, or the new connections team, and a trading notification is created as part of the set-up process.

Checks that valid trading notifications are in place are part of the reconciliation report validation checks, discussed in **section 12.3**. I observed this process and noted that it matched the submission data with open trading notifications. All mismatches are reviewed by the reconciliation team, and notifications are provided via the reconciliation portal as needed. The reconciliation portal will not accept any submission where a valid trader notification is not in place, and notifications are created as required if a file fails validation.

No breach allegations were made in relation to trading notifications.

CTCX and CTCS

Some existing ICPs use profiles that require trading notifications, but all new ICPs use RPS, PV1 or HHR profile and trading notifications are not required.

No breach allegations were made in relation to trading notifications.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

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

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

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

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

Audit observation

The process for the calculation of ICP days was examined by checking NSPs with a small number of ICPs to confirm the AV110 ICP days calculation was correct. I reviewed variances for the GR100 reports.

Alleged breaches were reviewed to determine whether any submissions were made late.

Audit commentary

There were no alleged breaches for late provision of ICP days information.

CTCT

HHR and NHH ICPs are recorded on a single report. ICP days are reviewed by the end of the month after the submission period, by comparing the ICP days reported to a registry list with history. Any exceptions are investigated and corrected, most commonly issues occur due to incorrect settlement unit information in SAP.

The process for the calculation of ICP days was examined by checking 50 NSPs with a small number of HHR ICPs and 50 NSPs with a small number of NHH ICPs on the January 2023 r1 submission against the expected active days calculated using a registry list with history. No differences were identified, and the calculation process is compliant.

I followed up the previous audit issues which resulted in incorrect ICP days submission information:

Network-NSP	Submission type	AV110 active days	Correct active days	Previous audit issue	Findings
TENC-TML0011	HHR	31	6	An inactive settlement unit had not been entered for the inactive period for 0000003029TC570. This was corrected during the audit and revised submission information will be washed up.	Not corrected by March 2022 revision 7, still a 25-day HHR ICP days difference. The settlement unit assignment was updated during the site audit.
TENC-TNP0011	NHH	20	85	Pricing events were not correctly populated for three ICPs in SAP. Because pricing is linked to the loss factor, the loss factor was not populated resulting in the ICP being omitted. The issue was identified as part of the pre submission validation checks but was not resolved prior to the revision 1 submission due to workloads. The data has now been	Corrected by revision 7 for March 2022, now a zero difference. The Registry Analyst now performs regular reporting to identify/resolve these exceptions. While monitoring has increased there are still delays in resolving these with the respective teams.

Network-NSP	Submission type	AV110 active days	Correct active days	Previous audit issue	Findings
				corrected in SAP and revised submission information will be washed up. CTCT intends to improve registry validation reporting to promptly identify ICPs with missing loss factors.	

The following table shows the ICP days difference between CTCT files and the RM return file (GR100) for all available revisions for 14 months. Negative percentage figures indicate that the CTCT ICP days figures are higher than those contained on the registry. The discrepancies are small.

Month	Initial	R1	R3	R7	R14
Oct 2021	-0.65%	-0.65%	-0.65%	-0.60%	-0.60%
Nov 2021	-0.66%	-0.66%	-0.64%	-0.59%	-0.59%
Feb 2022	-0.84%	-0.86%	-0.82%	-0.82%	
Mar 2022	-0.85%	-0.87%	-0.83%	-0.83%	
Apr 2022	-0.84%	-0.85%	-0.85%	-0.86%	
May 2022	-0.89%	-0.89%	-0.89%	-0.88%	
Jun 2022	-0.89%	-0.89%	-0.89%	-0.89%	
Jul 2022	-0.91%	-0.92%	-0.92%		
Aug 2022	-0.94%	-0.95%	-0.94%		
Sep 2022	-0.95%	-0.96%	-0.96%		
Oct 2022	-0.97%	-0.98%	-0.96%		
Nov 2022	-1.00%	-0.98%			
Dec 2022	-1.00%	-1.02%			
Jan 2023	-1.03%				

I checked a sample of 20 differences remaining at June 2022 revision seven. I found that the differences remained because the SAP settlement units were incorrect.

SAP’s settlement units specify the submission parameters (e.g., active HHR, inactive NHH) for each time slice. These settlement units determine which reports the ICP appears on, and whether they are included or excluded. CTCT has found some intermittent issues with the creation of settlement units, including the auto triggers not working correctly for some disconnections and reconnections, and the grid settlement unit flag preventing some disconnection settlement unit updates.

The previous audit noted that it is believed that the issues could be caused by clashes between the triggers and other scheduled overnight processes. Submission is correct once the settlement units have been updated, and the reconciliation team’s validation processes help to identify and resolve individual settlement unit errors.

All of the settlement unit errors causing the sample of 20 differences remaining at revision 7 were corrected by the time that the audit was complete.

CTCT continues to work with the SAP Architects and Solutions Analyst to identify the causes of the defects and a solution. Because this issue has been present for several audits in a row, I have repeated the previous audits recommendation to improve visibility. Some unmetered load has also not been reported for reconciliation due to settlement unit issues and is discussed in more detail in **sections 12.2 and 12.7**.

Recommendation	Description	Audited party comment	Remedial action
SAP settlement unit issues	CTCT Investigate the issues preventing SAP settlement units being updated correctly for unmetered load, reconnections and disconnections and determine a solution.	CTCT As the updating of incorrect settlement units are identified, Contact will continue to investigate the cause of the data inaccuracies, as well as opportunities to reduce the re-occurrence via process or system improvements/changes.	Investigating

CTCX

HHR and NHH ICPs are recorded on separate reports. The process for the calculation of ICP days was examined by checking all NSPs on the October 2022 r1 submissions. The ICP days calculation was confirmed to be correct.

ICP days submissions are validated by Simply Energy:

- NHH ICP days are validated using BI reporting, which compares NHH registry list information to the MADRAS submission information and identifies ICPs missing from submission, or the registry, or where the calculated days for the ICP and NSP combination do not match,
- HHR ICP days are validated by comparing detailed submission information from DataHub against HHR registry list information; it identifies ICPs missing from submission, or the registry, or where the calculated days for the ICP and NSP combination do not match, and
- the GR100 ICP days comparison reports are also reviewed monthly, with focus on investigating and resolving the oldest differences first.

The following table shows the ICP days difference between CTCX files and the RM return file (GR100) for 11 months. Negative percentage figures indicate that the CTCX ICP days figures are higher than those contained on the registry. I checked all differences at revision seven and confirmed that they related to residual load ICPs where the registry recorded active ICP days, but ICP days are not required to be submitted because no load is submitted.

Month	Initial	R1	R3	R7	R14
Oct 2021	2.50%	2.50%			2.47%
Nov 2021	2.33%	2.33%			2.30%
Feb 2022	2.25%			2.25%	
Mar 2022	2.25%			2.25%	
Apr 2022			2.35%	2.35%	
May 2022			2.41%	2.41%	
Jun 2022		2.41%	2.41%	2.41%	
Jul 2022		2.44%	2.44%		
Aug 2022		2.63%	2.63%		
Sep 2022		0.00%	0.00%		
Oct 2022		0.00%	0.00%		

CTCS

HHR and NHH ICPs are recorded on separate reports. The process for the calculation of ICP days was examined by checking 50 NSPs with a small number of HHR ICPs and 50 NSPs with a small number of NHH ICPs on the January 2023 r1 submissions. All 50 NHH NSPs matched the expected values calculated from the registry list with history, with residual load ICPs correctly excluded from the AV110 report. 49 of the 50 HHR NSPs matched, A difference was identified for NSP TSA0011 where the registry list with history identified two ICPs however the CTCS HHR ICP days report only had one ICP. ICP 0000046001TC684 is recorded as generation only (Installation type = G) therefore is not required to be included in the ICP days report which only requires installation types of L or B to be included.

NHH and HHR ICP days submissions are validated using the same process as for CTCX.

The following table shows the ICP days difference between CTCS files and the RM return file (GR100) for 13 months. Negative percentage figures indicate that the CTCS ICP days figures are higher than those contained on the registry.

Month	Initial	R1	R3	R7	R14
Oct 2021	0.50%	-0.02%	-	0.02%	0.02%
Nov 2021	0.03%	0.02%	-	0.03%	0.02%

Month	Initial	R1	R3	R7	R14
Feb 2022	0.06%	-	0.02%	0.02%	-
Mar 2022	0.00%	-	0.01%	0.02%	-
Apr 2022		0.06%	0.03%	0.02%	-
May 2022		0.01%	0.02%	0.02%	-
Jun 2022		0.04%	0.02%	0.02%	-
Jul 2022		-0.09%	0.02%	-	-
Aug 2022		-0.08%	0.00%	-	-
Sep 2022		0.13%	0.13%	-	-
Oct 2022		0.16%	0.14%	-	-
Nov 2022		0.12%	-	-	-
Dec 2022		0.11%	-	-	-

I checked all differences remaining at revision 7 and found they were caused by:

- residual load ICPs, which do not have ICP days reported because no volumes are reported,
- for two ICPs there were periods where AMI data had remained unvalidated in Datahub so was excluded from both the AV090 (HHRVOLS) and AV110 (ICPDAYS) reports; both were identified and were resolved prior to the audit, and
- ICP 0000164583CK6A0 was missing for the month of November 2021 due to a data issue so was excluded from both the AV090 (HHRVOLS) and AV110 (ICPDAYS) reports; this was resolved prior to the audit.

Simply Energy is reducing the number of ICP days exceptions overall with a view to ensuring all ICP days exceptions identified in the GR100 report are resolved by revision three to ensure their HHR submissions are complete and accurate by revision seven so that there is no potential impact to the calculation of seasonal shapes by the reconciliation manager.

I checked ICP days accuracy issues identified during the previous audit:

- ICP 0007173300RN6EB had a change of NSP, but no boundary reads were entered for the NSP change, which created small ICP days differences for BRY0661 and ISL0661 in July and August 2021 (there is a process to enter boundary readings but no read history was available to create the permanent estimates); the ICP was made ready for decommissioning on 11 March 2022 and was decommissioned on 11 June 2022, and now that decommissioning readings are available permanent estimate reads have been created, and
- HHR ICP 0301589534LC9D5 had an estimated reading for 30 August 2021 replaced by an actual reading imported on 15 March 2022; the reading was an incorrectly classified estimate reading,

imported when Simply Energy was still accepting MEP estimates and classifying them as actual but because the reading was higher than subsequent actual readings, it failed validation (due to timing the error was not resolved and the reads were corrected prior to the 14-month revision) - a process has been implemented to capture all ICP attribute changes (profile code, submission type, status, loss code, dedicated NSP flag, and change of NSP) to enable boundary reads to be applied in these cases.

Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 11.2 With: Clause 15.6 From: 01-Jun-22 To: 31-May-23	CTCT 20 revision differences were caused by inaccurate ICP days submission data because incorrect settlement unit information was recorded in SAP. The errors were corrected by the time that the audit was complete. 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 overall. Workarounds are in place to identify and correct ICPs with missing or incorrect settlement units and submission types, but they are not always resolved prior to submission. The impact is assessed to be low because corrected data will be washed up.	
Actions taken to resolve the issue	Completion date	Remedial action status
<u>CTCT</u> Incorrect Settlement Unit Assignments Energy Rec team to raise system defect to identify why SAP system auto-triggers do not successfully update the settlement units in below areas which are all impacting ICP Days Accuracy between SAP and Registry for both HHR and NHH Submission Types : <ul style="list-style-type: none"> ○ Disconnection/Reconnections. ○ Switch Withdrawals. ○ Customer Move-Outs/Vacant Sites. ○ Device Replacements. ○ Un-Metered Load ○ SAP Product Changes (TOU). 	<u>CTCT</u> 30/11/2023	Identified

Energy Rec team performs a one-off reconciliation of existing exceptions, ensuring all are resolved and ICP Days accurately submitted going forward.		
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>CTCT</p> <p>Energy Rec team to establish more robust exception reporting ensuring exceptions are identified and provided to the appropriate teams to correct in a timely manner.</p> <p>As part of preventative work, we will complete a review of resources required to manage identification and resolution of exceptions to ensure data inaccuracies are identified and resolved in a timely manner.</p>	<p>CTCT</p> <p>30/09/2023</p>	

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

Code reference

Clause 15.7

Code related audit information

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

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

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

Audit observation

The process for the calculation of as billed volumes was examined by checking a sample of NSPs with a small number of ICPs to confirm the AV120 calculation was correct.

GR130 reports were reviewed to confirm whether the relationship between billed and submitted data appears reasonable.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

Audit commentary

There were no alleged breaches for late provision of billed information.

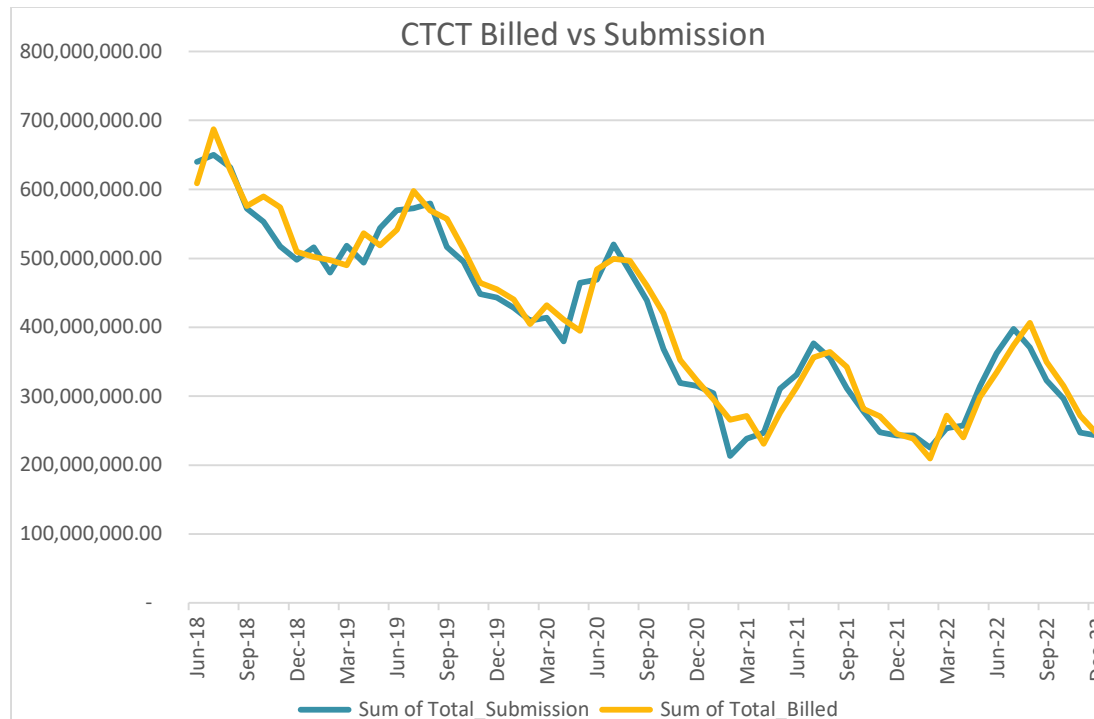
CTCT

The accuracy of the electricity supplied information was checked by examining five NSPs with a small volume and against the invoices. Compliance is confirmed.

Contact monitors billed data against submission data on a rolling 12-month basis. A one-month offset is applied so that the billing and reconciliation periods are aligned, and any large discrepancies at balancing area level are investigated. AV120 data is also compared to previous AV120 submissions when the reports are created.

Comparison between submitted and billed kWh

The chart below shows a comparison between submissions and electricity supplied information. At an aggregate level, billed data is 0.6% higher than submitted data for the 12-month period ending November 2022. Billed data is 1.1% higher than submitted data for the 24-month period ending November 2022 due to large numbers of ICPs switching from CTCT to CTCS.



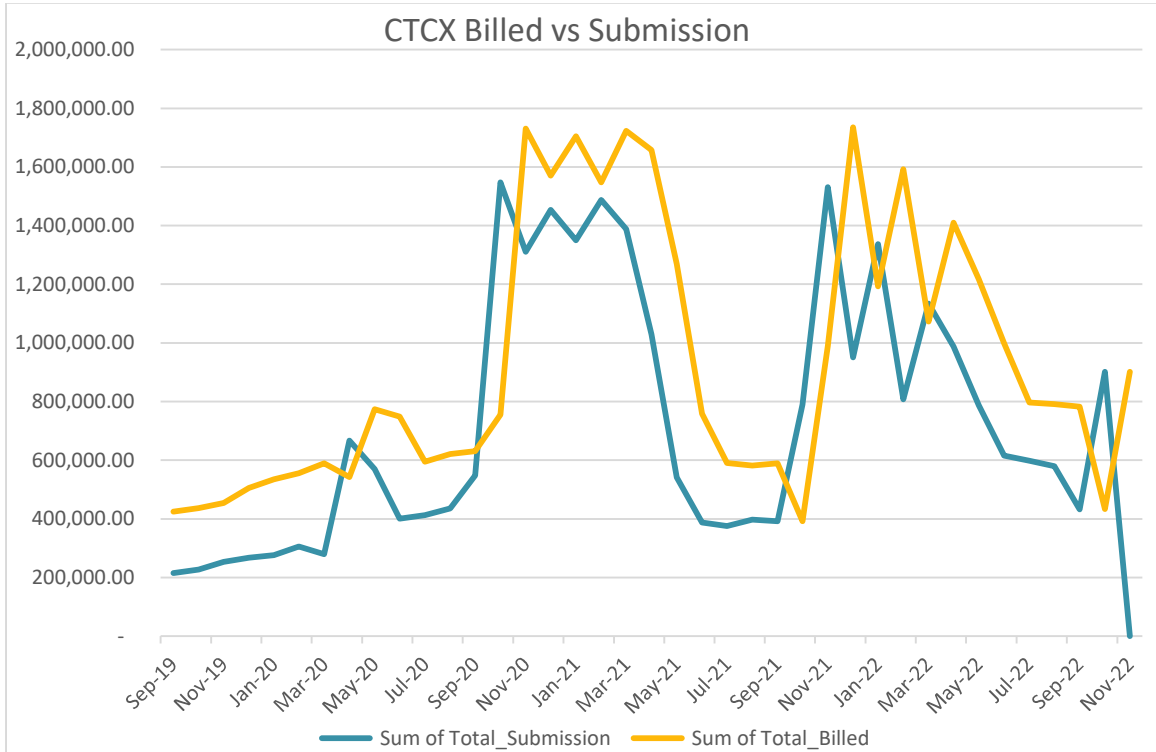
CTCX

The accuracy of the electricity supplied information was checked by comparing the November 2022 AV120 submission to detailed ICP level AV120 data and matching a sample of five ICPs from the ICP level data to invoices for November 2022. Compliance is confirmed.

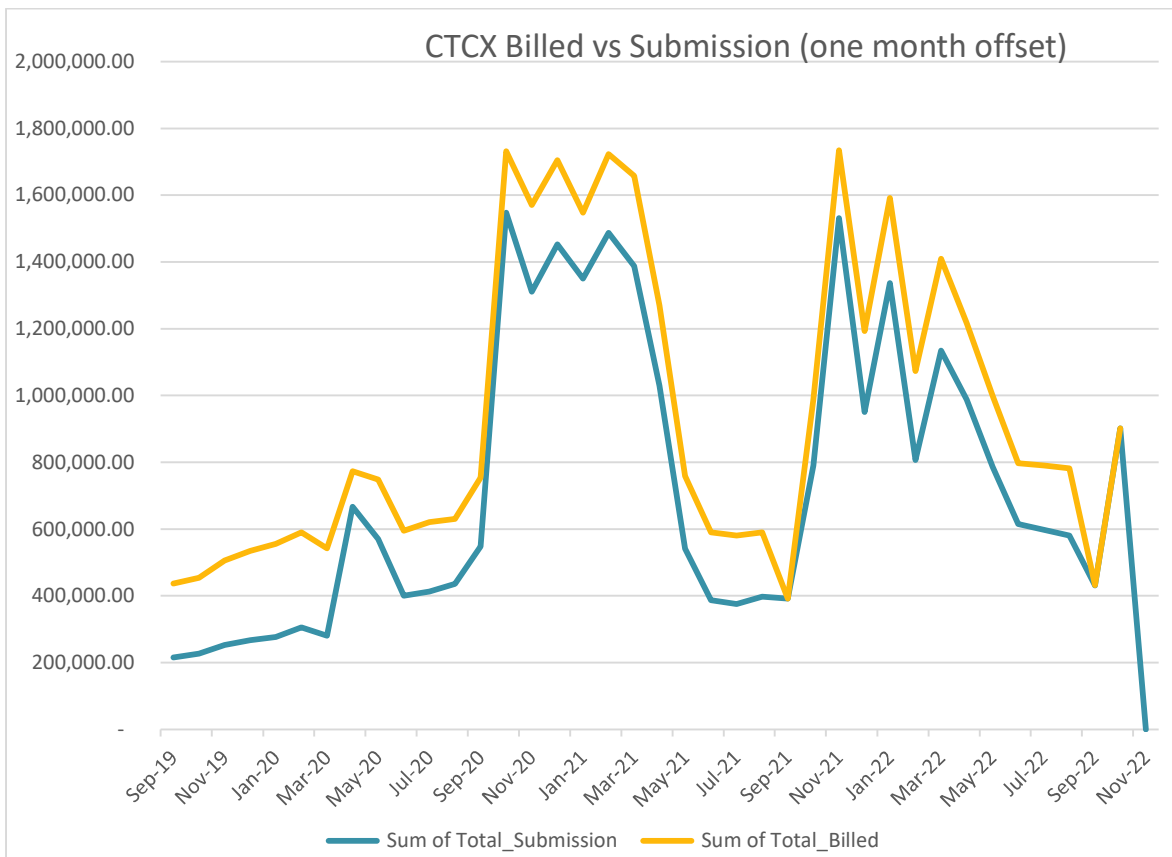
At the beginning of each month, Simply Energy validates billed information from AXOS against NHH and HHR submission information at ICP and flow direction level and investigates any differences over ±100,000 kWh. AV120 submissions are also validated for negative consumption.

Comparison between submitted and billed kWh

The chart below shows there is a significant difference between billed and submitted data. Analysis during the audit found CTCX billed volumes were 29.4% greater than submitted volumes for the year ended March 2022. The large differences are caused by residual load ICPs, which are included in the billed volumes but not the submitted volumes because the residual load is calculated by the reconciliation manager. This is consistent with the findings in previous audits.



When billed and submitted data is aligned, the SB ICP volumes are clearly visible.



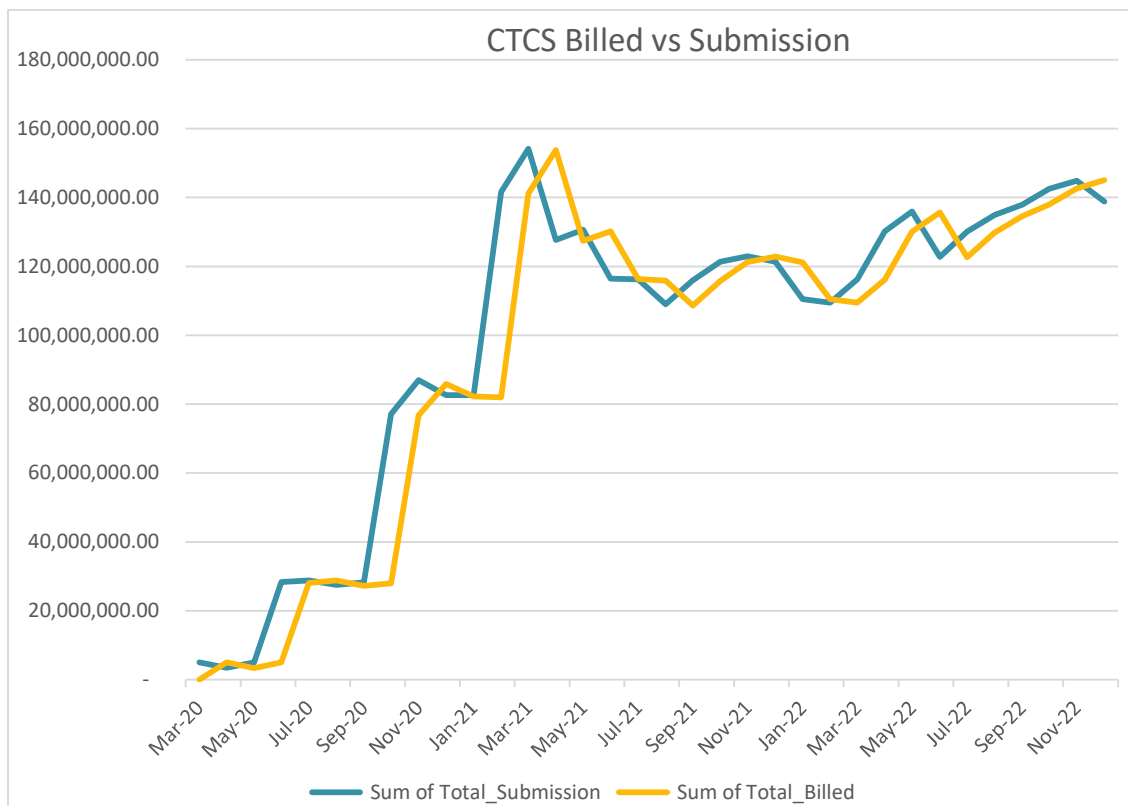
CTCS

The accuracy of the electricity supplied information was checked by comparing the January 2023 AV120 submission to detailed ICP level AV120 data and matching a sample of five ICPs from the ICP level data to invoices for January 2023. Compliance is confirmed.

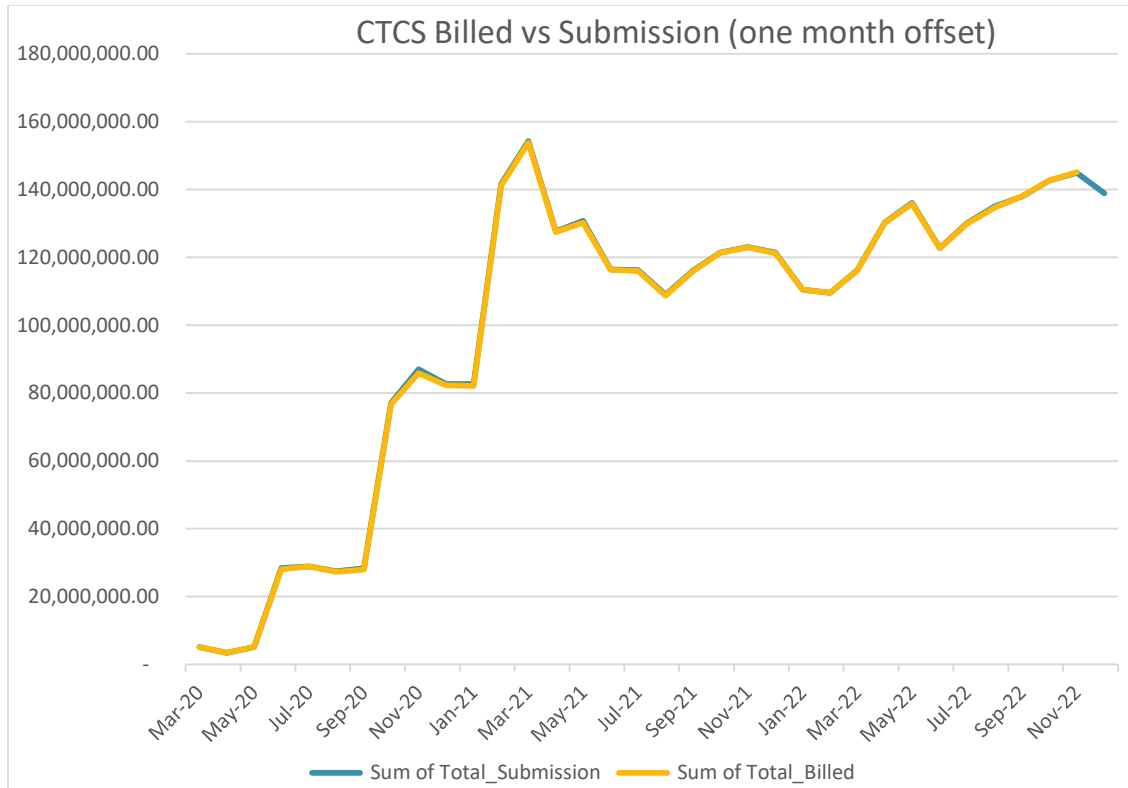
At the beginning of each month, Simply Energy validates billed information from AXOS against NHH and HHR submission information at ICP and flow direction level and investigates any differences over $\pm 100,000$ kWh. AV120 submissions are also validated for negative consumption.

Comparison between submitted and billed kWh

The chart below shows a comparison between submissions and electricity supplied information. At an aggregate level, submitted data is 1.2% higher than billed data for the 12-month period ending November 2022. Billed data is 2.1% higher than billed data for the 24-month period ending November 2022 due to large numbers of ICPs switching from CTCT to CTCS.



When billed and submitted data is aligned, there is a very small difference between the billed and submitted data.



Audit outcome

Compliant

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

Code reference

Clause 15.8

Code related audit information

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

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

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

Audit observation

I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for a sample of submissions.

The GR090 ICP Missing files were examined. An extreme case sample of ICPs missing were checked.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

Audit commentary

There were no alleged breaches for late provision of information.

CTCT

I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for nine submissions. There were only small rounding differences between the volumes and aggregates. I traced a sample of interval data received from AMS, Arc, BOPE, FCLM, Smartco, Metrix, and IntelliHUB to SAP and submission data and confirmed that it was correctly recorded and reported.

CTCT monitors ICPs missing from submissions approximately every two months by using a pivot table to calculate the number of times each ICP has been missing from the registry or most recent aggregates files over the last 13 months. The CTCT reconciliation team prioritises investigating and correcting the ICPs missing from the most aggregates files first, and then ICPs missing from the registry. Most commonly ICPs are missing from submission due to settlement units being incorrect, and missing from the registry due to status issues, or for NHH trader updates which are unnecessarily triggered by SAP when Arc meters are replaced. CTCT is still investigating how to resolve this trigger issue.

GR090 ICP Missing files were examined for all revisions for October 2021 to January 2023. I found that across all submissions 240,401 ICPs were recorded as missing (166,257 unique ICPs). 4,856 were missing from the aggregates submissions and 235,545 were missing from the registry. It appears that an issue may have occurred for the August 2021 r1 submission. 163,358 ICPs were missing from the registry according to the August 2022 r1 GR090 report compared to an average of 1,427 on other reports. I checked a sample of 20 missing ICPs from August 2021 and found that they were present on the registry, and it appears there was an issue with the GR090 report for that revision.

I checked the 21 ICPs missing from the most revisions and found:

- four had changes to the NSP assignment on the registry where SAP had not reflected this change of attribute, and
- 17 were where the ICP had transitioned to NHH submission type however the settlement unit assignment in SAP remained HHR; all 17 were corrected during the audit and CTCT is escalating this issue to their ICT team.

All 21 ICPs reviewed were included in the CTCT submissions so no volume is missing from the reconciliation process, however the incorrect NSP assignments and submission types result in some ICP days scaling being applied to CTCT.

CTCX and CTCS

HHR aggregates and volumes submissions are produced by Simply Energy from DataHub. ICP missing files are reviewed by Simply Energy, and data corrections are completed as necessary.

CTCX	<p>I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for five submissions, and found the totals matched to two decimal places. I traced a sample of data from the raw meter data files provided by AMS and EDMI through to the submission files and confirmed that the data was recorded accurately.</p> <p>GR090 ICP Missing files were examined for all revisions for October 2021 to October 2022. 75 ICPs in total were missing, all from the registry. 72 of the ICPs were shown as missing from the registry for the August 2022 r1, and I confirmed that all were present on the registry during that period indicating an issue with the GR090 report for that period. I checked the other three ICPs, and found they were missing from up to three submissions each due to backdated changes of submission type.</p>
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CTCS	<p>I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for six submissions, and found the totals matched to two decimal places. I traced a sample of data from the raw meter data files provided by AMS and EDM I through to the submission files and confirmed that the data was recorded accurately.</p> <p>GR090 ICP Missing files were examined for all revisions for October 2021 to December 2022, with 2,677 unique ICPs missing. As for CTCT and CTCX I found a high proportion of the ICPs missing were recorded as missing from the registry in August 2021 r1, with 2,475 missing compared to an average of 48 missing for other revisions. I checked a sample of 20 ICPs missing from August 2022 and confirmed that they should have been present on the registry indicating an issue with the GR090 report for that period.</p> <p>I also checked:</p> <ul style="list-style-type: none"> • the 20 ICPs missing from the most revision submissions, and found they were missing due to backdated status changes, switching activity or inactive status, and • 11 missing ICPs which were recorded as missing from the aggregates submissions: <ul style="list-style-type: none"> ○ ten were timing differences relating to backdated switches or new connections, and ○ ICP 0000545367NR00D had a meter change in August 2022 however this meter was non communicating for three months; as this was a new meter in Datahub, the system did not have any history to use to calculate TOU HHR estimated volume, so no volume was reported for this ICP.
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Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 11.4 With: Clause 15.8</p> <p>From: 01-Jun-22 To: 31-May-23</p>	<p>CTCT</p> <p>Four ICPs had changes to the NSP assignment on the registry where SAP had not reflected this change.</p> <p>17 ICPs were where the ICP had transitioned to NHH submission type on the registry however the settlement unit assignment in SAP remained HHR.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
<p>Low</p>	<p>The controls are moderate, as the ICP missing reports are reviewed every two months.</p> <p>The impact is low, because the NSPs are within the same balancing area and revised submission information will be washed up and the additional ICP days scaling applied will be removed.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCT</u></p> <p>All 4 NSP changes have been corrected within SAP.</p> <p>For 3 out of the 4 NSP changes, data inaccuracies were a result of back dated NSP changes being loaded within the Registry, with two of those changes being backdated ten years.</p> <p>Due to system limitations, correcting a severely backdated NSP change in SAP requires us to reverse customers bills that post-date the NSP change. As this has a large impact to our customer, at no fault of their own, where there is no balancing area change as a result of the back dated NSP change, we tend to correct the NSP data moving forward.</p> <p>Our Energy Rec team is reviewing their current reporting to identify where any improvement can be made to increase accuracy and ensure corrections are made as soon as practicable.</p>	<p><u>CTCT</u></p> <p>Ongoing</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur	Completion date	
<p><u>CTCT</u></p> <p>Contact runs BPEM and Data Bricks reports regularly to identify where the NSP within the Electricity Registry and SAP differ. As data discrepancies are identified, the cause for the inaccurate data is investigated and the respective corrections actions are completed.</p>	<p><u>CTCT</u></p> <p>Ongoing</p>	

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

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

Audit observation

Daylight savings processes for MEPs and agents were reviewed as part of their audits. Daylight savings processes for generation occur automatically.

Audit commentary

Compliance with this clause has been demonstrated by Contact's agents and MEPs as part of their audits.

CTCT

All HHR data provided to Contact is daylight savings adjusted using the "trading period run on" technique. This was confirmed by checking a sample of four files for the files for the start and end of daylight saving. The correct number of trading periods were recorded in all cases.

MV90 applies NZST. SAP has daylight savings dates and times recorded and re-labels the interval times during daylight savings to correct to NZDT. I checked a sample of data for dates with changes to and from daylight savings in MV90, SAP and submission data and confirmed that they were processed as expected and the correct number of trading periods were reported for each day.

CTCX and CTCS

AMS and EDMI provide daylight savings adjusted data and the daylight-saving adjustment process is compliant.

Audit outcome

Compliant

12.2. Creation of submission information (Clause 15.4)

Code reference

Clause 15.4

Code related audit information

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

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

Audit observation

Processes to ensure that HHR, NHH and generation submissions are accurate were reviewed. A list of breaches was obtained from the Electricity Authority.

Audit commentary

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

CTCT

Generation

Generation submissions are completed by CTCT, and these are discussed in **section 12.6**.

HHR

HHR submissions were checked in **section 11.4** and HHR corrections are discussed in **section 8.2**. HHR volumes are reviewed prior to submission according to the process documented in **section 12.3**.

Check sum validation and correction of AMI interval data used for HHR submission.

MEPs compare meter readings against half hour interval data, known as the sum-check process. CTCT also completes a sum-check process for all meters. Where data is available for all trading periods and the sum-check is not within ± 2 kWh, a validation exception is generated. The accuracy of the received midnight reads is not fully investigated or resolved prior to the data correction and trading period data between the midnight reads will be estimated via an automated process. CTCT is aware of instances where the accuracy of the received midnight reads has been confirmed as not being accurate, however the actual accurate interval data is still replaced with an estimate to ensure the interval data values align with the received midnight reads.

This means the HHR data estimated from inaccurate midnight reads replacing actual interval data is not considered to be accurate in accordance with Clause 15.2. This means that CTCT may not be charged at the wholesale rate that applied during the trading period when the electricity was consumed. This is discussed further in **section 9.6**.

NHH

Contact prepares NHH reconciliation submissions using reconciliation consumption generated by SAP. NHH submission scenarios were checked to determine whether they were handled correctly, including:

- five ICPs with vacant consumption were checked and found that vacant consumption was correctly submitted,
- ten ICPs with inactive consumption, and for one ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process; a further 66 ICPs are not reported due to active consuming ICPs being incorrectly assigned an inactive settlement unit assignment resulting in 29,112 kWh of volume missing from submission,
- five ICPs with injection/export registers were checked and found that generation consumption was correctly submitted,
- ten ICPs with unmetered volumes, including standard and shared unmetered load, and for three ICPs the unmetered load was not included in submission due to missing settlement unit assignments, and
- ICPs 0000397349TPCC8 and 0003973495TPE09 which have 1,5 “reconciled elsewhere” status as they are supplied by a combination of diesel generators and solar power because the network found it was uneconomical to rebuild the line for the connections since the land it was on was coastal and eroding; the correct status is applied because the ICPs do not need to be reconciled and this is the status of best fit.

Consumption on ICPs with inactive status

BPEMs are generated for the revenue assurance team when consumption occurs on an inactive ICP as a result of the receipt of a scheduled meter reading. The BPEM process does not identify all inactive consumption as where a read is applied outside of the schedule read process (such as applying a switch loss read) a BPEM is not generated. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status with an effective date to the last non advancing meter read prior to the inactive consumption be identified, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.

CTCT provided a list of 285 ICPs with inactive consumption from a list of BPEMS processed during the audit period totalling 94,786 kWh. 208 of the ICPs had less than 5 kWh of inactive consumption recorded and 194 has less than 1 kWh. A sample of ten ICPs with the highest inactive consumption were reviewed and the following was found:

- two ICPs were corrected by removing the disconnection flag in SAP and updating the registry status during the audit,
- two ICPs continued to be submitted as HHR as the settlement unit was not updated when the ICP was disconnected,
- one ICP switch away from the inactive date, so the volume is now outside Contact's period of responsibility,
- one ICP is recorded as being reconciled elsewhere as it is related to a microgrid supplying other ICPs,
- one ICP was reported as a false positive exception and the volume is not genuine,
- two ICPs (0145325350LC9CE, 0462728447LC443) the volume recorded was found to be meter creep (infrequent 0.001 kWh interval volumes recorded) and the ICPs were confirmed remotely disconnected by the AMI MEP, and
- one ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process.

The reconciliation team historically maintains a spreadsheet of inactive ICPs with consumption which is refreshed approximately every three months using a SAP report. This report is used to identify any ICPs with consumption during periods with inactive status which have not already been corrected through the BPEM process. The process was completed for the first time this year in during this audit. The delay was caused because the staff member responsible for overseeing this left Contact and it is being added into the processes of other staff. This SAP report listed 377 ICPs with inactive consumption recorded totalling 127,192 kWh.

The difference between the SAP report and the list generated from the BPEM process is due to ICPs where the settlement unit assignment has been corrupted resulting in the inactive settlement unit assignment not being updated to enable the ICP to be included in submission. 66 ICPs were identified in this scenario with inactive consumption recorded totalling 29,112 kWh.

Vacant consumption

I checked the process for vacant consumption and confirmed that vacant consumption is reported and vacant ICPs continue to be read.

Compliance is recorded in this section because the processes to calculate and report consumption are correct.

A sample of corrections were reviewed to ensure that they flowed through to revision submissions in **sections 2.1** and **8.1**. NHH volumes are reviewed prior to submission, these checks are discussed in **section 12.3**.

The following data was still missing from submissions, and was not corrected at the first available opportunity:

Issue	Issue description
Missing UNM settlement units	<p>Unmetered load is included in submission where an unmetered settlement unit is assigned to the installation in SAP. The previous audit identified that this assignment of unmetered load settlement unit can get corrupted resulting in either missing assignments or settlement unit assignments not being end dated once the unmetered load is removed. The four ICPs identified in the previous audit were resolved by reassigning the unmetered load settlement unit.</p> <p>Contact compared all unmetered load settlement unit assignments to the registry and identified:</p> <ul style="list-style-type: none"> • 102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum, and • 235 ICPs where the unmetered load settlement unit assignment was not end dated on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum. <p>The cause of the corruption issue is still under investigation.</p>
Corrections for bridged or faulty meters	<p>A sample of nine ICPs were reviewed to determine that a volume correction had been appropriately applied. Four NHH ICPs have had NHH corrections applied, one HHR ICP (0000296500TEB71) has had a NHH correction applied meaning this will not flow through to the HHR submission volumes, one ICP (1002077246LC23B) has a bill block in place indicating a correction is being calculated and three ICPs did not have a correction applied. Three ICPs (0110002072ELOB5 – HHR, 1001123040LC3E0 – NHH, 0081141480WEF5B – NHH) did not have a correction applied or a bill block in place indicating a correction was imminent.</p> <p>ICP 0012156389ELB8F was confirmed as being faulty and was replaced but no revenue assurance read, or volume correction applied. This ICP is discussed further in section 6.6.</p> <p>A sample of nine Bridged metered ICPs were reviewed to determine that a volume correction had been appropriately applied. Four NHH ICPs have had NHH corrections applied, one HHR ICP has had a NHH correction applied meaning this will not flow through to the HHR submission volumes, one ICP has a bill block in place indicating a correction is still to be calculated and three ICPs did not have a correction applied. Additionally, all 48 bridged metered ICPs that had switched have not yet had volume corrections applied.</p> <p>The last audit identified no corrections had been applied for a sample of 15 Bridged meter ICPs. These were reviewed again to see if a correction has now been applied. No corrections have been applied for any of this sample prior to this audit and 13 ICPs are now outside the revision window to enable a correction to be applied to the affected period. However, volume corrections for this sample were applied to the next available revision window including updates to the submission type to enable NHH volume corrections to be applied for seven of these affected ICPs. CTCT did not review all 98 bridged meters reported in the previous audit to determine if a volume correction had been applied or not.</p> <p>The last audit also identified 14 ICPs that had not been un-bridged during the previous audit period. These were also reviewed and found:</p>

Issue	Issue description
	<ul style="list-style-type: none"> • six ICPs had subsequently switched away and no volume corrections have been applied, • five ICPs have been un-bridged, and no volume corrections have been applied, • two ICPs have been unbridged and volume corrections have been correctly applied, and • one ICP has been disconnected at the pole fuse and no volume corrections have been applied.
Active ICP which has not been claimed and is excluded from submissions	ICP 0000062294NT59C was connected on 13 February 2023 and the meter has recorded consumption from 14 February 2023. The ICP has not been claimed and moved to “active” status by CTCT because it is a TOU meter and expected to be supplied under CTCS. The network has CTCT recorded as the proposed trader, which has prevented CTCS from claiming the ICP.

I rechecked submission data accuracy issues raised in audits prior to August 2022. I found that the issues were resolved, except for 0221906002LC12A which has generation present and is awaiting confirmation that generation metering has been installed, as discussed in **section 6.1**.

The seven ICPs with incorrect “active” dates recorded on the registry which were not corrected due to the customer impact, are not re-raised as non-compliance.

CTCX

HHR submissions were checked in **section 11.4** and HHR corrections are discussed in **section 8.2**. HHR volumes are reviewed prior to submission according to the process documented in **section 12.3**.

EMS prepares NHH submissions as an agent, and no active ICPs were supplied during the audit period.

CTCS

HHR submissions were checked in **section 11.4** and HHR corrections are discussed in **section 8.2**. HHR volumes are reviewed prior to submission according to the process documented in **section 12.3**.

EMS prepares NHH submissions as an agent, and NHH submission scenarios were reviewed:

- five ICPs with inactive consumption,
- five ICPs with injection/export registers, and
- ten ICPs with unmetered volumes, including standard and shared unmetered load.

No ICPs with vacant consumption were identified.

All five ICPs with the reconciled elsewhere statuses are for DUML ICPs, with aggregated capacity reported under another ICP. Three of these DUML ICPs are recorded in the Authority’s list of approved distributed unmetered load databases to enable these ICPs to be identified and tracked through any change in retailer to ensure they are switched to the new retailer. However, ICPs 0000510663CE2F6 & 0000510662CEEB3 are not listed and there is a risk that these ICPs become orphaned with CTCS if this DUML customer was to switch away. I recommend that the Authority’s list DUML of approved distributed unmetered load databases is updated to include these two missing DUML ICPs recorded as reconciled elsewhere to improve the traceability during the switch process.

Audit risk rating	Rationale for audit risk rating		
High	<p>The controls are rated as moderate overall. Improvements are required to some of the controls.</p> <p>The impact is high based on the volume differences identified, and corrected data will be provided through the revision process.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><u>CTCT</u></p> <p>ICP 0007118113RN739</p> <p>Contact is currently in the process of correcting the respective data to ensure all genuine consumption missing from the submission process is included.</p> <p>Bridged Meters</p> <p>We will complete a reconciliation of existing corrections for accuracy, including apply consumption corrections for Bridged ICPs not yet corrected and ensure that the volumes are correctly applied for submission based on the submission type for the affected ICP.</p> <p>Un-Metered Load Settlement Units</p> <p>Contact will complete corrections of SAP-Registry E_UNM Settlement Unit exceptions identified.</p> <p>Incorrect Settlement Unit Assignments</p> <p>We will raise a system defect to identify why SAP system auto-triggers do not successfully update the settlement units in below areas which are all impacting ICP Days Accuracy between SAP and Registry for both HHR and NHH Submission Types:</p> <ul style="list-style-type: none"> ○ Disconnection/Reconnections. ○ Switch Withdrawals. ○ Customer Move-Outs/Vacant Sites. ○ Device Replacements. ○ Un-Metered Load. ○ SAP Product Changes (TOU). <p>Our Energy Rec team performs a one-off reconciliation of existing exceptions, ensuring all are resolved and HHR and NHH submitted accurately going forward.</p>		<p><u>CTCT</u></p> <p>30/09/2023</p> <p>30/09/2023</p> <p>30/11/2023</p> <p>30/09/2023</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><u>CTCT</u></p> <p>Bridged Meters</p>		<p><u>CTCT</u></p>	

<p>Contact will investigate its processes in details to identify room for improvements.</p> <p>Un-Metered Load Settlement Units</p> <p>Contact has effective processes in place to ensure the correct UNM installation fact is applied in SAP for newly gained ICPs.</p> <p>Incorrect Settlement Unit Assignments</p> <p>Our Energy Rec team will establish more robust exception reporting ensuring exceptions are identified and provided to the appropriate team to correct in a timely manner.</p> <p>Contact will investigate its processes in detail to identify room for improvements.</p>	<p>30/09/2023</p>	
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12.3. Allocation of submission information (Clause 15.5)

Code reference

Clause 15.5

Code related audit information

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

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

Audit observation

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**.

Processes to ensure that HHR, NHH, and generation submissions are accurate were reviewed. A sample of GR170 and AV080 files were compared, to confirm zeroing occurs.

Audit commentary

CTCT

NHH submissions

The process for aggregating the AV080 was examined by checking the aggregated submission data for five aggregation rows against detailed ICP data. Compliance is confirmed.

SAP automatically creates a zero line where a trading notification is open, but no aggregation line is present. GR170 and AV080 files for eight revisions were compared. The zeroing of submission data was reviewed by comparing GR170 files to AV080 files for nine revisions for CTCT and I confirmed that zeroing is occurring as required.

CTCT runs the submission through an Access database for review prior to submission. In some cases, consumption errors are found during the high consumption and forward estimate checks that cannot be corrected in time for submission. CTCT manually estimates the consumption and creates an exclusion list. The submission file is generated from the reviewed Access database information and adjusted for the exclusions, then the before and after data is compared to ensure the corrections were processed accurately.

The pre-submission checks are as follows:

- missing profile shapes, which are added,
- NSPs with no current contract in place, which are resolved by issuing trading notifications,
- invalid profiles for the AV080 (such as HHR) which are corrected,
- loss factor codes which are inconsistent with the network code or missing, which are corrected,
- inconsistent distributed generation information including invalid flow direction, inconsistencies between profiles and flow directions, and no contracts in place, which are investigated and corrected,
- historic estimate > total estimate is checked and corrected,
- ICPs using over 6,000 kWh per month are checked against a list of known high consuming ICPs, and any high consuming ICPs not on the list are investigated; all ICPs consuming over 2,500 kWh per day are also individually investigated and the number of exceptions identified by this check has been decreasing over time - these checks also identify ICPs with high forward estimate, and
- ICPs with potential consumption data defects, transposed reads, or read errors are investigated and their consumption is manually estimated to ensure the issues do not affect submission accuracy thresholds.

Once reviewed and any data issues resolved, a revised AV080 is produced from the database. This is entered into an Excel based AV080 check worksheet for further review. For initial submissions, volumes for each NSP are compared to the previous month and any variances greater than $\pm 500,000$ kWh and $\pm 50\%$ are reviewed. For revision submissions, volumes for each NSP are compared to the previous submissions for the month, and any variances $\pm 50,000$ kWh and $\pm 5\%$ are reviewed from revision 3. Once all checks are complete, the file is saved as csv, run through the file checker and submitted.

I checked the process for NHH to HHR upgrades, and HHR to NHH downgrades, and found all consumption was captured and reported for the ten ICPs checked.

ICPs assigned to the default seasonal shape profile were also reviewed. Where SAP cannot identify a valid seasonal shape profile to assign then a default flat shape profile is assigned to the ICP. This usually occurs where an ICP changes balancing areas and a boundary read is not applied for this change resulting in two seasonal shape profiles being valid for across the overlapping read to read period. 93 ICPs were identified as having the default shape profile assigned for April 2023. None experienced a balancing area change and actual seasonal shape values were present in SAP. CTCT is investigating why SAP is not applying the available seasonal shape values when calculating historic estimate volumes for these ICPs. Non-compliance is recorded in **section 12.7**.

HHR Submissions

Most of the ICPs submitted as HHR have category 1 or 2 AMI metering. CTCT supplied four ICPs with meter category 3 or higher during the audit period, and I checked the data provision process:

- ICPs 0000018218HRB13, 0000032431HR99C and 0000880392WEA92 are generation ICPs with meter category 5 and are subject to the generation data validation process discussed in **section 9.6**, and
- ICP 1001157629CK617 has metering category 3 and was split into three tenancies by the property owner and two low voltage connections were completed by Wellington Electricity; the two low voltage connections have category 1 meters (ICPs 1001158552CK7FD and

1001156589CKCAB) and the third tenancy has a distribution board in place however this is not connected therefore the load for this third tenancy is still metered through ICP 1001157629CK617 (CTCT intends to work with Wellington Electricity to create a new metered ICP for this load, then ICP 1001157629CK617 can be decommissioned), in the meantime, the HHR volumes are submitted under ICP 1001157629CK617 based on readings provided by AMS, but also by the traders for ICPs 1001158552CK7FD and 1001156589CKCAB.

Submissions are validated by loading submission and registry list information into an Access Database and using a suite of queries to:

- compare volume kWh and percentage changes at NSP level to the previous month or revision, drilling down to review pivot charts and detailed information where necessary; generally, differences over 10% are reviewed, but the volumes of ICPs switching from CTCT to CTCS has made validation more difficult as there is a high degree of change,
- check that the expected number of trading periods are present and investigating any discrepancies,
- check that the expected number of days are present for each aggregation factor combination,
- check for aggregation factor combinations without an open trading notification, and open trading notifications without an aggregation factor row,
- check that all rows have a valid loss factor, and update as necessary,
- check that all rows have a valid profile, and move to the correct profile as necessary,
- check against aggregation rows in the previous month and insert zero records as necessary,
- check that the final data ready to be submitted matches the original where corrections have been processed, and
- match the AV090 and AV140 totals for consistency.

Once the checks are complete, the check file is independently reviewed. Prior to submission, the submission files are also run through the file checker on the RM portal.

Generation

Generation submissions are reviewed as discussed in **section 9.6**.

CTCX and CTCS NHH submission

Checks to confirm that Simply Energy's data is complete and accurate are discussed in **section 2.1**.

Simply Energy maintains an RM issues log which records any ICPs with issues that impact on submission which require resolution such as non-communicating AMI meters, decommissioned ICPs awaiting final readings, and status issues. The log contains notes on action taken to resolve the issue and further action required and is worked through prior to each revision submission.

Simply Energy to EMS consistency checks

SalesForce is checked twice daily for new ICPs, and staff check that all information is populated so that the ICPs can be transferred to MADRAS. ICPs remain on the screen until all information required is populated.

Data consistency checks between SalesForce, MADRAS and registry list file records are completed prior to business days 4 and 13 using the MADRAS dashboard in SalesForce, including checking:

- all accepted RRs which are checked to ensure that EMS and DataHub have the correct reads recorded,
- ICPs with an unexpected profile for the NSP or configuration,
- ICPs that are end dated but still have CTCX or CTCS recorded as the retailer,
- ICPs where the start read is inconsistent with the start date,
- ICPs supplied by an alternate reader with no MADRAS end date,

- missing workflows where status changes have occurred, and the data has not yet been sent to MADRAS; this includes ICPs that are end dated but do not have a final reading, and
- profile GXP checks, which detect unexpected use of the GXP profile.

EMS provides a file with ICP and meter details to support its volume submission files. These are compared to a registry list at ICP level in Power BI prior to business days four and 13, and any exceptions are reviewed.

Read validation

Validated reads are sent to EMS at least weekly, including actual readings which have replaced estimates. The previous audit issues with NHH reads missed from the data transfer from Datahub to MADRAS have been resolved with Simply Energy's February 2023 material change audit. As part of the change, historic readings were re-loaded into MADRAS to ensure that all validated readings are correctly included in historic estimate calculations.

MADRAS only uses one actual reading per day. If multiple reads occur on the same day, the reads are sent in order of preference with agreed switch readings and then permanent estimates taking precedence. Where there are multiple readings on the same day with the same read type the most recently entered read is sent.

MADRAS validates the received readings, and any exceptions are queried with Simply Energy.

Review of NHH submission data created by EMS

Simply Energy validates the NHH submission information calculated by MADRAS prior to submission using their NHH volume check spreadsheet. This compares ICP and flow direction level submission data to the previous submission(s) for the month for revisions, and previous month for initial submissions. Any combinations with differences of more than $\pm 80\%$ or $\pm 30,000$ kWhs are checked, unless the ANZSIC code indicates that they are an irrigation ICP. Differences are also checked at balancing area level, and large differences are investigated if there is time prior to submission. The reconciliation manager is also notified of any material changes.

Simply Energy tracks any investigations and corrections in a SharePoint file.

EMS uploads the NHH submission data to the reconciliation manager once they receive confirmation that Simply Energy have completed their checks and that these files can now be loaded.

Aggregation of submission data

The process for aggregating the AV080 was checked by reviewing five NSPs with a small number of ICPs, and compliance is confirmed.

Aggregation row combinations which have appeared in the previous submission but not the current revision, are identified through the submission validation process. The missing rows are entered into the current revision with a zero value. Once the row has been zeroed once, it is not added to subsequent revisions because the row has already been zeroed in the reconciliation manager's database.

The zeroing of submission data was reviewed by comparing GR170 files to AV080 files for nine revisions for CTCS and four NSPs were reviewed:

- three related to backdated switch losses and the initial submitted volume was zeroed out from the submission data, and
- ICP 0001160080TC153 was originally assigned to NSP TBQ0011 by the distributor; the initial submitted volume was zeroed out from the submission data and reapplied to the correct NSP.

I confirmed that zeroing is occurring as required.

CTCX and CTCS HHR submission

HHR aggregates and volumes submissions are produced by Simply Energy from DataHub. ICP missing files are reviewed by Simply Energy, and data corrections are completed as necessary.

Simply Energy validates the HHR submission information calculated by DataHub prior to submission using their HHR volume check spreadsheet. This compares ICP and flow direction level submission data to the previous submission(s) for the month for revisions, and previous month for initial submissions. Any combinations with differences of more than $\pm 80\%$ or $\pm 50,000$ kWhs are checked unless the ANZSIC code indicates that they are an irrigation ICP. A recommendation is recorded in **section 9.6** for Simply Energy to review these thresholds to better align the internal validation of revisions of HHR submission data for the same consumption period to the current $\pm 10\%$ Authority determined submission accuracy tolerance.

Differences are also checked at balancing area level, and large differences are investigated if there is time prior to submission. The reconciliation manager is also notified of any material changes.

Simply Energy tracks any investigations and corrections in a SharePoint file.

Audit outcome

Compliant

12.4. Grid owner volumes information (Clause 15.9)

Code reference

Clause 15.9

Code related audit information

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

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

Audit observation

The registry list and NSP table were reviewed.

Audit commentary

Contact is not a grid owner; compliance was not assessed.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

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

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

Audit observation

The registry list and NSP table were reviewed.

Processes to provide NSP volumes submissions as an agent were reviewed.

Audit commentary

Contact Energy is not an embedded network owner but acts as an agent for some embedded networks and provides NSP volume submissions on their behalf.

CTCT

CTCT provides NSP volumes for the FND0012 interconnection point between the TASM and NELS networks. The interconnection point is rarely open, and zero is usually reported. The interconnection point is seldom used and all months in the audit period had zeros submitted. When the interconnection point is used NELS advise CTCT and provide SCADA data which is used to prepare the AV130. There were no estimations, corrections, or revisions for this point of connection.

No late submissions were identified.

CTCS and CTCX

EMS produces the submissions as an agent and the submissions are uploaded to the RM portal by Simply Energy. There have been no corrections, estimates, or issues affecting accuracy.

No late submissions were identified.

Audit outcome

Compliant

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

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

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

Audit observation

Generation submissions are produced by CTCT. Data is no longer required to be sent to the Pricing Manager, only the Grid Owner.

Audit commentary

I walked through the submission process.

The NSP volumes submission is produced from SAP, using the same process as is applied for embedded network submissions.

The generation team closely monitors generation data and will advise the reconciliation team if the metered data is not in line with expected values. The trading team also complete modelling and will advise the reconciliation team if they believe there is an error.

MV90 interrogates the meters hourly. Generation metering data is retrieved and validated using MV90. The validation process including checks for missing data and meter events which could affect accuracy, and any missing data is estimated if it cannot be retrieved. The data is transferred to Oracle and then SAP hourly.

The SAP data is validated against MV90/Oracle data in a spreadsheet to confirm that there are only very small rounding differences. The AV130 file is manually created from this SAP information and run through the RM portal file checker to ensure that the file format is correct.

I walked through the validation process and compared a sample of data from the NSP volumes submission to the source data in MV90/Oracle. There were no clock errors, meter events affecting accuracy, estimates or corrections during the audit period. Compliance is confirmed.

Audit outcome

Compliant

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

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

Audit observation

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late. Corrections were reviewed in **sections 2.1, 8.1 and 8.2**.

Audit commentary

Processes are in place to validate submission data, and correct errors prior to submission which are discussed in **sections 2.1, 8.1 and 8.2**. No alleged breaches were recorded for late provision of submission information.

CTCT

Some data has not been corrected at the next available opportunity for submission:

Issue	Issue description
Incorrect average daily kWh	Five ICPs had incorrect average daily kWh identified during the audit as discussed in section 3.7 : <ul style="list-style-type: none">0000040854NT2F4 had incorrect daily unmetered kWh recorded and was updated on the registry and in SAP during the audit; due to a calculation error the load was recorded as 0.62 kWh per day instead of 6.187 kWh per day,

Issue	Issue description
	<ul style="list-style-type: none"> • 0000254425HB5DE had incorrect daily kWh recorded and has been corrected in SAP but not on the registry; ballast was not included in the original calculation of 1.32 kWh per day which has now been corrected to 1.51 kWh per day, • 0000018605WECOF had incorrect daily kWh recorded and is to be corrected in SAP and on the registry; the original calculation of 0.302 did not include the full wattage that CTCT and the distributor believe is connected to the ICP (0.529 kWh per day for 184W connected 11.5 hours per day across four ICPs, • 0007680774HB8DE's trader update for 1 November 2014 on 14 September 2022 contained an incorrect daily unmetered kWh; daily unmetered kWh should be 2.989 but was updated to 3.000 in error, and • 0000553257NR3D0 is recorded with 1.2 kWh daily unmetered kWh and is expected to be recorded with 0.02 kWh per day.
Active ICP which has not been claimed and is excluded from submissions	ICP 0000062294NT59C was connected on 13 February 2023 and the meter has recorded consumption from 14 February 2023. The ICP has not been claimed and moved to "active" status by CTCT because it is a TOU meter and expected to be supplied under CTCS. The network has CTCT recorded as the proposed trader, which has prevented CTCS from claiming the ICP.
Check sum validation and correction of AMI interval data used for HHR submission	<p>MEPs compare meter readings against half hour interval data, known as the sum-check process. CTCT also completes a sum-check process for all meters. Where data is available for all trading periods and the sum-check is not within ± 2 kWh, a validation exception is generated. The accuracy of the received midnight reads is not fully investigated or resolved prior to the data correction and trading period data between the midnight reads will be estimated via an automated process. CTCT is aware of instances where the accuracy of the received midnight reads has been confirmed as not being accurate, however the actual accurate interval data is still replaced with an estimate to ensure the interval data values align with the received midnight reads.</p> <p>This means the HHR data estimated from inaccurate midnight reads replacing actual interval data is not considered to be accurate in accordance with Clause 15.2. This means that CTCT may not be charged at the wholesale rate that applied during the trading period when the electricity was consumed. This is discussed further in section 9.6.</p>
Extended HHR estimations for non-communicating AMI ICPs outside the max interrogation cycle.	984 HHR ICPs were identified as more than 20 days outside the MEPs max interrogation cycle. I reviewed a sample of six ICPs where the MEPs max interrogation cycle now exceeded the period of time from when the AMI Flag was set to N by more than 100 days. In all cases the ICPs remain "active" on the registry and continued to be flagged for HHR submission. This is discussed further in section 9.6 .
Consumption on ICPs with inactive status	BPEMs are generated for the revenue assurance team when consumption occurs on an inactive ICP as a result of the receipt of a scheduled meter reading. The BPEM process does not identify all inactive consumption as where a read is applied outside of the schedule read process (such as applying a switch loss read) a BPEM is not generated. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status with an effective date to the last non advancing meter read prior to the inactive consumption be identified, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.

Issue	Issue description
	<p>CTCT provided a list of 285 ICPs with inactive consumption from a list of BPEMS processed during the audit period totalling 94,786 kWh. 208 of the ICPs had less than 5 kWh of inactive consumption recorded and 194 has less than 1 kWh. A sample of ten ICPs with the highest inactive consumption were reviewed and the following was found:</p> <ul style="list-style-type: none"> • two ICPs were corrected by removing the disconnection flag in SAP and updating the registry status during the audit, • two ICPs continued to be submitted as HHR as the settlement unit was not updated when the ICP was disconnected, • one ICP switch away from the inactive date, so the volume is now outside Contact’s period of responsibility, • one ICP is recorded as being reconciled elsewhere as it is related to a microgrid supplying other ICPs, • one ICP was reported as a false positive exception and the volume is not genuine, • two ICPs (0145325350LC9CE, 0462728447LC443) the volume recorded was found to be meter creep (infrequent 0.001 kWh interval volumes recorded) and the ICPs were confirmed remotely disconnected by the AMI MEP, and • one ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process. <p>The reconciliation team historically maintains a spreadsheet of inactive ICPs with consumption which is refreshed approximately every three months using a SAP report. This report is used to identify any ICPs with consumption during periods with inactive status which have not already been corrected through the BPEM process. The process was completed for the first time this year in during this audit. The delay was caused because the staff member responsible for overseeing this left Contact and it is being added into the processes of other staff. This SAP report listed 377 ICPs with inactive consumption recorded totalling 127,192 kWh.</p> <p>The difference between the SAP report and the list generated from the BPEM process is due to ICPs where the settlement unit assignment has been corrupted resulting in the inactive settlement unit assignment not being updated to enable the ICP to be included in submission. 66 ICPs were identified in this scenario with inactive consumption recorded totalling 29,112 kWh.</p>
Double metered Installation	<p>ICP 1001157629CK617 is a metering category 3 installation and was split into three tenancies by the property owner and two low voltage connections were completed by Wellington Electricity downstream of ICP 1001157629CK617 creating a double metered situation and resulting in the metering installation for ICP 1001157629CK617 to be no longer fit for purpose as a subtraction calculation would be required to ensure the correct consumption volume is calculated for this ICP. A site audit confirmed that the two low voltage connections have category 1 meters (ICPs 1001158552CK7FD – IECD 26 May 2016 and 1001156589CKCAB – IECD 27 January 2015) and the third tenancy has a distribution board in place however this is not connected therefore the load for this third tenancy is still metered through ICP 1001157629CK617 (CTCT is working with Wellington Electricity to create a new metered ICP for this load, then ICP 1001157629CK617 can be decommissioned resolving the situation). This is discussed further in section 6.4.</p> <p>In the meantime, the HHR volumes are submitted under ICP 1001157629CK617 based on readings provided by AMS but also by the traders for ICPs 1001158552CK7FD and 1001156589CKCAB.</p>

Issue	Issue description
Seasonal shapes not applied for some ICPs	ICPs assigned to the default seasonal shape profile were also reviewed. Where SAP cannot identify a valid seasonal shape profile to assign then a default flat shape profile is assigned to the ICP. This usually occurs where an ICP changes balancing areas and a boundary read is not applied for this change resulting in two seasonal shape profiles being valid for across the overlapping read to read period. 93 ICPs were identified as having the default shape profile assigned for April 2023. None experienced a balancing area change and actual seasonal shape values were present in SAP. CTCT is investigating why SAP is not applying the available seasonal shape values when calculating historic estimate volumes for these ICPs.
AMI meter events	Metering Installation Category two ICP 0110003151EL984 reported an EFA - VT FAILURE (commonly known as a phase failure) event on 12 January 2022, which was notified by the AMI MEP to CTCT and a works order was raised to attend the site. The completed service order was returned with a completion date of 3 May 2023. As there was no meter change as part of the service order the automated process between Orb and SAP did not trigger a workflow item for a user to review and no HHR data correction was applied to the affected data.
Corrections for bridged or faulty meters	<p>A sample of nine ICPs were reviewed to determine that a volume correction had been appropriately applied. Four NHH ICPs have had NHH corrections applied, one HHR ICP (0000296500TEB71) has had a NHH correction applied meaning this will not flow through to the HHR submission volumes, one ICP (1002077246LC23B) has a bill block in place indicating a correction is being calculated and three ICPs did not have a correction applied. Three ICPs (0110002072ELOB5 – HHR, 1001123040LC3E0 – NHH, 0081141480WEF5B – NHH) did not have a correction applied or a bill block in place indicating a correction was imminent. Additionally, all 48 bridged metered ICPs that had switched have not yet had volume corrections applied.</p> <p>ICP 0012156389ELB8F was confirmed as being faulty and was replaced but no revenue assurance read, or volume correction applied. This ICP is discussed further in section 6.6.</p>
NHH meter reading application	<p>The process for profile changes was reviewed and a sample of four upgrades, five downgrades and five profile changes were checked and found:</p> <ul style="list-style-type: none"> • for all four upgrades, the submission type and profile changes occurred on actual or permanent estimate readings, • for four out of five downgrades the submission type and profile changes occurred on actual or permanent estimate readings; for ICP 0000005122DEF1D no meter read was present for the event date also the SAP event date for the submission type change does not align with the registry, and • for four out of five NHH profile changes the profile changes occurred on actual or permanent estimate readings; for ICP 0000024655DE0E5 no meter read was present for the event date.

I rechecked submission accuracy issues which were not resolved by the time the previous audit report was finalised, and were able to be resolved:

Previous audit Issue	Issue description
Missing UNM settlement units	Unmetered load is included in submission where an unmetered settlement unit is assigned to the installation in SAP. The previous audit identified that this assignment of unmetered load settlement unit can get corrupted resulting in either missing assignments or settlement unit assignments not being end dated once the unmetered load is removed. The four ICPs

Previous audit Issue	Issue description
	<p>identified in the previous audit were resolved by reassigning the unmetered load settlement unit.</p> <p>Contact compared all unmetered load settlement unit assignments to the registry and identified:</p> <ul style="list-style-type: none"> • 102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum, and • 235 ICPs where the unmetered load settlement unit assignment was not end dated on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum. <p>The cause of the corruption issue is still under investigation.</p>
Incorrect ICP days	<p>The previous audit identified two differences between reported and expected ICP days for March 2022 r1, and both related to incomplete or incorrect ICP information recorded in SAP. These were reviewed to confirm that corrections have now been applied.</p> <p>TENC-TML0011 (HHR) 25 days were over reported for the NSP because an inactive settlement unit had not been entered for the inactive period for 0000003029TC570. This was corrected during the audit and revised submission information will be washed up. The settlement unit assignment was updated during the site audit however this update missed the March 2022 revision 7.</p> <p>TENC-TNP0011 (NHH) 65 days were under reported for the NSP because pricing events were not correctly populated for three ICPs in SAP. Because pricing is linked to the loss factor, the loss factor was not populated resulting in the ICP being omitted. The issue was identified as part of the pre submission validation checks but was not resolved prior to the revision 1 submission due to workloads. The data has now been corrected in SAP and revised submission information will be washed up. CTCT intends to improve registry validation reporting to promptly identify ICPs with missing loss factors. This was corrected by revision 7 for March 2022. The Registry Analyst now performs regular reporting to identify/resolve these exceptions. While monitoring has increased there is still delays in resolving these with the respective teams.</p>
Corrections for consumption during bridged periods	<p>The last audit identified no corrections had been applied for a sample of 15 ICPs. These were reviewed again to see if a correction has now been applied. No corrections have been applied for any of this sample prior to this audit and 13 ICPs are now outside the revision window to enable a correction to be applied to the affected period. However, volume corrections for this sample were applied to the next available revision window including updates to the submission type to enable NHH volume corrections to be applied for seven of these affected ICPs. CTCT did not review all 98 bridged meters reported in the previous audit to determine if a volume correction had been applied or not.</p> <p>The last audit also identified 14 ICPs that had not been un-bridged during the previous audit period. These were also reviewed and found:</p> <ul style="list-style-type: none"> • six ICPs had subsequently switched away and no volume corrections have been applied, • five ICPs have been un-bridged, and no volume corrections have been applied, • two ICPs have been un-bridged and volume corrections have been correctly applied, and • one ICP has been disconnected at the pole fuse and no volume corrections have been applied.

I rechecked submission data accuracy issues raised in audits prior to August 2022. I found that the issues were resolved, except for 0221906002LC12A which has generation present and is awaiting confirmation that generation metering has been installed, as discussed in **section 6.1**.

The seven ICPs with incorrect active dates recorded on the registry which were not corrected due to the customer impact, are not re-raised as non-compliance.

CTCX

No active ICPs were supplied during the audit period and no submission accuracy issues were identified.

CTCS

Compliance is recorded in this section because the processes to calculate and report consumption are correct.

I rechecked submission accuracy issues which were not resolved by the time the previous audit report was finalised, and were able to be resolved:

Issue	Issue description
Missing NHH readings in MADRAS	The issues with NHH reads missed from the data transfer from Datahub to MADRAS have been resolved with Simply Energy's February 2023 material change audit. As part of the change, historic readings were re-loaded into MADRAS to ensure that all validated readings are correctly included in historic estimate calculations.
Incorrect agreed switch readings	The meter readings used in the switching process are validated meter readings or permanent estimates. All CS and RR readings checked during this audit were confirmed to be correct. I re-checked incorrect switch event readings identified during the previous audit for CTCS and found that the reads remain incorrect, apart from ICP 0000045646HR5D5, which had its switch withdrawn. ICP 0007671629HB2B5 underwent a read renegotiation, but the switch event read still does not match the expected value. Simply Energy does not intend to take any further action because the other traders affected have not disputed the readings and revision 14 has now been completed. The incorrect switch event readings have resulted in over submission of 7,076 kWh, and the affected ICPs are listed in section 4.16 .
Incorrect volumes around NSP change	ICP 0007173300RN6EB which had a change of NSP, but no boundary reads were entered for the NSP change, which created small ICP days differences for BRY0661 and ISL0661 in July and August 2021 (there is a process to enter boundary readings but no read history was available to create the permanent estimates); the ICP was made ready for decommissioning on 11 March 2022 and was decommissioned on 11 June 2022, and now that decommissioning readings are available permanent estimate reads have been created and applied.
Application of seasonal shapes	As detailed in section 12.8 , where the seasonal shape values published by the reconciliation manager are all zero values, MADRAS treats zero values as nulls therefore MADRAS flags the volumes calculated between the actual reads as FE.

I rechecked submission data accuracy issues raised in audits prior to August 2022. I found that the issues were resolved, where revision 14 had not already been completed, with the exception of:

Issue	Description
Replacement HHR data	The previous audit recorded that when trading period data has been estimated and actual data is received later, the actual data is imported and validated against the estimates. HHR

Issue	Description
	replacement data can now be loaded without a register reading. Where an MEP has provided a part day of data, they may later provide a replacement file which contains nulls for the trading periods already provided and HHR volumes for the part of the day that was originally missing. The previous audit found that where this occurs, DataHub imports the whole replacement file, which replaces the actual data originally provided with the null values. DataHub then creates estimates for the missing periods. No progress has been made to resolve this issue during this audit period.

Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 12.7 With: Clause 15.12 From: 01-Dec-21 To: 31-May-23	CTCT Some submission data was inaccurate and was not corrected at the next available opportunity. Potential impact: High Actual impact: High Audit history: Multiple times Controls: Moderate Breach risk rating: 6	
Audit risk rating	Rationale for audit risk rating	
High	The controls are moderate overall, and Contact is working to investigate issues and improve controls. The impact is high based on the volume differences identified, and that corrected data has not yet been prepared in some instances.	
Actions taken to resolve the issue		Completion date
CTCT Seasonal shapes not applied for some ICPs Issue raised with SAP team and investigation revealed cause is NSP did not have their Balancing Area updated when there has been a change. Energy Rec team to check all NSPs and correct Balancing Area where required. Double metered Installation - 1001157629CK617 Meeting conducted with WE* Connections Team Leader and physical options identified to resolve double metering situation received on 30/5/2023; including recommendation that a full site electrical layout from the customer's electrician be requested by CTCT to confirm all connections on the site, how they are connected & the corresponding ICP to each connection.		CTCT ASAP 30/11/2023
		Remedial action status
		Identified

<p>We will follow-up with Business Account Managers and ensure the required actions for remediation are initiated.</p>	<p>31/08/2023</p>	
<p>Consumption on ICPs with inactive status</p>		
<p>We will raise a system defect to identify why SAP system auto-triggers do not successfully update the settlement unit from E_DISC_INA to E_NH or E_HHE when reconnections are completed in SAP/Registry. This will identify whether a system or BAU processing issue is the root cause.</p>	<p>30/09/2023</p>	
<p>Our Energy Rec team and Registry Analyst will collaboratively investigate opportunities to enhance existing reporting and/or create new reporting to identify discrepancies between SAP Settlement Unit and Registry Active/Inactive statuses.</p>	<p>30/11/2023</p>	
<p style="padding-left: 40px;">This includes completing a one-off reconciliation of existing exceptions, ensuring all are resolved and consumption successfully submitted going forward.</p>		
<p>Contact will also review where the responsibility to manage ICP exceptions via SAP Report ZIN_EXT_SETTL_OPERAT best sits to ensure that in conjunction with the SAP BPEMS being monitored and worked, that all exceptions are identified and resolved by the appropriate teams in a timely manner.</p>		
<p>Incorrect Settlement Unit Assignments</p>		
<p>We will raise system defect to identify why SAP system auto-triggers do not successfully update the settlement units in below areas which are all impacting ICP Days Accuracy between SAP and Registry for both HHR and NHH Submission Types:</p>		
<ul style="list-style-type: none"> • Disconnection/Reconnections. • Switch Withdrawals. • Customer Move-Outs/Vacant Sites. • Device Replacements. • Un-Metered Load. • SAP Product Changes (TOU). 	<p>30/09/2023</p>	
<p>Energy Rec team performs a one-off reconciliation of existing exceptions, ensuring all are resolved and HHR and NHH submitted accurately going forward.</p>		
<p>Missing UNM settlement units</p>		
<p>Contact has effective processes in place to ensure the correct UNM installation fact is applied in SAP for newly gained ICPs.</p>		
<p>Our Energy Rec team will complete corrections of SAP-Registry E_UNM Settlement Unit exceptions identified and ensure more robust process in place to identify and resolve exception before future energy submissions.</p>	<p>30/09/2023</p>	

<p>Corrections for bridged or faulty meters / Corrections for consumption during bridged periods</p> <p>Our Energy Rec team will complete a reconciliation of existing corrections for accuracy, including apply consumption corrections for Bridged ICP's not yet corrected and ensure that the volumes are correctly applied for submission based on the submission type for the affected ICP.</p> <p>Contact will also investigate its processes in details to identify room for improvements.</p>	<p>30/09/2023</p>	
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCT</u></p> <p>Please refer to actions taken to resolve non-compliance field.</p>	<p><u>CTCT</u></p> <p>N/A</p>	

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

Code reference

Clause 4 Schedule 15.2

Code related audit information

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

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

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

Audit observation

Three AV080 14-month revisions were reviewed to identify any forward estimate still existing. A sample of NSPs with forward estimate remaining were checked to determine the reasons for the forward estimate.

Audit commentary

CTCT

Review of three AV080 14-month revisions showed that some forward estimate remained:

- 58,999.71 kWh of forward estimate for August 2021 r14,
- 63,817.14 kWh of forward estimate for September 2021 r14, and
- 62,373.96 kWh of forward estimate for October 2021 r14.

The meter read compliance process described in **section 6.8** is followed to attempt to obtain an actual read within 12 months. Where an actual read is not obtained, an automated process changes an existing estimate read to become a permanent estimate. These estimates are validated against previous actual readings where available, but not all ICPs have permanent estimates entered by revision 14.

I checked the ten AV080 aggregation rows with the highest proportion of forward estimate in for revision 14 to determine the reasons for the forward estimate. I found that forward estimate remained because of a lack of meter readings in nine cases. ICP 0000202101CTC81 has two reads present in SAP for 16 November 2021, a customer provided move out read labelled as an estimate and a removed meter read due to a meter change labelled as an estimate read by the automated robot (CTCT is investigating why the robot incorrectly labelled the removed read as an estimate). Where removed meter reads are labelled as estimates SAP treats these as permanent estimates as no further reads will arrive for this meter. In the calculation of consumption volume SAP is selecting the first reading and read type entered for a day rather than selecting the appropriate read based on read type hierarchy. As a result, this consumption volume was mislabelled as forward estimate and not historic estimate. CTCT is investigating a solution for this issue.

The existence of forward estimate at revision 14 is recorded as non-compliance below.

CTCX and CTCS

ICPs with forward estimate remaining at revision seven or 14 are identified through the NHH submission validation process discussed in **section 12.3**. Simply Energy checks the ICPs, and where reads are available (or can be calculated for unmetered load) they are sent to MADRAS for reconciliation. Simply Energy has found most ICPs which do not have 100% historic estimate do not have actual reads available.

Simply Energy has a process for creating permanent estimates as part of their correction processes but does not routinely enter permanent estimates where reads cannot be obtained. They intend to develop a process to enter permanent estimates for unread ICPs.

Some historic estimate volume is incorrectly labelled as forward estimate by MADRAS where seasonal adjusted shape values (SASV) published by the reconciliation manager are not available for part or all of a read-to-read period, or the seasonal shape values provided for the read-to-read period are all zero values, in which case MADRAS treats zero values as nulls. The incorrect labelling of historic estimate as forward estimate is recorded as non-compliance in **sections 12.7** and **12.10**.

Simply Energy have identified an issue within MADRAS where a change of ICP attributes, a meter change or switch away occurs. MADRAS appears to be trying to find shape data for the data after these events based on how the meter reads are recorded (MADRAS records meter reads as occurring at 00:00 hours) however the ICP time slice ends a day earlier than MADRAS believes the meter reads are for resulting in MADRAS having incomplete seasonal shape values for an ICP. The outcome is the read-to-read volume is not seasonally adjusted and the consumption volume is recorded as Forward Estimate (FE). The Vendor for MADRAS is investigating this potential bug.

CTCX	Review of AV080 14-month revisions for August to October 2021 showed that no forward estimate remained.
CTCS	<p>Review of AV080 14-month revisions for August to October 2021 showed that some forward estimate remained:</p> <ul style="list-style-type: none"> • 191,560.91 kWh of forward estimate for August 2021 r14, • 187,194.29 kWh of forward estimate for September 2021 r14, and • 139,085.78 kWh of forward estimate for October 2021 r14. <p>I checked the ten AV080 aggregation rows with the highest proportion of forward estimate to determine the reasons for the forward estimate:</p>

	<ul style="list-style-type: none"> • two ICPs had not been read and no permanent estimate was entered, • ICP 0082224065WE6A8 had readings available however were not send to MADRAS due to a system bug described in the 2023 material change audit; the issue and data correction were resolved in February 2023, and • seven ICPs has sufficient reading available in MADRAS but due to the MADRAS issue described above where MADRAS is looking for seasonal shape data for the day after the read-to-read period.
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Audit outcome

Non-compliant

Non-compliance	Description	
Audit Ref: 12.8 With: Clause 4 Schedule 15.2 From: 01-Jun-22 To: 31-May-23	<p>CTCT</p> <p>Some estimates were not replaced by revision 14.</p> <p>Consumption volume for ICP 0000202101CTC81 incorrectly labelled as forward estimate.</p> <p>CTCS</p> <p>Some estimates were not replaced by revision 14.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>The controls are rated as weak overall:</p> <ul style="list-style-type: none"> • for CTCT there are processes to attain readings and enter permanent estimates, but not all ICPs have permanent estimates entered by revision 14, and • for CTCS and CTCX there are processes to attain readings, but there is no process to verify that best endeavours threshold has been met before entering permanent estimates. <p>There are sound estimation processes, therefore I have recorded the audit risk rating as low.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>CTCT</p> <p>Issue of SAP process for use of Permanent Estimate was raised with our SAP team and under certain scenarios, the Permanent Estimate meter reading type was not applied. Investigation is on-going but has been delayed by Project Jarvis</p>	<p>CTCT</p> <p>Ongoing</p>	Investigating

<u>CTCS</u> Simply Energy are unable to correct submissions after 14 months.	<u>CTCS</u> N/A	
Preventative actions taken to ensure no further issues will occur	Completion date	
<u>CTCS</u> A new process has been kicked off by the Simply Energy Customer Care Team to contact customers by two forms of communication, once this is confirmed and can be shown for all ICPs not read for 12 months then Simply Energy will generate Permanent Estimates.	<u>CTCS</u> 31/01/2024	

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

Code reference

Clause 2 Schedule 15.3

Code related audit information

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

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

Audit observation

Aggregation and content of reconciliation submissions was reviewed, and the registry lists were reviewed.

Audit commentary

CTCT

Compliance with this clause was assessed:

- all active ICPs with meter category 3 or higher have submission type HHR,
- some profiles requiring a certified control device are used and CTCT is aware of the metering requirements of the profiles, and compliance was recorded in **section 6.3**; where the metering is not compliant with the requirements of the profile, CTCT applies RPS for submission,
- unmetered load submissions and ICPs with inactive consumption were checked in **section 12.2** and found:
 - 102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum, and
 - 235 ICPs where the unmetered load settlement unit assignment was not end dated on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum.
 - For one ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process; a further 66 ICPs are not reported due to active consuming ICPs being incorrectly assigned an inactive settlement unit assignment resulting in 29,112 kWh of volume missing from submission.
- no loss or compensation arrangements are required, and
- aggregation of the AV080, AV110, AV090 and AV140 submissions are covered in **sections 12.3, 11.2, and 11.4** respectively and found:
 - 21 ICPs from GR090 ICP Missing files for the most revisions were reviewed and found:
 - four HHR ICPs had changes to the NSP assignment on the registry where SAP had not reflected this change of attribute, and
 - 17 were where the ICP had transitioned to NHH submission type however the settlement unit assignment in SAP remained HHR; all 17 were corrected during the audit and CTCT is escalating this issue to their ICT team.

CTCX and CTCS

Compliance with this clause was assessed:

- all active ICPs with meter category 3 or higher have submission type HHR,
- unmetered load submissions were checked, and the unmetered load submissions are based on “dummy” meters with consumption derived from the daily kWh figures in the registry,
- the ACO20 report did not record any ICPs with profiles requiring certified control devices where control devices were not certified,
- no loss or error compensation arrangements are required, and
- aggregation of the AV080, AV110, AV090 and AV140 submissions are covered in **sections 12.3, 11.2, and 11.4** respectively.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.9 With: Clause 2(1)(c) of schedule 12.3	CTCT Four ICPs had changes to the NSP assignment on the registry where SAP had not reflected this change.

<p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>102 ICPs where the unmetered load settlement unit assignment was missing resulting in an under submission of 36,658 kWh per annum.</p> <p>235 ICPs where the unmetered load settlement unit assignment was not end dated on the removal of the unmetered load resulting in an over submission of 45,460 kWh per annum.</p> <p>ICP (0007118113RN739) the inactive consumption was confirmed as being genuine however this has not been resolved so this volume (5,082 kWh) is missing from the submission process</p> <p>66 ICPs where the inactive consumption was confirmed as being genuine however corrupt settlement unit assignments are preventing these ICPs from being included in submission totalling 29,112 kWh.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 6</p>	
<p>Audit risk rating</p>	<p>Rationale for audit risk rating</p>	
<p>High</p>	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact is high based on the volume differences identified.</p>	
<p>Actions taken to resolve the issue</p>	<p>Completion date</p>	<p>Remedial action status</p>
<p><u>CTCT</u></p> <p><u>NSP Assignment Incorrect</u></p> <p>All 4 NSP changes have been corrected within SAP.</p> <p>For 3 out of the 4 NSP changes, data inaccuracies were a result of back dated NSP changes being loaded within the Registry, with two of those changes being backdated ten years.</p> <p>Due to system limitations, correcting a severely backdated NSP change in SAP requires us to reverse customers bills that post-date the NSP change. As this has a large impact to our customer, at no fault of their own, where there is no balancing area change as a result of the back dated NSP change, we tend to correct the NSP data moving forward.</p> <p><u>Un-Metered Load Settlement Units</u></p> <p>Our Energy Rec team will complete corrections of SAP-Registry E_UNM Settlement Unit exceptions identified.</p> <p><u>Incorrect Settlement Unit Assignments</u></p>	<p><u>CTCT</u></p> <p>26/06/2023</p> <p>30/09/2023</p>	<p>Identified</p>

<p>We will raise a system defect to identify why SAP system auto-triggers do not successfully update the settlement units in below areas which are all impacting Submission data accuracy between SAP and Registry for both HHR and NHH Submission Types:</p> <ul style="list-style-type: none"> ○ Disconnection/Reconnections (Inactive Settlement Units). ○ Switch Withdrawals. ○ Customer Move-Outs/Vacant Sites. ○ Device Replacements. ○ Un-Metered Load. ○ SAP Product Changes (TOU). <p>Energy Rec team performs a one of reconciliation of existing exceptions, ensuring all are resolved and HHR and NHH accurately submitted going forward.</p>	<p>30/11/2023</p> <p>30/09/2023</p>	
<p style="text-align: center;">Preventative actions taken to ensure no further issues will occur</p>	<p style="text-align: center;">Completion date</p>	
<p><u>CTCT</u></p> <p><u>NSP Assignment Incorrect</u></p> <p>Contact runs BPEM and Data Bricks reports regularly to identify where the NSP within the Electricity Registry and SAP differ. As data discrepancies are identified, the cause for the inaccurate data is investigated and the respective corrections actions are completed.</p>	<p><u>CTCT</u></p> <p>Ongoing</p>	

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

Code reference

Clause 3 Schedule 15.3

Code related audit information

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

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

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

Audit observation

AV080 submissions were reviewed, to confirm that historic estimates are included and identified.

Permanence of meter readings is reviewed in **section 12.8**. The methodology to create forward estimates is reviewed in **section 12.12**.

Audit commentary

CTCT

I reviewed nine AV080 submissions for a diverse sample of months and revisions and confirm that forward and historic estimates are included and identified as such.

CTCX and CTCS

Some historic estimate volume is incorrectly labelled as forward estimate by MADRAS where seasonal adjusted shape values (SASV) published by the reconciliation manager are not available for part or all of a read-to-read period, or the seasonal shape values provided for the read-to-read period are all zero values, in which case MADRAS treats zero values as nulls. Simply Energy have identified an issue within MADRAS where a change of ICP attributes, a meter change or switch away occurs. MADRAS appears to be trying to find shape data for the data after these events based on how the meter reads are recorded (MADRAS records meter reads as occurring at 00:00 hours) however the ICP time slice ends a day earlier than MADRAS believes the meter reads are for resulting in MADRAS having incomplete seasonal shape values for an ICP. The outcome is the read-to-read volume is not seasonally adjusted and the consumption volume is recorded as Forward Estimate (FE). The Vendor for MADRAS is investigating this potential bug.

CTCX	I reviewed nine CTCX AV080 submissions for a diverse sample of months and confirm that forward and historic estimates are included and identified as such.
CTCS	I reviewed nine CTCS AV080 submissions for a diverse sample of months and confirm that forward and historic estimates are included and identified as such.

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 12.10</p> <p>With: Clause 3 Schedule 15.3</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCS and CTCX</p> <p>Where SASV profiles are not available, consumption based on validated readings is not seasonally adjusted and is labelled as forward estimate.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>The controls are recorded as strong because historic and forward estimate is correctly identified most of the time.</p> <p>The audit risk rating is low as there is minor impact on settlement because while the volume calculation is correct but is not seasonally adjusted between consumption months.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p><u>CTCS & CTCX</u></p> <p>Simply Energy are unable to correct previous FE reporting.</p>	<p><u>CTCS & CTCX</u></p> <p>N/A</p>	Identified
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p><u>CTCS & CTCX</u></p> <p>End of month reads are now uploaded for UML ICPs. 100% HE is achieved on these; however, a new issue was identified in the NHH DA system where the system was incorrectly looking for a shape value on the end date of the Consumption Period + 1 incorrectly which has resulted in a few ICPs having HE volume incorrectly reported as FE. Simply Energy is working with the system provider to correct this.</p>	<p><u>CTCS & CTCX</u></p> <p>29/02/2024</p>	

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

Code reference

Clauses 4 and 5 Schedule 15.3

Code related audit information

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

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

Audit observation

To assist with determining compliance of the Historical Estimate (HE) processes, Contact was supplied with a list of scenarios, and for some individual ICPs a manual HE calculation was conducted and compared to the result from Contact's systems.

Audit commentary

CTCT

The table below shows that all scenarios are compliant. The check of calculations included confirming that readings and shape files were applied correctly.

The process for managing shape files was examined. There is an automated process where the RM web server is polled for new files. The new files overwrite the old files, and if a new file is not available, the most recent file remains. Manual intervention is only required where a file has failed to upload, and a BPEM is created to alert the user to the failure. Typically, failures occur only if a data value in one of the fields is not set up in SAP. The user will enter the data value in SAP's maintenance tables, and then move the file back to the source folder, so that it will be picked up for import.

Test	Scenario	Test expectation	Result
a	ICP becomes Active part way through a month	Consumption is only calculated for the Active portion of the month.	Compliant
b	ICP becomes Inactive part way through a month.	Consumption is only calculated for the Active portion of the month.	Compliant
c	ICP become Inactive then Active again within a month.	Consumption is only calculated for the Active portion of the month.	Compliant
d	ICP switches in part way through a month on an estimated switch reading	Consumption is calculated to include the 1st day of responsibility.	Compliant
e	ICP switches out part way through a month on an estimated switch reading	Consumption is calculated to include the last day of responsibility.	Compliant
f	ICP switches out then back in within a month	Consumption is calculated for each day of responsibility.	Compliant
g	Continuous ICP with a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant
h	Continuous ICP without a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant
i	Rollover Reads	Consumption is calculated correctly in the instance of meter rollovers.	Compliant
j	Unmetered load for a full month	Consumption is calculating based on daily unmetered kWh for full month.	Compliant
k	Unmetered load for a part month	Consumption is calculating based on daily unmetered kWh for active days of the month.	Compliant
l	Network/GXP/Connection (POC) alters partway through a month.	Consumption is separated and calculated for the separate portions of where it is to be reconciled to.	Compliant
m	ICP with a customer read during the month	Customer reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Compliant – the customer reads were ignored
n	ICP with a photo read during the month	Photo reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Has not occurred
o	ICP has a meter with a multiplier greater than 1	The multiplier is applied correctly	Compliant

CTCS and CTCX

Historic estimate is prepared by EMS using the MADRAS system.

Simply Energy downloads seasonal adjusted shape values (SASV) from the RM portal after each allocation and provides them to EMS via SFTP. EMS collects the files and loads them into MADRAS. I saw evidence of the data transfer and confirmed that the correct SASV were applied as part of the historic estimate calculation review. The issue relating to MADRAS treating zero value SASV records as nulls therefore flagging read-to-read volumes as forward estimate is discussed in **section 12.8**.

I reviewed examples of historic estimations being calculated for both X and I flows and confirmed that the process is consistent across each flow direction and the GR-030's NSP profile shape is used to calculate historic estimate volumes for PV1 and EG1 profile codes. This is acceptable because the NSP profile represents the residual load after HHR volumes, engineered profile volumes, and approved statistically sampled profile volumes have been deducted. The NSP shape includes volumes for meters with standard profiles including RPS, PV1, and EG1.

The historic estimate calculations were found to be compliant where they had occurred, but the volumes produced can be inaccurate if there are inaccurate inputs into the process, such as incorrect readings, or calculation of unmetered load readings. For scenario L, the calculation method was correct but there was a small difference between the reported value and recalculation because one validated actual reading was not sent to MADRAS due to the data transfer completeness issues recorded in previous audits. The issues with NHH reads missed from the data transfer from Datahub to MADRAS have been resolved with Simply Energy's February 2023 material change audit. As part of the change, historic readings were re-loaded into MADRAS to ensure that all validated readings are correctly included in historic estimate calculations for revision submissions for all ICPs which were active at the time of the material change.

Test	Scenario	Test expectation	CTCX result	CTCS result
a	ICP becomes Active part way through a month	Consumption is only calculated for the Active portion of the month.	Has not occurred	Compliant
b	ICP becomes Inactive part way through a month.	Consumption is only calculated for the Active portion of the month.	Has not occurred	Compliant
c	ICP become Inactive then Active again within a month.	Consumption is only calculated for the Active portion of the month.	Has not occurred	Compliant
d	ICP switches in part way through a month on an estimated switch reading	Consumption is calculated to include the 1st day of responsibility.	Has not occurred	Compliant
e	ICP switches out part way through a month on an estimated switch reading	Consumption is calculated to include the last day of responsibility.	Has not occurred	Compliant
f	ICP switches out then back in within a month	Consumption is calculated for each day of responsibility.	Has not occurred	Has not occurred
g	Continuous ICP with a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Has not occurred	Compliant
h	Continuous ICP without a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Has not occurred	Compliant

Test	Scenario	Test expectation	CTCX result	CTCS result
i	Rollover Reads	Consumption is calculated correctly in the instance of meter rollovers.	Has not occurred	Compliant
j	Unmetered load for a full month	Consumption is calculating based on daily unmetered kWh for full month.	Has not occurred	Compliant
k	Unmetered load for a part month	Consumption is calculating based on daily unmetered kWh for active days of the month.	Has not occurred	Has not occurred
l	Network/GXP/Connection (POC) alters partway through a month.	Consumption is separated and calculated for the separate portions of where it is to be reconciled to.	Has not occurred	Compliant
m	ICP with a customer read during the month	Customer reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Has not occurred	Compliant – the customer reads were not transferred to MADRAS and were ignored
n	ICP with a photo read during the month	Photo reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Has not occurred	Compliant – the customer photo reads were not transferred to MADRAS and were ignored
o	ICP has a meter with a multiplier greater than 1	The multiplier is applied correctly	Has not occurred	Compliant

Audit outcome

Compliant

12.12. Forward estimate process (Clause 6 Schedule 15.3)

Code reference

Clause 6 Schedule 15.3

Code related audit information

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

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

Audit observation

The process to create forward estimates was reviewed.

Forward estimates were checked for accuracy by analysing the GR170 file for variances between revisions over the audit period.

Audit commentary

CTCT

Contact's forward estimates are calculated using the following methods, in order of priority:

1. daily average consumption with temperature adjustment from an average at the same time the previous year,
2. daily average consumption from the previous read to read period with temperature adjustment,
3. the daily average kWh received in the incoming CS file apportioned between all the connected meters, and
4. 25 kWh per day for X flow meters and 0 kWh per day for I flow meters.

If an ICP is vacant, daily average consumption of zero is applied for forward estimate.

Forward estimate is monitored as part of the pre-submission checks, and any anomalies are investigated.

CTCT

Count of balancing areas differences over 15%.

Month	Over ±15%				Over ±15% and ±100,000 kWh				Total Balancing Areas
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14	
Jun-21	19	27	33	35	2	3	3	3	275
Jul-21	13	15	19	25	2	2	2	2	279
Aug-21	16	34	42	52	1	2	2	2	282
Sep-21	15	18	33	41	-	-	-	-	281
Oct-21	16	32	40	43	1	1	2	1	283
Nov-21	20	26	37		-	1	1		283
Dec-21	10	20	27	30	-	1	2	2	283
Jan-22	12	17	28		-	-	2		284
Feb-22	23	31	33		1	2	1		283
Mar-22	11	18	7		-	-	1		284
Apr-22	9	21	23		-	-	-		285

Month	Over ±15%				Over ±15% and ±100,000 kWh				Total Balancing Areas
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14	
May-22	9	22	23		-	-	-		286
Jun-22	12	23			-	-			288
Jul-22	13	19	23		-	-	-		292
Aug-22	7	20			-	-			293
Sep-22	24	37			-	2			297
Oct-22	19	27			-	-			298
Nov-22	20				-				302
Dec-22	5				-				303

The total variation between revisions at an aggregate level is shown below.

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Jun-21	-1.17%	-0.98%	-1.11%	-1.14%	2,415,237	2,016,116	2,273,704	2,351,384

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Jul-21	-1.29%	-0.89%	-1.15%	-1.22%	3,030,511	2,086,957	2,684,232	2,849,844
Aug-21	-0.82%	-0.98%	-1.08%	-1.10%	1,840,589	2,195,279	2,425,744	2,467,649
Sep-21	0.02%	0.25%	0.26%	0.38%	-36,535	-488,395	-493,383	-735,683
Oct-21	0.67%	1.78%	1.65%	1.49%	-1,134,595	-2,987,872	-2,781,407	-2,507,935
Nov-21	-0.62%	-1.08%	-0.90%		941,374	1,648,721	1,362,228	
Dec-21	-0.13%	0.07%	-0.10%	-0.25%	197,616	-108,542	151,826	362,155
Jan-22	-1.80%	-2.76%	-3.12%		2,620,648	4,054,417	4,599,619	
Feb-22	-0.88%	-0.96%	-0.87%		1,215,216	1,325,750	1,189,971	
Mar-22	0.01%	0.28%	0.38%		-15,103	-437,431	-592,278	
Apr-22	0.57%	0.73%	0.61%		-905,999	-1,154,611	-962,229	
May-22	0.70%	0.19%	0.17%		-1,337,956	-375,159	-336,999	
Jun-22	-0.19%	-0.63%			425,509	1,413,146		
Jul-22	-0.15%	-0.62%	-0.86%		370,184	1,514,662	2,108,788	

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Aug-22	0.12%	0.26%			-272,505	-598,467		
Sep-22	-0.59%	0.21%			1,185,104	-426,168		
Oct-22	0.04%	0.35%			-79,304	-638,151		
Nov-22	1.08%				-1,676,268			
Dec-22	0.71%				-1,078,124			

I checked all differences over $\pm 15\%$ and $\pm 100,000$ kWh threshold for January 2022 onwards and found the issues were primarily because forward estimate was too high or low in relation to the actual readings when they were received. Some of the differences were due to irrigation ICPs, where it is difficult to estimate the consumption because it is not predictable.

Since September 2020, Contact has been using AMI midnight reads for submission, which are accurate, but still recorded as estimates because they haven't been billed, therefore they haven't been through the complete validation process. The accuracy of forward estimate has improved over time as a result.

CTCX and CTCs

The EMS forward standard estimate process is based on a "straight line" methodology, and where no historical information is available a "forward default" estimate of 55 kWh per day is used. The process for forward standard estimate calculation was checked and confirmed as accurate.

Simply Energy monitors differences between revisions using its Power Query tool.

The accuracy of the initial submission, in comparison to each subsequent revision is required to be within 15%. The table below shows the number of balancing areas where this target was met.

CTCX

Count of balancing areas differences over 15%.

Month	Over ±15%				Over ±15% and ±100,000 kWh				Total Balancing Areas
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14	
Jun-21	-	-	-	-	-	-	-	-	2
Jul-21	-	-	-	-	-	-	-	-	2
Aug-21	-	-	-	-	-	-	-	-	2
Sep-21	-	-	-	-	-	-	-	-	2
Oct-21	-	-	-	-	-	-	-	-	2
Nov-21	-	-	-	-	-	-	-	-	2
Dec-21	-	-	-	-	-	-	-	-	2
Jan-22	-	-	-	-	-	-	-	-	2
Feb-22	-	-	-	-	-	-	-	-	2
Mar-22	-	-	-	-	-	-	-	-	2
Apr-22	-	-	-	-	-	-	-	-	2
May-22	-	-	-	-	-	-	-	-	2
Jun-22	-	-	-	-	-	-	-	-	1

Month	Over ±15%				Over ±15% and ±100,000 kWh				Total Balancing Areas
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14	
Jul-22	-	-			-	-			1
Aug-22	-	-			-	-			1
Sep-22	-	-			-	-			1
Oct-22	-	-			-	-			1

The total variation between revisions at an aggregate level is shown below.

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Jun-21	0.00%	-30.48%	-19.85%	-19.88%	-	1,681	950	952
Jul-21	25.94%	6.05%	62.77%	62.73%	-850	-235	-1,591	-1,590
Aug-21	0.00%	220.49%	220.41%	220.54%	-	-1,420	-1,419	-1,420
Sep-21	-3.03%	231.29%	231.43%	231.32%	59	-1,325	-1,326	-1,325
Oct-21	-30.13%	-44.06%	-44.07%	-44.06%	2,929	5,352	5,353	5,352
Nov-21	2.02%	2.17%	2.17%		-2,548	-2,728	-2,730	

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Dec-21	0.61%	0.01%	0.01%	2.98%	-152	-2	-2	-726
Jan-22	-0.42%	-3.25%	-3.25%		30	242	242	
Feb-22	0.69%	1.44%	13.65%		-42	-86	-733	
Mar-22	-3.77%	-4.21%	2.50%		234	262	-146	
Apr-22	0.27%	0.32%	0.32%		-18	-22	-22	
May-22	3.28%	3.77%	3.78%		-53	-61	-61	
Jun-22	-0.56%	-0.57%			2	2		
Jul-22	0.00%	-5.45%	-5.51%		-	19	20	
Aug-22	0.86%	1.33%			-4	-7		
Sep-22	0.34%	0.51%			-1	-2		
Oct-22	0.26%	0.26%			-1	-1		

CTCS

Count of balancing areas differences over 15%.

Month	Over ±15%				Over ±15% and ±100,000 kWh				Total Balancing Areas
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14	
Jun-21	4	8	19	22	-	1	-	-	93
Jul-21	1	14	21	26	-	-	1	-	84
Aug-21	7	24	29	35	-	1	-	-	85
Sep-21	10	17	25	32	-	1	1	-	80
Oct-21	6	17	25	31	-	-	-	-	80
Nov-21	3	11	19		-	-	-	-	81
Dec-21	7	25	30	35	-	-	-	-	80
Jan-22	5	21	23		-	-	1	-	78
Feb-22	3	14	20		-	-	-	-	77
Mar-22	4	12	17		-	-	-	-	74
Apr-22	4	9	13		-	-	-	-	74

Month	Over ±15%				Over ±15% and ±100,000 kWh				Total Balancing Areas
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14	
May-22	6	11	11		-	-	-		76
Jun-22	1	8			-	-			75
Jul-22	2	9	9		-	-	-		80
Aug-22	5	6			-	-			86
Sep-22	5	21			-	-	-		118
Oct-22	5	13			-	-			117
Nov-22	7				-				115
Dec-22	1				-				119

The total variation between revisions at an aggregate level is shown below.

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Jun-21	-0.04%	-0.66%	0.98%	1.83%	5,446	81,224	-118,546	-219,396

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Jul-21	-1.79%	-2.64%	-3.18%	-2.78%	166,382	247,651	299,388	260,706
Aug-21	1.19%	1.03%	1.62%	3.66%	-90,131	-78,141	-122,315	-271,020
Sep-21	0.72%	1.67%	2.13%	5.01%	-42,858	-98,324	-124,694	-284,807
Oct-21	2.21%	5.41%	4.02%	8.98%	-120,993	-286,791	-215,715	-460,514
Nov-21	0.05%	1.39%	-1.16%		-2,539	-64,899	55,579	
Dec-21	2.57%	5.27%	5.47%	8.57%	-117,925	-235,514	-244,236	-371,652
Jan-22	-2.96%	-0.07%	-1.11%		131,018	2,890	48,261	
Feb-22	0.76%	-2.18%	1.58%		-29,735	87,461	-61,054	
Mar-22	1.30%	-0.60%	2.09%		-56,076	26,446	-89,355	
Apr-22	-0.32%	0.95%	2.18%		14,021	-41,056	-93,203	
May-22	-1.56%	0.07%	1.08%		79,273	-3,392	-53,502	
Jun-22	-0.42%	0.27%			21,903	-14,062		
Jul-22	-0.05%	0.27%	-0.13%		2,630	-14,273	6,681	

Month	Variation				Volume impact			
	Revision 1	Revision 3	Revision 7	Revision 14	Revision 1	Revision 3	Revision 7	Revision 14
Aug-22	0.33%	0.67%			-16,443	-33,589		
Sep-22	1.08%	2.59%			-51,349	-121,704		
Oct-22	0.71%	2.85%			-28,439	-112,037		
Nov-22	1.44%				-60,482			
Dec-22	0.70%				-29,121			

I checked all differences over $\pm 15\%$ and $\pm 100,000$ kWh threshold for January 2022 onwards. One exception was identified during this period relating to KAI0111. The reason for the difference was due to distributed unmetered load ICP 0000366462MP614 which had an incorrect daily average consumption initially applied and the affected period extended beyond the 14-month revision window. To ensure all volume was submitted, Simply Energy had to squeeze some of the consumption into the available 14-month revision window which further exaggerated the revision difference.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 12.12 With: Clause 6 Schedule 15.3 From: 01-Jun-22 To: 31-May-23	CTCT CTCX CTCS Inaccurate forward estimate caused the thresholds not to be met in some instances. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact is low because Initial data is replaced with revised data and washed up.		
Actions taken to resolve the issue		Completion date	Remedial action status
<u>CTCT</u> Primary cause is the unpredictability of rural/irrigation usage patterns. In addition, Covid and recent weather events have an impact on meter readings. <u>CTCS & CTCX</u> Simply Energy are unable to correct previous FE thresholds not being met.		<u>CTCT</u> N/A <u>CTCS</u> NA	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<u>CTCS & CTCX</u> A new process has been kicked off by the Simply Energy Customer Care Team to contact customers by two forms of communication, this will provide better read attainment and therefore better accuracy on Forward Estimate thresholds.		<u>CTCS</u> 31/01/2024	

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

Code reference

Clause 7 Schedule 15.3

Code related audit information

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

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

Audit observation

The event detail reports were examined to identify all ICPs which had a profile change during the report period. A sample of ICPs with profile changes were reviewed to confirm that there was an actual or permanent estimate reading on the day of the profile change.

Audit commentary

CTCT

All profile changes are conducted using an actual meter reading on the day of and/or the day before the profile change. I reviewed a sample of 15 profile changes and confirmed that 13 were changed on an actual or permanent estimate reading. ICPs 0000005122DEF1D and 0000024655DE0E5 did not have an actual meter read present for the profile change.

CTCX and CTCS

Simply Energy’s policy is to complete profile changes on actual or permanent estimate readings.

CTCX	No profile changes occurred during the audit period for CTCX.
CTCS	<p>I checked 12 profile changes and confirmed that the profile changes occurred on actual or permanent estimate readings.</p> <p>One upgrade (NHH to HHR involving a meter change) from the previous audit period was checked relating to ICP 0000009599NT87D. The previous audit identified that the NHH removal read was not loaded into datahub/MADRAS as the FSP had not initially provided this in the meter change paperwork. This also resulted in an under reporting of NHH ICP days for this ICP. Simply Energy was aware of the missing removal read as this ICP was present in the issues log for the reconciliation month that ensures issues are followed up in time for the next revision opportunity. The removal read is now present in both Datahub and MADRAS and the NHH volume has now been included in submission.</p>

Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 12.13</p> <p>With: Clause 7 Schedule 15.3</p> <p>From: 01-Jun-22</p> <p>To: 31-May-23</p>	<p>CTCT</p> <p>ICPs 0000005122DEF1D and 0000024655DE0E5 did not have an actual meter read present for the profile change.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>

Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>CTCT</p> <p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>CTCT</p> <p>The Registry and SAP settlement data have been corrected to no longer reflect a profile change, resulting in actual meter read or permanent estimate read no longer being required.</p>		<p>CTCT</p> <p>26/06/2023</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>CTCT</p> <p>We will be investigating further into how the incorrect NHH profiles were created. Once the cause has been identified we will investigate further into potential fixes which would decrease the opportunity for these to arise in the future, as well as additional reporting to identify these scenarios at the earliest convenience so corrections can be made.</p>		<p>CTCT</p> <p>Ongoing</p>	

13. SUBMISSION FORMAT AND TIMING

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

Code reference

Clause 8 Schedule 15.3

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**.

Aggregation of NHH volumes is discussed in **section 12.3**, aggregation of HHR volumes is discussed in **section 11.4** and NSP volumes are discussed in **section 12.6**.

Audit commentary

No report aggregation discrepancies were identified. Submission information is provided to the reconciliation manager in the appropriate format and is aggregated to the following level:

- NSP code,
- reconciliation type,
- profile,
- loss category code,
- flow direction,
- dedicated NSP, and
- trading period for half hour metered ICPs and consumption period or day for all other ICPs.

The submitted data was also compared to billed data and appeared reasonable.

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

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

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

Audit observation

I reviewed the rounding of data on the AV080, AV090 and AV140 and reports as part of the aggregation checks. AV130 submissions were reviewed in **section 12.6**.

Audit commentary

Submission information is appropriately rounded to no more than two decimal places for CTCT, CTCS and CTCX.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 15.3

Code related audit information

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

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

- at least 80% for revised data provided at the month 3 revision (clause 10(3)(a))
- at least 90% for revised data provided at the month 7 revision (clause 10(3)(b))
- 100% for revised data provided at the month 14 revision (clause 10(3)(c)).

Audit observation

The timeliness of submissions of historic estimate was reviewed in **section 12.2**.

I reviewed a sample of AV080 reports to confirm that historic estimate requirements were met.

Audit commentary

CTCT

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of historic estimate in the revision files was checked for nine reports, and the table below shows that compliance has not been achieved in all instances.

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Aug 2021	-	-	369	370
Sep 2021	-	-	369	369
Oct 2021	-	-	371	372
Feb 2022	-	362	-	372
Mar 2022	-	367	-	372
Apr 2022	-	367	-	374
Aug 2022	365	-	-	380
Sep 2022	370	-	-	385
Oct 2022	369	-	-	386

The table below shows that the percentage HE at a summary level for all NSPs is well above the required targets for 3 and 7-month revisions, but below the required target for the 14-month revision.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Aug 2021	-	-	99.97%
Sep 2021	-	-	99.97%

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Oct 2021	-	-	99.96%
Feb 2022	-	99.26%	-
Mar 2022	-	99.37%	-
Apr 2022	-	99.40%	-
Aug 2022	97.89%	-	-
Sep 2022	97.43%	-	-
Oct 2022	97.23%	-	-

As discussed in **section 6.8**, there are processes in place monitor read attainment, and attempt to resolve issues preventing read attainment. Permanent estimates are only entered where the readings can be validated against a set of actual validated readings, which has affected historic estimate proportions for revision 14.

I note that all the NSPs affected for revision 3 and 7 were on either embedded networks or local NSPs where no more than 14 ICPs are held, therefore if one or two ICPs are not read, this causes CTCT to not achieve these historic estimate targets.

CTCX

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of historic estimate in the revision files was checked for nine reports, and the table below shows that compliance has been achieved in all instances.

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Aug-21	-	-	2	2
Sep-21	-	-	2	2
Oct-21	-	-	2	2
Feb-22	-	2	-	2
Mar-22	-	2	-	2
Apr-22	-	2	-	2
Aug-22	1	-	-	1

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Sep-22	1	-	-	1
Oct-22	1	-	-	1

The table below shows that the percentage HE at a summary level for all NSPs at or above the required target for all revisions.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Aug-21			100.00%
Sep-21			100.00%
Oct-21			100.00%
Feb-22		100.00%	
Mar-22		92.08%	
Apr-22		100.00%	
Aug-22	100.00%		
Sep-22	100.00%		
Oct-22	100.00%		

CTCS

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of historic estimate in the revision files was checked for nine reports, and the table below shows that compliance has not been achieved in all instances. The main reasons that forward estimates remain are:

- no actual readings were received, and permanent estimate readings were not entered,
- ICPs have sufficient reads available in MADRAS but due to the issue where MADRAS is looking for seasonal shape data for the day after the read-to-read period and not finding a value, does not seasonally shape this consumption volume, and
- some reads remain unvalidated while proposed read change requests (RR) were in progress with the losing trader.

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Aug 2021	-	-	110	155
Sep 2021	-	-	108	153
Oct 2021	-	-	111	154
Feb 2022	-	123	-	149
Mar 2022	-	122	-	146
Apr 2022	-	126	-	147
Aug 2022	128	-	-	156
Sep 2022	143	-	-	188
Oct 2022	137	-	-	185

The table below shows that the percentage HE at a summary level for all NSPs is well above the required targets for 3 and 7-month revisions, but below the required target for the 14-month revision.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Aug 2021	-	-	97.4187%
Sep 2021	-	-	96.7104%
Oct 2021	-	-	97.2884%
Feb 2022	-	95.54%	-
Mar 2022	-	96.02%	-
Apr 2022	-	96.72%	-
Aug 2022	91.81%	-	-
Sep 2022	90.54%	-	-
Oct 2022	88.49%	-	-

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: 01-Jun-22 To: 31-May-23	CTCT and CTCS Historic estimate thresholds were not met for some revisions. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 4		
Audit risk rating	Rationale for audit risk rating		
Medium	Overall, the controls are assessed to be moderate because compliance is achieved in most instances. The impact is assessed to be medium based on the quantity of forward estimate, and number of NSPs where the historic estimate requirements were not met.		
Actions taken to resolve the issue		Completion date	Remedial action status
<u>CTCT</u> Primary cause is the unpredictability of rural/irrigation usage patterns. In addition, there is the Covid and weather events related impact on meter readings. <u>CTCS</u> Simply Energy are unable to correct previous submissions.		<u>CTCT</u> <u>CTCS</u> NA	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<u>CTCT</u> <u>CTCS</u> A new process has been kicked off by the Simply Energy Customer Care Team to contact customers by two forms of communication, once this is confirmed and can be shown for all ICPs not read for 12 months then Permanent Estimates can be generated.		<u>CTCT</u> <u>CTCS</u> 31/01/2024	

14. GLOSSARY

AW breach	AW arrival date is more than five business days after receipt of the NW
CS breach for transfer switch	CS arrival date is more than three business days after receipt of the NT where the CS arrives immediately after the NT.
E2 breach for transfer switch	CS Actual Transfer Date is more than ten business days after receipt of the NT.
ET breach for switch move	AN Expected Transfer Date is earlier than the NT Proposed Transfer Date; OR AN Expected Transfer Date is more than ten business days after NT arrival date.
NA breach	NW arrival date is more than two calendar months after the CS Actual Transfer Date.
PT breach	NT Proposed Transfer Date is more than 90 days before the NT arrival.
RR breach	RR arrival date is more than four calendar months from the CS Actual Transfer Date.
SR breach	NW arrival date is more than ten business days after the initial NW for the same trader requesting the withdrawal. The trader sending the corresponding AW (either accepting or rejecting the withdrawal) only receives a breach on the AW if it is sent more than five days after the latest NW as in the original rule.

CONCLUSION

The audit found 42 non-compliance issues (a decrease from 44) and 20 recommendations are made. The audit risk rating has increased slightly from the previous audit from 103 to 106. In most cases non-compliance control ratings were the same as, or better than the previous audit, and some non-compliances from previous audits have not occurred during the audit period. Some non-compliances particularly for submission were assessed to have a higher impact than they had in previous audits, because larger numbers of exceptions were found such as an increase in the number of settlement unit errors.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below recommends that the next audit be completed in three months. I have considered this in conjunction with Contact's responses and recommend that the next audit is undertaken in a minimum of nine months. This recommendation is consistent with the previous audit's recommendation which had a similar audit risk rating, and recognises that improvements have been made and many more are in progress. This will ensure appropriate audit oversight within a reasonable period of time.

PARTICIPANT RESPONSE

Contact has reviewed this report and their comments are contained within its body.