

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**



For

THE EMBEDDED NETWORK COMPANY

Prepared by: Tara Gannon

Date audit commenced: 26 September 2017

Date audit report completed: 5 February 2018

Audit report due date: 23 March 2018

TABLE OF CONTENTS

Executive summary	4
Audit summary	5
Non-compliances	5
Recommendations	6
Issues 6	
1. Administrative	7
1.1. Exemptions from Obligations to Comply with Code (Section 11)	7
1.2. Structure of Organisation	7
1.3. Persons involved in this audit	7
1.4. Use of contractors (Clause 11.2A)	7
1.5. Supplier list	8
1.6. Hardware and Software	8
1.7. Breaches or Breach Allegations	8
1.8. ICP and NSP Data	8
1.9. Authorisation Received	13
1.10. Scope of Audit	13
1.11. Summary of previous audit	14
2. Operational Infrastructure	15
2.1. Requirement to provide complete and accurate information (Clause 11.2(1) and 10.6(1))	15
2.2. Requirement to correct errors (Clause 11.2(2) and 10.6(2))	15
3. Creation of ICPs	16
3.1. Distributors must create ICPs (Clause 11.4)	16
3.2. Participants may request distributors to create ICPs (Clause 11.5(3))	16
3.3. Provision of ICP Information to the registry manager (Clause 11.7)	16
3.4. Timeliness of Provision of ICP Information to the registry manager (Clause 7(2) of Schedule 11.1)	17
3.5. Timeliness of Provision of Initial Electrical Connection Date (Clause 7(2A) of Schedule 11.1)	18
3.6. Connection of ICP that is not an NSP (Clause 11.17)	19
3.7. Connection of ICP that is not an NSP (Clause 10.31)	20
3.8. Temporary electrical connection of ICP that is not an NSP (Clause 10.31A)	20
3.9. Connection of NSP that is not point of connection to grid (Clause 10.30)	21
3.10. Temporary electrical connection of NSP that is not point of connection to grid (Clause 10.30(A))	22
3.11. Definition of ICP identifier (Clause 1(1) Schedule 11.1)	22
3.12. Loss category (Clause 6 Schedule 11.1)	23
3.13. Management of “new” status (Clause 13 Schedule 11.1)	23
3.14. Monitoring of “new” & “ready” statuses (Clause 15 Schedule 11.1)	24
3.15. Embedded generation loss category (Clause 7(6) Schedule 11.1)	24
4. Maintenance of registry information	25
4.1. Changes to registry information (Clause 8 Schedule 11.1)	25
4.2. Notice of NSP for each ICP (Clauses 7(1),(4) and (5) Schedule 11.1)	26
4.3. Customer queries about ICP (Clause 11.31)	27

4.4.	ICP location address (Clause 2 Schedule 11.1)	27
4.5.	Electrically disconnecting an ICP (Clause 3 Schedule 11.1)	28
4.6.	Distributors to Provide ICP Information to the Registry manager (Clause 7(1) Schedule 11.1)	28
4.7.	Provision of information to registry after the trading of electricity at the ICP commences (Clause 7(3) Schedule 11.1)	32
4.8.	GPS coordinates (Clause 7(8) and (9) Schedule 11.1)	33
4.9.	Management of “ready” status (Clause 14 Schedule 11.1)	33
4.10.	Management of “distributor” status (Clause 16 Schedule 11.1)	34
4.11.	Management of “decommissioned” status (Clause 20 Schedule 11.1)	34
4.12.	Maintenance of price category codes (Clause 23 Schedule 11.1)	35
5.	Creation and maintenance of loss factors	36
5.1.	Updating table of loss category codes (Clause 21 Schedule 11.1)	36
5.2.	Updating loss factors (Clause 22 Schedule 11.1)	36
6.	Creation and maintenance of NSPs (including decommissioning of NSPs and transfer of ICPs)	37
6.1.	Creation and decommissioning of NSPs (Clause 11.8 and Clause 25 Schedule 11.1)	37
6.2.	Provision of NSP information (Clause 26(1) and (2) Schedule 11.1)	37
6.3.	Notice of balancing areas (Clause 24(1) and Clause 26(3) Schedule 11.1)	38
6.4.	Notice of supporting embedded network NSP information (Clause 26(4) Schedule 11.1)	38
6.5.	Maintenance of balancing area information (Clause 24(2) and (3) Schedule 11.1)	40
6.6.	Notice when an ICP becomes an NSP (Clause 27 Schedule 11.1)	40
6.7.	Notification of transfer of ICPs (Clause 1 to 4 Schedule 11.2)	41
6.8.	Responsibility for metering information for NSP that is not a POC to the grid (Clause 10.25(1) and 10.25(3))	41
6.9.	Responsibility for metering information when creating an NSP that is not a POC to the grid (Clause 10.25(2))	46
6.10.	Obligations concerning change in network owner (Clause 29 Schedule 11.1)	47
6.11.	Change of MEP for embedded network gate meter (Clause 10.22(1)(b))	48
6.12.	Confirmation of consent for transfer of ICPs (Clauses 5 and 8 Schedule 11.2)	48
6.13.	Transfer of ICPs for embedded network (Clause 6 Schedule 11.2)	49
7.	Maintenance of shared unmetered load	50
7.1.	Notification of shared unmetered load ICP list (Clause 11.14(2) and (4))	50
7.2.	Changes to shared unmetered load (Clause 11.14(5))	50
8.	Calculation of loss factors	51
8.1.	Creation of loss factors (Clause 11.2)	51
	Conclusion	52
	Participant response	54

EXECUTIVE SUMMARY

This Distributor audit was conducted at the request of **The Embedded Network Company (TENC)** to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11.

The audit was conducted in accordance with the Guideline for Distributor Audits V7.1, which was produced by the Electricity Authority.

TENC's compliance is reliant on the compliance of Tenco, as the contractor. In this report, I have only recorded those matters where issues were discovered or where specific analysis was undertaken.

Tenco's audit report will be submitted with this report.

The audit found six non-compliances, no recommendations were made, and one issue is raised.

The next audit frequency table indicates an audit risk rating of 9 indicating that the next audit be due in 12 months, and I recommend the next audit be completed in 18 months. In making this recommendation I have taken the following into consideration:

- A risk rating of 9 is the lowest point in the 12 month audit frequency band, a risk rating of 6-8 gives an indicative audit frequency of 18 months.
- one non-compliance has already been cleared; and
- controls for three of the other three non-compliances are strong.

The matters raised are set out in the table below.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Timeliness of Provision of ICP Information to the registry manager	3.4	Clause 7(2) of Schedule 11.1	Four late status updates for new connections.	Strong	Low	1	Identified
Timeliness of initial energisation date	3.5	7(2A) of Schedule 11.1	Ten new connections did not have an initial energisation date populated within 10 business days of energisation.	Moderate	Low	2	Identified
Changes to registry information	4.1	8 Schedule 11.1	Eight late address updates, 77 late network updates, 34 late pricing updates, and 17 late status updates.	Strong	Low	1	Identified
Distributors to Provide ICP Information to the Registry manager	4.6	7(1) Schedule 11.1	The initial energisation date for 0000008104TC19A was incorrect, but has now been updated.	Moderate	Low	2	Cleared
Supporting NSP information	6.4	26(4) Schedule 11.1	An LE ICP number was not provided at least one month before network creation for TDS0011 and TGR0011.	Strong	Low	1	Identified
Meter certification	6.9	10.25(2)	The Reconciliation Manager received late notification of meter certification details for TAA0011 and TCB0011.	Moderate	Low	2	Identified
Future Risk Rating						9	

RECOMMENDATIONS

Subject	Section	Recommendation	Description
		Nil	

ISSUES

Subject	Section	Issue	Remedial action
Audit trails for NSP metering information	3.9	There is no audit trail for NSP metering updates via the RM portal.	I suggest the Electricity Authority investigate reporting on notification submission dates and times, so that compliance with these requirements can be assessed.

1. ADMINISTRATIVE

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

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

Audit observation

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

Audit commentary

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

1.2. Structure of Organisation

Not applicable

1.3. Persons involved in this audit

Auditor:

Tara Gannon

Veritek Limited

Electricity Authority Approved Auditor

Personnel assisting in this audit were:

Name	Title	Organisation
Eva Khudyakova	Service Delivery Manager	TENCO
Nick Price	General Manager	TENCO

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

- *remains responsible for the contractor's fulfilment of the participants Code obligations*

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

Audit observation

TENCO performs all TENC's responsibilities.

1.5. Supplier list

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

1.6. Hardware and Software

TENCO manages a database called END (Embedded Network Database), which contains all relevant embedded network data.

A spreadsheet is used to create ICP identifiers. The checksum is created by the "checksum" tool provided by Vector.

Salesforce hosts all the ICP information, and registry information is imported daily. A daily registry validation is performed within Salesforce and any discrepancies are managed using the salesforce dashboard.

1.7. Breaches or Breach Allegations

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

1.8. ICP and NSP Data

Review of the NSP table showed TENC had the following NSPs at the end of August 2017:

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
CLN0011	351 LINCOLN ROAD ADDINGTON	ISL0661	ORON	CLN0011TENCE	EN	1/01/2016	8
CRN0011	51 CORINTHIAN DRIVE PROPERTY	ALB0331	UNET	CRN0011TENCE	EN	1/10/2015	11
DST0011	OUTLET CITY TAWA	TKR0331	CKHK	DST0011TENCE	EN	1/05/2016	36
PHP0011	171 FEATHERSTON ST PROPERTY	WIL0331	CKHK	PHP0011TENCE	EN	1/09/2015	14
PTC0011	125 THE TERRACE	WIL0331	CKHK	PTC0011TENCE	EN	1/11/2015	28
TAW0011	TE AWA SHOPPING CENTRE	TWH0331	WAIK	TAW0011TENCE	EN	1/11/2014	109

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
TBC0011	BNZ CENTRE CHRISTCHURCH	ISL0661	ORON	TBC0011TENCE	EN	1/04/2016	76
TBD0011	DOMINION BUILDING	CPK0331	CKHK	TBD0011TENCE	EN	1/06/2015	45
TBE0011	2-16 TAKU TAI SQUARE	PEN1101	VECT	TBE0011TENCE	EN	1/11/2013	50
TBS0011	26-28 CUSTOMS ST EAST	PEN1101	VECT	TBS0011TENCE	EN	1/11/2015	13
TCA0011	CENTURY CITY APARTMENTS	CPK0331	CKHK	TCA0011TENCE	EN	2/04/2013	137
TCD0011	CHAFFERS DOCK	CPK0331	CKHK	TCD0011TENCE	EN	20/01/2012	82
TCL0011	CHEWS LANE APARTMENTS	WIL0331	CKHK	TCL0011TENCE	EN	1/10/2013	96
TCR0011	9 11 CORINTHIAN DR AUCKLAND	ALB0331	UNET	TCR0011TENCE	EN	1/02/2016	16
TCT0011	TAURANGA CROSSING TAURIKURA DR	TGA0111	POCO	TCT0011TENCE	EN	20/07/2016	30
TET0011	EAGLE TECHNOLOGY HOUSE	CPK0331	CKHK	TET0011TENCE	EN	1/04/2013	18
TFJ0011	FUJITSU TOWER 141 THE TERRACE	WIL0331	CKHK	TFJ0011TENCE	EN	1/07/2014	31
TFM0011	FIVE MILE SHOPPING CENTRE	FKN0331	DUNE	TFM0011TENCE	EN	8/07/2015	59
TGC0011	THE GRAND ARCADE	WIL0331	CKHK	TGC0011TENCE	EN	1/07/2013	76
TGT0011	GUARDIAN TRUST BUILDING	WIL0331	CKHK	TGT0011TENCE	EN	1/02/2012	25
THP0011	HOPETOUN RESIDENCES	HOB1101	VECT	THP0011TENCE	EN	8/08/2017	85
THS0011	THE HSBC TOWER	ISL0661	ORON	THS0011TENCE	EN	1/04/2015	14
TKM0011	THE KARORI MALL	WIL0331	CKHK	TKM0011TENCE	EN	20/01/2012	23
TKS0011	KATE SHEPPARD APARTMENTS	WIL0331	CKHK	TKS0011TENCE	EN	1/03/2015	66
TLN0011	131 LINCOLN ROAD AUCKLAND	HEN0331	UNET	TLN0011TENCE	EN	1/07/2015	11
TML0011	1 MARKET LANE WELLINGTON	CPK0331	CKHK	TML0011TENCE	EN	1/04/2015	53

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
TNV0011	NOUVO APARTMENTS MT COOK WLG	CPK0331	CKHK	TNV0011TENCE	EN	1/06/2016	43
TOT0011	131 QUEEN STREET	PEN1101	VECT	TOT0011TENCE	EN	1/11/2012	11
TPM0011	THE PIERMONT/MONUMENT APARTMENTS	CPK0331	CKHK	TPM0011TENCE	EN	1/09/2013	151
TQB0011	51 WEBB STREET	CPK0331	CKHK	TQB0011TENCE	EN	1/11/2013	77
TQS0011	246 QUEEN STREET AUCKLAND	PEN1101	VECT	TQS0011TENCE	EN	1/10/2013	24
TQW0011	CLYDE QUAY WHARF	CPK0331	CKHK	TQW0011TENCE	EN	1/10/2014	91
TRT0011	REPUBLIC BUILDING	CPK0331	CKHK	TRT0011TENCE	EN	1/06/2013	143
TSG0011	THE SOUTHGATE MALL	TAK0331	VECT	TSG0011TENCE	EN	1/08/2013	30
TSN0011	79 QUEEN STREET	PEN1101	VECT	TSN0011TENCE	EN	5/11/2012	8
TSP0011	43 MULGRAVE ST WELLINGTON	KWA0111	CKHK	TSP0011TENCE	EN	1/02/2016	114
TTC0011	THE CUBE	CPK0331	CKHK	TTC0011TENCE	EN	1/06/2013	87
TTH0011	THE HUB 398 MAIN SOUTH ROAD	ISL0331	ORON	TTH0011TENCE	EN	1/08/2014	137
TTR0011	162 FLAT BUSH SCHOOL RD	PAK0331	VECT	TTR0011TENCE	EN	1/05/2016	70
TTS0011	TAKAPUNA AUCKLAND	ALB1101	UNET	TTS0011TENCE	EN	1/12/2015	15
TTT0011	TOURISM & TRAVEL HOUSE	WIL0331	CKHK	TTT0011TENCE	EN	1/02/2013	24
TVS0011	ORACLE BUILDING 162 VICTORIA ST	PEN1101	VECT	TVS0011TENCE	EN	1/08/2015	8
TVT0011	VICTORIA ST AUCKLAND	PEN1101	VECT	TVT0011TENCE	EN	1/11/2015	28
TWM0011	WAITAKERE MEGA CENTRE AUCKLAND	HEP0331	UNET	TWM0011TENCE	EN	1/03/2016	25
TWQ0011	14 WEST QUAY AHURIRI NAPIER	RDF0331	HAWK	TWQ0011TENCE	EN	1/08/2016	110
TWS0011	WILLBANK HOUSE WELLINGTON	WIL0331	CKHK	TWS0011TENCE	EN	1/12/2015	40

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
WGF0011	GLENFIELD SHOPPING CENTRE	WRD0331	UNET	WGF0011TENCE	EN	1/02/2016	126
WPK0011	WESTFIELD PAKURANGA	PAK0331	VECT	WPK0011TENCE	EN	1/04/2013	112
WSC0011	WESTFIELD SHORE CITY	ALB1101	UNET	WSC0011TENCE	EN	1/06/2016	81

The following embedded networks were created during the audit period. TAA0011, TAQ0011, TAT0011, TCB0011, TCH0011, TFS0011, TKI0011, TSS0011, and TTA0011 had some existing ICPs transferred to the new embedded network.

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
TAA0011	50 ANZAC AVE AUCKLAND	PEN1101	VECT	TAA0011TENCE	EN	1/07/2017	16
TAQ0011	104 QUAY ST AUCKLAND	PEN1101	VECT	TAQ0011TENCE	EN	1/12/2016	9
TAT0011	154 THE TERRACE WELLINGTON	WIL0331	CKHK	TAT0011TENCE	EN	1/09/2016	140
TBA0011	36-42 CUSTOMS ST EAST AUCKLAND	PEN1101	VECT	TBA0011TENCE	EN	15/09/2016	13
TCB0011	4 WILLIAMSON AVE AUCKLAND	ROS1101	VECT	TCB0011TENCE	EN	1/07/2017	17
TCH0011	46-58 CUSTOMS STREET EAST AUCK	PEN1101	VECT	TCH0011TENCE	EN	1/05/2017	5
TDS0011	AWLY BUILDING 80 ARMAGH ST CHCH	ISL0661	ORON	TDS0011TENCE	EN	1/11/2016	27
TFS0011	152 FANSHAWE ST AUCKLAND	PEN1101	VECT	TFS0011TENCE	EN	1/01/2017	12
TGR0011	141 CASHIEL ST CHRISTCHURCH 8011	ISL0661	ORON	TGR0011TENCE	EN	21/09/2016	8
THP0012	7 HOPETOUN STREET AUCKLAND	HOB1101	VECT	THP0012TENCE	EN	8/08/2017	125
TKI0011	2 KITCHENER ST AUCKLAND	PEN1101	VECT	TKI0011TENCE	EN	1/08/2017	18
TMC0011	2 CONNOLLY ST LOWER HUTT	MLG0111	CKHK	TMC0011TENCE	EN	22/08/2017	10
TSA0011	46 SALES ST	HOB1101	VECT	TSA0011TENCE	EN	1/07/2017	10

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
	AUCKLAND						
TSS0011	34 SHORTLAND ST AUCKLAND	PEN1101	VECT	TSS0011TENCE	EN	1/12/2016	23
TTA0011	19 COLLEGE STREET WELLINGTON	CPK0331	CKHK	TTA0011TENCE	EN	1/07/2017	66
TWL0011	84 WILLIS ST WELLINGTON	WIL0331	CKHK	TWL0011TENCE	EN	1/02/2017	2

The following networks were transferred from KIPT to TENC during the audit period:

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
KDH0011	10 WORLEY PLACE	HAM0331	WAIK	KDH0011TENCE	EN	1/06/2017	28

The following network was transferred from RJEN to TENC during the audit period:

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
RTB0011	TELCO BUILDING	PEN1101	VECT	RTB0011TENCE	EN	1/12/2016	40

The following network was transferred from WFNZ to TENC during the audit period:

NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICP
WWC0011	WESTFIELD WESTCITY	HEP0331	UNET	WWC0011TENCE	EN	1/07/2017	138

No networks were decommissioned or transferred to other distributors during the period.

Status	Number of ICPs (2017)	Number of ICPs (2016)	Number of ICPs (2015)
New (999,0)	32	44	6
Ready (0,0)	19	18	34
Active (2,0)	3326	2568	1719
Distributor (888,0)	-	-	-
Inactive – new connection in progress (1,12)	2	2	83
Inactive – electrically disconnected vacant property (1,4)	63	38	27

Inactive – electrically disconnected remotely by AMI meter (1,7)	3	4	-
Inactive – electrically disconnected at pole fuse (1,8)	-	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	3	2	-
Inactive – electrically disconnected at meter box fuse (1,10)	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	-	-	-
Inactive – reconciled elsewhere (1,5)	-	-	-
Decommissioned (3)	58	40	28

1.9. Authorisation Received

All information was provided directly; an authorisation letter was not required.

1.10. Scope of Audit

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

The audit was conducted in accordance with the Guideline for Distributor Audits V7.1, which was produced by the Electricity Authority.

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

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

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

1.11. Summary of previous audit

TENC provided a copy of their previous audit conducted in December 2016 by Rebecca Elliot of Veritek Limited. The audit recorded seven non-compliances described in the table below, and made no recommendations.

Table of Non-Compliance

Subject	Section	Clause	Non-compliance	Status
Provision of ICP Information	2.2	7(2) of Schedule 11.1	4 ICPs populated on the registry after trading had commenced.	Still existing. Refer to section 3.4.
Connection of ICPs	2.3	11.17 of Part 11	Four ICPs electrically connected before a trader was recorded as responsible on the registry.	Cleared. Refer to section 3.8.
Monitoring of “New” & “Ready” Statuses	2.5	15 of Schedule 11.1	1 ICP at “new” not monitored.	Cleared. Refer to section 3.14.
Changes to Registry Information	3.1	8 of schedule 11.1	133 changes to registry not updated within three business days of the event.	Still existing. Refer to section 4.1.
ICPs Readily Locatable	3.2	2& 7(1)(a) of schedule 11.1	5 ICPs with duplicate addresses.	Cleared. Refer to section 4.4.
Date of ICP Initial Energisation	3.3	7(1)(p)&(2A) of schedule 11.1	102 late updates to registry (note these were corrections).	Still existing. Refer to section 3.5.
Provision of NSP Information	5.3	26(2)(b) of schedule 11.1	Late provision of NSP information to the Reconciliation Manager for 1 NSP.	Cleared. Refer to section 6.2.

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO report. I also examined a registry list file with history for 01/09/2016 - 31/08/2017 to confirm compliance.

Audit commentary

Compliance is recorded for TENCO. Examination of the list file confirmed compliance.

Audit outcome

Compliant

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

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

Audit observation

Processes to provide information were reviewed and observed throughout the audit.

Audit commentary

This area is discussed in several sections in this report.

Audit outcome

Compliant

3. CREATION OF ICPS

3.1. Distributors must create ICPS (Clause 11.4)

Code reference

Clause 11.4

Code related audit information

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

Audit observation

The new connection process is discussed in the TENCO report. The registry list file with history for 01/09/2016 - 31/08/2017 was examined.

Audit commentary

Compliance is recorded for TENCO. Examination of the registry list found 275 ICPS were created during the audit period. ICPS were created in accordance with this clause for all new connections.

Audit outcome

Compliant

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

Code reference

Clause 11.5(3)

Code related audit information

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

Audit observation

The new connection process is discussed in the TENCO report. ICP requests are made by embedded network management or traders. If the request is not made by a trader this rule does not apply.

Audit commentary

Compliance is recorded for TENCO.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

The distributor must provide information about ICPS on its network in accordance with Schedule 11.1.

Audit observation

The new connection process is discussed in the TENCO report. The registry list file with history and event detail report for 01/09/2016 - 31/08/2017 were examined.

Audit commentary

Compliance is recorded for TENCO. Information for all 275 ICPs created was provided in accordance with this clause.

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The new connection process is discussed in the TENCO report. The event detail report for 01/09/2016 - 31/08/2017 was checked to determine the timeliness of the provision of ICP information for TENC's new connections.

Audit commentary

The process followed by TENCO is compliant.

ICPs 0000008000TC994, 0000046001TC684, 0000046002TCA44, and 0001160070TC144 were updated to ready after the initial energisation date. The missed updates occurred due to human error, and were detected and corrected through TENCO's registry discrepancy process, resulting in late updates. This is recorded as non-compliance below.

Information was provided on time for the other 267 ICPs which became ready during the period.

Non-compliance	Description
Audit Ref: 3.4 With: Clause 7(2) of Schedule 11.1 From: Dec 2016, Feb 2017, and Jul 2017	Four late status updates for new connections. Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating
Low	Controls are rated as strong, as they are sufficient to ensure updates are on time most of the time. The risk is low as only four ICPs (1%) were affected, and the missed updates were identified and corrected through TENCO's registry discrepancy process.

Actions taken to resolve the issue	Completion date	Remedial action status
No action is required as lateness can't be corrected	14/02/2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We have improved our process to ensure all ICPs get updated when they are required to and this process will apply going forward.	14/02/2018	

Audit outcome

Non-compliant

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

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

The distributor must provide the information specified in sub-clause (1)(p) to the registry manager no later than 10 business days after the date on which the ICP is initially electrically connected.

Audit observation

The new connection process is discussed in the TENCO report. The registry list file with history and event detail reports for 01/09/2016 - 31/08/2017 were examined.

Audit commentary

The process followed by TENCO is compliant.

The initial energisation date was populated within 10 business days of the energisation date for 259 (96.3%) of the 269 new ICPs that were electrically connected.

For the ten ICPs below, the initial energisation date was not updated on the registry within ten business days of the initial energisation date. This is recorded as non-compliance.

ICP	IED	IED Update Date	Working days to update
0004557749TCF4E	14/11/2016	29/11/2016	12
0004557751TC7F7	14/11/2016	29/11/2016	12
0000008002TC911	21/04/2017	9/05/2017	13
0002930027TC748	30/05/2017	22/06/2017	18
0000008033TC2AC	20/04/2017	17/05/2017	20
0000008043TC7F1	20/04/2017	17/05/2017	20
0000008124TCCCF	20/04/2017	17/05/2017	20

ICP	IED	IED Update Date	Working days to update
0000008027TC90B	19/04/2017	17/05/2017	21
0000009000TC834	1/09/2017	9/10/2017	27
0001160037TCE2B	30/01/2017	15/03/2017	33

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: May, June, Oct and Nov 2017	Ten new connections did not have an initial energisation date populated within 10 business days of energisation. Potential impact: Low Actual impact: Low Audit history: Three times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they are sufficient to ensure that initial energisation dates are updated on time most of the time. Paperwork is often sent to the retailer first, then passed to TENCO, which can cause delays in updating the initial energisation date. The impact is low because ten ICPs were affected, and the updates were between two and 23 business days late.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action is required as lateness can't be corrected.		14/02/2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
TENCO are reliant on other industry participants to update registry on time. Registry updates that are backdated by other parties result in us having to backdate them for more than 3/10 business days as well.		14/02/2018	

Audit outcome

Non-compliant

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

Code reference

Clause 11.17

Code related audit information

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

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

In respect of ICPs across which unmetered load is shared, the distributor must not connect an ICP unless a trader is recorded in the registry as accepting responsibility for the shared unmetered load.

Audit observation

The new connection process is discussed in the TENCO report. The registry list file with history for 01/09/2016 - 31/08/2017 was examined.

Audit commentary

Compliance is recorded for TENCO. Review of the registry list confirmed that a trader is recorded for all active and inactive ICPs. The registry list does not record any shared unmetered load.

Audit outcome

Compliant

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

Code reference

Clause 10.31

Code related audit information

A distributor must not connect an ICP that is not an NSP unless requested to do so by the trader trading at the ICP.

Audit observation

The new connection process is discussed in the TENCO report. The registry list as at 31/08/2017 was examined to determine compliance.

Audit commentary

TENCO will not electrically connect an ICP without a reconciliation participant accepting responsibility. Examination of the list file confirmed this.

Audit outcome

Compliant

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

Code reference

Clause 10.31A

Code related audit information

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

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

Audit observation

The new connection process is discussed in the TENCO report. The event detail file for 01/09/2016 - 31/08/2017, and the registry list were examined to determine compliance.

Audit commentary

TENCO's processes are robust in relation to this clause as an ICP will not be electrically connected without the agreement from the trader, who in turn has agreement with an MEP for the ICP. All new connections were authorised by the trader prior to being electrically connected.

Audit outcome

Compliant

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

Code reference

Clause 10.30

Code related audit information

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

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

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

Audit observation

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

The NSP table on the registry was examined. Notifications to the reconciliation manager for each new connection identified were reviewed.

Audit commentary

Compliance is recorded for TENCO. The relevant information was included in the notification provided when the NSPs were created.

Since May 2017, meter and certification details are entered via the RM portal and there is no audit trail available to prove when notification occurred. I have raised an issue in relation the process to notify updates to metering for NSPs to the Reconciliation Manager.

Description	Issue	Remedial action
Audit trails for NSP metering information	There is no audit trail for NSP metering updates via the RM portal.	I suggest the Electricity Authority investigate reporting on notification submission dates and times, so that compliance with these requirements can be assessed.

Audit outcome

Compliant

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

Code reference

Clause 10.30(A)

Code related audit information

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

None of the new connections were temporary; therefore compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

xxxxxxxxxxxccc where:

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

Audit observation

The ICP creation process is discussed in the TENCO report.

Audit commentary

Compliance is recorded for TENCO. TENCO's END (Embedded Network Database) is used to create ICP identifiers and the checksum is created by the "checksum" tool provided by Vector.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

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

Audit observation

The list file as at 31/08/2017 was examined to confirm whether all active ICPs have a single loss category.

Audit commentary

Each active ICP only has a single loss category, which clearly identifies the relevant loss factor.

Audit outcome

Compliant

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

Code reference

Clause 13 Schedule 11.1

Code related audit information

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

- *the associated electrical installations are in the construction phase (Clause 13(a) of Schedule 11.1)*
- *the ICP is not ready for activation (Clause 13(b) of Schedule 11.1).*

Audit observation

The ICP creation process is discussed in the TENCO report. The registry list file with history and event detail report for 01/09/2016 - 31/08/2017 were examined.

Audit commentary

Compliance is recorded for TENCO.

Some ICPs are created at “New” and others are created at “Ready”.

ICPs that are created at “New” are changed to “Ready” once the metering details and retailer have been determined as detailed in the new connection process in **section 2.2** above. The only other instance where ICPs will be created at “New”, is that of a new NSP going live on the same day as the ICPs. The new NSP cannot be allocated to ICPs until the following day. This has not occurred during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

- *the distributor must ask the trader who intends to trade at the ICP whether the ICP should continue to have that status (Clause 15(2)(a) of Schedule 11.1)*
- *the distributor must decommission the ICP if the trader advises that the ICP should not continue to have that status (Clause 15(2)(b) of Schedule 11.1).*

Audit observation

Monitoring of new and ready status is discussed in the TENCO report. The list file as at 31/8/17 was examined.

Audit commentary

Compliance is recorded for TENCO.

Examination of the list file found 32 ICPs at new status, and 19 ICPs at ready status.

No ICPs have been at new status for over two years. Two ICPs (1001271955LC18B and 1001280320LC7AF) have been at ready status since 01/11/2015. Both have been actively monitored and followed up with the trader, who confirmed they are still required and have the correct status.

Audit outcome

Compliant

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

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

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

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

Audit observation

The list file as at 31/8/17 was examined.

Audit commentary

Three embedded generators are connected to TENC NSPs. All the embedded generators have capacity of less than 10MW.

Audit outcome

Compliant

4. MAINTENANCE OF REGISTRY INFORMATION

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

Code reference

Clause 8 Schedule 11.1

Code related audit information

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

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

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

If the change to the NSP identifier is for more than 14 days, the time within which notification must be effected in accordance with Clause 8(3) of Schedule 11.1 begins on the 15th day after the change.

Audit observation

The management of this process is discussed in the TENCO report. I also examined the event detail report for 01/09/2016 – 31/08/2017 to identify late changes to registry information during the audit period.

Audit commentary

The event detail report was analysed and found:

Address events

There were 785 address events during the audit period; 777 (99%) were updated within two business days. Eight address updates were late, this is recorded as non-compliance below.

I reviewed two late updates and found they were caused by event date data entry errors.

Network Events

There were 966 network events during the audit period, excluding initial energisation date updates; 889 (92%) were updated within two business days. 77 network updates were late, this is recorded as non-compliance below.

I reviewed three late updates and found they were due to corrections, delays in receiving paperwork, and human error.

Initial energisation date updates are discussed in **section 3.5**.

Pricing Events

There were 576 pricing events during the audit period; 542 (94%) were updated within two business days. 34 pricing updates were late, this is recorded as non-compliance below.

I reviewed two late updates and found they had been made at the trader's request.

Status Events

There were 564 status events during the audit period; 547 (97%) were updated within two business days. 17 status updates were late, this is recorded as non-compliance below.

I reviewed three late updates and found they were caused by backdated trader updates to ready for decommissioning status.

Non-compliance	Description		
Audit Ref: 4.1 With: Clause 8 Schedule 11.1 From: entire audit period	Eight late address updates, 77 late network updates, 34 late pricing updates, and 17 late status updates. Potential impact: Low Actual impact: Low Audit history: Three times previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong, as they are sufficient to ensure updates are on time most of the time. In most cases checked, the late update was at the request of another party, or caused by another party's late registry update. The risk is assessed as low as a relatively small proportion of updates were affected.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action is required as lateness can't be corrected.		14/02/2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
TENCO are reliant on other industry participants to update registry on time. Registry updates that are backdated by other parties lead to us having to backdate them for more than 3/10 business days as well.		14/02/2018	

Audit outcome

Non-compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO report. I also examined the registry list with history for 01/09/2016 – 31/08/2017 to identify all ICPs which had a change of NSP during the audit period.

Audit commentary

Compliance is recorded for TENCO. Review of the registry list with history found no ICPs which had a change of NSP during the audit period.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

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

Audit observation

The management of customer queries was examined.

Audit commentary

TENC occasionally receives direct requests for ICP identifiers. These are provided immediately, by looking up the ICP based on information that the customer provides.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

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

Audit observation

The process to manage address accuracy was examined in the TENCO report. The registry list file as at 31/08/2017 was reviewed.

Audit commentary

Review of TENC's list file found that all active and inactive ICPs have unique addresses with sufficient information to allow the ICPs to be readily located. There were no duplicate addresses.

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

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

Audit commentary

Compliance is recorded for TENCO.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

- *the location address of the ICP identifier (Clause 7(1)(a) of Schedule 11.1)*
- *the NSP identifier of the NSP to which the ICP is usually connected (Clause 7(1)(b) of Schedule 11.1)*
- *the installation type code assigned to the ICP (Clause 7(1)(c) of Schedule 11.1)*
- *the reconciliation type code assigned to the ICP (Clause 7(1)(d) of Schedule 11.1)*
- *the loss category code and loss factors for each loss category code assigned to the ICP (Clause 7(1)(e) of Schedule 11.1)*
- *if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (Clause 7(1)(f) of Schedule 11.1):*
 - a) *the unique loss category code assigned to the ICP*
 - b) *the ICP identifier of the ICP*
 - c) *the NSP identifier of the NSP to which the ICP is connected*
 - d) *the plant name of the embedded generating station*
- *the price category code assigned to the ICP, which may be a placeholder price category code only if the distributor is unable to assign the actual price category code because the capacity or volume information required to assign the actual price category code cannot be determined before electricity is traded at the ICP (Clause 7(1)(g) of Schedule 11.1)*
- *if the price category code requires a value for the capacity of the ICP, the chargeable capacity of the ICP as follows (Clause 7(1)(h) of Schedule 11.1):*

- a) *a placeholder chargeable capacity if the distributor is unable to determine the actual chargeable capacity*
- b) *a blank chargeable capacity if the capacity value can be determined from metering information*
- c) *the actual chargeable capacity of the ICP in any other case*
- *the distributor installation details for the ICP determined by the price category code assigned to the ICP (if any), which may be placeholder distributor installation details only if the distributor is unable to assign the actual distributor installation details because the capacity or volume information required to assign the actual distributor installation details cannot be determined before electricity is traded at the ICP (Clause 7(1)(i) of Schedule 11.1)*
- *the participant identifier of the first trader who has entered into an arrangement to sell or purchase electricity at the ICP (only if the information is provided by the first trader) (Clause 7(1)(j) of Schedule 11.1)*
- *the status of the ICP (Clause 7(1)(k) of Schedule 11.1)*
- *designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than 1 NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) *the nameplate capacity of the generator; and*
 - b) *the fuel type*
 - c) *the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

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

The list file as at 31/08/2017 was examined for the population of all required information and its alignment with the trader where appropriate e.g. distributed generation, unmetered load, and shared unmetered load.

Audit commentary

The process followed by TENCO is compliant. Examination of the list file confirmed that ICP information had been populated correctly.

No shared or standard unmetered load was connected during the audit period.

ICP 0000046001TC684 has generation capacity, and was added during the audit period. The details recorded on the registry were checked against the installation paperwork and found to be correct.

269 new connections were energised during the audit period. I compared the initial energisation date, meter certification date, and active date and found:

- For one ICP, the initial energisation date and meter certification date were consistent and correct, but the earliest active date was two days earlier.
- For 63 ICPs, the initial energisation date did not match the meter certification date. In all cases the initial energisation date was consistent with the earliest active date.
- For 205 ICPs, the three dates matched.

A sample of five ICPs with date differences were checked against installation energisation paperwork.

- In four cases TENC's initial energisation date was found to be correct.
- For ICP 0000008104TC19A, the initial energisation date was recorded as 19/04/2017 but should have been 26/04/2017. This is recorded as non-compliance below. The initial energisation date has now been corrected on the registry.

ICP	Initial energisation date	Earliest active date	Meter certification date
0000047007TC6AB	12/10/2017	10/10/2017	12/10/2017
0002930011TC13F	1/11/2016	1/11/2016	27/06/2016
0002930015TC035	1/11/2016	1/11/2016	30/06/2016
0002930023TC642	1/11/2016	1/11/2016	24/06/2016
0002930001TCB92	1/11/2016	1/11/2016	28/06/2016
0002930002TC752	1/11/2016	1/11/2016	29/06/2016
0002930003TCB17	1/11/2016	1/11/2016	29/06/2016
0002930004TC6DD	1/11/2016	1/11/2016	29/06/2016
0002930005TCA98	1/11/2016	1/11/2016	29/06/2016
0002930006TC658	1/11/2016	1/11/2016	30/06/2016
0002930007TCA1D	1/11/2016	1/11/2016	28/06/2016
0002930008TC5C3	1/11/2016	1/11/2016	30/06/2016
0002930009TC986	1/11/2016	1/11/2016	29/06/2016
0002930010TCD7A	1/11/2016	1/11/2016	27/06/2016
0002930012TCDFE	1/11/2016	1/11/2016	27/06/2016
0002930013TC1BA	1/11/2016	1/11/2016	27/06/2016
0002930014TCC70	1/11/2016	1/11/2016	9/10/2016
0002930016TCCF5	1/11/2016	1/11/2016	20/06/2016
0002930017TC0B0	1/11/2016	1/11/2016	20/06/2016
0002930018TCF6E	1/11/2016	1/11/2016	22/06/2016
0002930019TC32B	1/11/2016	1/11/2016	22/06/2016
0002930020TCA82	1/11/2016	1/11/2016	8/10/2016
0002930022TCA07	1/11/2016	1/11/2016	24/06/2016
0002930024TCB88	1/11/2016	1/11/2016	24/06/2016
0002930025TC7CD	1/11/2016	1/11/2016	24/06/2016
0001160031TCFA4	1/12/2016	1/12/2016	16/11/2016
0001160032TC364	1/12/2016	1/12/2016	3/10/2016
0001160033TCF21	1/12/2016	1/12/2016	3/10/2016
0001160034TC2EB	1/12/2016	1/12/2016	4/10/2016
0001160035TCEAE	1/12/2016	1/12/2016	5/10/2016
0001160036TC26E	1/12/2016	1/12/2016	4/10/2016

ICP	Initial energisation date	Earliest active date	Meter certification date
0001160038TC1F5	1/12/2016	1/12/2016	4/10/2016
0001160040TC6BC	1/12/2016	1/12/2016	5/10/2016
0001160042TC639	1/12/2016	1/12/2016	26/09/2016
0001160043TCA7C	1/12/2016	1/12/2016	17/11/2016
0001160044TC7B6	1/12/2016	1/12/2016	27/09/2016
0001160045TCBF3	1/12/2016	1/12/2016	17/11/2016
0001160046TC733	1/12/2016	1/12/2016	27/09/2016
0001160047TCB76	1/12/2016	1/12/2016	16/11/2016
0001160048TC4A8	1/12/2016	1/12/2016	15/11/2016
0001160049TC8ED	1/12/2016	1/12/2016	6/10/2016
0001160051TC054	1/12/2016	1/12/2016	9/09/2016
0001160052TCC94	1/12/2016	1/12/2016	6/10/2016
0001160053TC0D1	1/12/2016	1/12/2016	5/10/2016
0001160054TCD1B	1/12/2016	1/12/2016	5/10/2016
0001160055TC15E	1/12/2016	1/12/2016	5/10/2016
0001160056TCD9E	1/12/2016	1/12/2016	3/10/2016
0001160057TC1DB	1/12/2016	1/12/2016	5/10/2016
0001160058TCE05	1/12/2016	1/12/2016	5/10/2016
0001160059TC240	1/12/2016	1/12/2016	5/10/2016
0001160060TCBE9	1/12/2016	1/12/2016	18/11/2016
0001160061TC7AC	1/12/2016	1/12/2016	5/10/2016
0001160062TCB6C	1/12/2016	1/12/2016	26/09/2016
0001160063TC729	1/12/2016	1/12/2016	17/11/2016
0001160064TCAE3	1/12/2016	1/12/2016	27/06/2016
0001160065TC6A6	1/12/2016	1/12/2016	16/11/2016
0001160066TCA66	1/12/2016	1/12/2016	28/09/2016
0001160067TC623	1/12/2016	1/12/2016	16/11/2016
0001160068TC9FD	1/12/2016	1/12/2016	28/09/2016
0001160069TC5B8	1/12/2016	1/12/2016	15/11/2016
0001160071TCD01	1/12/2016	1/12/2016	5/10/2016
0001160072TC1C1	1/12/2016	1/12/2016	4/10/2016
0000008104TC19A	19/04/2017	19/04/2017	26/04/2017
0000046001TC684	1/07/2017	1/07/2017	31/08/2017

Non-compliance	Description		
Audit Ref: 4.6 With: Clause 7(1) Schedule 11.1 From: 19-Apr-17 To: 26-Apr-17	The initial energisation date for 0000008104TC19A was incorrect, but has now been updated. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate as they are sufficient to mitigate the risk of errors most of the time. The audit risk rating is low, as only one ICP was affected and the date has now been corrected on the registry.		
Actions taken to resolve the issue		Completion date	Remedial action status
As noted above, it has now been corrected. This was caused by Vircom closing the job with wrong details, details for another apartment. This has then been corrected but we haven't been updated.		14/2/2018	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	
We have improved our process for checking the registry records and this will pick up the future		14/02/2018	

Audit outcome

Non-compliant

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

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

The distributor must provide the following information to the registry manager no later than 10 business days after the trading of electricity at the ICP commences:

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

Audit observation

The management of this process is discussed in the TENCO report. The registry list file with history for 01/09/2016 - 31/08/2017 was examined.

Audit commentary

The process followed by TENCO is compliant. All ICPs had a price category assigned within ten business days of the commencement of trading of electricity.

Audit outcome

Compliant

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

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

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

Audit observation

The registry list as at 31/07/2017 was examined.

Audit commentary

TENC do not populate GPS co-ordinates on the registry; therefore compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 14 Schedule 11.1

Code related audit information

The ICP status of "Ready" must be managed by the distributor and indicates that:

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

Before an ICP is given the "Ready" status in accordance with Clause 14(1) of Schedule 11.1, the distributor must:

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

Audit observation

The management of this process is discussed in the TENCO report. The list file and event detail report for 01/09/2016 – 31/08/2017 were examined in relation to the use of the ready status.

Audit commentary

Compliance is recorded for TENCO. All ICPs at ready have a single price category and a trader nominated.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.1

Code related audit information

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

Audit observation

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

The registry list file for 01/09/2016 – 31/08/2017 was examined in relation to the use of the distributor status.

Audit commentary

The distributor status was not used at all during the audit period. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

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

Audit observation

The management of this process is discussed in the TENCO report. The list file and event detail report for 01/09/2016 – 31/08/2017 were examined in relation to the use of the decommissioned status.

Audit commentary

Compliance is recorded for TENCO. 18 ICPs were decommissioned during the audit period, and the registry was updated in accordance with this clause.

Late updates to decommissioned status are recorded as non-compliance in **section 4.1**.

Audit outcome

Compliant

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

Code reference

Clause 23 Schedule 11.1

Code related audit information

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

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

A price category code takes effect on the specified date.

Audit observation

The price category code table on the registry was examined.

Audit commentary

TENC has not changed any existing price category codes during the audit period; therefore compliance was not assessed.

Audit outcome

Not applicable

5. CREATION AND MAINTENANCE OF LOSS FACTORS

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

Code reference

Clause 21 Schedule 11.1

Code related audit information

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

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

A loss category code takes effect on the specified date.

Audit observation

The loss category code table on the registry was examined.

Audit commentary

TENC updated one loss category code (TFMLC01), and created two new loss category codes (TCLCL04 and TCLCL05); the loss category table was updated compliantly.

Audit outcome

Compliant

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

Each loss category code must have a maximum of two loss factors per calendar month. Each loss factor must cover a range of trading periods within that month so that all trading periods have a single applicable loss factor.

If the distributor wishes to replace an existing loss factor on the table in the registry, the distributor must enter the replaced loss factor on the table in the registry.

Audit observation

The loss category code table on the registry was examined.

Audit commentary

TENC updated one loss category code (TFMLC01) during the audit period. There was only one loss factor per loss factor category code per month.

Audit outcome

Compliant

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

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

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

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

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

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

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

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

Audit observation

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

The NSP table on the registry was examined. Notifications to the reconciliation manager, market administrator, and affected participants were reviewed.

Audit commentary

Compliance is recorded for TENCO.

For each NSP created, notification was provided to the reconciliation manager, market administrator, and each affected participant as required by schedule 11.2.

No NSPs were decommissioned during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

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

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

Audit observation

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

The NSP table on the registry was examined. Notifications to the reconciliation manager for each new connection and transfer identified were reviewed.

Audit commentary

Compliance is recorded for TENCO.

For each NSP created, the correct information was provided within the required timeframe in accordance with this clause.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

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

The NSP table on the registry was examined. Notifications to the reconciliation manager were reviewed.

Audit commentary

For each NSP created or transferred, the correct balancing area information was provided in accordance with this clause.

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

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

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

Audit observation

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

The NSP table on the registry and the registry list with history for 01/09/2016 – 31/08/2017 were examined to determine compliance. Notifications were reviewed.

Audit commentary

NSP TDS0011 started on 04/10/2016, and TGR0011 started on 21/09/2016. TENCO supplied the correct information to the reconciliation manager as required by this clause, except the LE ICP number. This is recorded as non-compliance below. The LE ICP was not provided at the time of original notification because it had not been provided by the parent network. I saw evidence that TENCO requested the ICP with sufficient time to allow the parent network to create the LE ICP before the notification deadline, but there was a delay in the ICP being created.

Notifications for other new NSPs were provided on time.

Non-compliance	Description		
Audit Ref: 6.4 With: Clause 26(4) Schedule 11.1 From: Aug to Nov 2016	An LE ICP number was not provided at least one month before network creation for TDS0011 and TGR0011. 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 strong, because if other participants complied with the timeframes to create ICPs they would be sufficient to ensure that the LE ICP is provided on time. The impact is low because the LE ICP was provided before network creation, and all other required information was provided on time.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action is required as lateness can't be resolved.		15/02/2018	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
TENCO are reliant on other industry participants to follow the code. We do proactively chase Local Networks for LE ICPs but often they do not issue an LE ICPs to us within 3 days. We will update our process to request those ICPs earlier as to allow for the delays.	15/02/2018	

Audit outcome

Non-compliant

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Balancing areas changes were processed for NSPs which had transferred to TENC from other distributors. The correct balancing area information was provided in accordance with this clause.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

No existing ICPs became NSPs during the audit period; therefore compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

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

Audit observation

The NSP table on the registry was examined. Notifications were checked for ICPs which had transferred.

Audit commentary

The process followed by TENCO is compliant. In all cases notification was provided more than three days before the transfer took effect.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

The process followed by TENCO is compliant. In November 2017, TENCO implemented process improvements to reduce the time to provide meter certification dates. AMCI will notify TENCO as soon as they complete a recertification, and TENCO will send FCLM a fortnightly request for any changes in meter certification dates. Previously, certification information was provided to TENCO on request,

which could result in late notification where the MEP had certified or recertified a meter earlier than expected.

The NSP supply point table was reviewed in December 2017 for all TENC NSPs supplied during the audit period. All NSPs had current meter certification at the time of review.

Distributor	NSP POC	Description	MEP	Certification Expiry
TENC	CLN0011	351 LINCOLN ROAD ADDINGTON	AMCI	29/05/2023
TENC	CRN0011	51 CORINTHIAN DRIVE PROPERTY	AMCI	19/09/2018
TENC	DST0011	OUTLET CITY TAWA	AMCI	28/11/2024
TENC	KDH0011	10 WORLEY PLACE	AMCI	18/04/2023
TENC	PHP0011	171 FEATHERSTON ST PROPERTY	AMCI	14/07/2018
TENC	PTC0011	125 THE TERRACE	AMCI	14/07/2018
TENC	RTB0011	TELCO BUILDING	FCLM	18/06/2020
TENC	TAA0011	50 ANZAC AVE AUCKLAND	AMCI	13/05/2022
TENC	TAQ0011	104 QUAY ST AUCKLAND	AMCI	29/11/2021
TENC	TAT0011	154 THE TERRACE WELLINGTON	AMCI	14/08/2026
TENC	TAW0011	TE AWA SHOPPING CENTRE	AMCI	2/05/2018
TENC	TBA0011	36-42 CUSTOMS ST EAST AUCKLAND	AMCI	14/04/2026
TENC	TBC0011	BNZ CENTRE CHRISTCHURCH	AMCI	22/07/2020
TENC	TBD0011	DOMINION BUILDING	AMCI	8/12/2024
TENC	TBE0011	2-16 TAKU TAI SQUARE	AMCI	15/07/2020
TENC	TBS0011	26-28 CUSTOMS ST EAST	AMCI	23/07/2025
TENC	TCA0011	CENTURY CITY APARTMENTS	AMCI	1/09/2020
TENC	TCB0011	4 WILLIAMSON AVE AUCKLAND	AMCI	1/06/2027
TENC	TCD0011	CHAFFERS DOCK	AMCI	28/01/2021

Distributor	NSP POC	Description	MEP	Certification Expiry
TENC	TCH0011	46-58 CUSTOMS STREET EAST AUCK	AMCI	16/04/2022
TENC	TCL0011	CHEWS LANE APARTMENTS	AMCI	31/08/2022
TENC	TCR0011	9 11 CORINTHIAN DR AUCKLAND	AMCI	29/10/2025
TENC	TCT0011	TAURANGA CROSSING TAURIKURA DR	AMCI	22/07/2021
TENC	TDS0011	AWLY BUILDING 80 ARMAGH ST CHCH	AMCI	30/11/2020
TENC	TET0011	EAGLE TECHNOLOGY HOUSE	AMCI	13/01/2021
TENC	TFJ0011	FUJITSU TOWER 141 THE TERRACE	AMCI	4/10/2022
TENC	TFM0011	FIVE MILE SHOPPING CENTRE	AMCI	8/09/2024
TENC	TFS0011	152 FANSHAWE ST AUCKLAND	AMCI	26/11/2026
TENC	TGC0011	THE GRAND ARCADE	AMCI	5/04/2018
TENC	TGR0011	141 CASHEL ST CHRISTCHURCH 8011	AMCI	16/07/2026
TENC	TGT0011	GUARDIAN TRUST BUILDING	AMCI	27/01/2021
TENC	THP0011	HOPETOUN RESIDENCES	AMCI	29/03/2025
TENC	THP0012	7 HOPETOUN STREET AUCKLAND	AMCI	8/05/2021
TENC	THS0011	THE HSBC TOWER	AMCI	7/05/2023
TENC	TKI0011	2 KITCHENER ST AUCKLAND	AMCI	27/06/2027
TENC	TKM0011	THE KARORI MALL	AMCI	1/09/2021
TENC	TKS0011	KATE SHEPPARD APARTMENTS	AMCI	26/09/2024
TENC	TLN0011	131 LINCOLN ROAD AUCKLAND	AMCI	6/07/2020

Distributor	NSP POC	Description	MEP	Certification Expiry
TENC	TMC0011	2 CONNOLLY ST LOWER HUTT	AMCI	18/09/2027
TENC	TML0011	1 MARKET LANE WELLINGTON	AMCI	13/03/2019
TENC	TNV0011	NOUVO APARTMENTS MT COOK WLG	AMCI	1/02/2026
TENC	TOT0011	131 QUEEN STREET	AMCI	15/12/2021
TENC	TPM0011	THE PIERMONT/MONUMENT APARTMENTS	AMCI	11/02/2021
TENC	TQB0011	51 WEBB STREET	AMCI	6/06/2022
TENC	TQS0011	246 QUEEN STREET AUCKLAND	AMCI	26/06/2018
TENC	TQW0011	CLYDE QUAY WHARF	AMCI	13/09/2018
TENC	TRT0011	REPUBLIC BUILDING	AMCI	14/06/2021
TENC	TSA0011	46 SALES ST AUCKLAND	AMCI	10/06/2022
TENC	TSG0011	THE SOUTHGATE MALL	AMCI	2/05/2018
TENC	TSN0011	79 QUEEN STREET	AMCI	21/03/2020
TENC	TSP0011	43 MULGRAVE ST WELLINGTON	AMCI	16/09/2025
TENC	TSS0011	34 SHORTLAND ST AUCKLAND	AMCI	5/10/2021
TENC	TTA0011	19 COLLEGE STREET WELLINGTON	AMCI	18/06/2027
TENC	TTC0011	THE CUBE	AMCI	24/07/2022
TENC	TTH0011	THE HUB 398 MAIN SOUTH ROAD	AMCI	19/10/2020
TENC	TTR0011	162 FLAT BUSH SCHOOL RD	AMCI	28/09/2025
TENC	TTS0011	TAKAPUNA AUCKLAND	AMCI	9/09/2020
TENC	TTT0011	TOURISM & TRAVEL HOUSE	AMCI	20/01/2022

Distributor	NSP POC	Description	MEP	Certification Expiry
TENC	TVS0011	ORACLE BUILDING 162 VICTORIA ST	AMCI	21/06/2020
TENC	TVT0011	VICTORIA ST AUCKLAND	AMCI	30/10/2020
TENC	TWL0011	84 WILLIS ST WELLINGTON	AMCI	5/01/2027
TENC	TWM0011	WAITAKERE MEGA CENTRE AUCKLAND	AMCI	10/09/2025
TENC	TWQ0011	14 WEST QUAY AHURIRI NAPIER	AMCI	4/07/2026
TENC	TWS0011	WILLBANK HOUSE WELLINGTON	AMCI	21/09/2020
TENC	WGF0011	GLENFIELD SHOPPING CENTRE	AMCI	2/05/2018
TENC	WPK0011	WESTFIELD PAKURANGA	AMCI	26/02/2018
TENC	WSC0011	WESTFIELD SHORE CITY	AMCI	1/07/2018
TENC	WWC0011	WESTFIELD WESTCITY	AMCI	14/12/2017

The following NSP meters were recertified during the period.

Distributor	NSP POC	Description	MEP	Certification expiry	Previous certification expiry
TENC	TTH0011	THE HUB 398 MAIN SOUTH ROAD	AMCI	19/10/2020	23/11/2016
TENC	TOT0011	131 QUEEN STREET	AMCI	15/12/2021	6/02/2017
TENC	TTT0011	TOURISM & TRAVEL HOUSE	AMCI	20/01/2022	23/03/2017
TENC	WSC0011	WESTFIELD SHORE CITY	AMCI	1/07/2018	14/12/2017
TENC	TCL0011	CHEWS LANE APARTMENTS	AMCI	31/08/2022	5/02/2018
TENC	TFJ0011	FUJITSU TOWER 141 THE TERRACE	AMCI	4/10/2022	17/02/2019
TENC	WWC0011	WESTFIELD WESTCITY	AMCI	14/12/2017	2/02/2017

No late notifications were identified. An issue is raised in **section 3.9** relating to the lack of audit trails for NSP updates on the reconciliation manager portal, which prevented confirmation of the certification details submission date in some cases.

Audit outcome

Compliant

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

Code reference

Clause 10.25(2)

Code related audit information

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

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

Audit observation

The management of this process is discussed in the TENCO report. The NSP table on the registry was examined, and processes to ensure that meters are present and certified were reviewed.

Audit commentary

The process followed by TENCO is compliant.

The following new NSPs were certified during the audit period:

Distributor	NSP POC	Description	MEP	Certification Expiry	Start Date
TENC	TBA0011	36-42 CUSTOMS ST EAST AUCKLAND	AMCI	14/04/2026	15/09/2016
TENC	TGR0011	141 CASHEL ST CHRISTCHURCH 8011	AMCI	16/07/2026	21/09/2016
TENC	TDS0011	AWLY BUILDING 80 ARMAGH ST CHCH	AMCI	30/11/2020	1/11/2016
TENC	TAQ0011	104 QUAY ST AUCKLAND	AMCI	29/11/2021	1/12/2016
TENC	TSS0011	34 SHORTLAND ST AUCKLAND	AMCI	5/10/2021	1/12/2016
TENC	TFS0011	152 FANSHAW ST AUCKLAND	AMCI	26/11/2026	1/01/2017
TENC	TWL0011	84 WILLIS ST WELLINGTON	AMCI	5/01/2027	1/02/2017
TENC	TCH0011	46-58 CUSTOMS STREET EAST AUCK	AMCI	16/04/2022	1/05/2017
TENC	TAA0011	50 ANZAC AVE AUCKLAND	AMCI	13/05/2022	1/07/2017
TENC	TCB0011	4 WILLIAMSON AVE AUCKLAND	AMCI	1/06/2027	1/07/2017
TENC	TSA0011	46 SALES ST AUCKLAND	AMCI	10/06/2022	1/07/2017
TENC	TTA0011	19 COLLEGE STREET WELLINGTON	AMCI	18/06/2027	1/07/2017
TENC	TKI0011	2 KITCHENER ST AUCKLAND	AMCI	27/06/2027	1/08/2017

Distributor	NSP POC	Description	MEP	Certification Expiry	Start Date
TENC	TMC0011	2 CONNOLY ST LOWER HUTT	AMCI	18/09/2027	22/08/2017

NSP meter certification details were provided more than 20 business days after certification for TAA0011 and TCB0011. TAA0011's details were provided 24 business days late, and TCB0011's details were provided 11 business days late. This is recorded as non-compliance below.

Process improvements were implemented in November 2017 as discussed in **section 6.8**. An issue is raised in **section 3.9** relating to the lack of audit trails for NSP updates on the reconciliation manager portal, which prevented confirmation of the certification details submission date in some cases.

Non-compliance	Description		
Audit Ref: 6.9 With: Clause 10.25(2) From: 13-May-17 To: 01-Jul-17	The Reconciliation Manager received late notification of meter certification details for TAA0011 and TCB0011. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are currently rated as moderate, but the process improvements implemented in November 2017 will increase the rating to strong. The audit risk rating is low, because the meters were certified at all times.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action is required as lateness can't be resolved.		14/02/2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
TENCO is reliant on other industry participants to comply with the code. We have improved our process for requesting MEP updates that will reduce chances of this non-compliance occurring in the future.		14/02/2018	

Audit outcome

Non-compliant

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

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

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

at least one month notification is required before the acquisition (Clause 29(2) of Schedule 11.1).

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

Audit observation

The NSP table on the registry was examined. Notifications were reviewed.

Audit commentary

The correct information was provided within the required timeframe in accordance with this clause, for each of the NSPs transferred during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

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

Audit commentary

There have been no MEP changes during the audit period.

Audit outcome

Not applicable

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

The NSP table on the registry was examined. Notifications were reviewed.

Audit commentary

Consent information was obtained and provided within the required timeframe in accordance with this clause, for each of the NSPs transferred during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 11.2

Code related audit information

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

Audit observation

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

The NSP table on the registry was examined. Notifications were reviewed.

Audit observation

The process followed by TENCO is compliant. Transfers occurred for each relevant ICP on the embedded networks transferred to TENC.

Audit outcome

Compliant

7. MAINTENANCE OF SHARED UNMETERED LOAD

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

Code reference

Clause 11.14(2) and (4)

Code related audit information

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

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

Audit observation

The registry list with history for 01/09/2016 – 31/08/2017 was examined to determine compliance.

Audit commentary

Examination of the registry list confirmed that no shared unmetered load is connected; therefore compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 11.14(5)

Code related audit information

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

Audit observation

The registry list with history for 01/09/2016 – 31/08/2017 was examined to determine compliance.

Audit commentary

Examination of the registry list confirmed that no shared unmetered load is connected; therefore compliance was not assessed.

Audit outcome

Not applicable

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

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

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

Audit observation

The calculation of loss factors is discussed in the TENCO report.

Audit commentary

Compliance is recorded for TENCO. TENCO derives loss factors for loss category codes from the published parent network loss factors for similar installations. It is expected that ICPs on embedded networks will have the same loss factor as a similar type of connection on the parent network. All loss factors checked during TENCO's audit were correct.

Audit commentary

Compliant

CONCLUSION

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

The audit found six non-compliances, no recommendations were made, and one issue is raised.

The next audit frequency table indicates an audit risk rating of 9 indicating that the next audit be due in 12 months, and I recommend the next audit be completed in 18 months. In making this recommendation I have taken the following into consideration:

- A risk rating of 9 is the lowest point in the 12 month audit frequency band, a risk rating of 6-8 gives an indicative audit frequency of 18 months.
- one non-compliance has already been cleared; and
- controls for three of the other three non-compliances are strong.

The matters raised are set out in the table below.

Non-compliances

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Timeliness of Provision of ICP Information to the registry manager	3.4	Clause 7(2) of Schedule 11.1	Four late status updates for new connections.	Strong	Low	1	Identified
Timeliness of initial energisation date	3.5	7(2A) of Schedule 11.1	Ten new connections did not have an initial energisation date populated within 10 business days of energisation.	Moderate	Low	2	Identified
Changes to registry information	4.1	8 Schedule 11.1	Eight late address updates, 77 late network updates, 34 late pricing updates, and 17 late status updates.	Strong	Low	1	Identified
Distributors to Provide ICP Information to the Registry manager	4.6	7(1) Schedule 11.1	The initial energisation date for 0000008104TC19A was incorrect, but has now been updated.	Moderate	Low	2	Cleared

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Supporting NSP information	6.4	26(4) Schedule 11.1	An LE ICP number was not provided at least one month before network creation for TDS0011 and TGR0011.	Strong	Low	1	Identified
Meter certification	6.9	10.25(2)	The Reconciliation Manager received late notification of meter certification details for TAA0011 and TCB0011.	Moderate	Low	2	Identified
Future Risk Rating						9	

Recommendations

Subject	Section	Recommendation	Description
		Nil	

Issues

Subject	Section	Issue	Remedial action
Audit trails for NSP metering information	3.9	There is no audit trail for NSP metering updates via the RM portal.	I suggest the Electricity Authority investigate reporting on notification submission dates and times, so that compliance with these requirements can be assessed.

PARTICIPANT RESPONSE

TENCO on behalf of TENC have reviewed the report on the 15/02/2018 and agree with the findings of the audit.