

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

For

**LIBERTA SYTEMS LTD (SOHZ)  
(COMPANY #8099603)**

Prepared by: Ewa Glowacka of TEG & Associates

Date audit commenced: 10 August 2023

Date audit report completed: 23 August 2023

Audit report due date: 23-Aug-23

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## EXECUTIVE SUMMARY

This reconciliation participant audit was performed at the request of Liberta Systems Limited (SOHZ) to support their application for certification, in accordance with clauses 4 of Schedule 15.1 of the Code 2010. The relevant clauses were audited as required by the Guidelines for Reconciliation Participants Audits V 7.2 issued by the Electricity Authority.

At the time of the audit, SOHZ was responsible for 12 NHH ICPs located on the Vector and Counties Power network. The intention is to have all AMI metering; however, there will be instances where this is not possible. Liberta Systems will enter into manual reading arrangements with WELLS if it is required in the future. In the future, the company is planning to trade HHR ICPs.

ICP switching is performed by Liberta Systems using the registry web interface under JC Consulting supervision. MEPs provide metering data to JC Consulting, which acts as the agent for providing reconciliation services. JC Consulting provides a copy of the metering data to Liberta Systems. JC Consulting processes were audited as part of this audit.

During the audit period, the company gained 7 ICPs and lost 4 ICPs, resulting in a net gain of 2 ICPs for SOHZ. There were no updates to the registry information.

The audit found 4 non-compliances. The non-compliances were mainly related to switching.

The Electricity Authority determines the date of the next audit, and it is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 5, which results in an indicative audit frequency of 18 months. We agree with the result.

The audit period is 01/11/2021 to 31/07/2023.

We thank the Liberta Systems staff for their complete cooperation in this audit.

## AUDIT SUMMARY

### NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Losing trader provides information - switch move	4.8	10(1) of Schedule 11.3	One AN file was late	Strong	Low	1	Identified
Losing trader must provide final information - switch move	4.10	11 of Schedule 11.3	One CS file was late	Strong	Low	1	Identified
Withdrawal of switch requests	4.15	17&18 of Schedule 11.3	One AW file late	Strong	Low	1	Identified
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	Historical Estimate targets not met for revision 3 for four months	Moderate	Low	2	Identified
Future Risk Rating						5	

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

### RECOMMENDATIONS

Subject	Section	Description	Recommendation

### ISSUES

Subject	Section	Description	Issue

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## 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

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

#### Audit commentary

SOHZ did not apply for any exemptions. We checked the Electricity Authority website and confirmed that there are no exemptions in place.

### 1.2. Structure of Organisation

Gurdeepak Singh Sidhu and Dilpreet Singh Ghuman are directors.

### 1.3. Persons involved in this audit

Name	Title	Company
Gurdeepak Singh Sidhu	Director	Liberta Systems Ltd
John Candy	Director	JC Consulting
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

### 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

SOHZ engaged JC Consulting to be responsible for receiving metering files and the submission of reconciliation files.

Through discussions with SOHZ, they have shown a clear understanding that they are responsible and liable for the compliance with clauses that their agent undertakes on their behalf.

### Audit commentary

As a part of this audit, work done by JC Consulting as a SOHZ agent was audited. Details are in the relevant parts of this audit. SOHZ is aware of its responsibilities in relation to this clause.

## 1.5. Hardware and Software

The main systems are as follows:

- Switching is conducted via the web interface.
- Access Database (RM TOOL) provided and run by JC Consulting for RM submissions, which is backed up to the cloud using both Microsoft OneDrive and Dropbox.
- Ultimate is used for billing

## 1.6. Breaches or Breach Allegations

There were no breaches lodged against SOHZ in the period covered by this audit.

## 1.7. ICP Data

Metering Category	(11/08/2023)	(2021)	(date)
1	12	10	
2	0	0	
3	0	0	
4	0	0	
5	0	0	
9	0	0	

Status	Number of ICPs (11/08/2023)	Number of ICPs (2021)	Number of ICPs (date)
Active (2,0)	12	10	
Inactive – new connection in progress (1,12)	0	0	
Inactive – electrically disconnected vacant property (1,4)	0	0	
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	0	

Inactive – electrically disconnected at pole fuse (1,8)	0	0	
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0	
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	
Inactive – electrically disconnected at meter box switch (1,11)	0	0	
Inactive – electrically disconnected ready for decommissioning (1,6)	0	0	
Inactive – reconciled elsewhere (1,5)	0	0	
Decommissioned (3)	0	0	

#### 1.8. Authorisation Received

The authorisation letter was not required.

#### 1.9. Scope of Audit

This reconciliation participant audit was performed at the request of Liberta Systems Limited (SOHZ) to support their application for certification, in accordance with clauses 4 of Schedule 15.1 of the Code 2010.

The audit was carried out at TEG & Associates' office in Auckland between 22 August 2023.

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

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

#### 1.10. Summary of previous audit

The previous audit was conducted by Ewa Glowacka of TEG & Associates Ltd in December 2021. No non-compliances were identified.

## 2. OPERATIONAL INFRASTRUCTURE

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

#### Code reference

Clause 10.6, 11.2, 15.2

#### Code related audit information

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

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

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

#### Audit observation

To verify compliance, we examined the process of validating the registry's information. We reviewed the LIS file dated 11/08/2023 for inaccuracies and the EDA file and Audit Compliance report to confirm SOHZ provided correct information in a timely manner.

#### Audit commentary

SOHZ is aware of the requirements to ensure that the registry is populated and maintained and notifications from the registry are actioned accordingly. Process documentation covers all areas of registry functions. No inaccuracies were identified during the audit.

Every week SOHZ checks the Switch Breach report, and JC Consulting provides Weekly Report from the registry for review.

ICP information from the registry is refreshed in the RM TOOL before each reconciliation submission to ensure that aggregation factors and statuses are consistent with the registry.

#### Audit outcome

Compliant

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

#### Code reference

Clause 15.35

#### Code related audit information

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

#### Audit observation

This was discussed with SOHZ. SOHZ engages JC Consulting as the agent for the submission of information to the reconciliation. Information delivery processes to the reconciliation manager were reviewed along with submission files for the audit period.

Alleged breaches during the audit period were reviewed.

#### **Audit commentary**

JC Consulting, acting as the SOHZ agent, submits data to the reconciliation manager through the RM portal in compliance with Part 15. SOHZ has fulfilled the Code's requirements by providing information within the designated time frame.

No alleged breaches were recorded during the audit period.

#### **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**

This was discussed with SOHZ. SOHZ engaged JC Consulting as the agent for the submission of information to the reconciliation manager.

Information delivery to the reconciliation manager was reviewed along with submission files for the audit period.

#### **Audit commentary**

The transfer of data is carried out electronically using SFTP servers. JC Consulting has secure transmission processes, using a cloud-based environment, for the transmission of data between SOHZ and himself.

Reconciliation files are submitted via the RM portal by JC Consulting.

#### **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**

Switching is conducted by SOHZ using the registry web interface which has audit trails.

We reviewed the audit trail of data validation, estimation and creation of reconciliation files recorded in the RM TOOL by JC Consulting.

#### **Audit commentary**

JC Consulting tracks all downloaded metering through FileZilla and archives audit trails for data gathering, validation, and processing functions in the RM TOOL. Changes made to data are logged with activity and operator identifiers.

The RM portal records the audit trail of reconciliation files submitted by JC Consulting.

#### **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**

SOHZ provided a copy of the Terms and Conditions.

#### **Audit commentary**

The Terms and Conditions provide relative information for a customer to meet the requirements of this clause.

#### **Audit outcome**

Compliant

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

#### **Code reference**

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

#### Code related audit information

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

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

The trader must use its best endeavours to provide access:

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

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

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

#### Audit observation

SOHZ provided a copy of the Terms and Conditions.

#### Audit commentary

A copy of the Terms and Conditions was sighted and contains the required information for access arrangements. It is covered in section 10.

#### Audit outcome

Compliant

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

#### Code reference

Clause 10.35(1)&(2)

#### Code related audit information

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

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

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

#### Audit observation

The LIS file and MEP agreements were reviewed.

#### Audit commentary



The LIS report shows all the ICPs SOHZ were responsible for were metered, and the MEPs were recorded in the registry. The agreements with the MEPs ensure the ICPs have appropriate and approved metering designs installed.

SOHZ is not responsible for any ICPs using 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**

SOHZ provided a copy of the Terms and Conditions.

#### **Audit commentary**

Compliance with this clause is covered in section 13.8 of the Terms and Conditions.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.32*

### Code related audit information

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

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

### Audit observation

We reviewed the EDA file for the audit period to identify all new connections. There were no new connections and SOHZ is not planning to trade new connections in the immediate future.

We reviewed and discussed the reconnection process with SOHZ staff. The process is compliant.

### Audit commentary

SOHZ currently does not accept new connections and has no immediate plans to do so. Only established installations are traded. The process for new connections is not documented but will be developed before any new connections are processed. If any ICP needs to be reconnected, SOHZ will follow the processes set up by MEPs (MTRX, COUP, and NGCM). Once the MEP has confirmed the reconnection, SOHZ will update the registry with the reconnected status.

There were no reconnections during the audit period.

### Audit outcome

Compliant

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

### Code reference

*Clause 10.33(1)*

### Code related audit information

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

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

### Audit observation

We reviewed the EDA file for the audit period to identify all new connections and confirm process controls and compliance.

### Audit commentary

There were no new connections during the audit period. SOHZ have no intention of conducting any new connections in the immediate future. This clause is not applicable.

### Audit outcome

Not applicable

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

### Code reference

*Clause 10.33A(1)*

### Code related audit information

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

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

### Audit observation

The new connection and reconnection processes were discussed. The new connection process is not documented, but it will be developed prior to SOHZ processing any new connections.

The Audit Compliance report for the audit period was examined to identify any uncertified metering installations and any reconnection. The EDA file was reviewed.

### Audit commentary

The Audit Compliance report confirmed that the company did not trade any uncertified metering installations. There were no reconnections during the audit period.

### Audit outcome

Compliant

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

### Code reference

*Clause 11.16*

### Code related audit information

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

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

### Audit observation

The process for ensuring an arrangement is in place with a network prior to trading on that network was discussed in detail. Agreements with COUP and VECT were sighted for network companies and MEPs

AMS, COUP, and Intellihub. The company also signed agreements with PowerCo, ORION, Wellington Lines, and WEL Networks.

#### **Audit commentary**

SOHZ have arrangements in place with Vector and COUP to trade on their network. The intention is that SOHZ will verify they have an agreement with other networks or MEPs before switching. The requirement is noted in the process documentation.

At the time of this audit SOHZ had agreements with AMS, COUP, and Intellihub.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.36*

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

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

#### **Audit observation**

The process for ensuring an arrangement is in place with relative MEPs was discussed in detail.

#### **Audit commentary**

At the time of this audit, SOHZ had agreements with AMS, COUP, and Intellihub. Part of the customer attainment process is to check the MEP and if no arrangement is in place, to obtain one immediately.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.33B*

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

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

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

#### **Audit observation**

This was discussed with SOHZ. The switching process was reviewed, and the LIS, EDA files and registry were checked.

#### **Audit commentary**

SOHZ is aware of their obligation and will meet their obligation.

The company received one NW file with the reason code "WP". All ICPs gained by SOHZ had recorded "Active" status in the registry.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.33B*

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

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

#### **Audit observation**

This was discussed with SOHZ. The LIS, EDA files and registry were checked.

#### **Audit commentary**

We confirm that no disconnection activity occurred during this audit period.

SOHZ is aware of its obligations with respect to this clause.

#### **Audit outcome**

Compliant

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

#### **Code reference**

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

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

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

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

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

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

#### **Audit observation**

This was discussed during the audit.

#### Audit commentary

The company does not intend to remove or break seals themselves. The intention is always to use a MEP to make any alterations to installations.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 10.33C and 2A of Schedule 15.2*

#### Code related audit information

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

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

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

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

*The trader must determine meter readings as follows:*

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

#### Audit observation

This was discussed during the audit.

#### Audit commentary

The company does not intend to bridge meters. It is documented in additional process documentation.

JC Consulting monitors metering data to identify possible bridged meters by third parties e.g., networks or electricians.

#### Audit outcome

Compliant

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

## Code reference

Clause 11.30

## Code related audit information

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

## Audit observation

This was discussed during the audit.

## Audit commentary

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

## Audit outcome

Compliant

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

### Code reference

Clause 11.30A

### Code related audit information

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

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

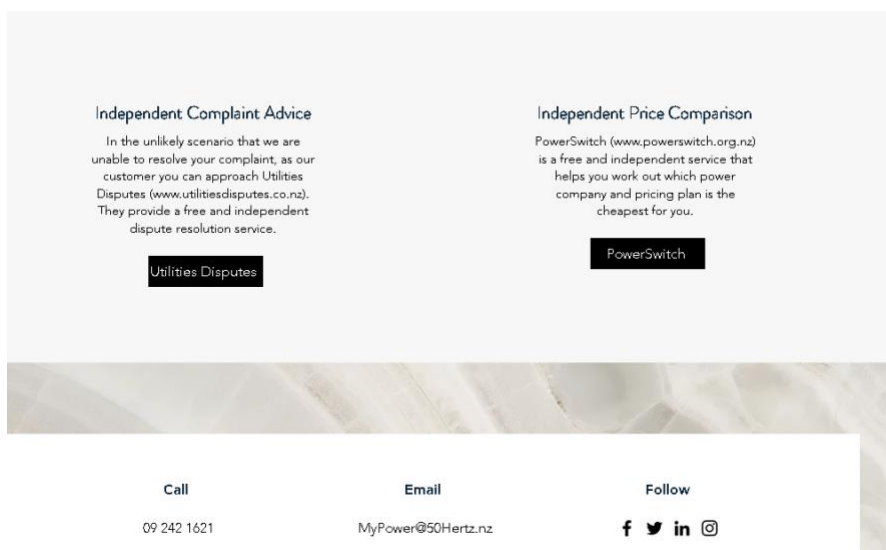
*If there are a series of related communications between the retailer and consumer, the retailer needs to provide this information in at least one communication in that series.*

### Audit observation

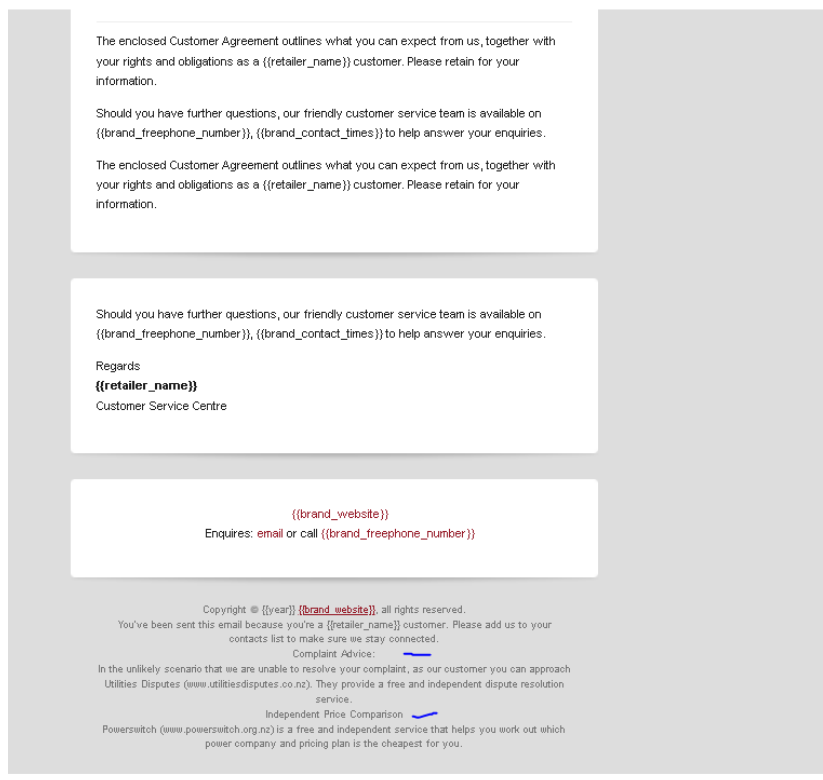
This was discussed during the audit.

### Audit commentary

We confirm that the company website contains the link to Utilities Dispute.



The company provided a copy of the email template, used in communication with customers, which demonstrates that the information about Utilities Dispute is included.



## 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.*

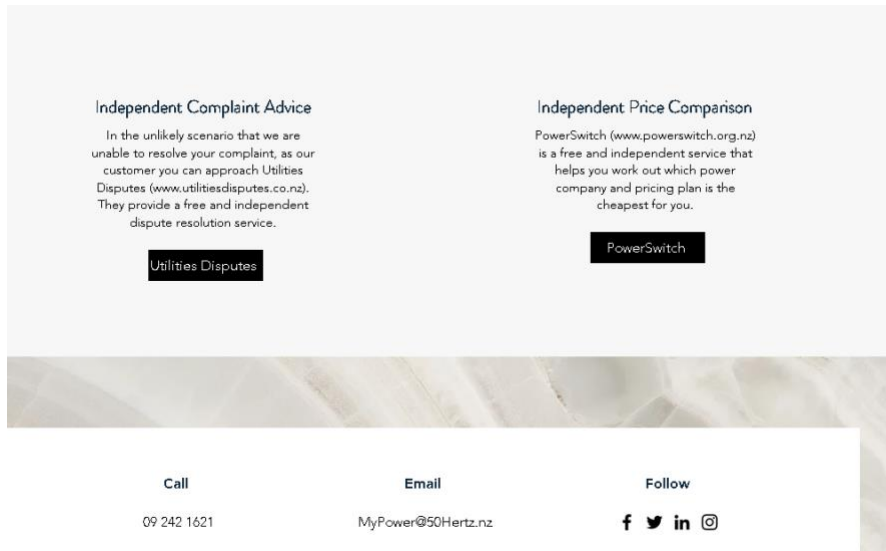
### Audit observation

This was discussed during the audit.

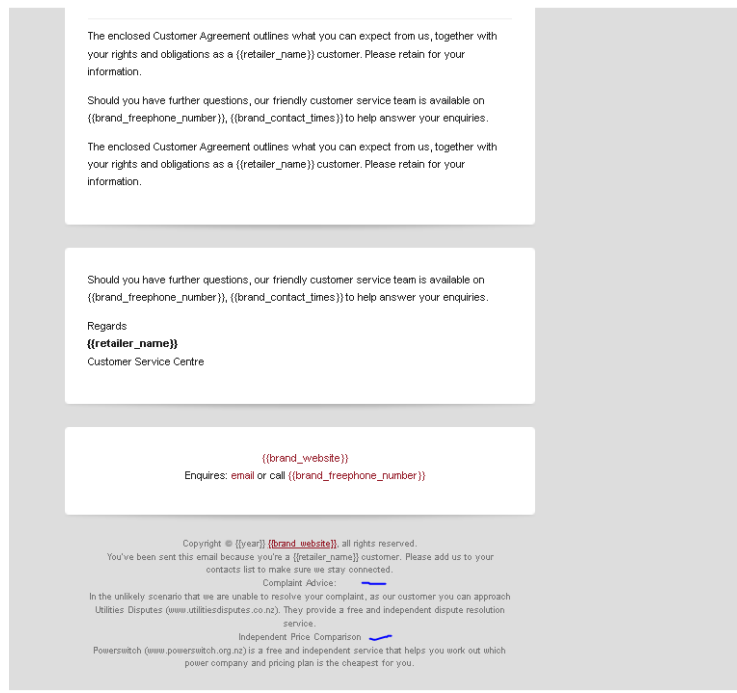
### Audit commentary



We confirm that the company website contains the link to Powerswitch.



The company provided a copy of the email template, used in communication with customers, which demonstrates that the information about Powerswitch is included.



## 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

This was discussed during the audit. SOHZ will not be dealing with new connections in the immediate future. When SOHZ decides to take on new connections the process will be documented.

##### Audit commentary

SOHZ did not undertake any new connections during the audit period and is not intending on processing new connections in the immediate future.

The new connection process is not documented.

##### 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

SOHZ manages registry information under JC Consulting's supervision using the registry web interface. We reviewed the EDA file and Audit Compliance report for the audit period to ensure that the registry was updated correctly and that process controls and compliance were in place. It was discussed with SOHZ staff.

### Audit commentary

SOHZ processes are designed to ensure that trader information is populated as required by this clause. No late registry updates were recorded.

### Audit outcome

Compliant

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

### Code reference

*Clause 10 Schedule 11.1*

### Code related audit information

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

### Audit observation

We examined the LIS and EDA files and the Audit Compliance report for the period covered by this audit. The process for updating the registry is documented.

### Audit commentary

The analysis of the EDA file showed that there were no changes to the registry information. The only files posted to the registry were switching files and trader files. SOHZ uses the browser interface to make any changes to the registry.

### Audit outcome

Compliant

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

### Code reference

*Clause 11.18*

### Code related audit information

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

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

- *another trader is recorded in the registry as accepting responsibility for the ICP (clause 11.18(2)(a)); or*
- *the ICP is decommissioned in accordance with clause 20 of Schedule 11.1 (clause 11.18(2)(b)).*
- *if an ICP is to be decommissioned, the trader who is responsible for the ICP must (clause 11.18(3)):*

- *arrange for a final interrogation to take place prior to or upon meter removal (clause 11.18(3)(a)); and*
- *advise the MEP responsible for the metering installation of the decommissioning (clause 11.18(3)(b)).*

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

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

#### **Audit observation**

This was discussed with SOHZ. The LIS, EDA files, Audit Compliance report and registry were checked.

#### **Audit commentary**

SOHZ does not trade UML. LIS file checks confirm that all ICPs have an MEP recorded in the registry. SOHZ stated that they are aware of the Code requirements and obligations under this clause.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 9 Schedule 11.1*

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

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

- 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**

This was discussed with SOHZ. We checked the LIS, EDA files, Audit Compliance reports, and registry.

#### **Audit commentary**

We have verified that all ICPs listed in the registry have a valid MEP recorded.

MEP nominations might only occur for existing connections (who are with an MEP who we have no agreement with) that have an AMI-capable meter in place.

It is the responsibility of SOHZ to ensure the proper management of the ICPs as long as they are the recorded as a trader in the registry, until the ICP is decommissioned or switched out.

None of the ICPs were decommissioned during the audit period.

#### **Audit outcome**

Compliant

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

#### **Code reference**

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

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

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

#### **Audit observation**

We reviewed the LIS file to ensure that the ANZSIC codes were accurate and valid. We also discussed this with the SOHZ staff.

#### **Audit commentary**

We have verified the accuracy of the ANZSIC codes and can confirm their correctness. Whenever SOHZ gains new ICPs, they always ensure to double-check the ANZSIC codes.

#### **Audit outcome**

Compliant

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

#### **Code reference**

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

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

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

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

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

#### **Audit observation**

We examined the LIS file, the Audit Compliance report, and the EDA file for the audit period.

#### **Audit commentary**

No UML ICPs were identified in the LIS file. JC Consulting has processes in place for if SOHZ do, inadvertently, pick up UML. SOHZ has a validation process in place to check for UML at the time of obtaining a customer.

#### **Audit outcome**

Compliant

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

#### Code reference

Clause 17 Schedule 11.1

#### Code related audit information

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

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

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

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

#### Audit observation

We reviewed the EDA file and the Audit Compliance report to identify any changes of status to "Active". SOHZ has established processes to ensure that each ICP has only one customer and that all “Active” ICPs have an MEP.

#### Audit commentary

SOHZ switching process includes the determination of the “Active” status. Where this is not the case, SOHZ will investigate why the status is not “Active” and it will update the registry if it was Switch Move.

All ICPs traded by SOHZ have the status "Active". During the switching process, SOHZ checks the status of each ICP. If an ICP does not have the status "Active," it will be investigate.

#### Audit outcome

Compliant

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

#### Code reference

Clause 19 Schedule 11.1

#### Code related audit information

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

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

#### Audit observation

We reviewed the EDA file and the Audit Compliance report to identify any changes of status to "Inactive" during the audit period.

#### Audit commentary

There were no changes to ICPs status during the audit period.

Obligations under the medically dependent and vulnerable consumer guidelines have been taken into account in all disconnection processes. For any disconnection, the customer details will be viewed to ensure that the customer is not a MDVC. Prior to disconnecting any ICP notice will be given as required by those guidelines.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 15 Schedule 11.1*

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

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

#### **Audit observation**

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

#### **Audit commentary**

SOHZ is not planning to trade new connections. When their policy changes, a process will be documented.

#### **Audit outcome**

Compliant

## 4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

#### Code reference

Clause 2 Schedule 11.3

#### Code related audit information

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

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

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

#### Audit observation

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

#### Audit commentary

SOHZ processes are compliant with the requirements of the Fair Trading Act 1986.

The NT file is using the registry web interface within 2 business days of the date that the arrangement with the customer comes into effect.

SOHZ sent 4 NTTR during the audit period.

#### Audit outcome

Compliant

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

#### Code reference

Clauses 3 and 4 Schedule 11.3

#### Code related audit information

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

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



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

#### **Audit observation**

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

#### **Audit commentary**

SOHZ lost one ICP using the Standard Switch Process. The company did not send AN file. SOHZ responded by sending CS file.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 5 Schedule 11.3*

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

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

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

#### **Audit observation**

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

#### **Audit commentary**

SOHZ lost one ICP using the Standard Switch process. Switch Breach report did not record any non-compliances.

The accuracy of the content of the CS file was confirmed. The content checked included:

- correct identification of meter readings and correct date of last meter reading
- accuracy of meter readings
- accuracy of average daily consumption - methodology used to calculate it was correct
- read type flag

We found it compliant.

#### **Audit outcome**

Compliant

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

## Code reference

Clause 6(1) and 6A Schedule 11.3

## Code related audit information

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

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

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

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

## Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The Standard Switch process was examined and discussed with SOHZ. The management of RR files was examined and discussed with SOHZ.

## Audit commentary

SOHZ neither received nor sent RR files.

The company validates the switch event readings against data received from MEPS.

We confirm that SOHZ used reading from CS files in the reconciliation process.

## Audit outcome

Compliant

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

### Code reference

Clause 6(2) and (3) Schedule 11.3

### Code related audit information

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

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

### Audit observation

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

### Audit commentary

SOHZ traded NHH ICPs only. This clause is not applicable.

### Audit outcome

Not applicable

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

### Code reference

*Clause 7 Schedule 11.3*

### Code related audit information

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

### Audit observation

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

### Audit commentary

SOHZ has stated that they will accept validated meter readings or permanent estimates from other traders as long as they are reasonable and appropriate in the relevant circumstances. However, if they do decline to accept such readings or estimates, the company will provide a plausible explanation to the other participant involved.

### Audit outcome

Compliant

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

### Code reference

*Clause 9 Schedule 11.3*

### Code related audit information

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

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

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

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

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

#### **Audit observation**

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

#### **Audit commentary**

SOHZ processes are compliant with the requirements of the Fair Trading Act 1986.

The NT file is using the registry web interface within 2 business days of the date that the arrangement with the customer comes into effect.

SOHZ sent 4 NTMI for two ICPs during the audit period. 2 NTMI files were backdated; it was discussed with SOHZ.

1002053472LCD82 was backdated by 85 business days because Powershop refused to accept the NT file by sending three time NW files with the Advisory code of "CE" (customer error). The issue was finally resolved in February 2023.

0433340398LC12 was backdated by 213 business, originally it was incorrect type of switch which later on was resolved with the customer.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10(1) Schedule 11.3*

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

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

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

#### **Audit observation**

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

#### **Audit commentary**

SOHZ received 3 NTMI from gaining traders. The company responded by sending AN file at the prescribed time. The Switch Breach report identified one late AN file (9 business days).

**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 4.8 With: 10(1) of Schedule 11.3 From: 13-Mar-23 To: 31-Mar-23	One AN file was late Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong. Overall, well-managed switching process. Audit Risk Rating is recorded as low as the impact on settlement is minor		
Actions taken to resolve the issue		Completion date	Remedial action status
AN file was sent. Started checking for switch breaches more frequently in registry (web) as well as the tool provided by JCC, check them against our CRM		<b>22/08/2023</b>	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Started checking for switch breaches more frequently in registry (web) as well as the tool provided by JCC and check against our own CRM		22/08/2023	

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

**Code reference**

Clause 10(2) Schedule 11.3

**Code related audit information**

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

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

### Audit observation

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

### Audit commentary

SOHZ received 3 NTMI from traders and accepted the proposed event date. However, they did not accept it for one ICP and specified a date three days later.

### Audit outcome

Compliant

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

### Code reference

*Clause 11 Schedule 11.3*

### Code related audit information

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

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

### Audit observation

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

### Audit commentary

SOHZ received 3 NTMI from gaining traders to which they responded by sending AN files than CS file. The Switch Breach report identified one late CS file (9 business days).

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: 11 of Schedule 11.3 From: 11-Mar-23 To: 31-Mar-23	One CS file was late Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong. Overall, well managed switching process. Audit Risk Rating is recorded as low as the impact on settlement minor		
Actions taken to resolve the issue		Completion date	Remedial action status
Started checking for switch breaches more frequently in registry (web) as well as the tool provided by JCC, check them against our CRM		22/08/2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Started checking for switch breaches more frequently in registry (web) as well as the tool provided by JCC, check them against our CRM		22/08/2023	

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

##### Code reference

Clause 12 Schedule 11.3

##### Code related audit information

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

- if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or
- if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter

*reading. In this case, the gaining trader, within 4 calendar months of the date the registry manager gives the gaining trader written notice of having received information about the switch completion, must provide to the losing trader a changed validated meter reading or a permanent estimate supported by 2 validated meter readings and the losing trader must either (clause 12(2)(b) and clause 12(3)):*

- *advise the gaining trader if it does not accept the switch event meter reading and the losing trader and the gaining trader must resolve the dispute in accordance with the disputes procedure in clause 15.29 (with all necessary amendments) (clause 12(3)(a)); or*
- *if the losing trader notifies its acceptance or does not provide any response, the losing trader must use the switch event meter reading supplied by the gaining trader. (clause 12(3)(b)).*

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The Switch Move process was examined and discussed with SOHZ. The management of RR files was examined and discussed with SOHZ.

#### **Audit commentary**

SOHZ neither received nor sent RR files.

The company validates the switch event readings against data received from MEPS.

We confirm that SOHZ used reading from CS files in the reconciliation process.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 14 Schedule 11.3*

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

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

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

*If the uninvited direct sale agreement applies to an arrangement described above, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement*



*in accordance with section 36M of the Fair Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.*

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

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

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

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

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

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file and Switch Breach Report for the period covered by this audit.

#### **Audit commentary**

No HH switches occurred in the period covered by this audit. SOHZ trades cat 1 metering installations only.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 15 Schedule 11.3*

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

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

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

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

#### **Audit observation**

To assess compliance, we analysed the EDA file and Switch Breach Report for the period covered by this audit.

#### **Audit commentary**

No HH switches occurred in the period covered by this audit. SOHZ trades cat 1 metering installations only.

## Audit outcome

Compliant

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

#### Code reference

Clause 16 Schedule 11.3

#### Code related audit information

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

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

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

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

#### Audit observation

To assess compliance, we analysed the EDA file and Switch Breach Report for the period covered by this audit.

#### Audit commentary

No HH switches occurred in the period covered by this audit. SOHZ trades cat 1 metering installations only.

#### Audit outcome

Compliant

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

#### Code reference

Clauses 17 and 18 Schedule 11.3

#### Code related audit information

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

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

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*
  - o *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
  - and*
  - o *the withdrawal advisory code published by the Authority. (clause 18(c)(ii))*
- *within 5 business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is*

*accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal. (clause 18(d))*

- *on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c). All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request. (clause 18(e))*
- *if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within 2 business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16. (clause 18(f))*

#### **Audit observation**

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

#### **Audit commentary**

SOHZ sent one NW file, which was accepted. The reason code used by HANE was "WP which was correct.

SOHZ received NW files for two ICPs. One AW file was sent late

#### **Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 4.2 With: 17 and 18 of Schedule 11.3 From: 19-Mar-22 To: 30-Apr-22	One AW file was late Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong. Well-managed switching process overall. Audit Risk Rating is recorded as low as the impact on settlement is minor		
Actions taken to resolve the issue		Completion date	Remedial action status
Started checking for switch breaches more frequently in registry (web) as well as the tool provided by JCC, check them against our CRM		22/08/2023	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Started checking for switch breaches more frequently in registry (web) as well as the tool provided by JCC, check them against our CRM		22/08/2023	

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

##### Code reference

Clause 21 Schedule 11.3

##### Code related audit information

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

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

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

##### Audit observation

Meter readings are received from MEPs. SOHZ relies on MEPs to provide accurate readings but as is described in relevant sections, extensive validation is conducted upon uploading readings to the RM TOOL.

#### **Audit commentary**

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

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 11.15AA to 11.15AC*

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

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

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

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

#### **Audit observation**

This was discussed during the audit.

#### **Audit commentary**

SOHZ have noted in their document that no win back processes are applied. The company is aware that no win backs or certain communications are to be made for 180 days

#### **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 LIS file was reviewed to assess if SOHZ trades shared unmetered load. The process to identify and monitor unmetered load was discussed.

#### Audit commentary

SOHZ does not intend to trade ICPs with the shared unmetered load. If SUML is found at a later date, they will have JC Consulting create consumption based on the daily kWh information either from the distributor or the registry.

Audit outcome

#### Audit outcome

Compliant

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

### Code reference

*Clause 10.14 (2)(b)*

### Code related audit information

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

### Audit observation

The LIS file was reviewed to assess if SOHZ trades shared unmetered load. The process to identify and monitor unmetered load was discussed.

### Audit commentary

There are no plans to trade unmetered load ICPs in the foreseeable future. It is not the intention of SOHZ to take on UML ICPs. It is part of the validation process in accepting the customer.

### 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 LIS file was reviewed to assess if SOHZ trades shared unmetered load. The process to identify and monitor unmetered load was discussed.

### Audit commentary

There are no plans to trade unmetered load ICPs in the foreseeable future.

### Audit outcome

Not applicable

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

### Code reference

*Clause 11 Schedule 15.3, Clause 15.37B*

### **Code related audit information**

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

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

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

### **Audit observation**

We reviewed the LIS files and the Audit Compliance report for the period covered by this audit. We discussed the company policy in relation to trading distributed unmetered load ICPs.

### **Audit commentary**

The registry files review revealed that SOHZ had not traded an unmetered load. Additionally, SOHZ has no intentions of trading distributed unmetered loads.

### **Audit outcome**

Not applicable



## 6. GATHERING RAW METER DATA

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

#### Code reference

*Clause 10.13, Clause 10.24 and Clause 15.13*

#### Code related audit information

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

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

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

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

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

#### Audit observation

This was discussed with SOHZ. The LIS file, Audit Compliance report and registry were checked.

#### Audit commentary

SOHZ is responsible for one installation with embedded generation. JC Consulting is SOHZ's agent for the calculation of submission data and the transmission of data to the reconciliation manager. Volumes from ICP with distributed generation are reconciled using the RPS and PV1 profiles.

JC Consulting does not use subtraction to determine volume information.

#### Audit outcome

Compliant

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

#### Code reference

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

#### Code related audit information

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

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

*The participant responsible for the metering installation must:*

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

#### **Audit observation**

SOHZ does not have installations connected directly to the grid.

#### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

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

#### **Code reference**

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

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

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

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

#### **Audit observation**

This was discussed with SOHZ. The LIS file, Audit Compliance report and registry were checked.

#### **Audit commentary**

JC Consulting as an agent for SOHZ submits volumes to the reconciliation manager using the RPS and PV1 profiles. Control devices are not required for reconciliation purposes.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.43(2) and (3)*

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

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

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

#### **Audit observation**

This was discussed with SOHZ and JC Consulting. The LIS file, Audit Compliance report and registry were checked.

#### Audit commentary

SOHZ has agreements with NGCM, MTRX and COUP to provide metering installations and meter readings; raw meter data is collected by the MEPs or by SOHZ as reconciliation participant reads. JC Consulting is the SOHZ agent for the calculation of submission data and the transmission of data to the reconciliation and pricing manager.

JC Consulting collects metering information from the MEP's servers and verifies it using the RM TOOL. Reports are generated to detect any faulty metering, such as excessive or insufficient consumption, as well as zero readings or non-advancing registers. By analysing these reports, JC Consulting can identify bridged meters and provide recommendations to both SOHZ and the MEPs.

SOHZ has not identified any defective metering installations which could be not fit for purpose during this audit period.

#### 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

Meter readings are collected by MEPs. Interrogation requirements and clock synchronisations were reviewed as part of MEP audits.

### Audit commentary

The interrogation systems requirements were examined as part of the MEP audits and found to be compliant.

The MEPs provide clock synchronisation and event reports, which are reviewed.

### Audit outcome

Compliant

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

### Code reference

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

### Code related audit information

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

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

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

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

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

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

### Audit observation

Data collection was reviewed. Meters are read by MEPs.

### Audit commentary

All reads are received from the MEP, or via the switching process. MEPs are responsible for the collection of data.

SOHZ completed a manual reading for ICP 0099553967CN07E. There was a problem with the ICP's meter configuration, which took a while to resolve by Metrix. No metering data was provided between 16/09/2022 and 16/05/2023, but JC Consulting estimated the data for submissions to the reconciliation manager. In order to increase submission accuracy, SOHZ manually read the meter on 21/01/2023 and provided the information to JC Consulting, following the process described in this clause.

### Audit outcome

Compliant

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

### Code reference

Clause 6 Schedule 15.2

### Code related audit information

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

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

### Audit observation

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

This was discussed with SOHZ staff, and the data collection process was examined. The EDA file, the Registry, and the reconciliation submission files were checked.

### Audit commentary

Compliance confirmed based on scenarios as described in **section 12.11**. Compliance was confirmed.

### Audit outcome

Compliant

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

### Code reference

Clause 7(1) and (2) Schedule 15.2

### Code related audit information

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

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

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

### Audit observation

This was discussed with SOHZ. The switch process and related meter readings were reviewed. The process for monitoring missing reads, conducted by JC Consulting, was examined.

### Audit commentary

Both JC Consulting and SOHZ will closely monitor the frequency of meter readings.

SOHZ stated that they obtained a meter register, at least once during the period of supply, for all non-half hour metered ICPs that they are responsible for.

### Audit outcome

Compliant

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

### Code reference

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

### Code related audit information

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

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

### Audit observation

The process for obtaining meter readings was examined. The Meter Reading Frequency report is created by JC Consulting and provided to the Authority monthly. The company provided the report for November 2021 to May 2023.

### Audit commentary

The examination of reports confirmed that SOHZ obtained a validated meter reading for every meter register for NHH ICPs.

### Audit outcome

Compliant

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

### Code reference

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

### Code related audit information

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

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

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

### Audit observation

The process for obtaining meter readings was examined. The Meter Reading Frequency report is created by JC Consulting and provided to the Authority monthly. The company provided the report for November 2021 to May 2023.

### Audit commentary

The examination of reports confirmed that SOHZ obtained a validated meter reading for every meter register for NHH ICPs.

### Audit outcome

Compliant

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

### Code reference

Clause 10 Schedule 15.2

### Code related audit information

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

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

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

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

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

### Audit observation

SOHZ has agreements with NGCM, MTRX and COUP to provide metering installations and meter readings. The MEPs collect raw meter data.

### Audit commentary

Assessment with this clause is part of the MEPs audit.

### 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

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

### Audit commentary

No HHR ICPs were traded during the audit period.

### Audit outcome

Not applicable

## 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

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

### Audit commentary

No HHR ICPs were traded during the audit period.

### Audit outcome

Not applicable

## 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

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



**Audit commentary**

No HHR ICPs were traded during the audit period.

**Audit outcome**

Not applicable

## 7. STORING RAW METER DATA

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

#### Code reference

*Clause 13 Schedule 15.2*

#### Code related audit information

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

#### Audit observation

We reviewed the LIS and EDA files, and it was confirmed that SOHZ only trades NHH ICPs during this audit period.

#### Audit commentary

No HHR ICPs were traded during the audit period.

#### Audit outcome

Not applicable

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

#### Code reference

*Clause 18 Schedule 15.2*

#### Code related audit information

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

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

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

#### Audit observation

Raw meter data is retained by MEPs, and compliance is assessed as part of their MEP audits. Processes to archive and store raw meter data were reviewed.

#### Audit commentary

All meter reading data is archived and is retained by SOHZ.

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

#### Audit outcome

Compliant

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

#### Code reference

*Clause 21(5) Schedule 15.2*

#### Code related audit information

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

**Audit observation**

SOHZ is using RPS and PV1 profiles for reconciliation submissions. No external control equipment is used.

**Audit commentary**

SOHZ collects no non-metering information.

**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

This was discussed with SOHZ and JC Consulting. The JC Consulting Submission Summary Reports and registry were checked.

#### Audit commentary

Correction of NHH readings, if necessary, would be completed by JC Consulting in consultation with SOHZ. Corrections would be carried out in the RM TOOL with changes audit trailed.

SOHZ and JC Consulting confirmed that no NHH meter reading data corrections were required during this audit period.

#### Audit outcome

Compliant

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

#### Code reference

Clause 19(2) Schedule 15.2

#### Code related audit information

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

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

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

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

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

#### **Audit observation**

We reviewed the LIS and EDA files, and it was confirmed that SOHZ only traded NHH ICPs during this audit period

#### **Audit commentary**

No HHR ICPs were traded during the audit period.

#### **Audit outcome**

Not applicable

### **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**

This was discussed with SOHZ and JC Consulting. SOHZ traded NHH category 1 only. The JC Consulting Submission Summary Reports and registry were checked.

#### **Audit commentary**

SOHZ stated it does not trade any ICPs requiring error or loss compensation. We checked the LIS file to confirm it.

#### **Audit outcome**

Not applicable

### **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**

This was discussed with SOHZ and JC Consulting. SOHZ traded NHH category 1 only. The JC Consulting Submission Summary Reports and registry were checked.

#### **Audit commentary**

MEPs hold raw meter data, and compliance is recorded in their MEP audits.

JC Consulting will only correct working data if needed and will maintain an audit trail. It is important to note that MEP data is never overwritten.

#### **Audit outcome**

Compliant

## 9. ESTIMATING AND VALIDATING VOLUME INFORMATION

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

#### Code reference

*Clause 3(3) Schedule 15.2*

#### Code related audit information

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

#### Audit observation

The estimation processes and interval identification were examined during this audit. This was discussed with SOHZ and JC Consulting. SOHZ traded NHH category 1 ICPs reconciled as NHH.

#### Audit commentary

Meter reading information collected from MEPs is actual and is labelled as such in RM TOOL. If estimated readings are required they are labelled appropriately as estimated in the RM TOOL.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 3(4) Schedule 15.2*

#### Code related audit information

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

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

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

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

#### Audit observation

This was discussed with SOHZ and JC Consulting. SOHZ trade NHH category 1 ICPs only. The JC Consulting Submission Summary Reports, Reconciliation submission files and registry were checked.

#### Audit commentary

JC Consulting is SOHZ agent for the calculation of submission data and the transmission of data to the reconciliation manager. JC Consulting collects metering information from the MEP's servers and validates the information using RM TOOL.

JC Consulting calculated volume information provided to the reconciliation manager. Our checks of reconciliation submission files for the audit period demonstrated that volume information was derived from validated meter readings or estimates

#### 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

This was discussed with SOHZ and JC Consulting. SOHZ traded NHH category 1 ICPs only. The JC Consulting Submission Summary Reports, Reconciliation submission files and registry were checked.

### Audit commentary

SOHZ provided 5 examples of metering files provided by MEPs. The files are stored in RM TOOL. Metering data is neither rounded nor truncated upon uploading to RM TOOL.

### Audit outcome

Compliant

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

### Code reference

Clause 15 Schedule 15.2

### Code related audit information

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

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

### Audit observation

We reviewed the LIS and EDA files, and it was confirmed that SOHZ only trades NHH ICPs during this audit period.

### Audit commentary

No HHR ICPs were traded during the audit period.

### Audit outcome

Not applicable

## 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**

We examined the data validation process used by SOHZ and JC Consulting. It was discussed with SOHZ staff.

#### **Audit commentary**

JC Consulting collects metering information from the MEP's servers and validates the information using the RM TOOL. Raw meter reading information is not truncated or rounded.

On upload, the following validation is conducted by the RM TOOL:

- Checks for invalid dates and times
- Ensure that a read received is assigned to a meter on the correct ICP.
- Ensure that a read received is assigned to a meter with the correct serial number.
- Ensure that a read received is assigned to a channel with the correct channel number
- Check the read date prior to the last read date
- Ensure that our retailer is responsible for the ICP for the day of the read

Validation and exception reports are run which will identify defective metering if present such as; high/low consumption, consumption detected >10% of rollover quantity, zero readings/non advancing registers, consumption on de energised sites, missing reads and negative consumption. JC Consulting can identify bridged meters using these reports and event logs are reviewed. If there were an issue identified JC Consulting would advise SOHZ and the MEP.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 17 Schedule 15.2*

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

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

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

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

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

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

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

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

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

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

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

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

#### **Audit observation**

This was discussed with SOHZ and JC Consulting. We reviewed the data validation process for remotely read meters, including meter event logs, and validation exceptions.

#### **Audit commentary**

Validation and exception reports are run, which will identify defective metering if present such as; high/low consumption, consumption detected >10% of rollover quantity, zero readings/non-advancing registers, consumption on de-energised sites, missing reads and negative consumption. Using these reports, JC Consulting can identify bridged meters, and event logs are reviewed. If an issue was identified, JC Consulting would advise SOHZ and the MEP.

SOHZ advised, and JC Consulting confirmed no metering data integrity issues were identified during the audit period.

#### **Audit outcome**

Compliant

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

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

#### Code reference

Clause 13.136

#### Code related audit information

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

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

#### Audit observation

SOHZ is not a generator.

#### Audit commentary

This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

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

#### Code reference

Clause 13.137

#### Code related audit information

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

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

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

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

#### Audit observation

SOHZ is not a generator.

#### Audit commentary

This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

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

#### Code reference

Clause 13.138

#### Code related audit information

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

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

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

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

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

#### Audit observation

SOHZ is not a generator.

#### Audit commentary

This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

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

#### Code reference

Clause 13.140

#### Code related audit information

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

#### Audit observation

SOHZ is not a generator.

#### Audit commentary

This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

## 11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

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

#### Code reference

*Clause 15.3*

#### Code related audit information

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

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

#### Audit observation

This was discussed with SOHZ and JC Consulting. SOHZ trade NHH category 1 metering installations only. The LIS, EDA files and registry were checked.

#### Audit commentary

SOHZ uses the RPS and PV1 profile, which does not require a trading notification. We confirmed by checking the LIS file and submission files for November 2022 to May 2023.

#### 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 3 NSPs to confirm the AV110 (ICPDAYS) calculation was correct.

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

#### Audit commentary

The analysis of GR100 showed no differences between ICPDAYS calculated by JC Consulting and the registry.

## Audit outcome

Compliant

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

#### Code reference

Clause 15.7

#### Code related audit information

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

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

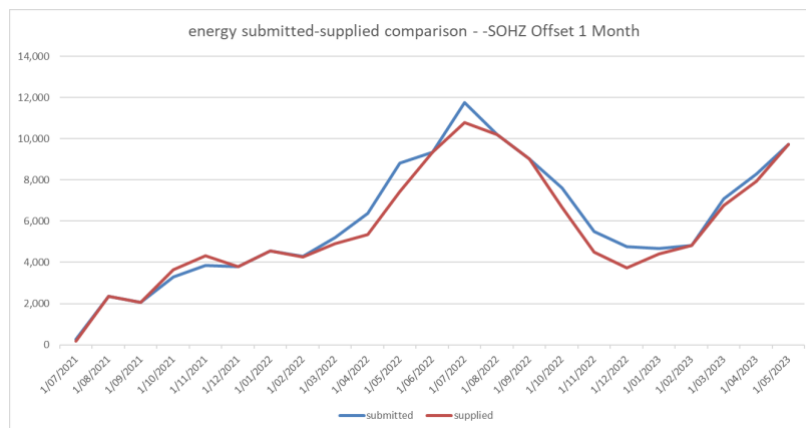
15.7(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

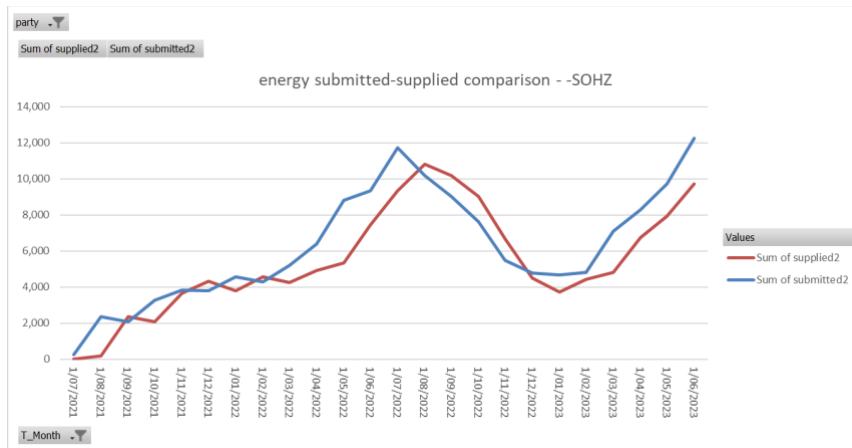
#### Audit observation

This was discussed with SOHZ and JC Consulting. JC Consulting submits AV-120 monthly on behalf of SOHZ. The process for the calculation of “as billed” volumes was examined.

JC Consulting submits AV-120 monthly, using invoiced volumes from Ultimate provided by SOHZ.

#### Audit commentary





**Audit outcome**

Compliant

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

**Code reference**

Clause 15.8

**Code related audit information**

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

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

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

**Audit observation**

We reviewed the LIS and EDA files, and it was confirmed that SOHZ only traded NHH ICPs during this audit period.

**Audit commentary**

No HHRVOLS and HHRAGGR were submitted during this audit period.

**Audit outcome**

Not applicable

## 12. SUBMISSION COMPUTATION

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

#### Code reference

Clause 15.36

#### Code related audit information

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

#### Audit observation

We reviewed the LIS and EDA files, and it was confirmed that SOHZ only traded NHH ICPs during this audit period.

#### Audit commentary

This clause is not applicable.

#### Audit outcome

Not applicable

### 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

This was discussed with SOHZ and JC Consulting. BILLED, NHHVOLS, ICPDAYS files, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed.

The Electricity Authority was checked for any breach activity (late submissions) during the audit period.

#### Audit commentary

JC Consulting is SOHZ's agent for the calculation of submission data and the transmission of data to the reconciliation manager. We confirm JC Consulting submits volume submissions to the reconciliation manager using the RPS and PV1 profiles. Volumes were submitted for all ICPs traded during the audit period.

We confirm no breaches for late submission of information to the reconciliation manager during the audit period.

#### Audit outcome



Compliant

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

#### Code reference

Clause 15.5

#### Code related audit information

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

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

#### Audit observation

This was discussed with SOHZ and JC Consulting. BILLED, NHHVOLS, ICPDAYS files, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed.

The LIS and registry were checked. SOHZ traded NHH ICPs during the audit period.

#### Audit commentary

JC Consulting is SOHZ's agent for calculating submission data and transmitting data to the reconciliation manager. JC Consulting collects metering information from the MEP's servers and validates the information using the RM TOOL.

ICP information from the registry is refreshed in the RM TOOL before each reconciliation submission to ensure that aggregation factors and statuses are consistent with the registry. The volumes are allocated to NSPs based on the registry data.

After checking the monthly Submission Summary Reports, it was confirmed that the ICPs and consumption volume were allocated correctly to the NSPs. The review of NHHVOLS submissions also confirmed that the NSP allocations were correct and appropriately identified zero volume against NSPs with no ICPs.

#### Audit outcome

Compliant

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

#### Code reference

Clause 15.9

#### Code related audit information

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

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

#### **Audit observation**

SOHZ is not a grid owner.

#### **Audit commentary**

This clause is not applicable. 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**

SOHZ is not embedded network owner.

#### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

### **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**

SOHZ is not a grid connected generator.

#### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

## Audit outcome

Not applicable

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

### Code reference

Clause 15.12

### Code related audit information

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

### Audit observation

This was discussed with SOHZ and JC Consulting. BILLED, NHHVOLS, ICPDAYS files, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed. The EDA file was reviewed.

### Audit commentary

JC Consulting has a procedure for comparing data recorded in the registry with data stored in the RM TOOL during the month and before each reconciliation runs. As a result, the RM TOOL will identify any changes to previous submissions, including new estimates based on more recent data or updated reads with actual data.

### Audit outcome

Compliant

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

### Code reference

Clause 4 Schedule 15.2

### Code related audit information

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

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

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

### Audit observation

This was discussed with SOHZ and JC Consulting. BILLED, NHHVOLS, ICPDAYS files, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed. We reviewed GR-170NHH to assess compliance.

## Audit commentary

Analysis of GR-170NHH confirmed that by the month 14 revision cycle, volume information created using estimated readings was replaced with the volume created using validated meter readings.

## Audit outcome

Compliant

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

### Code reference

Clause 2 Schedule 15.3

### Code related audit information

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

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

### Audit observation

This was discussed with SOHZ and JC Consulting. BILLED, NHHVOLS, ICPDAYS files, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed. LIS and EDA files were reviewed.

### Audit commentary

During the audit period, SOHZ traded NHH category 1 ICPs. We confirm JC Consulting as an agent for SOHZ submits volumes to the reconciliation manager using the RPS and PV1 Profiles. Control devices, operation logs or other profile determination are not used to create volumes.

SOHZ did not trade any Shared UML or UML during this audit period.

Based on the information provided, we have verified that SOHZ submitted all the ICP consumption volumes during the audit period.

## Audit outcome

Compliant

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

#### Code reference

*Clause 3 Schedule 15.3*

#### Code related audit information

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

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

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

#### Audit observation

This was discussed with SOHZ and JC Consulting. NHHVOLS, GR-170NHH, GR-30, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed.

#### Audit commentary

The process for calculating NHH volumes was examined by checking several NSPs ICPs supplied during the audit period. JC Consulting provided a detailed breakdown of volume for each ICP by NSP. NHH volumes aggregation was confirmed to be correct, and it verified that estimates were included and identified correctly in files submitted during the audit period.

## Audit outcome

Compliant

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

#### Code reference

*Clause 4 and 5 Schedule 15.3*

#### Code related audit information

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

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

#### Audit observation

This was discussed with SOHZ and JC Consulting. NHHVOLS, GR-170NHH, GR-30, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed.

#### Audit commentary

We asked the company to provide examples of calculations relevant to SOHZ. All meters are read remotely.

The scenarios provided are listed below:

- ICP gained
- ICP lost
- Reads span over two months
- Reads in the same month

We confirm that the calculations were correct.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 6 Schedule 15.3*

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

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

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

#### **Audit observation**

This was discussed with SOHZ and JC Consulting. NHHVOLS, GR-170NHH, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed.

EDA and LIS files and registry were checked.

#### **Audit commentary**

Forward estimates are based on the average daily consumption provided by the losing trader in the CS file, or historic consumption.

We checked the JC Consulting estimate process relating to ICP switches (gained and lost and reads), meter changes or spanning a consumption period that met Code requirements.

SOHZ completed a manual reading for ICP 0099553967CN07E. There was a problem with the ICP's meter configuration, which took a while to resolve by Metrix. No metering data was provided between 16/09/2022 and 16/05/2023, but JC Consulting forward estimated the data for submissions to the reconciliation manager. In order to increase submission accuracy, SOHZ manually read the meter on 21/01/2023 and provided the information to JC Consulting, following the process described in this clause.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 7 Schedule 15.3*

### **Code related audit information**

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

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

### **Audit observation**

This was discussed with SOHZ and JC Consulting. NHHVOLS, the EDA file, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed.

### **Audit commentary**

SOHZ traded NHH category 1 ICPs. JC Consulting as agent for SOHZ submits volumes to the reconciliation manager using the RPS and PV1 Profiles. Control devices, operation logs or other profile determination are not used to create volumes.

We confirm SOHZ did not change any profiles during the audit period.

### **Audit outcome**

Compliant

## 13. SUBMISSION FORMAT AND TIMING

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

#### Code reference

*Clause 8 Schedule 15.3*

#### Code related audit information

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

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

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

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

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

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

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

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

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

#### Audit observation

We reviewed the submission file for November 2022 to May 2023.

SOHZ trades category 1 metering installations. All ICPs were reconciled as NHH.

#### Audit commentary

Every month SOHZ submits NHHVOLS files to the reconciliation manager.



Submission information is provided to the reconciliation manager in the appropriate format and is aggregated to the following level:

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

SOHZ did not trade any Shared UML or UML during this audit period.

We checked the above information and confirmed all ICP consumption volumes submitted that SOHZ was responsible for during the audit period.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 9 Schedule 15.3*

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

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

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

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

#### **Audit observation**

This was discussed with SOHZ and JC Consulting. The LIS, EDA, reconciliation submission files were checked. JC Consulting provided Submission Summary Reports and NHHVOLS files for review.

#### **Audit commentary**

JC Consulting is SOHZ agent for the calculation of submission data and the transmission of data to the reconciliation manager.

The review of submission files confirmed that the number of decimal places is rounded to not more than 2 decimal places when reporting submission information. The company has clarified that this is done, at the end of calculations, using a specific method outlined in a clause.

#### **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**

SOHZ Energy provided NHHVOLS and GR-170NHH files to assess compliance with the above clause.

**Audit commentary**

The table shows a number of NSPs for which the historic estimates percentage have not met the threshold specified in this clause.

Month	Number of NSPs	R3	R7	R14
Jan-22	8	1		
Oct-22	8	1		
Jan-23	8	1		
Feb-23	8	1		

Non-compliance for October 2022, January 2023, and February 2023 is due to missing readings for ICP 0099553967CN07E, as mentioned in other sections.

**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 13.3 With: 10 of Schedule 15.3 From: 01-Nov-21 To: 31-Jul-23	Historical Estimate targets not met for revision 3 for four months  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Moderate  Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	Controls are rated as moderate because there are some improvements that can be made to them. There was a minor impact on the settlement .  The audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status

SOHZ ended up taking manual reads in the prescribed way. There was a delay in comms with Metrix and coordinating with the consumer for confirmation of site access. Had to take preventive action to resolve the issue at hand and also since we had no reads for 4 months.	22/08/2023	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>	
Communications matrix has been formulated so we know who and how to contact for metering / comms issues	22/08/2023	

## CONCLUSION

## PARTICIPANT RESPONSE