



VERITEK

Electricity Industry Participation Code Reconciliation Participant Audit Report

For

Northcote RD 1 Holdings Limited (SMAL)

Prepared by Rebecca Elliot – Veritek Ltd

Date of Audit: 01/08/17

Date Audit Report Complete: 04/08/17

Date Audit Report Due: 07/08/17



Executive Summary

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of **Northcote RD 1 Holdings Limited (SMAL)**, to support application for renewal of certification in accordance with clauses 5 and 7 of Schedule 15.1.

SMAL is an embedded network operator, and is therefore required to be a certified reconciliation participant in accordance with clause 15.38 of part 15. In this report I have only recorded those matters where issues were discovered, or where specific analysis was undertaken.

SMAL's compliance is reliant on the compliance of AMS as an agent to SMAL. The AMS audit report was reviewed and compliance was confirmed and no recommendations were made. Compliance is confirmed and therefore I recommend that the next audit be due in August 2020.

Table of Non-Compliance

Subject	Section	Clause	Non-compliance	Breach Risk Rating	Audit History	Controls	Remedial Action
			Nil				
Breach Risk Rating Score							Nil
Indicative Next Audit Frequency							36 months

Table of Recommendations

Subject	Section	Clause	Recommendation for Improvement	Remedial Action
			Nil	

Persons Involved in This Audit

Auditor:

Rebecca Elliot
Veritek Limited
(Electricity Authority Approved Auditor)

Personnel assisting in this audit were.

Name	Company
Eva Khudyakova	TENCO Ltd

Contents

Executive Summary	2
Table of Non-Compliance	2
Table of Recommendations	2
Persons Involved in This Audit	3
Contents	4
1. Administrative	5
1.1 Summary of Previous Audit	5
1.2 Scope of Audit	5
1.3 Exemptions From Obligations to Comply With Code (Section 11 of Electricity Industry Act 2010)	5
1.4 Use of Agents (Clause 15.34 of Part 15)	5
1.5 Breaches or Breach Allegations	5
1.6 NSP Data	6
2. Operational Infrastructure	6
2.1 Relevant information (Clause 10.6, 11.2, 15.2)	6
2.2 Retailer responsibility for electricity conveyed - access to metering installations (Clause 10.7(2),(4),(5) and (6))	6
2.3 Arrangements for metering equipment provision (Clause 10.36)	7
3. Conclusions	8
Table of Non-Compliance	8
Table of Recommendations	8
4. SMAL Response	10
Appendices – Agents Audit Reports	11
• EMS	11

1. Administrative

1.1 Summary of Previous Audit

SMAL provided a copy of the audit report from their previous audit, conducted in 2016 by Rebecca Elliot of Veritek Limited. This report recorded compliance with the code.

1.2 Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of SMAL, to support their application for initial certification in accordance with clause 5 of schedule 15.1.

The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits version 7.1.

SMAL is an embedded network operator, and is therefore required to be a certified reconciliation participant in accordance with clause 15.38 of part 15.

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

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks
(b) Gathering and storing raw meter data	AMS
(c)(i) Creation and management of HHR volume information	
(e) Provision of submission information for reconciliation.	

The audit report for AMS is attached as an appendix. This audit was conducted prior to June 1st, 2017 and was carried out under audit guideline version 6.2. Compliance was recorded.

1.3 Exemptions From Obligations to Comply With Code (Section 11 of Electricity Industry Act 2010)

SMAL confirms that there are no exemptions in place, which are relevant to the scope of this audit.

1.4 Use of Agents (Clause 15.34 of Part 15)

AMS performs all of SMAL's responsibilities.

1.5 Breaches or Breach Allegations

SMAL has had no breaches recorded during the audit period relevant to this audit.

1.6 NSP Data

SMAL has responsibility for one embedded network. The table below lists the relevant NSP and the associated information:

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network Type	Start Date	MEP
SMAL	SML0111	SMALES FARM	ALB1101	UNET	SML0111SMALE	E	1/11/2014	AMCI

2. Operational Infrastructure

2.1 Relevant information (Clause 10.6, 11.2, 15.2)

A participant must take all practicable steps to ensure that information that the participant is required to provide to any person under Part 15 is:

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

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

Audit Observation

The process to find and correct incorrect information was discussed.

Audit Commentary

I did not identify any incorrect or misleading information. Compliance is recorded in the AMS report in relation to this clause. SMAL advises that these matters are handled as and if they arise. Compliance is confirmed.

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

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.*

Audit Observation

I discussed SMAL's policy in relation to allowing access to metering and if any requests had been received during the audit period.

Audit Commentary

Arrangements for access to metering are arranged as necessary. Two requests for access to metering installations have been received during the audit period and access was arranged. Compliance is confirmed.

2.3 Arrangements for metering equipment provision (Clause 10.36)

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

Audit Observation

The NSP supply point table as at July 2017 was examined. The specific details are recorded in **Section 1.6 "NSP Data"**.

Audit Commentary

SML0011 has an MEP recorded. Compliance is confirmed.

3. Conclusions

SMAL's compliance is reliant on the compliance of compliance is reliant on the compliance of AMS as an agent to SMAL. The AMS audit report was reviewed and compliance was confirmed and no recommendations were made. Compliance is confirmed and therefore I recommend that the next audit be due in August 2020.

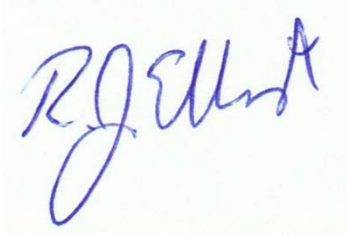
Table of Non-Compliance

Subject	Section	Clause	Non-compliance	Breach Risk Rating	Audit History	Controls	Remedial Action
			Nil				
Breach Risk Rating Score							
Indicative Next Audit Frequency							36 months

Table of Recommendations

Subject	Section	Clause	Recommendation for improvement	Remedial Action
			Nil	

Signed by:



Rebecca Elliot

Veritek Limited

Electricity Authority Approved Auditor

Signed by:



Nick Price

TENCO EBS Ltd (as agent of SMAL)

4. SMAL Response

TENCO on behalf of SMAL have reviewed the report on 04/08/2017 and agree with the findings of the audit.

Appendices – Agents Audit Reports

- EMS