

ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT

For

SUSTAINABILITY TRUST (SUST)
(NZBM #9402943106875)

Prepared by: Ewa Glowacka – TEG & Associates Ltd

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Audit report due 22 May 2024

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EXECUTIVE SUMMARY

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

At the time of this audit, Sustainability Trust was trading 635 NHH ICPs. The company's main focus is trading residential customers (category 1 metering); however, we identified 2 ICPs metering category 2.

JC Consulting has been engaged as an agent to conduct reconciliation functions. JC Consulting processes were audited as part of this audit. SUST is using the registry web interface for switching and registry updates. JC Consulting downloads metering data for remotely read meters from the MEPs' servers. SUST's preference is to trade ICPs with AMI metering. However, there will be instances where this is not possible. At the time of the audit, SUST was trading 32 ICPs, which had to be read manually. The company implemented a good process to read meters themselves as reconciliation participant or asked customers to provide a photo of their meter showing meter registers. It was noted that the reconciliation participant meter reads process is not fully compliant.

During the audit, 13 non-compliances were identified. However, we believe they are minor and have not resulted in significant material reconciliation issues. The majority of non-compliances are related to switching and manual reads.

The audit period is from 01/04/2022 to 31/03/2024

The Electricity Authority determines the date of the next audit, which depends on the compliance level during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 26, which results in an indicative audit frequency of 12 months. Our recommendation is 18 months.

We thank the Sustainability Trust staff and JC Consulting for their full and complete cooperation in this audit.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	11.2	A small number of late status and trader updates	Moderate	Low	2	Identified
Changes to the registry	3.3	10 of Schedule 11.1	A small number of late status and trader updates	Moderate	Low	2	Identified
Provision of information to the registry manager	3.5	9 of Schedule 11.1	One late updates for change to the status "Active" and ANZSIC code	Strong	Low	1	Identified
Losing trader response to switch request and event dates - standard	4.2	3&4 of Schedule 11.1	Some ANs had the AA (acknowledge and accept) response code incorrectly applied. The AD (advanced metering) response code was expected for ICP metered by advanced meters 10 AN files were late	Moderate	Low	2	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	5 late CS files Incorrect calculation of average daily consumption (AMI reads) recorded in CS files	Moderate	Low	2	Identified
Losing trader provides information - switch move	4.8	10(1) of Schedule 11.3	Some ANs had the AA code incorrectly applied. The AD response code was expected for ICP metered by advanced meters	Moderate	Low	2	Identified

			One AN files were late For 3 switches, SUST proposed a switch date, which was one day before a proposed date by a gaining trader 6 CS files were late				
Losing trader determines a different date - switch move	4.9	10(2) of Schedule 11.3	For 2 switches , AN file was not send advising that the proposed event date was not accepted.	Strong	Low	1	Identified
Losing trader must provide final information - switch move	4.10	11 of Schedule 11.3	Incorrect calculation of average daily consumption (AMI reads) recorded in CS files 5 late CS files	Moderate	Low	2	Identified
Withdrawal of switch	4.15	17 of Schedule 11.3	Two NW files were sent after 2 calendar months 6 AW files were late	Moderate	Low	2	Identified
Derivation of meter readings	6.6	5 Schedule 15.2	Manual read process does not meet the obligation specified in clause 5(b)(d)(e) of Schedule 15.2.	Moderate	Low	2	Identified
NHH meters 90% read rate	6.10	9(1) of Schedule 15.2	90% attainment was not achieved for 2 NSPs over 2 months	Strong	Low	1	Identified
Electricity supplied information provision to the reconciliation manager	11.3	15.7	BILLED file is not aggregated by invoice month	None	Low	5	Identified
Historical estimate	13.3	10 of Schedule 15.3	Historical estimates target not met for	Moderate	Low	2	Identified

reporting to RM			revisions 3 for a few months				
Future Risk Rating						26	

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
			Nil

ISSUES

Subject	Section	Description	Issue
			Nil

1. ADMINISTRATIVE

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

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

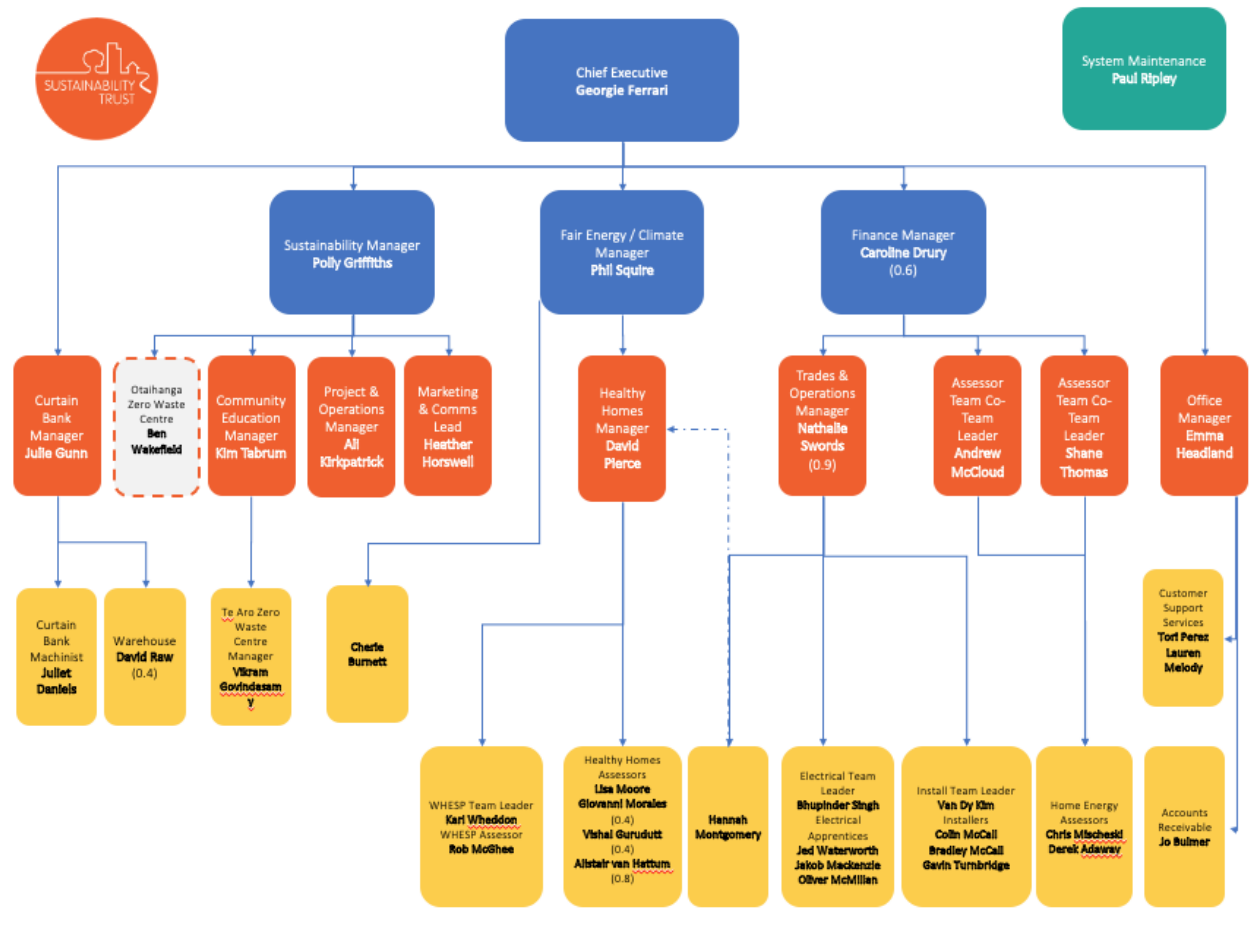
Audit observation

Sustainability Trust has not applied for any exemptions.

Audit commentary

There are no exemptions in place that are relevant to the scope of this audit.

1.2. Structure of Organisation



1.3. Persons involved in this audit

Name	Title	Company
Caroline Drury	Finance Manager	Sustainability Trust
Cherie Burnett	Customer Service Admin	Sustainability Trust
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

The role of agent was discussed. SUST engaged JC Consulting to be responsible for receiving metering files and the submission of reconciliation files.

Through discussions with SUST, 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

JC Consulting (JCC) is the agent for delivering Electricity Market settlement files (initial submissions and consecutive revisions) to the reconciliation manager. JCC creates the Meter Read Frequency reports and emails to the Authority.

1.5. Hardware and Software

SUST will not use any specific software to perform the tasks covered. Switching and registry management are conducted using the registry web interface.

Their agent, JC Consulting, uses the RM TOOL access database, which is backed up to the cloud using both Microsoft OneDrive and Dropbox.

SalesForce is being used for CRM and Utilmate is used as the billing suite.

1.6. Breaches or Breach Allegations

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

1.7. ICP Data

Metering Category	(15/04/2024)	(2022)	(date)
1	639	9	
2	2	0	
3	0	0	
4	0	0	
5	0	0	
9	0	0	

Status	Number of ICPs (15/04/2024)	Number of ICPs (2022)	Number of ICPs (date)
Active (2,0)	635	9	
Inactive – new connection in progress (1,12)	0	0	
Inactive – electrically disconnected vacant property (1,4)	5	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)	1	0	
Inactive – reconciled elsewhere (1,5)	0	0	
Decommissioned (3)	5	0	

1.8. Authorisation Received

An authorisation letter was not required.

1.9. Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of SUST to support their application for renewal of certification in accordance with clause 4 of schedule 15.1. The audit was carried out on 7 May 2024 in Wellington.

The table below shows the tasks under clause 15.38 of part 15 for which Sustainability Trust requires certification and for which SUST’s compliance was assessed.

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 non-half 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

Ewa Glowacka of TEG & Associates Ltd. conducted the previous audit in May 2022. No non-compliances were recorded.

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

In order to ensure that the clauses are being followed, we examined the process for validating information in the registry. We looked at the LIS file dated 15/04/2024 to check for inaccuracies. We also examined the Event Detail (EDA) file for the audit period and the Audit Compliance report to determine how quickly SUST provides information to the registry, how they correct information that is identified as inaccurate, and whether all information is correct and not misleading.

The process for finding and correcting incorrect information and the registry validation process were examined in detail in relation to achieving this requirement.

Audit commentary

The Switch Breach report is checked regularly. JC Consulting provides a weekly summary of the registry notification (NOT) files.

Registry data is synchronised with the RM TOOL on a weekly basis and immediately prior to settlement runs to ensure proper alignment with the registry. All submissions are based on registry attributes, including metering, as well as data received from meter data providers.

The information inaccuracies identified during the audit is noted below

Section	Registry Discrepancy
3.3	A small number of late status and trader updates
3.5	One late updates for change to the status "Active" and ANZSIC code
4.2/4.8	Some ANs had the AA (acknowledge and accept) code incorrectly applied. The AD (advanced metering) code was expected for ICP metered by advanced meters
4.3/4.10	Incorrect calculation of average daily consumption (AMI reads) recorded in CS files

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: Clause 11.2 From: 01-Apr-22 To: 31-Mar-24	A small number of late status and trader updates Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that could be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The non-compliance reported here related to a lack of training and a major system change during the audit period. Processes and systems have been updated to ensure status updates are done in a timely manner and average daily consumption has been corrected for some time now.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Registry reports on ICPs with inactive statuses will be run regularly to ensure these updates are not missed		21/05/2024	

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

We reviewed the process for file submission to the reconciliation manager. Submission files are created and submitted to the RM by JC Consulting. We also reviewed alleged breaches during the audit period.

Audit commentary

A number of relevant sections discuss compliance with this area. Compliance was confirmed regarding the timeliness and format of information in accordance with Part 15. At present, all information in accordance with Part 15 is delivered by JCC Consulting.

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

Metering data is provided by the MEPs to JC Consulting. JC Consulting provides a copy of metering data to SUST for billing purposes.

Audit commentary

Data is transferred electronically using SFTP servers. JC Consulting has secure transmission processes, using a cloud-based environment, for the transmission of data between SUST and himself.

Reconciliation files are submitted via the RM portal. The RM portal stores transmission logs.

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 SUST using the registry web interface which has audit trails.

JC Consulting retains an audit trail of data downloaded via FileZilla, and the RM portal records the audit trail of reconciliation files.

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

Audit commentary

All functions conducted by SUST's agent have compliant audit trails of all activities.

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

SUST 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

SUST provided a copy of the Terms and Conditions for review.

Audit commentary

A copy of the Terms and Conditions was sighted and contains the required information for access arrangements.

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 requirements of this clause were discussed during the audit.

Audit commentary

The LIS report showed that all the ICPs SUST was responsible for were metered, and the MEPs were recorded in the registry. The agreements with the MEPs ensure that the ICPs have appropriate and approved metering designs installed. The company confirmed they do not have any installations to which metering data requires a loss compensation factor to be applied.

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

SUST provided a copy of the Terms and Conditions for review.

Audit commentary

The terms and Conditions contain the appropriate clause to achieve compliance with this clause

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. The new connection process was reviewed. There was one new connection (0000172758CK210).

We reviewed and discussed the reconnection process with SUST staff.

Audit commentary

According to the process, if any ICP needs to be reconnected, SUST will follow the processes set up by MEPs (MTRX and NGCM). Once the MEP has confirmed the reconnection, SUST will update the registry with the reconnected status. We reviewed 3 examples of reconnection and confirmed that the process was followed.

One new connection was made during the audit period. SUST's policy is not to trade new connections. ICP 0000172758CK210 was an exception, as an existing customer built a new house on the front section of the existing property. We followed the audit trail of the new connection and confirmed that the new connection process was followed. We identified a late update to the "Active" status, which is noted as non-compliance in **section 3.5**.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

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

Audit observation

We reviewed the EDA file for the audit period to identify all new connections and confirm process controls and compliance. We also discussed it with the SUST staff.

Audit commentary

SUST stated that no new connection was temporarily connected.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(1)

Code related audit information

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

- for a point of connection to the grid – the grid owner has approved the connection
- for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.
- for a point of connection that is an ICP, but is not as NSP:
 - the reconciliation participant is recorded in the registry as the trader responsible for the ICP
 - if the ICP has metered load, 1 or more certified metering installations are in place
 - if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the temporary electrical connection.

Audit observation

This was discussed with SUST. During the audit, we reviewed the new connection process and checked the LIS, EDA files, and registry.

The Audit Compliance report for the audit period was examined to identify any uncertified metering installations.

Audit commentary

The review of the Audit Compliance report confirmed that the company does not trade uncertified metering installations. The reconnection process was reviewed, and we found it compliant.

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 Wellington Electricity Lines, Electra, TENCO, CPTS, and SMRT were sighted for network companies, and MEPs AMS, Influx, FCLM, and Intellihub.

Audit commentary

SUST has arrangements in place with network companies and MEPs. The intention is that SUST will verify they have an agreement in place with other networks or MEPs prior to switching. The requirement is noted in the process documentation.

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 with the 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 during the audit.

Audit commentary

At the time of this audit, SUST had agreements with AMS, Influx, 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

The switching process was discussed with SUST staff during the audit. We also reviewed the Terms and Conditions.

Audit commentary

According to the Terms and Conditions, SUST will not be reconnecting a vacant ICP. If it is a standard switch, it will be a new customer obligation. The T&C states:

If your current electricity supplier has disconnected your supply and not reconnected it, you will need to contact them to have the electricity supply reconnected before we can accept the switch.

For the Move In switch the T& C states:

If the electricity supply at your new premises requires reconnection, we are able to arrange reconnection for you for a fee or, alternatively, you can arrange with the previous supplier of the premises to arrange reconnection.

We reviewed the EDA file and confirmed that such a situation did not occur.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

The disconnection process was discussed with SUST. The company is aware of its obligation.

Audit commentary

We reviewed the documented process and found that it meets the clause requirements.

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 tome block meter channel*
- *electrically connect load or generation, of the load or generation has been disconnected at the meter*
- *electrically disconnect load or generation, if the trader has exhausted all other appropriate methods of electrical disconnection*
- *bridge the meter*

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

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

Audit observation

This was discussed during the audit with SUST staff.

Audit commentary

The company does not intend to remove or break seals themselves. It always intends to use an 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 with SUST staff.

Audit commentary

The company does not intend to bridge meters. It is documented in the Toast Electric Operational Manual. 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 reviewed 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 reviewed 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 reviewed 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. We reviewed the EDA, LIS files and Audit Compliance. The new connection process was reviewed.

Audit commentary

The review of the EDA file identified one new connection (0000172758CK210). SUST does not trade new connections. ICP 0000172758CK210 was an exception, as an existing customer built a new house on the front section of the existing property.

Audit outcome

Compliant

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

Code reference

Clause 11.7(2)

Code related audit information

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

Audit observation

The new connection process was reviewed, and the LIS, EDA files, Audit Compliance report, and registry were checked. SUST manages registry information using the registry web interface.

Audit commentary

One new connection was created during the audit period. All information was provided in the registry. The status update to “Active” and MEP nomination were backdated. This is noted as non-compliance in **section 3.5**.

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, and we discussed it with SUST staff.

Audit commentary

The analysis of the EDA file and Audit Compliance report showed that some registry information had changed, and some changes to the registry information were backdated.

Status updates to “Active” (no new connections)

The Audit Compliance report found 20 instances where updates to the "Active" status were made more than 5 business days after physical connection. The compliance rate was 46.2%. On average, the time between the Status Event and Status Input dates was 17.6 business days.

16 out of 20 (80%) backdated updates to “Active” status were ICPs that SUST just gained. We checked the registry, and all of them happened when SUST gained a new ICP with an “Inactive” status. Three late status updates were a consequence of backdated switches.

The Toast Electric Operational Manual specifies the process that needs to be followed when gaining new customers. One of the checks is the registry status: “Active” or “Inactive—vacant.” If the status is “Inactive,” SUST staff will investigate how long the property was disconnected.

The company will provide additional training for staff to prevent backdating. It appears that some part of the switching process was misunderstood.

Status updates to “Inactive”

The Audit Compliance report found 5 instances where updates to the "Inactive" status were made more than 5 business days after physical disconnection. The compliance rate was 76.19%. On average, the time between the Status Event and Status Input dates was 4.14 business days.

This issue was brought up with SUST and was found to be caused by changes in the status, such as "Inactive-ready for decommissioning", "Inactive-vacant", or “Inactive-disconnected remotely by AMI meter”. Each case had a different reason for the late update. We did not find a systemic problem with the process.

Trader updates

The Audit Compliance report identified 3 late updates to the trader fields, more than 5 business days. The compliance percentage was 40%. The average number of business days between Trader Event and Trader Input Date was 5.40. The late updates were related to the change of profile and MEP nomination.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: Clause 10 of Schedule 11.1 From: 01-Apr-22 To: 31-Mar-24	A small number of late status and trader updates Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that could be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The team have noted the requirement, and updated processes.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Registry reports will be run regularly on all ICP's and statuses to ensure any delayed updates have been dealt with		21/05/2024	

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

The Audit Compliance Report was examined to identify any active ICPs without an MEP recorded. The process for decommissioning was also examined.

Audit commentary

All ICPs had MEPs assigned. 5 ICPs were decommissioned during the audit period.

SUST understands that they are responsible for the ICP while they are the trader noted on the registry until such time as an ICP switches out or becomes decommissioned. The process notes that all information must be complete and accurate and discusses critical elements for maintaining registry processes.

SUST does not intend to accept ICPs with UML; however, if they do, JC Consulting will be able to ensure that these are processed compliantly. UML processes will be drafted when required. SUST is aware of the different types of UML.

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

The Audit Compliance report and the registry files were reviewed and discussed with SUST staff.

Audit commentary

A review of the registry files confirmed that SUST has traded one new connection during the audit period. All information for the ICPs was uploaded to the registry.

SUST is aware that it is responsible for the accuracy and timeliness of functions related to all registry requirements.

Status updates to “Active” (new connections)

The Audit Compliance report found one instance in which an update to the "Active" status was made more than 5 business days after the physical connection. It was 6 business days.

The population of the ANZSIC code

The Audit Compliance report found one instance where ANZSIC codes are populated later than 20 business days after the trader commences trading.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 3 of Schedule 11.1 From: 20-Sep-23 To: 30-Oct-23	One late updates for change to the status "Active" and ANZSIC code Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that could be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff have now been trained to update the Registry on reconnection immediately, rather than wait for paperwork from the MEP. ANZSIC codes are updated as information comes to light. Generally Toast only gains 000000 – Residential codes but staff will take care to check and update the Registry data on a regular basis.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Regular reports will be run to validate Registry data		21/05/2024	

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

The process for managing ANZSIC codes was examined. The LIS files were reviewed to check that ANZSIC codes were valid. It was discussed with SUST staff.

Audit commentary

The requirement for ANZSIC codes checked randomly chosen 10 ICPs and confirmed that the assigned ANZSIC code was correct.

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

The LIS and EDA files were checked.

According to the documentation provided by SUST, it is not their intention to take on unmetered ICPs. If UML is identified after a switch, JC Consulting will create consumption based on the daily kWh information from the distributor.

Audit commentary

No UML ICPs were identified in the LIS file. JC Consulting has processes in place for if SUST inadvertently picks up UML. SUST has a validation process in place to check for UML when 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

The process for changing a status to “Active” was discussed with SUST staff.

The EDA file and the Audit Compliance report were reviewed to identify all status changes to “Active” during the audit period. SUST’s processes ensure that there is only one party per ICP and that all active ICPs have an MEP.

Audit commentary

All ICPs traded by SUST had the status “Active.” The SUST switching process includes determining if the status is “Active”. Where this is not the case, SUST will investigate why the status is “Inactive.”

In **section 3.3**, we identified 16 newly gained ICPs whose status was changed to “active” later than 5 business days.

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

The process for changing a status to “Inactive” was discussed.

The EDA file and the Audit Compliance report were reviewed to identify all status changes to “Inactive” during the audit period.

Audit commentary

There were changes to 21 ICPs’ status to “Inactive” during the audit period.

SUST has the processes for managing “Inactive” status. Obligations under the Consumer Care guidelines have been taken into account in all disconnection processes.

The registry is updated once an MEP confirms disconnection. **Section 3.3** identified 5 instances of backdated status.

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 that has had the status of “New” or “Ready” for 24 calendar months or more. A trader is expected to respond to such queries from distributors.

Audit commentary

SUST had one new connection during the audit period. SUST’s policy is not to trade new connections. ICP 0000172758CK210 was an exception, as an existing customer built a new house on the front section of the existing property.

Audit outcome

Not applicable

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

The EDA file was reviewed to determine whether any standard switches occurred. The Switch Breach report was reviewed to identify any non-compliances.

The Standard Switch process was examined and discussed with SUST staff.

Audit commentary

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

SUST sent 615 NTTR files, using the web interface, within 2 business days of the date that the arrangement with the customer came into effect.

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

The EDA file was reviewed to determine whether any Standard Switches occurred, and the Switch Breach report was reviewed to identify any non-compliances.

The Standard Switch process was examined and discussed with SUST staff.

Audit commentary

SUST received 60 NTTR from the gaining traders. The Switch Breach report identified 10 AN files that were late. Fifty per cent of them were late by just one business day.

Upon reviewing the AN files, we identified that an incorrect response code, "AA," was used instead of the correct code, "AD," when smart meters were installed. This information was clearly outlined in a memo dated August 5, 2016.

Code	Description	Explanation of use
AA	Acknowledge and accept	Switch is accepted; there are no relevant issues.
CO	Contracted customer	Alerts that this customer has a fixed-term contract at the ICP. The current Trader may be contacting this customer, relative to a switch.
MP	Metering is pre-paid	Alerts that meter is pre-paid.
MU	Unmetered supply	Alerts supply is unmetered.

OC	Occupied premises	Advises that the existing customer has not yet advised they are moving out. The premises are occupied.
PD	Premises de-energised (disconnected)	Alerts that this site is de-energised (disconnected).
AD	Advanced Metering Infrastructure metering infrastructure	Alerts that meter is an advanced meter.

We confirmed that the company met clause 4(b) of Schedule 11.3 obligations.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.2 With: Clause 3&4 of Schedule 11.1 From: 01-Apr-22 To: 31-Mar-24	<ul style="list-style-type: none"> Some ANs had the AA response code incorrectly applied. The AD (advanced metering) response code was expected for ICP metered by advanced meters 10 AN file were late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that could be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
SUST were not aware of this requirement but have since updated processes to include the correct response code for AN's depending on meter type.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Switch Breach report is run on a regular basis		21/05/2024	

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 the Switch Breach Report for the same period. We also examined and discussed the Standard Switch process with SUST.

Audit commentary

SUST sent 59 CS files to gaining traders. The Switch Breach report recorded 5 late CS files.

The accuracy of the content of the CS files was confirmed by checking 7 CS files. 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
- read type flag

The methodology used to calculate an average daily consumption was incorrect for AMI reads because SUST calculates an average daily consumption over 30 days. The Code expects the average daily consumption to be calculated between two actual reads, which for AMI meters usually is two days.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: Clause 5 of Schedule 11.3 From: 01-Apr-22 To: 31-Mar-24	<ul style="list-style-type: none"> • Incorrect calculation of average daily consumption (AMI reads) recorded in CS files • 5 late CS files Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that should be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
We encountered a small number of incorrectly calculated average daily consumption reads due to a system error, which has since been fixed and resolved quite some time ago. Late CS are rare and would be due to resourcing at the time. We run the switch breach process every day so this doesn't happen anymore.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

Switch breach report is run daily.	21/05/2024	
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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 the Switch Breach Report for the same period. We also examined and discussed the Standard Switch process and the management of RR files.

Audit commentary

SUST received 3 RR files, and all of them were accepted.

SUST sent 7 RR files to gaining traders. All of them were accepted except one, which was sent by mistake with the wrong date.

We checked the reconciliation files calculated by JC Consulting and confirmed the switch event meter readings were used to calculate submission volumes.

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

SUST trades NHH ICPs only.

Audit commentary

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 were to occur in the future, it would be resolved in accordance with this clause.

Audit commentary

SUST stated that it will not decline to accept another trader's validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances. The company will also provide a reasonable explanation to the other participant if it does decline to accept their validated meter reading or permanent estimate.

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

The EDA file was reviewed to determine whether any Switch Move occurred. The Switch Breach report was reviewed to identify any non-compliances. The Switch Move process was examined and discussed with SUST staff.

Audit commentary

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

SUST sent 201 NTMI during the audit period. 52 NTMI files were backdated, and some ICPs were backdated by one month or more.

We identified many backdated NTMI files, which were discussed during the audit. The company policy is to accept a customer-requested date of switch event if it results in backdating.

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

Audit observation

The EDA file was reviewed to determine whether any Switch Move occurred. The Switch Breach report was reviewed to identify any non-compliances. The Switch Move process was examined and discussed with SUST staff.

Audit commentary

SUST received 72 NTMI from gaining traders.

The review of the Switch Breach report and the EDA file showed the following:

- One AN files were sent later than 5 business days
- No AN file was sent for 2 switches
- 6 CS files were late

In all Switch Moves except three, SUST accepted the proposed switch event date by the gaining trader. For three switches, SUST proposed a switch date one day before a proposed date by a gaining trader, which is noted as non-compliant.

Upon reviewing the AN files, we identified that an incorrect response code, "AA," was used instead of the correct code "AD," when smart meters were installed. This information was clearly outlined in a memo dated August 5, 2016.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.8 With: Clause 10(1) of Schedule 11.3 From: 01-Apr-22 To: 31-Mar-24	<ul style="list-style-type: none"> Some ANs had the AA code incorrectly applied. The AD response code was expected for ICP metered by advanced meters One AN files were late For 3 switches, SUST proposed a switch date, which was one day before a proposed date by a gaining trader 6 CS files were late <p>Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that should be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
SUST were not aware of the response code rule but have since updated processes to rectify. At times customers preferred switch dates are different from the gaining trader. SUST have now updated their processes to ensure correct workflow is followed		20/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
Switch Breach report run regularly		21/05/2024	

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

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

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

Audit observation

The EDA file was reviewed to determine whether a Switch Move occurred, and the Switch Breach report was reviewed to identify any non-compliances.

The Switch Move process was examined and discussed with SUST staff.

Audit commentary

SUST did not send two AN files advising the proposed event date. After discussing this with the SUST staff, it appears that insufficient training caused the problem.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.9 With: Clause 10(2) of Schedule 11.3 From: 02-Apr-23 To: 13-Apr-23	For 2 switches , AN file was not send advising that the proposed event date was not accepted. Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as strong. It was only two ICPs identified, appears that it was misunderstanding/lack of training. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Processes have been updated and staff training in this area.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

The EDA file was reviewed to determine whether any Switch Move occurred. The Switch Breach report was reviewed to identify any non-compliances.

The Switch Move process was examined and discussed with SUST staff.

Audit commentary

SUST sent 59 CS files to gaining traders.

The Switch Breach report identified 5 late CS files.

The accuracy of the content of the CS files was confirmed by checking. 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
- read type flag

The methodology used to calculate an average daily consumption was incorrect for AMI reads because SUST calculates an average daily consumption over 30 days. The Code expects the average daily consumption to be calculated between two actual reads, which for AMI meters usually is two days.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: Clause 11 of Schedule 11.3 From: 01-Apr-22 To: 31-Mar-24	<ul style="list-style-type: none"> • Incorrect calculation of average daily consumption (AMI reads) recorded in CS files • 5 late CS files Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that should be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Processes have been updated for the above		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

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

The EDA file was reviewed to determine whether any Switch Move occurred. The Switch Breach report was reviewed to identify any non-compliances. The management of RR files was examined and discussed with SUST.

Audit commentary

The company neither sent one RR. The gaining trader accepted the switch event meter reading.

SUST received 3 RR files, which were accepted.

We checked the reconciliation files calculated by JC Consulting and confirmed the switch event meter reading was used to calculate submission volumes.

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

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period. The switching process was discussed with SUST staff.

Audit commentary

No HH switches occurred in the period covered by this audit. The company has a good understanding of the process.

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

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period. The switching process was discussed with SUST staff.

Audit commentary

No HH switches occurred in the period covered by this audit. The company has a good understanding of the process.

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

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period. The switching process was discussed with SUST staff.

Audit commentary

No HH switches occurred in the period covered by this audit. The company has a good understanding of the process.

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 SUST staff.

Audit commentary

SUST sent 33 NW files. Two NW files (0000167269TRDCC and 0000196738TR8B8) were sent 2 calendar months after the event date of the switch.

SUST received 66 NW files. Six AW files sent in response to NWs were sent later than 5 business days.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.15 With: Clause 17 of Schedule 11.3 From: 10-Oct-22 To: 30-May-23	<ul style="list-style-type: none"> Two NW files were sent after 2 calendar months 6 AW files were late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes in place that should be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
NWs were sent after an ICP mix up was discovered and customer billing had to be rectified. These NWs were done in conversation with customer and agreed by other retailer.		21/05/2024	Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
NW's will not be sent post 2 month mark		21/05/2024	

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. SUST 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 or estimated. Additional interrogation cost is agreed upon by SUST and MEPS.

Audit outcome

Compliant

4.17. Switch saving protection (Clause 11.15AA to 11.15AC)

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. The company has knowledge of their obligations.

Audit commentary

SUST Limited does not have binding terms or contracts with any consumers.

SUST is aware of the requirement for 180 days before any retention or marketing can be applied.

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 SUST trades shared unmetered load. The process to identify and monitor unmetered load was discussed.

Audit commentary

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

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 whether SUST trades unmetered load. The process for identifying and monitoring unmetered load was discussed.

Audit commentary

There are no plans to trade unmetered load ICPs in the foreseeable future. SUST does not intend to take on UML ICPs; it is part of the validation process for accepting the customer.

Audit outcome

Not applicable

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 whether SUST trades unmetered load. The process for identifying and monitoring unmetered load was discussed.

Audit commentary

There are no plans to trade unmetered load ICPs.

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 and discussed the company policy regarding trading distributed unmetered load ICPs.

Audit commentary

The review of registry files showed that SUST has not been trading distributed unmetered load. SUST does not intend to trade distributed unmetered load.

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 are 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

The LIS and EDA files were reviewed. It was discussed with SUST staff.

Audit commentary

All installations are metered. The company has 15 installations with embedded generation (solar).

MEPs read meters, and JC Consulting downloads meter data from its servers. The data is used to create volume files and submitted to the reconciliation manager.

SUST is also aware of bridged metering but does not practice it. If installations are found to be bridged after switching, SUST will estimate volumes for the period of the switch and arrange for metering to be reconnected.

No subtraction will be used to determine submission 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

This clause is not applicable to SUST.

Audit commentary

This clause is not applicable to SUST.

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

The LIS file was reviewed to identify which profiles are used for reconciliation purposes and to determine whether any profiles require the certification of any control devices.

Audit commentary

RPS and PV1 profiles are used by SUST. No control devices are required for these types of profiles.

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 led 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

The process related to defective installations was examined. SUST is aware of the requirement and monitors data and event logs.

Audit commentary

Event logs provided by MEPs are monitored. If an ICP is found to be switched in with bypassed metering, SUST will instruct the MEP to arrange reconnection.

JC Consulting validates data provided by MEPs and runs reports to identify anomalies in meter readings that could indicate defective metering installations.

The company stated that no defective meters were identified during the 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:

- ensure the system is to within +/- 5 seconds of NZST or NZDST*
- compare the meter time to the system time*
- determine the time error of the metering installation*
- if the error is less than the maximum permitted error, correct the meter's clock*
- if the time error is greater than the maximum permitted error then:*
 - correct the metering installation's clock*
 - compare the metering installation's time with the system time*
 - correct any affected raw meter data.*
- 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 the MEPs' audits.

Audit commentary

JC Consulting collects all metering data from MEPs and carries out all the data gathering, storage, reporting, and submission requirements. A copy of the metering data will be provided to SUST.

Assessment of compliance with this clause is part of the MEPs' audit.

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. When clock synchronisation notifications are received, they are used to determine whether any action is required.

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. AMI meters are read by MEPs. At the time of this audit, SUST traded 32 non-AMI installations. Customer reads are accepted.

Audit commentary

We reviewed the Toast Electric Operational Manual. It describes in detail a protocol for manual meter reads.

- 1. Request a full list of non-communicating meters to be provided by our agent third week of every month. This is for meters where we haven't had an actual reading for the previous month.*
 - a. List should contain the date of the previous actual or manual reading.*
- 2. Email all customers on the non-comm list in the last week of month requesting a manual read/photo*

3. *Any outstanding reads by 10th of next month referred to our assessors for a manual read.*
 - a. *Assessors are provided with a list of ICP/Addresses for manual reads*
 - b. *Meter reads are then provided to CS and sent to agent*
4. *Any outstanding reads with greater than 2 months since the previous actual or manual read should be elevated to a specialist assessor to make contact with customer and arrange reading.*

Any reads conducted by SUST as a reconciliation participant or a customer are forwarded to JC Consulting for use in the reconciliation process.

We have reviewed 14 manual reads and confirmed that they have been thoroughly validated by JC Consulting. If a read fails validation, SUST is asked to provide a re-read. We have observed that customers provide good-quality photos. There are 15 installations for which metering certification has expired, and SUST is working with MEPs to have the meters replaced. Once the meters are changed, they will most likely be read remotely, which will decrease the number of manual reads.

We observed that the SUST manual reading process does not meet the obligation specified in clause 5(b)(d)(e) of Schedule 15.2.

Audit outcome

Compliant

Non-compliance	Description	
Audit Ref: 6.6 With: Clause 5 of Schedule 15.2 From: 01-Apr-22 To: 31-Mar-24	Manual read process does not meet the obligation specified in clause 5 (b)(d)(e) of Schedule 15.2. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are recorded as moderate. There are processes in place that should be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.	
Actions taken to resolve the issue	Completion date	Remedial action status

<p>Our preferred method of manual read is via photo</p> <p>5 Non half-hour metering information</p> <p>A reconciliation participant must, when manually interrogating a non half-hour metering installation, if the relevant parts of the metering installation are visible and it is safe to do so,—</p> <p>(a) obtain the meter register value; and</p> <p>(b) ensure seals are present and intact; and</p> <p>These are visible on photo reads when they are able to be seen</p> <p>(c) check for phase failure if the meter supports it; and</p> <p>(d) check for signs of tampering or damage; and</p> <p>In as much as a visual inspection can determine this these are visible on photo reads when they are able to be seen</p> <p>(e) check for electrically unsafe situations, where “ electrically unsafe” has the meaning given to it in the Electricity (Safety) Regulations 2010</p> <p>In as much as a visual inspection can determine this these are visible on photo reads when they are able to be seen</p> <p>The photos received for reads have sufficiently</p>		Disputed
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>Our meter reading methods surpass the requirements and results obtained by manual meter reading contractors (who are unwilling to offer their services), we do not believe this finding is realistic</p>		

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

Code reference

Clause 6 Schedule 15.2

Code related audit information

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

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

Audit observation

The 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 SUST staff, and the data collection process was examined. The EDA file, the Registry, and the reconciliation submission files were checked.

Audit commentary

Compliance is 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

The company policy is to read all meters, “Active” and “Inactive”.

The process for missing reads was examined and discussed with the SUST staff. Meter Frequency reports submitted to the Authority by JC Consulting were analysed (April 2022 to March 2024).

Audit commentary

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

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

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 missing reads was examined and discussed with the SUST staff. JC Consulting submits monthly Meter Reading Frequency reports to the Authority.

Audit commentary

We reviewed the Meter Reading Frequency report for the period April 2022 to March 2024.

We confirmed that the attainment of readings was met.

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 missing reads was examined and discussed with the SUST staff. Meter Reading Frequency reports are submitted monthly by JC Consulting to the Authority. We reviewed the Meter Reading Frequency reports for the audit period to check if the company had reached 90% attainment of reads. We also reviewed the Operational Manual which described the process in non-AMI meters in details.

Audit commentary

JC Consulting submits monthly Meter Frequency Reports to the Authority.

We reviewed the Meter Reading Frequency report for the period April 2022 to March 2024.

We confirmed that the 90% attainment of readings was not met for two months. Details are shown below:

Month	Total number of NSPs	Number of NSPs with less than 90%	ICP unread for 4 months
Jan-23	17	1	1
July-23	23	1	1

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.10 With: Clause 9(1) of Schedule 15.2 From: 01-Jan-23 To: 31-Jul-23	90% attainment was not achieved for 2 NSPs over 2 months Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as strong. There are processes in place. Only two ICPs not read over 2 months in two years. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The manual meter read process has been improved some time ago and since the audit we have strengthened our processes and controls further.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
The process will be reviewed by management to ensure meters are read within compliance timeframe		21/05/2024	

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

MEPs providing NHH reads are obliged to maintain such a log.

Audit commentary

Compliance with this clause is assessed during MEP audits.

Audit outcome

Compliant

6.12. HHR data collection (Clause 11(1) Schedule 15.2)

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

Raw meter data from all electronically interrogated metering installations must be obtained via the services access interface.

This may be carried out by a portable device or remotely.

Audit observation

The LIS file was reviewed.

Audit commentary

SUST is responsible for NHH ICPs only.

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.

Audit commentary

SUST is responsible for NHH ICPs only.

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..

Audit commentary

SUST is responsible for NHH ICPs only.

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 $\pm 0.1\%$ (± 2 seconds).

Audit observation

SUST is responsible for NHH ICPs only.

Audit commentary

SUST is responsible for NHH ICPs only.

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 SUST.

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

SUST is using the RPS and PV1 profile for reconciliation submissions. No external control equipment is used.

Audit commentary

No non-metering information is collected by SUST.

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

We checked the process for correction and whether there were any examples.

The correction of NHH meter readings is done by JC Consulting in consultation with SUST if such a need arises.

Audit commentary

According to the process, if errors are detected, an MEP will first be contacted, asking to read the meter again. If the original meter reading cannot be confirmed or replaced, JC Consulting will estimate the data. The agent will conduct the process and then liaise with SUST to advise that this has occurred and the reason.

There were no NHH meter readings conducted during the 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

SUST is responsible for NHH ICPs only.

Audit commentary

SUST is responsible for NHH ICPs only.

Audit outcome

Compliant

8.3. Error and loss compensation arrangements (Clause 19(3) Schedule 15.2)

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

A reconciliation participant may use error compensation and loss compensation as part of the process of determining accurate data. Whichever methodology is used, the reconciliation participant must document the compensation process and comply with audit trail requirements set out in the Code.

Audit observation

Error and loss compensation was discussed during the audit.

Audit commentary

SUST does not trade any installation for which error and loss compensation must be applied to determine accurate data.

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

JC Consulting does not have access to raw data. The company receive only a copy of raw data from MEPs.

Audit commentary

Raw meter data is held by MEPs, and compliance is recorded in their MEP audits.

JC Consulting only corrects working data if necessary, and they keep an appropriate audit trail. Any changes to data in the RM TOOL will be journaled.

There were no corrections of NHH data during the audit period.

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 classifications were examined during this audit. We checked that the CS switch event meter readings were correctly identified.

JC Consulting handles meter readings on SUST's behalf.

Audit commentary

The RM TOOL records read type flags correctly. We checked four examples to confirm compliance. JC Consulting stores the read type flag against each register read, as provided by MEPs.

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 SUST and JC Consulting. SUST trades NHH category 1 and 2 ICPs. The JC Consulting Submission Summary Reports, Reconciliation submission files and registry were checked.

Audit commentary

JC Consulting is the SUST 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. 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

SUST provided 4 examples of data from MTRX and NGCM to demonstrate compliance.

Audit commentary

JC Consulting provided 4 examples of metering files provided by MTRX and NGCM. The files are stored in the RM TOOL. Metering data is neither rounded nor truncated upon uploading to the 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

SUST is responsible for NHH ICPs only.

Audit commentary

SUST is responsible for NHH ICPs only.

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

JC Consulting validates NHH data (register reads) on import to the RM TOOL.

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 SUST.

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 meter and data storage device event list. Any event that could have affected the integrity of metering data must be investigated.

Audit observation

JC Consulting validates meter readings obtained by electronic interrogation on import to the RM TOOL. If required, any estimation will be checked using graphical representation.

Audit commentary

When data is uploaded into the RM TOOL, a validity check of meter readings is conducted, and an exception report is created. If there is an issue, MEPs are advised. There were no issues with metering data that required referral to MEPs.

MEPs provide a no-read report and event report, which are reviewed.

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

SUST is not a generator.

Audit commentary

This clause is not applicable to SUST.

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

SUST is not a generator.

Audit commentary

This clause is not applicable to SUST.

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

SUST is not a generator.

Audit commentary

This clause is not applicable to SUST.

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

SUST is not a generator.

Audit commentary

This clause is not applicable to SUST.

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

The LIS file was used to identify which profiles are used by SUST.

Audit commentary

For submissions, SUST use the RPS and PV1 profile. Trading notifications were not required.

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

JC Consulting calculates ICP days as part of the submission process. We examined the process for calculating ICP days by checking 2 NSPs to confirm that the ICPDAYS calculation was correct. We also reviewed GR100 for the audit period.

Audit commentary

During the ICPDAYS comparison, we observed a few discrepancies between the registry and ICPDAYS files, which were limited to R0 and R1. These issues were resolved by R7 and R14 and were caused by either backdating or withdrawn switches.

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

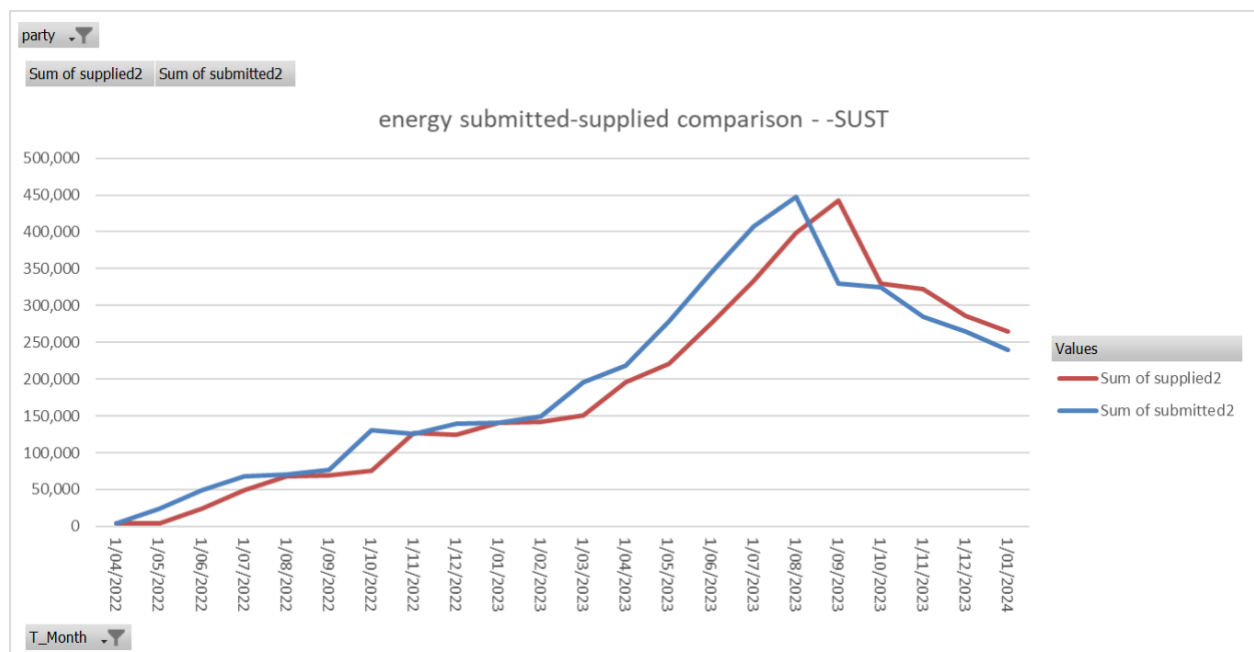
JC Consulting provides supplied volumes in the form of BILLED to the reconciliation manager. We reviewed BILLED files and GR130 for the audit period.

BILLED files are calculated from previous months' submissions. The Code requires to provide a total monthly quantity of electricity supplied for each NSP, aggregated by invoice month.

Audit commentary

JC Consulting calculates BILLED files from previous months' submissions. This clause requires SUST to provide volumes for the BILLED file from their billing software Ultimate. Non-compliance is noted.

The table below shows a comparison between volumes submitted and supplied (billed).



Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.3 With: Clause 15.7 From: 01-Apr-22 To: 31-Mar-24	BILLED file is not aggregated by invoice month Potential impact: Low Actual impact: Low Audit history: None Controls: None Breach risk rating: 5		
Audit risk rating	Rationale for audit risk rating		
Low	There are no controls. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low because BILLED file is not used by RM.		
Actions taken to resolve the issue		Completion date	Remedial action status
SUST will supply the Reconciliation Agent with a monthly report of billings from the previous month.		21/05/2024	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

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

SUST is responsible for NHH ICPs only.

Audit commentary

SUST is responsible for NHH ICPs only.

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

SUST is responsible for NHH ICPs only.

Audit commentary

SUST is responsible for NHH ICPs only.

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

SUST provided reconciliation data for the period April 2022 to March 2024.

We checked for alleged breaches regarding late files.

Audit commentary

No breaches had been recorded for late provision of submission information.

We confirmed that SUST submits volume information on day 4 and day 13. As a part of assessing compliance, we reviewed reconciliation files NHHVOLS, ICPDAYS, and BILLED and corresponding RM files GR-100 and GR-170 NHH.

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

JC Consulting performs thorough validation and checks volume data before submission files are sent to the reconciliation manager. Volumes are allocated for each ICP as per data held in the registry.

Audit commentary

JC Consulting refreshes information from the registry prior to running reconciliation reports to ensure the accuracy of data (ICP statuses, NSP allocation, loss factor codes). We confirm that the NHHVOLS files were consistent with the registry information for the months of March 2022 to February 2024. We compared consecutive submissions and confirmed that all the files contained the same ICPs assigned to NSPs allocated by the registry.

The RM TOOL has the functionality to submit zero volumes for an NSP which no longer has any ICPs where a particular combination of NSP and loss factor code exists.

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

SUST is not a grid owner.

Audit commentary

This clause is not applicable to SUST.

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

SUST is not an embedded network owner.

Audit commentary

This clause is not applicable to SUST.

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

SUST is not a generator.

Audit commentary

This clause is not applicable to SUST.

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

The RM TOOL used by JC Consulting has a built-in functionality to create revision files when more accurate data is available. SUST is aware of the requirement to notify their agent of changes to data that may affect the accuracy of submission information.

Audit commentary

On the 13th day of each month, the SUST's agent submits revision files to the reconciliation manager. JC Consulting has a process for replacing previously submitted volumes with more accurate information as it becomes available. This updated information is loaded into the RM Tool, which generates reconciliation files. SUST receives actual metering data from MEPs, customer, or reconciliation participant reads.

JC Consulting has a process in place to submit revisions regardless of whether data changes or not.

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 SUST and JC Consulting. NHHVOLS files, and Submission Summary Reports provided by JC Consulting for the audit period were reviewed. We also 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)(b)):
 - a) any half hour volume information for the ICP; or
 - b) any non-half hour volumes information calculated under clauses 4 to 6 (as applicable).
 - c) unmetered load quantities for each ICP that has unmetered load associated with it derived from the quantity recorded in the registry against the relevant ICP and the number of days in the period, the distributed unmetered load database, or other sources of relevant information. (clause 2(1)(c))
- to create non half hour submission information a reconciliation participant must only use information that is dependent on a control device if (clause 2(2)):
 - a) the certification of the control device is recorded in the registry; or
 - b) the metering installation in which the control device is location has interim certification.
- to create submission information for a point of connection the reconciliation participant must apply to the raw meter data (clause 2(3)):
 - a) for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))
 - b) for each NSP the compensation factor that is recorded in the metering installations most recent certification report. (clause 2(3)(b))

Audit observation

JC Consulting prepares submission files on behalf of SUST.

Audit commentary

SUST trades NHH category 1 and 2 ICPs. We confirm that JC Consulting, as an agent for SUST, submits volumes to the reconciliation manager using the RPS and PV1 profiles. Control devices, operation logs, or other profile determinations are not used to create volumes.

SUST did not trade any shared UML or UML during this audit period.

Based on the information provided and our analysis, we believe all the ICP consumption volumes were submitted by SUST 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 SUST 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 SUST 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 NSP ICPs supplied during the audit period. JC Consulting provided a detailed breakdown of volume for each ICP by NSP. NHH volume aggregation was confirmed to be correct, and it verified that the relatively few estimates were included and identified correctly in files submitted during the audit period.

Most meters used by SUST are read remotely, but there are non-AMI connections that are read manually. Where newly switched ICPs require estimated volume information, JC Consulting calculates an estimate using the average daily consumption obtained from the registry (CS file). Any data estimated by JC Consulting for reconciliation purposes is flagged as an estimate.

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

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 SUST 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 GR-170NHH to analyse variances between consecutive submissions. There were small variances between revisions due to manual reads.

SUST does not trade any balancing area where the total energy supplied is more than 100,000 kWh.

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

We reviewed the EDA file for the audit period. The process for meter replacement was discussed with SUSTs' staff.

Audit commentary

SUST trades NHH category 1 and 2 ICPs. JC Consulting, as agent, submits volumes to the reconciliation manager using the RPS and PV1 Profiles. Control devices, operation logs, or other profile determinations are not used to create volumes.

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

SUST provided submission files for April 2022 to March 2024. Files are created in the RM TOOL and submitted using the RM portal by JC Consulting.

Audit commentary

SUST trades category 1 and 2 metering installations. All ICPs are reconciled as NHH.

Every month JC Consulting 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 levels:

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

SUST 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 SUST 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

SUST provided submission files for April 2022 to March 2024. As part of the aggregation checks, we reviewed the data rounding on the AV140 reports.

Audit commentary

Submission information is appropriately rounded to no more than two decimal places.

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

JC Consulting creates and submits reconciliation files on behalf of SUST. We reviewed NHHVOLS and GR-170 NHH created by the reconciliation manager for the audit period.

Audit commentary

We checked 3, 7, and 14 revisions submitted in the audit period. NHHVOLS submissions did not meet this clause requirement as shown below:

Month	Total number of NSPs	R3 (80%)
Nov-22	22	1
Dec-22	23	1
Apr-23	24	1
May-23	25	1
June-23	25	1
Sept-23	26	1

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: 01-Nov-22 To: 30-Sep-23	Historical estimates target not met for revisions 3 for a few months Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate. There are processes of manual reads could be improved. The impact on settlement outcomes is minor therefore the audit risk rating is recorded as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
1) The R3 result were caused by a very small number of icps on POCs with a small total no of icps This is merely symptomatic of a retailer with a growing customer base entering new areas, other than increasing our manual reading (which we already have done) no corrective action is warranted			

CONCLUSION

PARTICIPANT RESPONSE

SUST would like to thank Ewa Glowacka of TEG & Associates Ltd for completing this audit and providing recommendations for improvement.

SUST has supported significant growth with a small team over the audit period, and minor non-compliances have occurred largely due to lack of training. During the period we also implemented a new system which led to several small non-compliances.

The compliances noted were minor and of low risk however have been dealt with promptly with the help of Ewa's audit we have further strengthened our processes and understanding.