

ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT



For

KINETIC NETWORKS LTD (EDCL)

NZBN: 9429030287525

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EXECUTIVE SUMMARY

This distributor audit was conducted at the request of **Kinetic Networks Ltd (EDCL)** to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11.

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

EDCL's compliance is reliant on the compliance of TENCO, as the contractor. In this report, I have only recorded those matters where issues were discovered or where specific analysis was undertaken. TENCO's audit report will be submitted with this report.

Overall, the level of compliance was found to be high. This audit found four non-compliances and makes no recommendations. The non-compliances relate to a small number of late registry updates and late updates of NSP information to the reconciliation manger.

The next audit frequency table indicates that the next audit be due in 24 months, and I agree with this recommendation.

The matters raised are set out in the table below.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2A) of Schedule 11.1	Four late initial electrical connection date updates.	Strong	Low	1	Cleared
Changes to registry information	4.1	8 Schedule 1.11	29 late network event updates. 12 late pricing event updates. 32 late NSP event updates.	Strong	Low	1	Cleared
Notice of supporting embedded network NSP information	6.4	26(4) Schedule 11.1	The LE ICP for EVL0011 was not provided to the reconciliation manager at least one month before the start date.	Strong	Low	1	Cleared
Responsibility for metering information for NSP that is not a POC to the grid	6.8	10.25(1) and 10.25(3)	Metering installation certification details were not provided to the reconciliation manager within 20 business days of certification for EMT0011.	Moderate	Low	2	Cleared
Future Risk Rating						5	

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

RECOMMENDATIONS

Subject	Section	Recommendation	Description
		Nil	

ISSUES

Subject	Section	Issue	Description
		Nil	

1. ADMINISTRATIVE

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

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

Audit observation

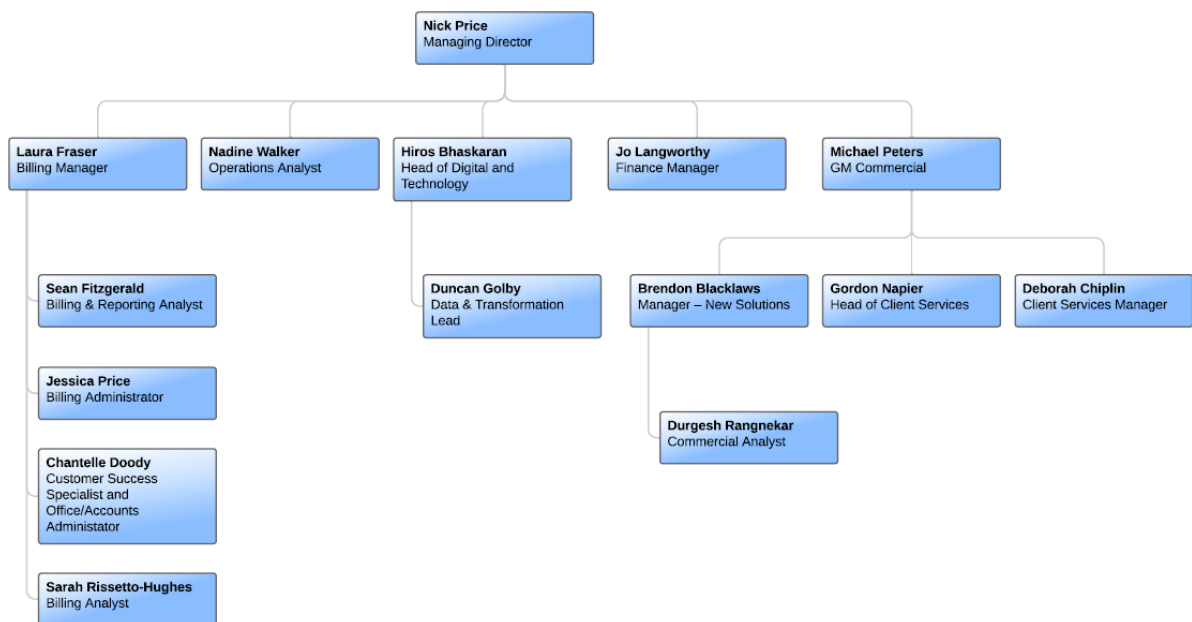
The Electricity Authority website was checked to determine whether EDCL has any Code exemptions in place.

Audit commentary

Review of exemptions on the Electricity Authority website confirmed that there are no exemptions in place for EDCL.

1.2. Structure of Organisation

TENCO provided an organisation chart:



1.3. Persons involved in this audit

Auditors:

Name	Company	Title
Brett Piskulic	Provera	Auditor

TENCO personnel assisting in this audit were:

Name	Title	Organisation
Nick Price	Managing Director	TENCO
Nadine Walker	Operations Lead	TENCO

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

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

Audit observation

TENCO performs all EDCL's responsibilities.

1.5. Supplier list

All activities covered by the scope of this audit are conducted by TENCO.

1.6. Hardware and Software

Hardware and software are discussed in the TENCO agent audit report.

1.7. Breaches or Breach Allegations

EDCL has not had any breach allegations relevant to this audit recorded by the Electricity Authority.

1.8. ICP and NSP Data

Review of the NSP table showed EDCL had the following NSPs as of 8 February 2024.

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
EHS0011	41 HOPPER STREET WELLINGTON	CPK0331	CKHK	EHS0011EDCLE	E	1 October 2018	76
EIL0011	ILL CASINO APARTMENTS	CPK0331	CKHK	EIL0011EDCLE	E	1 September 2015	37
EJS0011	73 Jackson St Petone	GFD0331	CKHK	EJS0011EDCLE	E	25 May 2020	84
EKV0011	Kerikeri Retirement Village	KOE1101	TOPE	EKV0011EDCLE	E	1 July 2020	59
EMT0011	164 THE TERRACE	CPK0331	CKHK	EMT0011EDCLE	E	1 February 2014	112
ENB0011	NZX BUILDING	CPK0331	CKHK	ENB0011EDCLE	E	1 July 2020	15
ERF0011	74 RIDDIFORD ST WELLINGTON	CPK0331	CKHK	ERF0011EDCLE	E	17 June 2014	74
ESG0011	STADIUM GARDEN APARTMENTS	KWA0111	CKHK	ESG0011EDCLE	E	12 February 2015	92
ETT0011	EDCL 28 TORRENS TERRACE	CPK0331	CKHK	ETT0011EDCLE	E	1 July 2020	191
ERS0011	1 Roxburgh Street Wellington	CPK0331	CKHK	ERS0011EDCLE	E	1 August 2018	62

NSP created during the period (since 1 May 2022)							
NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
EVL0011	Vela Apartments	GFD0331	CKHK	EVL0011EDCLE	E	1 November 2023	32

No NSPs were decommissioned or transferred from other networks during the audit period.

Status	Number of ICPs (2024)	Number of ICPs (2022)	Number of ICPs (2020)	Number of ICPs (2017)	Number of ICPs (2016)
New (999,0)	-	-	-	-	5
Ready (0,0)	-	-	-	-	-
Active (2,0)	834	802	912	671	580
Distributor (888,0)	-	-	-	-	-
Inactive – new connection in progress (1,12)	-	-	3	-	-
Inactive – electrically disconnected vacant property (1,4)	1	-	1	5	1
Inactive – electrically disconnected remotely by AMI meter (1,7)	1	2	-	-	-
Inactive – electrically disconnected at pole fuse (1,8)	-	-	-	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	-	-	-	-	-
Inactive – electrically disconnected at meter box fuse (1,10)	-	-	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	-	-	-	-	-
Inactive – reconciled elsewhere (1,5)	-	-	90	264	277
Decommissioned (3)	28	28	-	11	-

1.9. Authorisation Received

An email of authorisation was provided.

1.10. Scope of Audit

This distributor audit was performed at the request of EDCL, to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11.

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

The audit analysis was undertaken on:

- a registry list snapshot as of 8 February 2024,
- a registry list with history and event detail report for 1 May 2022 to 8 February 2024,
- audit compliance reports covering 1 May 2022 to 8 February 2024,
- a meter installation details report for 8 February 2024, and
- the NSP table, NSP mapping table, loss factor table, and price category table for 8 February 2024.

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

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

The audit report for TENCO will be submitted with this audit.

1.11. Summary of previous audit

The previous audit was conducted in April 2022 by Steve Woods of Veritek Limited.

The audit recorded three non-compliances. The current status of the non-compliances and recommendation is listed below.

TABLE OF NON-COMPLIANCE

Subject	Section	Clause	Non-compliance	Status
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2A) of Schedule 11.1	One late initial electrical connection date update.	Cleared
Connection of NSP that is not point of connection to grid	3.9	10.30	Meter certification expiry date not notified within five business days of the NSP being electrically connected.	Cleared
Changes to registry information	4.1	8 Schedule 1.11	12 late pricing events.	Cleared

TABLE OF RECOMMENDATIONS

Subject	Section	Recommendation	Status
ICP location address	4.4	Add the property name to the address to ensure the property is unique and easily locatable.	Cleared

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report. Examination of the list file and audit compliance reports confirmed compliance.

Audit outcome

Compliant

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

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

Audit observation

Processes to provide information were reviewed and observed throughout the audit, and as part of TENCO's agent audit.

Audit commentary

Compliance is recorded in the TENCO agent audit report. Incorrect information is normally corrected daily, or as soon as possible upon discovery.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report.

Audit commentary

Compliance is recorded in the TENCO audit. EDCL do not complete any work requiring a change of seal, the retailer will initiate any such work required with a contractor.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

The TENCO agent audit report discusses the management of this information. The Disputes Resolution information was examined to determine compliance.

Audit commentary

Compliance is recorded for TENCO.

Utilities Disputes information is also available on the Kinetic Networks website.

Audit outcome

Compliant

3. CREATION OF ICPS

3.1. Distributors must create ICPs (Clause 11.4)

Code reference

Clause 11.4

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO audit report. The registry list and audit compliance reports were examined to determine compliance. No new ICPs were created by EDCL during the audit period.

Audit commentary

Compliance is recorded for TENCO. ICPs are created in accordance with this clause for all new connections. No new ICPs were created by EDCL during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 11.5(3)

Code related audit information

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

Audit observation

The new connection process is discussed in the TENCO audit report. The registry list and audit compliance reports were examined to determine compliance. No new ICPs were created by EDCL during the audit period.

Audit commentary

Compliance is recorded in the TENCO audit report in relation to this clause. No new ICPs were created by EDCL during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

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

Audit observation

The new connection process is discussed in the TENCO report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report. No new ICPs were created by EDCL during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO audit report. The event detail report, registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO audit report in relation to this clause. No new ICPs were created by EDCL during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO audit report. The event detail report, registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

Four ICPs were identified with the initial electrical connection date populated more than ten business days after electrical connection. Three were due to delays confirming the active date with the trader and one was due to a three-week delay in transferring the ICP from the parent network which prevented EDCL from being able to update the registry.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: 01-May-22 To: 08-Feb-24	Four late initial electrical connection date updates. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as strong as the late updates were related to the late transfer of ICPs to EDCL and the confirmation of information prior to the transfer. The audit risk rating is low because non-compliance has no direct impact on submission but does limit the ability of traders to validate their active dates.		
Audit Comments for reference		Completion date	Remedial action status
These updates, as noted by Provera, were delayed due to actions on other participants and therefore outside of Tenco's control.		During audit period	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
We continue to follow up with traders and MEPs where we find discrepancies or where updates have not been made. Additionally, we have requested a review of the DS-010 transfer process, due to the recent delays in processing timeframes.		Ongoing	

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

Code reference

Clause 11.17

Code related audit information

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

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

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

Audit observation

The management of this process is discussed in the TENCO agent report. The event detail report, registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent report. Review of the registry list confirmed that a trader is currently recorded for all “active” ICPs, and there is no known shared unmetered load on EDCL’s network.

All 32 ICPs electrically connected during the audit period had a proposed trader recorded prior to initial electrical connection. All 32 ICPs were created by the parent network and 28 of these were electrically connected before transferring to EDCL, four ICPs were electrically connected after transferring to EDCL.

Audit outcome

Compliant

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

Code reference

Clause 10.31

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO agent report. The event detail report, registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent report. Review of the registry list confirmed that a trader is currently recorded for all “active” ICPs, and there is no known shared unmetered load on EDCL’s network.

All 32 ICPs electrically connected during the audit period had a proposed trader recorded prior to initial electrical connection. All 32 ICPs were created by the parent network and 28 of these were electrically connected before transferring to EDCL, four ICPs were electrically connected after transferring to EDCL.

Audit outcome

Compliant

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

Code reference

Clause 10.31A

Code related audit information

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

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

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

advising all traders would impose a material cost on the distributor, and

in the distributor's reasonable opinion, the advice would not result in any material benefit to any of the traders.

Audit observation

The management of this process is discussed in the TENCO agent report. The registry list, event detail report, and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent report. All electrically connected ICPs had certified meters on their initial electrical connection date. No temporary electrical connections were identified.

Audit outcome

Compliant

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

Code reference

Clause 10.30

Code related audit information

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

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

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

Audit observation

The NSP table was reviewed.

Audit commentary

One new NSP EVL0011 was created during the audit period. I checked the notifications related to this NSP and confirmed that the connection date, MEP identifier and metering installation certification expiry date were provided to the Reconciliation Manager within five business days.

Audit outcome

Compliant

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

Code reference

Clause 10.30A and 10.30B

Code related audit information

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

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

A distributor may only electrically connect an NSP if:

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

Audit observation

The NSP table was reviewed.

Audit commentary

One new NSP was created during the audit period as described in **section 3.9**. EDCL confirmed that the NSP was not temporarily electrically connected.

Audit outcome

Compliant

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

xxxxxxxxxxxccc where:

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

Audit observation

The management of this process is discussed in the TENCO agent report.

Audit commentary

Compliance is recorded for TENCO agent report in relation to this clause.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO audit report. The registry list was examined to confirm all “active” ICPs have a single loss category code.

Audit commentary

Compliance is recorded in the TENCO agent report. Each “active” ICP only has a single loss category, which clearly identifies the relevant loss factor.

Audit outcome

Compliant

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

Code reference

Clause 13 Schedule 11.1

Code related audit information

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

- the associated electrical installations are in the construction phase (clause 13(a) of schedule 11.1),
- the ICP is not ready for activation (clause 13(b) of schedule 11.1).

Audit observation

The ICP creation process was reviewed as part of the TENCO agent audit. The registry list, event detail report, and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO audit report in relation to this clause.

There are currently no ICPs with the “new” status. No ICPs have been at “new” status for over 24 months.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

- the distributor must ask the trader who intends to trade at the ICP whether the ICP should continue to have that status (clause 15(2)(a) of schedule 11.1),

- *the distributor must decommission the ICP if the trader advises that the ICP should not continue to have that status (clause 15(2)(b) of schedule 11.1).*

Audit observation

Monitoring of “new” and “ready” status is discussed in the TENCO agent report. The registry list, event detail report and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent report in relation to this clause.

Examination of the list file found no ICPs at “new” status and no ICPs at “ready” status.

Audit outcome

Compliant

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

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

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

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

Audit observation

The registry list was examined to determine compliance.

Audit commentary

The list file was examined. There is no embedded generation on the EDCL network that has a generation capacity greater than 10MW.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(4)

Code related audit information

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

Audit observation

The new connection process of ICPs and NSPs is discussed in the TENCO report.

Audit commentary

Compliance is recorded in the TENCO agent audit report. EDCL do not undertake electrical connections of ICPs as this is a trader's responsibility. For all NSP electrical connections, EDCL has approved the trader to electrically connect the NSPs.

Audit outcome

Compliant

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

Code reference

Clause 10.30C and 10.31C

Code related audit information

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

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

Audit observation

Processes to manage this are discussed in the TENCO agent report.

Audit commentary

Compliance is confirmed for the process detailed in the TENCO agent report.

If disconnection is required EDCL sends a request to the trader to disconnect the ICP. EDCL would only request electrical disconnection where ICPs or NSPs are to be decommissioned, for safety reasons or building refurbishment as notified by the building management.

Audit outcome

Compliant

3.18. Meter bridging (Clause 10.33C)

Code reference

Clause 10.33C

Code related audit information

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

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

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

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

Audit observation

The management of this process was examined as part of the TENCO agent audit.

Audit commentary

Compliance is recorded in the TENCO agent audit report. TENCO do not bridge meters for EDCL. This is managed by the traders.

Audit outcome

Compliant

4. MAINTENANCE OF REGISTRY INFORMATION

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

Code reference

Clause 8 Schedule 11.1

Code related audit information

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

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

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

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

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

In the case of a change to price category codes, where the change is backdated, no later than 3 business days after the distributor and the trader responsible for the ICP agree on the change.

Audit observation

The management of this process was examined as part of the TENCO agent audit. The audit compliance and event detail reports were examined to determine compliance.

Audit commentary

Analysis of the audit compliance reports identified the following:

Address events

65 address updates not relating to initial population of address data for new connections were identified. All the updates were made within three business days of the event date.

Network events

36 network updates made by EDCL not relating to initial population of data for new connections were identified. 29 of the updates were not made within three business days of the event date. These were all checked and found to be backdated corrections of the Reconciliation Type field from GN to EN after the ICPs were transferred from the parent network to the new embedded network EVL0011 with the field incorrectly populated.

Pricing events

50 pricing updates, not relating to initial population of data for new connections during the audit period were identified. 44 updates were backdated more than three business days, all 44 were examined and found:

- 32 were updates made by the Registry Manager when the ICPs were transferred from the parent network to the new embedded network EVL0011,
- one was due to an incorrect effective date being entered, this has now been corrected, and
- 11 were updated more than three business days after agreement was reached with the trader.

Status events

There were no ICPs decommissioned during the audit period.

NSP changes

The audit compliance report identified 32 late updates for NSP changes. These were all checked and found to backdated corrections of NSP field after the ICPs were transferred from the parent network to the new embedded network EVL0011 with the field incorrectly populated.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.1 With: Clause 8 Schedule 11.1 From: 08-Aug-22 To: 23-Nov-23	29 late network event updates. 12 late pricing event updates. 32 late NSP event updates. Potential impact: Low Actual impact: Low Audit history: Multiple times previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong, as the majority of late updates were related to the late transfer of ICPs to EDCL and the correction of information incorrectly populated at the time of transfer. The audit risk rating is low due to the low number of late updates during the audit period.		
Actions taken to resolve the issue		Completion date	Remedial action status
In general, we make updates as soon as we become aware of the requirement. Events are only back dated if there is a valid reason, that would otherwise distort accuracy or affect reconciliation.		During audit period	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
We have noted an increase in the late processing of DS010 files by the EA. We have requested a review of the DS-010 transfer process, due to the recent delays in processing timeframes.		Ongoing	

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

Code reference

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

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report in relation to this clause. I compared the registry list and NSP table and confirmed that all “active” ICPs were mapped to an NSP consistent with the ICP address information.

Review of the audit compliance reports did not identify any streets where the NSP may be recorded incorrectly.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

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

Audit observation

The management of this process was examined as part of the TENCO agent audit.

Audit commentary

Compliance is recorded in the TENCO agent audit report. ICP numbers are provided immediately when they have verified the requestor's identity and provided address details.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

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

Audit observation

The management of this process was examined as part of the TENCO agent audit. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report. Review of EDCL's list file found that all "active" and "inactive" ICPs have sufficient address information to allow the ICPs to be readily located.

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

The management of this process was examined as part of the TENCO agent audit.

Audit commentary

Compliance is recorded for TENCO.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

- *the location address of the ICP identifier (clause 7(1)(a) of schedule 11.1),*
- *the NSP identifier of the NSP to which the ICP is usually connected (clause 7(1)(b) of schedule 11.1),*
- *the installation type code assigned to the ICP (clause 7(1)(c) of schedule 11.1),*
- *the reconciliation type code assigned to the ICP (clause 7(1)(d) of schedule 11.1),*
- *the loss category code and loss factors for each loss category code assigned to the ICP (clause 7(1)(e) of schedule 11.1),*
- *if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (clause 7(1)(f) of schedule 11.1):*
 - a) *the unique loss category code assigned to the ICP,*

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

- *the initial electrical connection date of the ICP (clause 7(1)(p) of schedule 11.1).*

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report. Examination of the list file and the audit compliance reports confirmed that ICP information had been populated correctly. I saw evidence that incorrect information was identified and resolved through TENCO's validation processes, including for 32 ICPs connected to EVL0011 where the NSP was incorrectly assigned on transfer from the parent network. There has been no unmetered load or embedded generation added during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report in relation to this clause.

Pricing information was updated on the registry before trading of electricity commenced for all ICPs connected during the audit period, examination of the audit compliance report confirmed this.

Audit outcome

Compliant

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

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

EDCL does not record GPS coordinates on the registry.

Audit outcome

Compliant

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

Code reference

Clause 14 Schedule 11.1

Code related audit information

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

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

Before an ICP is given the “ready” status in accordance with clause 14(1) of schedule 11.1, the distributor must:

- *identify the trader that has taken responsibility for the ICP (clause 14(2)(a) of schedule 11.1),*
- *ensure the ICP has a single price category (clause 14(2)(b) of schedule 11.1).*

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list and audit compliance reports were examined to determine compliance.

Audit commentary

Analysis of the registry list found no ICPs at the “new” or “ready” status. No new ICPs were created by EDCL during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.1

Code related audit information

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

Audit observation

It is unlikely that EDCL will deal with any ICPs with a “distributor” status because they do not deal with shared unmetered load, and there are no embedded networks connected to existing embedded networks.

The registry list and event detail reports were examined to determine compliance.

Audit commentary

The distributor status was not used at all during the report period.

Audit outcome

Compliant

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The registry list, event detail report, and audit compliance reports were examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report. No ICPs were decommissioned during the audit period.

No ICPs are currently at the “inactive - ready for decommissioning” status.

Audit outcome

Compliant

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

Code reference

Clause 23 Schedule 11.1

Code related audit information

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

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

A price category code takes effect on the specified date.

Audit observation

The management of this process is discussed in the TENCO agent audit report. The price category table was examined to determine compliance.

Audit commentary

EDCL did not create any new price categories during the audit period.

Five price categories were end dated on 30 April 2022 with notification provided correctly on 15 February 2022.

Audit outcome

Compliant

5. CREATION AND MAINTENANCE OF LOSS FACTORS

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

Code reference

Clause 21 Schedule 11.1

Code related audit information

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

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

Audit observation

The loss category code table on the registry was examined to determine compliance.

Audit commentary

No new loss category codes were created during the audit period.

Audit outcome

Compliant

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

Each loss category code must have a maximum of two loss factors per calendar month. Each loss factor must cover a range of trading periods within that month so that all trading periods have a single applicable loss factor. If the distributor wishes to replace an existing loss factor on the table in the registry, the distributor must enter the replaced loss factor on the table in the registry.

Audit observation

The loss category code table on the registry was examined to determine compliance.

Audit commentary

EDCL did not update any loss factor values during the audit period.

EDCL end dated two loss category codes during the audit period, the correct notice was provided:

Loss factor	Start date	End date	Last updated
EDUNL01	1 May 2021	31 March 2022	24 January 2022
EDUNL02	1 October 2011	30 April 2022	15 February 2022

There was a maximum of one loss factor per loss factor category code per month, and all trading periods had a single applicable loss factor.

Audit outcome

Compliant

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

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

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

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

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

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

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

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

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table was examined.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

No NSPs were decommissioned during the audit period.

One new NSP was created during the audit period, and written notice was provided to all parties as required by this clause.

NSP	Embedded under POC code	Embedded under network participant	Start date	Comment
EVL0011	GFD0331	CKHK	1 November 2023	32 ICPS transferred from parent network

Audit outcome

Compliant

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

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table was examined.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

One new NSP EVL0011 was created during the audit period.

A request to create an NSP identifier was provided to the RM as required by this clause.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table was examined. Notifications were reviewed.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

One new NSP was created during the audit period, and the correct balancing area information was provided in accordance with this clause.

NSP	Start date	Balancing area
EVL0011	1 November 2023	EVL0011EDCLE

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP mapping table, Network Supply Points table, registry list and relevant notifications were examined.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

One new NSP was created during the audit period, and information was provided in accordance with this clause, apart from the LE ICP which was not provided at least one month before the start date.

NSP	Start date	Date LE ICP provided to reconciliation manager
EVL0011	1 November 2023	26 March 2024

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.4 With: 26(4) Schedule 11.1 From: 01-Oct-23 To: 26-Mar-24	The LE ICP for EVL0011 was not provided to the reconciliation manager at least one month before the start date. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as strong because almost all information was provided on time.</p> <p>The audit risk rating is low because all other required information was provided on time.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>In most instances we provide all other NSP information to the RM in accordance with the 30-day rule. Where we are reliant on parent networks issuing LE ICPs, we often experience delays. This sometimes puts it outside of our control to update LE ICP information within the required timeframe.</p>		During audit period	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>We continue to work with parent networks to provide all information they require to issue ICPs in a timely manner. The process can often take 2-3 months and require multiple delays to the start date for new embedded networks, as without an LE ICP we are unable to install gate metering at the MSB.</p>		Ongoing	

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table was examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report. No balancing areas were changed during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

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

Audit observation

The NSP table was examined.

Audit commentary

No existing ICPs became NSPs during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO report. The NSP table, registry and relevant notifications were examined.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

ICPs were transferred from the parent network to the new embedded network at NSP EVL0011. Notifications were provided as required.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

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

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

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table was examined to determine compliance.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

The following NSPs had metering installation certification expiry date changes during the audit period:

NSP POC	Description	MEP	New cert date	Update date	New expiry	Business days
EIL0011	ILL CASINO APARTMENTS	AMCI	11 September 2023	21 September 2023	8 July 2025	8
EMT0011	164 THE TERRACE	AMCI	1 November 2023	4 March 2024	1 November 2033	82

Notification to the RM was not provided within the required 20 business days for NSP EMT0011.

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

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.8 With: 10.25(1) and 10.25(3) From: 29-Nov-23 To: 04-Mar-24	Metering installation certification details were not provided to the reconciliation manager within 20 business days of certification for EMT0011. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are moderate, because the delays are primarily caused by the MEP being unable to provide information on time. The impact is low because there no impact on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status

We have found the late certification of some of these meters is due to low load situations at the outset of new developments, which prevents load checks from being carried out. Once site load is at the required level, the MEP will return to site to complete certification. Hence the delayed paperwork.	During audit period	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
We continue to follow up with MEPs for paperwork to ensure their records match up with ours.	Ongoing	

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

Code reference

Clause 10.25(2)

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table was examined, and notifications were reviewed.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

One new NSP was created during the audit period.

NSP	NSP Start date	Metering details updated	Business Days
EVL0011	1 November 2023	2 November 2023	1

Notification was provided to the reconciliation manager within the required timeframes.

Audit outcome

Compliant

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

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

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

At least one month notification is required before the acquisition (clause 29(2) of schedule 11.1).

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The NSP table, and notifications were reviewed.

Audit commentary

Compliance is recorded in the TENCO agent audit report.

A new embedded network at NSP EVL0011 was created and 32 existing ICPs were transferred from the parent network. Notifications were provided as required.

Audit outcome

Compliant

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO report. The NSP table was examined to determine whether there have been any MEP changes during the audit period.

Audit commentary

Compliance is recorded in the TENCO agent audit report. There have been no MEP changes during the audit period.

Audit outcome

Compliant

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

The management of this process is discussed in the TENCO agent audit report. The consents for the transfer of ICPs were reviewed for the one new embedded at network NSP EVL0011 where ICPs were transferred from the parent network.

Audit commentary

Compliance is recorded in the TENCO agent audit report. I checked all required consents were obtained by comparing the list of ICPs transferred against the consent's received from the affected trader and distributor. All required consents were obtained, and the consent information was communicated to the Authority in the prescribed format and on time.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 11.2

Code related audit information

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

Audit observation

The management of this process is discussed in the TENCO report. The NSP table was examined to determine compliance.

Audit observation

Compliance is recorded in the TENCO agent audit report. EDCL has not transferred any ICPs from other embedded networks.

Audit outcome

Compliant

7. MAINTENANCE OF SHARED UNMETERED LOAD

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

Code reference

Clause 11.14(2) and (4)

Code related audit information

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

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

Audit

The registry list was examined to determine compliance.

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 11.14(5)

Code related audit information

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

Audit observation

The registry list was examined to determine compliance.

Audit commentary

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

Audit outcome

Compliant

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO report. Loss factor information was reviewed.

Audit commentary

Compliance is recorded in the TENCO agent audit report. TENCO derives loss factors from the loss factors on the parent network, ensuring that ICPs on the embedded network have the same loss factor as similar ICPs on the parent network once multiplied by the LE (gateway ICP) loss factor.

I checked the calculations for all five loss factors and confirmed that they have been calculated correctly.

Audit outcome

Compliant

CONCLUSION

EDCL's compliance is reliant on the compliance of TENCO, as the contractor. In this report, I have only recorded those matters where issues were discovered or where specific analysis was undertaken. TENCO's audit report will be submitted with this report.

Overall, the level of compliance was found to be high. This audit found four non-compliances and makes no recommendations. The non-compliances relate to a small number of late registry updates and late updates of NSP information to the reconciliation manger.

The next audit frequency table indicates that the next audit be due in 24 months, and I agree with this recommendation.

PARTICIPANT RESPONSE

We have reviewed the above audit report on the 8th April 2024 and agree with the findings contained within it.