ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT

For

STACK ENERGY (STAK)

(NZBN # 9429046466341)

Prepared by: Ewa Glowacka of TEG & Associates Ltd

Date audit commenced: 7 August 2023

Date audit report completed: 22 September 2023

Audit report due date: 04-Mar-23

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EXECUTIVE SUMMARY

Stack Energy Limited requested a reconciliation participant audit to support their certification application, as per clauses 5 and 7 of Schedule 15.1 of the Code 2010. We audited the relevant clauses required by the Electricity Authority's Guidelines for Reconciliation Participants Audits V 7.2.

Stack Energy is currently trading 18 NHH ICPs in Auckland, focusing on residential customers (category 1 metering) on the Vector network.

There was a relatively low number of individual discrepancies identified. There were few transactions during this audit period. One ICP was gained, and one ICP was lost. There were no changes to the registry information.

The audit found 11 non-compliances.

The main drivers for non-compliance identified in this audit were:

- Poor performance of manual reads. Meters are not read regularly, and the quality of photos is poor. It was present at the previous audits.
- 0001445001UN110 - The meter stopped before September 2022 and still has not been replaced. The company does not estimate volumes and submits zero volumes to the reconciliation manager. It is a small restaurant that uses gas for cooking. Historically, the restaurant's monthly consumption was 600 kWh. The company did not use their best endeavour to have the meter replaced.
- 0000185567UN5B0 and 0420881913LCB25- Both premises are vacant; the registry status is "Active". The ICPs are metered by non-AMI meters. STAK doesn't read their meters, assuming that there is no consumption. Zero volumes are submitted, which could be incorrect.
- 0001454328UN856 – metered by non-AMI meter and manually read irregularly. STAK did not use actual readings to calculate submission volumes. They were submitting a monthly figure of 2,000 kWh flagged as Historical Estimate. It is difficult to assess how the volumes were calculated.
- This audit report is late; it is the third time.

The Electricity Authority determines the date of the next audit and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 33, which results in an indicative audit frequency of 12 months. We don't agree with the result. Our recommendation is 9 months. The inaccurate submission info is concerning and needs further review. The metering issues with manual reads were previously raised in audits and remain unresolved.

The audit period is 01/04/2022 to 31/05/2023.

We thank Stack Energy staff 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
Audit requirements	1.11	15.37A	Audit report completed late	Weak	Low	3	Identified
Relevant information	2.1	11.2	A small quantity of switching information was inaccurate	Moderate	Low	2	Identified
Provision of information on electricity plan comparison site	2.20	11.30B	No reference to Powerswitch website when communicating with customers.	Weak	Low	3	Identified
Losing trader response to switch request and event dates - standard switch	4.2	3&4 of Schedule 11.1	One AN had the AA (acknowledge and accept) code incorrectly applied. The AD (advanced metering) code was expected for ICP metered by advanced meters	Strong	Low	1	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22 38 Incorrect value of the average daily consumption.	Moderate	Low	2	Identified
Reporting of defective metering installations	6.4	10.43(2) and (3))	MEP was not notified of a faulty meter, best endeavours were not used to rectify the situation.	None	Low	5	Identified
NHH meters interrogated annually	6.9	8(1) of Schedule 15.2	Two ICPs did not meet annual read attainment	Weak	Low	3	Identified

NHH meters 90% read rate	6.10	9(1) of Schedule 15.2	90% attainment was not achieved for 2 NSPs over 4 months	Weak	Low	3	Identified
Accuracy of submission information	12.7	15.12	Zero volumes are submitted for ICP with a stopped meter, the company knows that a customer uses electricity. It appears they have not done everything thing they could to confirm the accuracy of the submission information.	Weak	Low	3	Identified
Reconciliation participants to prepare information	12.9	2 of Schedule 15.3	Zero volumes are submitted for ICP with stopped meter knowing that a customer uses electricity Volumes calculated not based on meter readings	Weak	Low	3	Identified
Historical estimate process	12.11	4 of Schedule 15.3	ICP 0001454328UN856 – volumes were submitted as HE which was incorrect	Moderate	Low	2	Identified
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	Historical Estimate targets not met for revision 3, 7 and 14	Moderate	Low	2	Identified
Future Risk Rating						33	

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.

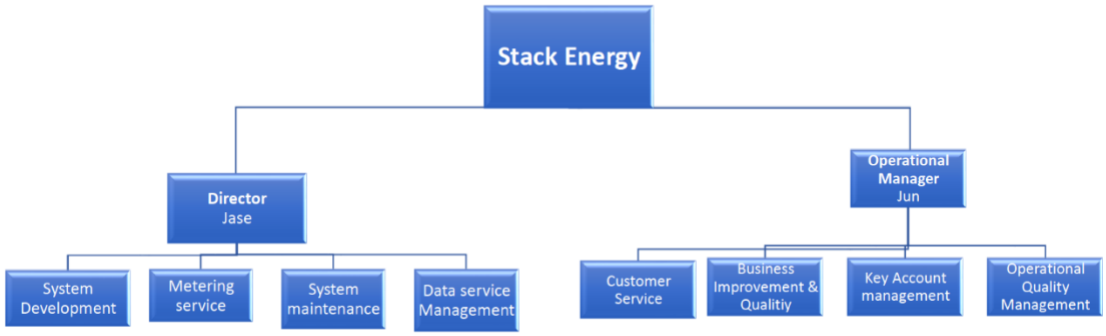
Audit observation

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

Audit commentary

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

1.2. Structure of Organisation



1.3. Persons involved in this audit

Name	Title	Company
Jun Kim	Operational Manager	Stack Energy
Sangdong Park	Director	Stack Energy
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

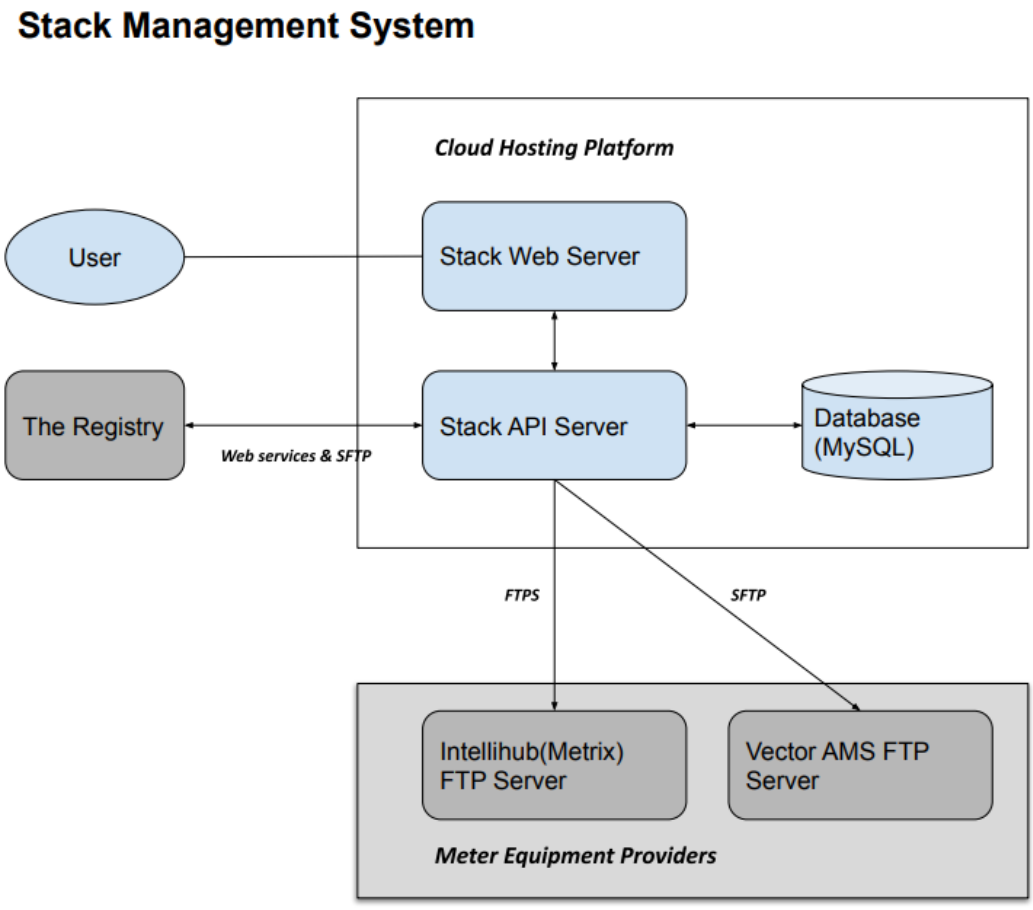
There are no agents who assist with or are used in, the Stack Energy operations that were audited.

Audit commentary

There are no agents who assist with, or are used in, the Stack Energy operations that were audited.

1.5. Hardware and Software

Stack Energy uses their own system, Stack Management System (SMS) for reconciliation and billing functions.



1.6. Breaches or Breach Allegations

There were no breaches or breach allegations lodged against Stack Energy in the period covered by this audit.

1.7. ICP Data

Metering Category	(24/07/23)	(2022)	(2021)	(2019)
1	18	19	47	73
2	0	0	0	0
3	0	0	0	0
4	0	0	0	0
5	0	0	0	0
9	0	0	0	0

Status	Number of ICPs (24/07/23)	Number of ICPs (2022)	Number of ICPs (2021)	Number of ICPs (2019)
Active (2,0)	17	18	46	73
Inactive – new connection in progress (1,12)	0	0	0	1
Inactive – electrically disconnected vacant property (1,4)	1	1	1	0
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	0	0	1
Inactive – electrically disconnected at pole fuse (1,8)	0	0	0	0
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0	0	1
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	0	0
Inactive – electrically disconnected at meter box switch (1,11)	0	0	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	0	0	0	0
Inactive – reconciled elsewhere (1,5)	0	0	0	0
Decommissioned (3)	1	1		0

1.8. Authorisation Received

Stack Energy provided a letter of authorization to TEG & Associates permitting the collection of data from other parties for matters directly related to the audit.

1.9. Scope of Audit

This audit was carried out to support their application for renewal of certification in accordance with clauses 5 and 7 of Schedule 15.1 of The Code 2010. The audit was carried out at the Stack Energy office, in Auckland, on 7 August 2023.

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

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

1.10. Summary of previous audit

The previous audit was conducted by Allan Borcoski of Borcoski Energy Services in April 2022. Nine non-compliance were noted.

Subject	Section	Clause	Non Compliance	Comments
Audit Requirements	1.11	15.37A	Audit report completed late.	Still exists
Relevant information	2.1	10.6, 11.2, 15.2	A small quantity of registry information updates were late.	Still exists
Changes to Registry information	3.3	10 of Schedule 11.1	Information updates to the Registry were later than five business days.	Cleared

Losing trader response to switch request and event dates - standard switch	4.2	3 and 4 Schedule 11.3	Two AN file responses to the registry were late (7.7 %).	Still exits
Losing traded must provide final information – switch move	4.8	10(1) of Schedule 11.3	One CS file sent to the registry was later than five business days from receiving notice of the switch move.	Cleared
Losing trader must provide final information - switch move	4.10	11 Schedule 11.3	Calculation of average kWh per day does not comply with registry Functional Specification v22.3	Still exist for the standard switch
NHH meters interrogated annually	6.9	8(1) and (2) Schedule 15.2	Three ICPs did not meet annual read attainment.	Still exits
NHH meters 90% read rate	6.10	9(1) and (2) Schedule 15.2	Three NSPs did not meet four month read attainment.	Still exits
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	A small number of historical Estimate targets not met for revision	Still exits

1.11. Audit Requirements (Clause 15.37A)

Code reference

Clause 15.37A

Code related audit information

Each reconciliation participant and each dispatchable load purchaser must arrange to be audited regularly in accordance with Part 16A in respect of the reconciliation participant's or dispatchable load purchaser's obligations under this Part.

Audit observation

The Electricity Authority website was checked for next audit date.

Audit commentary

The Stack Energy reconciliation participant audit was due to be submitted to the authority by 4 March 2023 for certification to be approved by 4 May 2023. The audit report was conducted on 7 August 2023 therefore the audit report will be lodged late. This is recorded as non-compliance.

The company lost their certification.

Non-compliance	Description

Audit Ref: 1.11 With: Clause 15.37A From: 04-Mar-23 To: 04-May-23	Audit report completed late Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	The audit risk rating is recorded as low because the number of ICPs traded by Stack Energy is small therefore any impact to the market was minor

Actions taken to resolve the issue	**Completion date**	**Remedial action status**
		Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	

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

We reviewed the LIS file and Audit Compliance report for the period covered by this audit to assess compliance. We also validated reconciliation files.

Audit commentary

The information in the registry is correct for all ICPs.

The LIS file is downloaded twice a month and compared with their system to make sure the information is correct.

The small number of information inaccuracies identified during the audit are noted below:

Section	Registry Discrepancy
4.2	One AN had the AA (acknowledge and accept) code incorrectly applied. The AD (advanced metering) code was expected for ICP metered by advanced meters
4.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22 38

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.1 With: Clause 11.2 From: 01-Apr-22 To: 31-May-23	A small quantity of switching information was inaccurate Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2
Audit risk rating	**Rationale for audit risk rating**
Low	Controls rated as moderate as small changes to the switching procedures is required There was no impact on settlement. Audit Risk Rating is recorded as low as the impact on settlement and participants is none.

Actions taken to resolve the issue	Completion date	Remedial action status
Once we acknowledge the issue, resolve the switching process as soon as possible.	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Get ready for a system that ensures seamless acknowledgment and display of the switching process without any breaches. Notifications will be integrated into our system to facilitate this.	31/03/2024	

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

The processes for providing information to the reconciliation manager were reviewed and assessed throughout this document.

Audit commentary

Compliance with this area was discussed in a number of relevant sections. Compliance was confirmed with regards to the timeliness and format of information in accordance with Part 15.

Audit outcome

Compliant

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

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

Audit observation

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

Audit commentary

MTRX/INTELLIHUB and NGCM provide metering data. Data transmission between Stack Energy and the MEPs is fully automated. Reconciliation files are submitted via the RM portal with switching and registry updates completed using the registry interface.

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

During this audit we checked the audit trail for all data gathering, validation, and corrections.

Audit commentary

We checked the audit trail of communication with the registry, the reconciliation manager and communication with other reconciliation managers.

The audit trail for reconciliation files is recorded by the RM portal.

The registry records all transactions instigated by Stack Energy. STAK uses the registry web interface.

Any correspondence with other reconciliation participants is archived as part of the email system.

The meter reads are uploaded to the SMS system; the system keeps records of each upload.

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

Stack Energy provided their Terms and Conditions.

Audit commentary

We reviewed the Terms and Conditions. We confirm compliance with 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

Stack Energy provided their Terms and Conditions.

Audit commentary

Point 5 of the Stack Energy Terms and Conditions covers access to premises. A customer must provide Stack Energy, their service providers and the Lines Company, safe and unobstructed access to any of their equipment. Written notice will be given 10 business days prior to access to the property if it is required for construction, upgrade, repair or maintenance.

Audit outcome

Compliant

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

Code reference

Clause 10.35(1)&(2)

Code related audit information

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

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

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

Audit observation

The LIS file 24/07/2023 was reviewed. MEP agreements were also reviewed.

Audit commentary

The LIS report shows all the ICPs (metering category 1 only) STAK were responsible for were metered and the MEPs recorded in the registry. The agreements with the MEPs ensure the ICPs have appropriate and approved metering designs installed.

STAK is not responsible for any ICPs using loss compensation factors.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

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

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

Audit observation

Stack Energy provided their Terms and Conditions.

Audit commentary

We reviewed the Terms and Conditions. We confirm 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 to identify all new connections and confirm process controls and compliance.

Audit commentary

STAK does not accept new connections. Only established installations are traded. The new connection process is not documented.

During the audit period there were no connections/reconnections of ICPs.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

- *for a point of connection to the grid – the grid owner has approved the connection*
- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
    - *the trader is recorded in the registry as the trader responsible for the ICP or has an arrangement with the customer and initiates a switch within 2 business days of electrical connection*
    - *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 Stack Energy. The EDA and LIS files and the registry were checked.

Audit commentary

STAK does not accept new connections currently, and they do not have a new connection process in place.

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 trader is recorded in the registry as the trader responsible for the ICP or has an arrangement with the customer and initiates a switch within 2 business days of electrical connection*
- *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 electrical connection.*

Audit observation

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was also checked.

Audit commentary

STAK does not accept new connections currently, and they do not have a new connection process in place.

The LIS file confirms that all ICPs STAK is responsible for have certified metering installations. No uncertified metering installations were identified in the Audit Compliance report.

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

This was discussed with Stack Energy The EDA and LIS files and the registry were checked. The Audit Compliance report was also checked. NGCM and Intellihub/MTRX MEP agreements were checked.

Audit commentary

STAK stated that they have arrangements in place for line function services where they intend to trade. All ICPs traded by Stack Energy are connected to the Vector network. MEP arrangements are in place with all relevant MEPs. STAK trades on the Vector network only.

Compliance was confirmed based on a statement from Stack Energy.

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 LIS file was reviewed to identify the MEPs for STAK ICPs during the audit period.

The process to ensure an arrangement is in place with the metering equipment provider before an ICP can be created or switched in was checked.

Audit commentary

MEP arrangements are in place with all relevant MEPs.

STAK demonstrated that arrangements are in place with all relevant MEPs, AMS and MRTX (Intellihub).

Audit outcome

Compliant

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

Code reference

Clause 10.33B

Code related audit information

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

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

Audit observation

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

Audit commentary

STAK did not receive NWs from losing traders. The company understands their obligation.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked.

Audit commentary

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

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

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

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

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

Audit observation

This was discussed during the audit with STAK's staff.

Audit commentary

Stack Energy does not intend to remove or break seals without authorisation from the MEPs. They are not qualified to remove the seal and replace it, in accordance with the Code.

If any problems are identified with readings, STAK will notify the MEP recorded in the registry.

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 STAK's staff.

Audit commentary

Stack Energy stated that they have never asked to bridge a meter and are not planning to do it in the future.

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

Stack Energy provided copies of two invoices. We confirm the customer ICP identifier is printed on their invoice.

Audit commentary

Observation of the invoices provided by STAK confirmed the relevant ICP identifier is printed on every invoice.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

This was discussed with Stack Energy. A copy of the Terms and Conditions and the Stack Energy Website was reviewed.

Audit commentary

We have confirmed that the Stack Energy website references the Utilities Disputes website. The footer of their email now includes a reference to Utilities Dispute as well.

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STACK ENERGY

Jun Kim
General Manager

Mob: +64 22 300 4498
Email: jun@stackenergy.co.nz
Web: www.stackenergy.co.nz

UTILITIES DISPUTES LTD
https://www.utilitiesdisputes.co.nz
info@utilitiesdisputes.co.nz
(0800) 22 33 40

Audit outcome

Compliant

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

Code reference

Clause 11.30B

Code related audit information

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

- *on their website*
- *in outbound communications to residential consumers about price and service changes*

- *to residential consumers on an annual basis*
- *in directed outbound communications about the consumer's bill.*

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

Audit observation

This was discussed with Stack Energy. A copy of the Terms and Conditions and the Stack Energy Website was reviewed.

Audit commentary

We confirmed that Stack Energy's website includes references to Powerswitch website, but they didn't reference it when communicating with customers.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.20 With: Clause 15.37A From: 01-Apr-22 To: 31-May-23	No reference to Powerswitch website when communicating with customers. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are recorded as weak. The situation has to be rectified. The audit risk rating is low because the number of ICPs traded by Stack Energy is small therefore, any impact on the market was minor

Actions taken to resolve the issue	Completion date	Remedial action status
Incorporate the Powerswitch information into both our website and email signature.	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

Stack Energy did not undertake any new connections during the audit period.

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 EDA and LIS files for the audit period were analysed in relation to the updating of the registry. MEP nominations and switching processes were examined in detail.

Audit commentary

STAK's processes are designed to ensure that trader information is populated as required by this clause.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

We examined the LIS and EDA files and the Audit Compliance report for the period covered by this audit.

Audit commentary

There were no changes to the registry information during the audit period.

Audit outcome

Compliant

3.4. Trader responsibility for an ICP (Clause 11.18)

Code reference

Clause 11.18

Code related audit information

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

A trader ceases to be responsible for an ICP if:

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

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

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

Audit observation

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was checked.

Audit commentary

We confirm that all ICPs had a valid MEP recorded in the registry. STAK does not trade UML.

The decommissioning process describes the STAK's obligation before an installation is decommissioned. STAK arranges a meter interrogation prior to or upon meter removal and asks the MEP for a final read.

Stack Energy stated that they are aware of their code requirements and obligations under this clause.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was checked.

Audit commentary

STAK's business model is based on trading existing installations exclusively. The Audit Compliance report did not uncover any missing data. STAK ensures that all ICPs are responsible for maintaining the necessary information required by this clause in the registry.

Audit outcome

Compliant

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was checked.

Audit commentary

We confirm all STAK ICPs had the correct ANZIC code assigned.

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

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was checked.

Audit commentary

Stack Energy does not trade UML ICPs.

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

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was checked.

Audit commentary

At the time of the audit, all ICPs except one had the status "Active". Each ICP STAK are responsible for that have the status "Active", which is quantified by a metering installation, and each has only one customer.

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

This was discussed with Stack Energy. The EDA and LIS files and the registry were checked. The Audit Compliance report was checked.

Audit commentary

No ICPs were made "Inactive" during the audit period. One ICP STAK is responsible for is "Inactive" (1,4) from 24/07/2020.

STAK are aware of their obligations with respect to the inactive ICP.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

It is a distributor's code obligation to monitor an ICP which has had the status of "New" or "Ready" for 24 calendar months or more. It is expected that a trader be able to respond to such queries from distributors. STAK does not sign up new connections.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Non-compliant

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The standard switch process was examined to assess compliance. We reviewed the EDA file and the Switch Breach report for the audit period. We confirm that the process is well documented.

Audit commentary

Stack Energy did not use the standard switch process in the audit period.

STAK is aware of the requirements of the Fair Trading Act 1986.

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 standard switch process was examined to assess compliance. We reviewed the EDA file and the Switch Breach report for the audit period. We confirm that the process is well documented.

Audit commentary

The clause requires that in a 12-month period, a trader is to establish a proposed event date that is no more than 5 BD for at least 50% of switches away. STAK provided evidence that for 100% of standard switches, a proposed event date was 5 BD or less.

STAK sent one AN file in response to the NTTR file received during the audit period. The proposed switch date was accepted. Upon reviewing the AN files, we identified that an incorrect response code, "AA," was used instead of the correct code, "AD," when the smart meter was installed. This information was clearly outlined in a memo dated August 5th August 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.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.2 With: Clause 3&4 of Schedule 11.1 From: 08-Jun-23 To: 08-Jun-23	One AN had the AA (acknowledge and accept) code incorrectly applied. The AD (advanced metering) code was expected for ICP metered by advanced meters Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	The controls are rated as strong. The participant was not aware that a code used by them was not correct. There is no potential/actual impact because the presence of AMI metering is recorded separately and the AN file is not typically used to confirm the presence of a smart meter by traders. Audit Risk Rating is recorded as low as the impact on settlement and participants is none.

Actions taken to resolve the issue	Completion date	Remedial action status
Acknowledge the problem	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Revise the system to include the code "AD" for Advanced Metering, and ensure that when we initiate a switching request involving an Advanced Meter, we adhere to the correct code	30/09/2023	

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

The standard switch process was examined to assess compliance. We reviewed the EDA file and the Switch Breach report for the audit period. We confirm that the process is well documented.

Audit commentary

STAK lost one ICP 0001454328UN856 .

The content of CS file was checked:

- correct identification of meter readings and correct date of last meter reading – the date read was incorrect. The last read date was 31/12/2022 not 26/01/2023
- accuracy of meter readings

• accuracy of average daily consumption – it was incorrect. The value of the average daily consumption of 31 kWh was incorrect. This ICP was irregularly read manually by STAK. According to the submission files, the customer used 2,000 kWh per month; therefore, the average daily consumption should have been recorded as 64 kWh.

The calculation for average daily consumption is not compliant. SMS calculated the average consumption based on the previous 30 days, which is not compliant with the current registry specification. The registry specification requires that the average daily consumption be calculated using the volume from the two most recent validated meter reads divided by the number of days between them. However, this method may provide inaccurate results if validated reads are received on a daily basis, but it is currently the accepted interpretation of the Code.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.3 With: Clause 5 of Schedule 11.3 From: 08-Jun-23 To: 08-Jun-23	Calculation of average kWh per day does not comply with Registry Functional Specification v22.38 Incorrect value of the average daily consumption. 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 rated as moderate. Remedial action was identified at last audit but not implemented. The audit risk rating is recorded as low due to low number of switches. Audit Risk Rating is recorded as low as the impact on settlement and participants is none.

Actions taken to resolve the issue	Completion date	Remedial action status
Acknowledge the problem	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Exploring the automated system for calculating daily electricity consumption averages within our system. Prior to implementing this automated system, we currently determine it manually by dividing the average consumption of the last three months by the number of days.	31/12/2023	

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

No RR Files were sent or received by STAK during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

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

Audit observation

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

Audit commentary

STAK trades NHH ICPs only. This clause is not applicable.

Audit outcome

Not applicable

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

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

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

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

Audit observation

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

Audit commentary

At the time of signing up a customer, they must specify if they are moving into a premise and the date of move-in.

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

In the audit period, STAK sent one NTMI. We confirm that the requirements of this clause were met.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

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

Audit observation

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

Audit commentary

STAK did not receive any NTMI from gaining traders.

Audit outcome

Compliant

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

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

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

Audit observation

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

Audit commentary

STAK did not receive any NTMI from gaining traders.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

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

Audit commentary

STAK did not receive any NTMI from gaining traders.

Audit outcome

Compliant

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

Code reference

Clause 12 Schedule 11.3

Code related audit information

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

- *if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or*
- *if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter reading. In this case, the gaining trader, within 4 calendar months of the date the registry manager gives the gaining trader written notice of having received information about the switch completion, must provide to the losing trader a changed validated meter reading or a permanent*

estimate supported by 2 validated meter readings and the losing trader must either (clause 12(2)(b) and clause 12(3)):

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

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

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

Audit observation

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

Audit commentary

No RR files were sent or received by STAK during the audit period.

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 anon-AMI half hour metering installation*

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

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

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

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

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

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

> *14(4)(a) – the proposed event date is in the same month as the date on which the gaining trader advised the registry manager; or*
>
> *14(4)(b) – the proposed event date is no more than 90 days before the date on which the gaining trader advises the registry manager and this date is agreed between the losing and gaining traders.*

Audit observation

To assess compliance, we analysed the EDA file and Switch Breach Report for the period to determine whether any HH switches occurred during the period.

Audit commentary

No HH switches occurred in the period covered by this audit.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

> *15(a) - provide to the registry manager a valid switch response code as approved by the Authority; or*
>
> *15(b) - provide a request for withdrawal of the switch in accordance with clause 17.*

Audit observation

To assess compliance, we analysed the EDA file and Switch Breach Report for the period to determine whether any HH switches occurred during the period.

Audit commentary

No HH switches occurred in the period covered by this audit.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

> *16(a)- give the losing trader or MEP for the ICP an opportunity to interrogate the metering installation immediately before the ICP is electrically disconnected or the metering equipment is removed; or*
>
> *16(b)- carry out an interrogation and, no later than 5 business days after the metering installation is electrically disconnected or removed, advise the losing trader of the results and metering component numbers for each data channel in the metering installation.*

Audit observation

To assess compliance, we analysed the EDA file and Switch Breach Report for the period to determine whether any HH switches occurred during the period.

Audit commentary

No HH switches occurred in the period covered by this audit.

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)):*
  - *the participant identifier of the trader making the withdrawal request (clause 18(c)(i)); and*
  - *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 STAK staff.

Audit commentary

No NW files were sent or received by STAK during the audit period.

Audit outcome

Compliant

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. STAK relies on MEPs to provide accurate readings, but as described in relevant sections, extensive validation is conducted upon uploading readings to their system.

Audit commentary

Meter reads are mostly received from MEPs. Meter readings used in the switching process are validated meter readings or estimates.

STAK are aware of the code requirements and understands the obligations with respect to costs.

Audit outcome

Compliant

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

Code reference

Clause 11.15AA to 11.15AC

Code related audit information

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

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

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

Audit observation

This was discussed during the audit.

Audit commentary

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

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

The trader must adhere to the process for maintaining shared unmetered load as outlined in clause 11.14:

> *11.14(2) - The distributor must give written notice to the traders responsible for the ICPs across which the unmetered load is shared, of the ICP identifiers of the ICPs.*
>
> *11.14(3) - A trader who receives such a notification from a distributor must give written notice to the distributor if it wishes to add or omit any ICP from the ICPs across which unmetered load is to be shared.*
>
> *11.14(4) - A distributor who receives such a notification of changes from the trader under (3) must give written notice to the registry manager and each trader responsible for any of the ICPs across which the unmetered load is shared.*
>
> *11.14(5) - If a distributor becomes aware of any change to the capacity of a shared unmetered load ICP or if a shared unmetered load ICP is decommissioned, it must give written notice to all traders affected by that change as soon as practicable after that change or decommissioning.*
>
> *11.14(6) - Each trader who receives such a notification must, as soon as practicable after receiving the notification, adjust the unmetered load information for each ICP in the list for which it is responsible to ensure that the entire shared unmetered load is shared equally across each ICP.*
>
> *11.14(7) - A trader must take responsibility for shared unmetered load assigned to an ICP for which the trader becomes responsible as a result of a switch in accordance with Part 11.*
>
> *11.14(8) - A trader must not relinquish responsibility for shared unmetered load assigned to an ICP if there would then be no ICPs left across which that load could be shared.*
>
> *11.14(9) - A trader can change the status of an ICP across which the unmetered load is shared to inactive status, as referred to in clause 19 of Schedule 11.1. In that case, the trader is not required to give written notice to the distributor of the change. The amount of electricity attributable to that ICP becomes UFE.*

Audit observation

This was discussed with Stack Energy. The LIS file was examined to check if Stack Energy trades shared an unmetered load.

Audit commentary

Stack Energy did not trade SUML and does not intend to take on SUML in the foreseeable future. If it is found after a switch that SUML is associated with an ICP, it will be dealt with accordingly.

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 examined to check if Stack Energy trades an unmetered load.

Audit commentary

Stack Energy did not trade UML and does not intend to take on UML in the foreseeable future. If it is found after a switch that UML is associated with an ICP, it will be dealt with accordingly.

Audit outcome

Compliant

5.3. Unmetered threshold exceeded (Clause 10.14 (5))

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

- *within 20 business days, commence corrective measure to ensure it complies with Part 10*
- *within 20 business days of commencing the corrective measure, complete the corrective measures*
- *no later than 10 business days after it becomes aware of the limit having been exceeded, advise each participant who is or would be expected to be affected of:*
    - *the date the limit was calculated or estimated to have been exceeded*
    - *the details of the corrective measures that the retailer proposes to take or is taking to reduce the unmetered load.*

Audit observation

This was discussed with Stack Energy. The LIS file was examined to check if Stack Energy trades an unmetered load.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

This was discussed with Stack Energy. The LIS file was examined to check if Stack Energy trades a distributed unmetered load.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

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

Audit commentary

STAK stated it does not trade installations with embedded generation.

STAK does not use subtraction to determine volume information.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

The participant responsible for the metering installation must:

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

Audit observation

STAK does not have any connections to the grid.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

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

Code related audit information

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

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

Audit observation

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

Audit commentary

We can confirm that STAK submits volumes to the reconciliation manager using the RPS Profile. Control devices are not necessary for reconciliation purposes.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

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

Audit commentary

STAK have agreements with MEPs to provide metering installations and meter readings. The MEPs collect raw meter data. According to the process, when "Active" ICPs show no recorded consumption, STAK notifies the responsible MEP to conduct an investigation.

Unfortunately, when the meter installed at ICP 0001445001UN110 stopped, STAK did not follow their process. Instead of sending an email to the generic Intellihub email address, they sent an email on 02/09/2022 to a personal email of an Intellihub employee who never replied. As a result, it has been almost a year since the meter stopped, and it still has not been replaced. The company has never followed up with Intellihub.

In our opinion, Stack Energy did not use their best endeavour to have the meter replaced.

The company monitors the situation by taking a manual read every three months, but the register read has not changed since 30/09/2022. It is a small restaurant that uses gas for cooking. Before the meter stopped, the restaurant's monthly consumption was 600 kWh. STAK submits zero consumption to the reconciliation manager. The customer is billed for line charges only.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.4 With: Clause 10.43(2)(3) From: 02-Sep-22 To: 31-May-23	MEP was not notified of a faulty meter, best endeavours were not used to rectify the situation. Potential impact: Low Actual impact: Low Audit history: None Controls: None Breach risk rating: 5
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are recorded as none. The company has not used their best endeavours to resolve the issue. The audit risk rating is recorded as low because this situation relates to one ICP traded by Stack Energy. The impact to the market is minor.

Actions taken to resolve the issue	Completion date	Remedial action status
Sent notification to the meter company and trying to resolve the issue	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Obtain various contact details, including a general email address, from the meter company. This will enable us to promptly report faults and resolve any issues as they arise.	30/09/2023	

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 is does not exceed the maximum interrogation cycle in the registry .

2(4) - The reconciliation participant must interrogate the meter at least once every maximum interrogation cycle.

2(5) - When electronically interrogating the meter the participant must:

- *a) ensure the system is to within +/- 5 seconds of NZST or NZDST*
- *b) compare the meter time to the system time*
- *c) determine the time error of the metering installation*
- *d) if the error is less than the maximum permitted error, correct the meter's clock*
- *e) if the time error is greater than the maximum permitted error then:*
  - *i) correct the metering installation's clock*
  - *ii) compare the metering installation's time with the system time*
  - *iii) correct any affected raw meter data.*
- *f) download the event log.*

2(6) – The interrogation systems must record:

- *the time*
- *the date*
- *the extent of any change made to the meter clock.*

Audit observation

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

Audit commentary

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

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

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

All validated meter readings must be derived from meter readings.

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

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

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

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

Audit observation

This was discussed with Stack Energy. The LIS file, Audit Compliance report and registry were checked. The manual meter reading process was checked.

Audit commentary

STAK is responsible for 3 meters with no communication. Only one of them is read manually because two others are vacant, but the registry status is "Active" therefore, they should be read.

STAK performs manual readings on a regular basis, preferably every second month. They have a documented process that involves using a spreadsheet to gather the necessary information. The readings are entered into SMS with an Actual (A) flag. If the manual readings cannot be obtained, estimated readings are used instead.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 15.2

Code related audit information

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

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

Audit observation

This was discussed with Stack Energy. The switch process and related meter readings were reviewed.

Audit commentary

The switch event read from the CS file is used as a start read for gained ICPs. Successive readings from MEPs were used from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation.

Audit outcome

Compliant

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

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

This was discussed with STAK. The switch process and related meter readings were reviewed. The process for monitoring missing reads was examined.

Audit commentary

STAK lost one ICP, and a validated meter reading was obtained.

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

This was discussed with Stack Energy. The LIS, MEP Audit reports and registry were checked. The manual meter reading process was checked. Meter Reading Frequency Reports for June 2022 to May 2023 were reviewed.

Audit commentary

Month	Total number of NSPs	ICP unread for 12 months
June-22	7	3
July-22	7	3
Aug-22	7	3
Sept-22	7	2
Oct-22	7	2
Nov-22	7	2
Dec-22	7	2
Jan-23	7	2
Feb-23	7	2
Mar-23	7	2
Apr-23	7	2
May-23	7	2

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.9 With: Clause 8(1) of Schedule 15.2 From: 01-Apr-22 To: 31-May-23	Two ICPs did not meet annual read attainment. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating:3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as weak as improvement of manual reads is required. There was a minor impact on the settlement because small number of ICPs. The audit risk rating is recorded as low.

Actions taken to resolve the issue	Completion date	Remedial action status
Once we make sure that the property is vacant, we will carry on the disconnection order	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Obtain alternative contact information for the client and inform them about the procedure for accessing the meter room to manually check for any obstacles that might hinder meter reading.	20/08/2023	

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

This was discussed with Stack Energy. The LIS, MEP Audit reports and registry were checked. The manual meter reading process was checked. Meter Reading Frequency for June 2022 to May 2023 were reviewed.

Audit commentary

Compliance was not achieved in the audit period. The table below shows reads that were not met by NSPs and the number of ICPs which did not have 90% attainment of reads.

The summary is shown below:

Month	Total number of NSPs	Number of NSPs with less than 90%	ICP unread for 4 months
June-22	7	3	3
July-22	7	3	3
Aug-22	7	3	3
Sept-22	7	2	2
Oct-22	7	2	2
Nov-22	7	2	2
Dec-22	7	2	2
Jan-23	7	2	2
Feb-23	7	2	2
Mar-23	7	2	2
Apr-23	7	2	2
May-23	7	2	2

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.10 With: Clause 9(1) of Schedule 15.2 From: 01-Jan-22 To: 31-May-23	90% attainment was not achieved for 2 NSPs over 4 months Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as weak as improvement of manual reads is required. There was a minor impact on the settlement because small number of ICPs. The audit risk rating is recorded as low.

Actions taken to resolve the issue	Completion date	Remedial action status
If manual meter reading is necessary, we will assess the current status of a property. If the location is unoccupied, we will proceed with the disconnection order.	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
If manual meter reading is necessary, we will assess the current status of a property. If the location is unoccupied, we will proceed with the disconnection order.	20/08/2023	

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

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

Audit commentary

Assessment with this clause is part of the MEPs audit.

Audit outcome

Compliant

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

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

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

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

Audit observation

We have reviewed the LIS file, reconciliation submission files, and registry. STAK trades exclusively with NHH and submits volume submissions to the reconciliation manager using the RPS profile.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

We have reviewed the LIS file, reconciliation submission files, and registry. STAK trades exclusively with NHH and submits volume submissions to the reconciliation manager using the RPS profile.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

We have reviewed the LIS file, reconciliation submission files, and registry. STAK trades exclusively with NHH and submits volume submissions to the reconciliation manager using the RPS profile.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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 ±0.1% (±2 seconds).

Audit observation

We have reviewed the LIS file, reconciliation submission files, and registry. STAK trades exclusively with NHH and submits volume submissions to the reconciliation manager using the RPS profile.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

Stack Energy keeps a copy of all NHH data received from MEPs and meter reads taken by themselves. Access to the copy of raw data is restricted and protected by passwords.

MEP updates meter readings on a daily basis. STAK has a set SFTP server with the MEPs, so they receive daily meter readings automatically and update them through their system.

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

This was discussed during the audit. Stack Energy does not use non-metering information to determine profile data.

Audit commentary

No non-metering information is collected by Stack Energy.

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

STAK received NHH reads from MEPs. We reviewed the process for the validation of reads and action taken when errors are detected.

Audit commentary

We confirm compliance of the process. Stack Energy confirmed that there were no corrections of NHH data in the period covered by this audit.

Audit outcome

Compliant

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

Code reference

Clause 19(2) Schedule 15.2

Code related audit information

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

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

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

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

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

Audit observation

We have reviewed the LIS file, reconciliation submission files, and registry. STAK trades exclusively with NHH and submits volume submissions to the reconciliation manager using the RPS profile.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

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

Audit observation

Error and loss compensation was discussed during the audit. STAK trades category 1 metering installations only.

Audit commentary

No error or loss compensation needs to be applied to metering data.

Audit outcome

Compliant

8.4. Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)

Code reference

Clause 19(4) and (5) Schedule 15.2

Code related audit information

In correcting a meter reading in accordance with clause 19, the raw meter data must not be overwritten. If the raw meter data and the meter readings are the same, an automatic secure backup of the affected data must be made and archived by the processing or data correction application.

If data is corrected or altered, a journal must be generated and archived with the raw meter data file. The journal must contain the following:

19(5)(a)- the date of the correction or alteration

19(5)(b)- the time of the correction or alteration

19(5)(c)- the operator identifier for the person within the reconciliation participant who made the correction or alteration

19(5)(d)- the half-hour metering data or the non half hour metering data corrected or altered, and the total difference in volume of such corrected or altered data

19(5)(e)- the technique used to arrive at the corrected data

19(5)(f)- the reason for the correction or alteration.

Audit observation

This was discussed with Stack Energy. The LIS file, MEP Audit reports and Registry were checked. The manual meter reading process was checked.

Audit commentary

STAK have agreements with NGCM and Intellihub to provide metering installations and AMI meter readings. Raw meter data is collected and held by the MEPs.

AMI meter readings are collected by Intellihub and NGCM and passed to STAK. Raw meter data received from MEPs is automatically uploaded daily by SMS and validated.

STAK also collects data manually from four meter installations that have no communications. These meters are read on a regular basis, preferably every four months. STAK follows a documented process using a spreadsheet. The meter readings are entered into SMS manually and marked with an Actual (A) flag. In case manual readings cannot be obtained, estimated readings will be used.

Access to raw data is restricted and password protected, and is never overwritten.

STAK advised that there were no corrections of NHH data in the period covered by this audit.

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

SMS has a built-in function which allows the identification of actual and estimated readings. Only actual data is accepted from MEPs.

Audit commentary

Compliance is confirmed based on viewing meter readings in the SMS database. It was also reviewed as a part of scenarios described in **section 12.11**.

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

All readings received from the MEPs and readings done by STAK are validated upon upload to SMS.

Audit commentary

Volume information is derived from validated NHH readings provided by the MEP. SMS has the functionality to use both validated and estimated readings to create reconciliation files.

Reads for non-AMI meters are validated using the same parameters as for AMI reads.

The correctness of the calculation for volumes using meter readings was assessed during NHH scenarios described in **section 12.11**.

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

Metering data is neither rounded nor truncated upon uploading to SMS. STAK provided 4 examples of data from NGCM and MTRX to demonstrate compliance.

Audit commentary

The MEPs retain raw, unrounded data. Meter reading data is not rounded or truncated on import. Compliance confirmed based on a review of examples provided.

Audit outcome

Compliant

9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

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

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

Audit observation

We reviewed the LIS and EDA files, and it was confirmed that STAK only trades NHH ICPs.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

Data validation was discussed during the audit. All readings are provided by NGCM or MTRX except for reconciliation participant reads.

Audit commentary

SMS validates reads from MEPs and reconciliation participant reads using the same parameters. The system is checking for high consumption, zeros, low, missing reads, etc. If a meter reading is more than double the average consumption, SMS will alert an operator. STAK will contact the customer to ask whether they have any reason for higher electricity consumption. If the answer is negative, STAK will contact an MEP.

STAK manually collects data from one meter installations with no communications. STAK performs manual readings on a regular basis, preferably every second month. STAK has a documented process using a spreadsheet to collect the information required by this clause. Meter readings are manually entered into SMS with an Actual (A) flag.

Meter reading information collected from MEPs is actual and is labelled as such in SMS. If estimated readings were required they would be labelled appropriately as estimated in SMS.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 15.2

Code related audit information

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

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

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

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

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

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

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

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

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

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

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

Audit observation

We reviewed the NHH data validation process, including meter event logs, validation checks.

Validation of electronic readings was also reviewed as part of the MEP audits.

Audit commentary

Electronic meter reading information is provided by MEPs. AMI meters are interrogated daily, and data provided to STAK via SFTP.

SMS validates data upon import, checking for missing data, checking for invalid dates and times. Any files which fail validation are not imported to the system.

STAK provided evidence of logs provided by MTRX and NGCM.

STAK advised there were no metering data integrity issues identified during the audit period.

Audit outcome

Compliant

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

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

Code reference

Clause 13.136

Code related audit information

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

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

Audit observation

STAK is not a generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.137

Code related audit information

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

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

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

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

Audit observation

STAK is not a generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.138

Code related audit information

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

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

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

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

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

Audit observation

STAK is not a generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.140

Code related audit information

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

Audit observation

STAK is not a generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

This was discussed with Stack Energy. The LIS file and reconciliation submission files were checked.

Audit commentary

STAK trades NHH only and submits volume submissions to the reconciliation Manager using the RPS profile only. 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

The process for the calculation of ICP days was examined by checking 3 NSPs with a small number of ICPs to confirm that the AV110 ICP days calculation was correct.

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

Audit commentary

There were no late submissions of AV-110 files.

The review of GR-100 showed that there are no differences between ICP days calculated by Stack Energy and the registry.

Audit outcome

Compliant

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

Code reference

Clause 15.7

Code related audit information

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

> *15.7(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period*
>
> *15.7(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.*

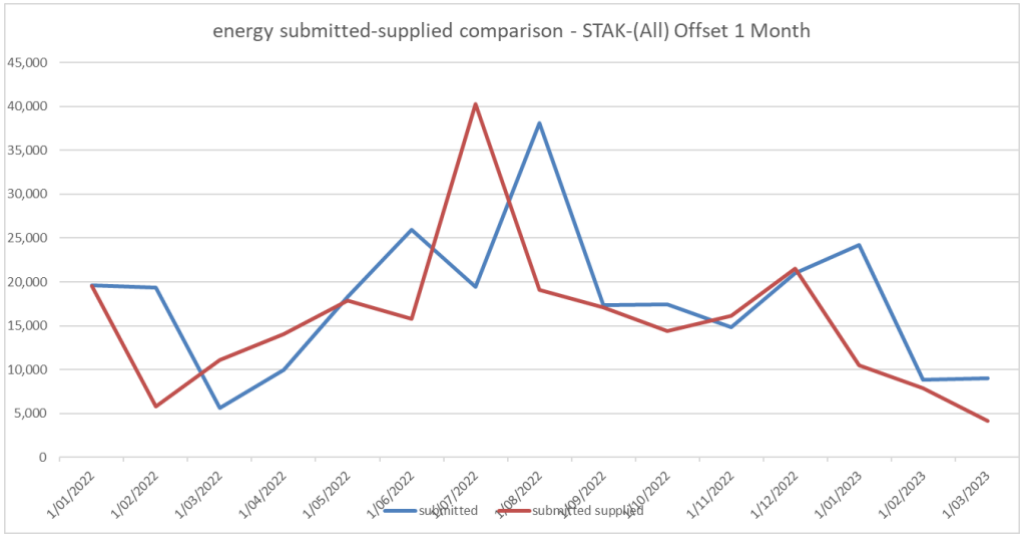
Audit observation

This was discussed with Stack Energy. Stack Energy submits AV-120 monthly. The process for the calculation of "as billed" volumes was examined.

We confirm it submits for all revisions. The table below shows a comparison between volumes submitted and supplied (billed).

Audit commentary

The graph below represent submissions for the audit period January 2022 to March 2023.



Audit outcome

Compliant

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

Code reference

Clause 15.8

Code related audit information

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

> *15.8(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period*
>
> *15.8(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.*

Audit observation

We have reviewed the LIS file, reconciliation submission files, and registry. STAK trades exclusively with NHH and submits volume submissions to the reconciliation manager using the RPS profile.

Audit commentary

This clause is not applicable. Compliance was not assessed.

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

A review of the registry file confirmed that STAK trades NHH only.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.2. Creation of submission information (Clause 15.4)

Code reference

Clause 15.4

Code related audit information

By 1600 hours on the 4th business day of each reconciliation period, the reconciliation participant must deliver submission information to the reconciliation manager for all NSPs for which the reconciliation participant is recorded in the registry as having traded electricity during the consumption period immediately before that reconciliation period (in accordance with Schedule 15.3).

By 1600 hours on the 13th business day of each reconciliation period, the reconciliation participant must deliver submission information to the reconciliation manager for all points of connection for which the reconciliation participant is recorded in the registry as having traded electricity during any consumption period being reconciled in accordance with clauses 15.27 and 15.28, and in respect of which it has obtained revised submission information (in accordance with Schedule 15.3).

Audit observation

This was discussed with Stack Energy. The reconciliation submission files NHHVOLS, ICPDAYS, and BILLED for the audit period were reviewed. The Electricity Authority was checked for any breach activity (late submissions) during the audit period.

Audit commentary

We confirm no breaches for late submission of information to the reconciliation manager during the audit period. Volumes and revisions were submitted for all ICPs traded during the audit period.

STAK submits volume submissions to the reconciliation manager using the RPS Profile.

Audit outcome

Compliant

12.3. Allocation of submission information (Clause 15.5)

Code reference

Clause 15.5

Code related audit information

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

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

Audit observation

This was discussed with Stack Energy. The reconciliation submission files NHHVOLS, ICPDAYS, and BILLED for the audit period were reviewed. The LIS and registry were checked.

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

Audit commentary

STAK trades NHH only and submits volume submissions to the reconciliation manager using the RPS profile.

STAK carries out a twice a month reconciliation between the registry and their system. STAK stated no discrepancies had been identified during this audit period.

We reviewed the GR-100 file to analyse discrepancies between ICP days, which often indicate that volumes are allocated to an incorrect NSP.

We confirm submission volumes were allocated to the correct NSP.

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

STAK is not a grid owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

The participant (if a local or embedded network owner) must provide to the reconciliation manager for each NSP for which the participant has given a notification under clause 25(1) Schedule 11.1 (which relates to the creation, decommissioning, and transfer of NSPs) the following:

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.10(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.10(b))*

Audit observation

STAK is not an embedded network owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

The participant (if a grid connected generator) must deliver to the reconciliation manager for each of its points of connection, the following:

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.11(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.11(b))*

Audit observation

STAK is not a grid connected generator.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

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

Audit observation

STAK provided reconciliation data submitted in the last 6 months.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

Audit commentary

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

We confirmed volumes and revisions were submitted for all ICPs traded during the audit period as required by the Code however we identified three issues.

- 0001445001UN110 - The meter stopped before September 2022 and still has not been replaced. The company does not estimate volumes and submits zero volumes to the reconciliation manager. It is a small restaurant that uses gas for cooking. Historically, the restaurant's monthly consumption was 600 kWh.

- 0000185567UN5B0 and 0420881913LCB25- Both premises are vacant; the registry status is "Active". The ICPs are metered by non-AMI meters. STAK doesn't read their meters, assuming that there is no consumption. Zero volumes are submitted, which could be incorrect. They could endeavour to manually read 3 monthly like the ICP above. It appears they have not used best endeavours here to validate/verify that readings are zero. Or have the ICPs disconnected vacant.

- 0001454328UN856 – metered by non-AMI meter and manually read irregularly. STAK did not use actual readings to calculate submission volumes. They were submitting a monthly figure of 2,000 kWh flagged as Historical Estimate. It is difficult to assess how the volumes were calculated.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.7 With: Clause 15.12 From: 01-Apr-22 To: 31-May-23	Zero volumes are submitted for ICP with a stopped meter, the company knows that a customer uses electricity. It appears they have not done everything thing they could to confirm the accuracy of the submission information. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as weak as improvement of manual reads is required. There was minor impact on settlement. The audit risk rating is recorded as low.

Actions taken to resolve the issue	Completion date	Remedial action status
We are aware of the average monthly power consumption of the customer. We will adjust the meter reading based on our estimation and incorporate it into the volume report.	30/09/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Auditor Ewa has provided a suggestion on how to address faulty meters, and we will proceed to implement this approach by adjusting the average consumption for meters that are clearly active and in use by the client.	20/08/2023	

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 Stack Energy. The reconciliation submission files NHHVOLS, and GR170-NHH for the audit period were reviewed.

Audit commentary

STAK described the process which is used to calculate forward estimates. The company stated it did not need to use any forward estimates during the audit period.

There are two ICPs, which are vacant with no consumption, but their status in the registry is still "Active". STAK submits zero volumes to the reconciliation manager.

0000185567UN5B0 and 0420881913LCB25 2 NSPs (2 ICPs) SVL0331 and TAK0331, no consumption.

Audit outcome

Compliant

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

Code reference

Clause 2 Schedule 15.3

Code related audit information

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

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

Audit observation

We discussed this with Stack Energy and we reviewed the LIS file, the reconciliation submission files for the past five months, and the registry.

Audit commentary

STAK submitted NHHVOLS, ICPDAYS and BILLED files. We assessed compliance with this clause and confirm as follows:

- all STAK metered ICPs are submitted as NHH
- profile used for submissions was RPS
- no profiles requiring a certified control device were used
- no loss or compensation arrangements were required

As described in section **12.7,** we identified three issues related to submission files.

- 0001445001UN110 - The meter stopped before September 2022 and still has not been replaced. The company does not estimate volumes and submits zero volumes to the reconciliation manager. It is a small restaurant that uses gas for cooking. Historically, the restaurant's monthly consumption was 600 kWh.
- 0000185567UN5B0 and 0420881913LCB25- Both premises are vacant; the registry status is "Active". The ICPs are metered by non-AMI meters. STAK doesn't read their meters, assuming that there is no consumption. Zero volumes are submitted, which could be incorrect.
- 0001454328UN856 – metered by non-AMI meter and manually read irregularly. STAK did not use actual readings to calculate submission volumes, resulting in a monthly figure of 2,000 kWh flagged as Historical Estimate. It is difficult to assess how the volumes were calculated.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.9 With: Clause 2 of Schedule 15.3 From: 01-Apr-22 To: 31-May-23	Zero volumes are submitted for ICP with stopped meter knowing that a customer uses electricity Volumes calculated not based on meter readings Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as weak. The methodology of volume calculation needs review. There was minor impact on settlement. The audit risk rating is recorded as low.

Actions taken to resolve the issue	Completion date	Remedial action status
We are aware of the average monthly power consumption of the customer. We will adjust the meter reading based on our estimation and incorporate it into the volume report.	30/09/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Auditor Ewa has provided a suggestion on how to address faulty meters, and we will proceed to implement this approach by adjusting the average consumption for meters that are clearly active and in use by the client.	20/08/2023	

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

We reviewed NHHVOLS for January 2023 to May 2023 to assess compliance.

Audit commentary

We confirm that historic estimates were included in NHHVOLS and identified correctly

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

If the seasonal adjustment file (GR-30) is not available, which is the case for day 4 submissions, Stack Energy does not create their own shape file. It will calculate a forward estimate, which will be replaced by historical estimates once a shape file provided by the reconciliation manager is available (day 13).

Audit commentary

For the assessment of compliance with this clause we provided Stack Energy with a set of scenarios to validate the accuracy of the calculation of historic and forward estimation for NHH ICP days. Three scenarios were included in testing because actual reads are received daily due to remote read meters.

The company provided examples of calculations for:

- Gained ICP
- Switched out ICP
- Read is in the previous month and at the end of the reconciliation month
- Read is in the previous month and in the following month

During the audit, we identified that ICP 0001454328UN856, which has a non-AMI meter installed, was being manually read by STAK at irregular intervals, sometimes 18 months apart.

STAK did not use actual readings to calculate submission volumes. They were submitting a monthly figure of 2,000 kWh flagged as Historical Estimate, which is incorrect. It is difficult to assess how the volumes were calculated.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.11 With: Clause 4 of Schedule 15.3 From: 01-Apr-22 To: 31-Jan-23	ICP 0001454328UN856 – volumes were submitted as HE which was incorrect Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as moderate as improvement of the calculation of HE for manual reads is required. There was minor impact on settlement. The audit risk rating is recorded as low.

Actions taken to resolve the issue	Completion date	Remedial action status
We will correct the HE volume for ICP 0001454328UN856	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Auditor Ewa has provided a suggestion on how to address faulty meters, and we will proceed to implement this approach by adjusting the average consumption for meters that are clearly active and in use by the client.	20/08/2023	

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 Stack Energy. The LIS, reconciliation submission files and registry were checked. Historical Estimate and estimate process and scenario examples were checked.

Audit commentary

During the audit period, STAK confirmed that it did not use forward estimates. However, they explained the process they would follow if they needed to use them. STAK's system uses either the daily

consumption data from the CS file or the calculation of the daily average consumption between two register reads for a specific period.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 15.3

Code related audit information

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

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

Audit observation

This was discussed with Stack Energy. The LIS, EDA, reconciliation submission files were checked.

Audit commentary

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

Audit outcome

Compliant

13. SUBMISSION FORMAT AND TIMING

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

Code reference

Clause 8 Schedule 15.3

Code related audit information

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

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

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

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

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

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

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

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

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

Audit observation

This was discussed with Stack Energy. We reviewed the submission NHHVOLS files for Dec'22 to Aprl'23 to assess compliance.

Audit commentary

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

- NSP code
- network
- reconciliation type
- trader
- profile
- loss category code
- flow direction
- dedicated NSP
- consumption period
- Volume

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

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

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

Audit observation

This was discussed with Stack Energy. The LIS, EDA, reconciliation submission files were checked.

Audit commentary

We confirm that the submission information was 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

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

Audit commentary

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

Month	Number of NSPs	R3	R7	R14
Apr'22	7	2	3	2
May'22	7	2	2	2
June-22	7	3	3	
July-22	7	3	2	
Aug-22	7	4	3	
Sept-22	7	4	3	
Oct-22	7	3	2	
Nov-22	7	2	2	
Dec-22	7	2	2	
Jan-23	7	2		
Feb-23	7	2		
Mar-23	7	2		
Apr-23	7	2		

A few NSPs have failed to meet compliance standards. ICPs connected to these NSPs are metered by non-AMI meters, which have been read by Stack Energy. Unfortunately, access to these sites has been a problem for several months now. Additionally, the sites are currently vacant, and the owner has stopped paying invoices. As a result, the company is contemplating disconnecting both ICPs due to non-payment.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 13.3 With: 10 of Schedule 15.3 From: 01-Apr-22 To: 31-May-23	Historical Estimate targets not met for revision 3, 7 and 14 Potential impact: Low Actual impact: Low Audit history: Controls: Moderate Breach risk rating: 2
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as moderate because there are some improvements that can be made to them. There was a minor impact on the settlement because small number of ICPs. The audit risk rating is recorded as low.

Actions taken to resolve the issue	Completion date	Remedial action status
Once we make sure that the property is vacant, we will carry on the disconnection order	20/08/2023	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Obtain alternative contact information for the client and inform them about the procedure for accessing the meter room to manually check for any obstacles that might hinder meter reading.	20/08/2023	

CONCLUSION

PARTICIPANT RESPONSE