

**ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT**

For

**COUNTRY CONNECT SOLAR LTD
TRADING AS SUPERCHARGED ENERGY**

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Date audit report completed: 18 April 2019

Audit report due date: 27-Feb-19

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EXECUTIVE SUMMARY

This reconciliation participant audit was performed at the request of Country Connect Solar Ltd Trading as Supercharged Energy (SUPE) to support their application for certification, in accordance with clauses 4 of Schedule 15.1 of The Code 2010. The relevant clauses audited are as required by the Guidelines for Reconciliation Participants Audits V 7.1 issued by the Electricity Authority.

At the time of the audit, Supercharged Energy was trading 173 ICPs. 23 ICPs were reconciled as HHR and 150 ICPs as NHH. Supercharged Energy uses JC Consulting's services to provide reconciliation services as described in the body in this document.

Chrissy Burrows (Momentous Consulting Ltd) acts as a consultant to support the company in the area of compliance.

On 22/02/19 the Authority advised that the use of a participant audit report as an agent report may be an acceptable way of confirming compliance. The Authority stipulated that a letter would be required to confirm that the Orbus Business Services Ltd (ORBS) audit included all the relevant functions conducted by JC Consulting. Supercharged Energy received such a letter from Veritek therefore we used the Orbus Business Services Ltd reconciliation participant audit dated 6/7/2018 to confirm compliance of the processes in the areas relevant to Supercharged Energy. We conducted sampling using Supercharged Energy information to confirm that the processes were used and to verify outcomes. As part of this audit we reviewed the Wells' audit report dated 21/06/18.

The audit found 17 non-compliances and one recommendation. Findings of this audit are similar to finding of the previous audit.

The main issues identified during this audit are:

- Incorrect timeline for move in switches
- No understanding of the withdrawal process
- Using MEPs equipment without arrangement
- Reconciliation files submitted late due to disagreement between the company and their agent
- Audit report being late again

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 37 which results in an indicative audit frequency of 12 months. We recommend a shorter audit period (9 months) than the future risk rating indicates due to a number of non-compliances related to switching processes, which were recently brought back in-house without a material change audit recommended by the previous auditor. We identified that the company does not have a full understanding of details of the switching processes and this has led to the high score of this audit. My recommendation is that the company works closely with JC Consulting in the area of switching and management of meter readings.

We thank Supercharged Energy staff for their full and complete cooperation in this audit.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Audit requirements	1.11	15.37A	Audit report complete late	Weak	Low	3	Identified
Audit required if participant makes material changes	1.12	16A.11(1)	Material change audit not conducted	Weak	Low	3	Disputed
Provision of information	2.2	15.35	Submission files in October'18 and February'19 were submitted late	Moderate	Low	2	Identified
Arrangements for metering equipment provision	2.13	10.36	No arrangements for 71 ICPs with MEPS	Weak	Low	3	Disputed
Changes to registry information	3.3	10 of Schedule 11.1	68.5% of trader updates are recorded later than 5BD	Moderate	Low	2	Identified
Management of "inactive" status	3.9	19 of Schedule 11.1	Incorrect "inactive" status was assigned to one ICP for 87 days	Moderate	Low	2	Disputed
Losing trader response to switch request and event dates - standard switch	4.2	3 of Schedule 11.3	One AN file late	Strong	Low	1	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	15 CS files were sent late	Moderate	Low	2	Disputed
Losing trader provides information - switch move	4.8	10(1) of Schedule 11.3	5 CS files were sent late	Moderate	Low	2	Disputed
Withdrawal of switch request	4.15	5 of Schedule 11.3	Some NW files were sent late, and some NW had incorrect	Weak	Low	3	Identified

			withdrawal code used				
Electricity conveyed & notification by embedded generators	6.1	15.13	Embedded generation for 0006152147RN D57 is not being submitted or gifted	Moderate	Low	2	Identified
NHH meters 90% read rate	6.10	9(1) of Schedule 15.2	The read attainment requirements were not met for 3 consecutive months	Moderate	Low	2	Identified
Calculation of ICP days	11.2	15.6	Submission files in November'18 and February '19 were submitted one day late	Moderate	Low	2	Identified
Electricity supplied information provision to the reconciliation manager	11.3	15.7	Submission files in November'18 and February '19 were submitted one day late	Moderate	Low	2	Identified
HHR aggregates information provision to the reconciliation manager	11.4	15.8	Submission files were submitted late in February'19. HHRAGGR files do not contain electricity supplied information	Moderate	Low	2	Not required. The Code change required a line up with RN file specification . Breach risk rating excluded from total
Creation of submission information	12.2	15.4	Submission files in November'18 and February '19 were submitted one day late	Moderate	Low	2	Identified
Historical estimate reporting to RM	13.5	10 of Schedule 15.3	The proportion of historical estimates in	Moderate	Low	2	Identified

			submission information for 4 months has not achieved target of 80%				
Future Risk Rating						37	

Future risk rating	0-1	1-3	4-15	16-40	41-55	56+
Indicative audit frequency	36 months	24 months	18 months	12months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Description	Recommendation
ANZSIC codes	3.6	Incorrect property name for 0000009294NT824	Request TASM to remove "irrigation" description in the property name field

ISSUES

Subject	Section	Description	Issue
			Nil

1. ADMINISTRATIVE

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

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

Audit observation

Supercharged Energy has not applied for any exemptions.

Audit commentary

We checked the Electricity Authority website and confirm that there are no exemptions granted to Supercharged Energy relevant to the scope of this audit.

1.2. Structure of Organisation

The company consists of a Managing director, Installation Coordinator, and Retail Manager who are based in NZ. There is also an operation part in Fiji, which provides customer service, lead generation, and cold calls.

1.3. Persons involved in this audit

Name	Title	Company
Ben Lindley	Retail Manager	Supercharged Energy
Richard Homewood	Managing Director	Supercharged Energy
John Candy	Director	JC Consulting
Ewa Glowacka	Electricity Authority Approved Auditor	TEG & Associates

1.4. Use of Agents (Clause 15.34)

Code reference

Clause 15.34

Code related audit information

A reconciliation participant who uses an agent

- *remains responsible for the contractor's fulfilment of the participant's Code obligations*
- *cannot assert that it is not responsible or liable for the obligation due to something the agent has or has not done*

Audit observation

Supercharged Energy uses JC Consulting and Wells as its agents.

Audit commentary

JC Consulting is the agent to deliver settlement files (initial submissions and consecutive revisions) to the reconciliation manager. The Meter Read Frequency report is created and emailed to the Authority. JC

Consulting also downloads metering data from MEPs and Wells servers and acts on behalf of the company if there are any issues with the quality of metering data or if missing data is identified. Wells provides meter readings for NHH ICPs. The audit report dated 21/06/18 was reviewed.

1.5. Hardware and Software

Updates to the registry information are carried by Supercharged Energy using the web interface. Billing is done using Utilmate (AgilityCIS).

Reconciliation processes are carried out by JC Consulting using the RM TOOL (Access database).

1.6. Breaches or Breach Allegations

Reference	Breach Participant	Status	Code	Summary
1808SUPE1	Country Connect	closed	Part 11 clause 11.16 (a)	Country Connect Solar switched a consumer on the PowerCo network to SUPE before contacting PowerCo to negotiate a UoSA.
1810SUPE1	Country Connect	closed	Part 15 clause 15.4 (1)	Country Connect Solar LTD (SUPE) has failed to submit data to the reconciliation manager by 16:00 on business day 4 in breach of Part 15.4 (1) of the Code.
1812SUPE1	Country Connect	Investigation - settlement in progress	Part 11 clause 11.16 (a)	Country Connect trades on WE's network without having an agreement in place.

1.7. ICP Data

Metering Category	25/03/19	2018	
1	173	156	
2	15	6	
3		0	
4		0	
5		0	
9		0	

Status	25/03/19	2018	
Active (2,0)	187	162	
Inactive – new connection in progress (1,12)	0	0	
Inactive – electrically disconnected vacant property (1,4)	0	1	
Inactive – electrically disconnected remotely by AMI meter (1,7)	0	0	
Inactive – electrically disconnected at pole fuse (1,8)	0	0	
Inactive – electrically disconnected due to meter disconnected (1,9)	1	0	
Inactive – electrically disconnected at meter box fuse (1,10)	0	0	
Inactive – electrically disconnected at meter box switch (1,11)	0	0	
Inactive – electrically disconnected ready for decommissioning (1,6)	0	0	
Inactive – reconciled elsewhere (1,5)	0	0	
Decommissioned (3)	1	1	

1.8. Authorisation Received

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

1.9. Scope of audit

This reconciliation participant audit was performed at the request of Supercharged Energy to encompass the Authority's request for annual audits as required by clause 2, of Schedule 15.1, of the Code to assure compliance with the Electricity Industry Participation Code 2010.

The audit was carried out over Skype (Retail Manager is based in London) on 27th March and 2nd of April 2019.

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

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Relevant to audit	Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	✓	
(b) – Gathering and storing raw meter data	✓	Wells
(c)(i) - Creation and management of HHR volume information	✗	
(c)(ii) - Creation and management of NHH volume information	✗	
(c)(ii) - Creation and management of HHR and NHH volume information	✓	JC Consulting
(c)(iv) - Creation and management of dispatchable load information	✗	
(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓	JC Consulting
(d)(ii) - delivery of electricity supplied information under clause 15.7	✓	JC Consulting
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8	✓	JC Consulting
(e) – Provision of submission information for reconciliation	✓	JC Consulting
(f) - Provision of metering information to the grid owner in accordance with subpart 4 of part 13	✗	

1.10. Summary of previous audit

The previous audit was conducted by Rebecca Elliot of Veritek on 24th August 2018. The audit identified the following non-compliances:

Subject	Section	Clause	Non-Compliance	Comment
Audit requirements	1.11	15.37A	Audit report completed late	Still exits
Requirement for certification	1.12	2A of Schedule 15.1	Trading without certification	Cleared
Relevant information	2.1	10.6, 11.2, 15.2	12 ICPs with incorrect profiles are recorded on the registry for ICPs with distributed generation	Cleared
Arrangements for line function services	2.12	11.16	Trading on networks prior to having arrangement in place	Cleared
Changes to registry	3.3	10 of Schedule 11.1	Three late MEP nominations	Still exits
Inform registry of switch request for ICPs – standard switch	4.1	2 of Schedule 11.3	Switching initiated for 166 ICPs where an arrangement had not been entered into and not all preconditions met.	Cleared
Losing trader response to switch request and event dates - standard switch	4.2	3 and 4 of Schedule 11.3	One incorrect AN response code was applied.	Still exits, one AN file late
Gaining trader informs registry of switch request - switch move	4.7	9 of Schedule 11.3	One ICP switched in with no arrangement in place with the customer and no evidence the wrong property being requested	Cleared
Withdrawal of switch requests	4.15	17 and 18 of Schedule 11.3	One switch withdrawal incorrectly rejected. Incorrect withdrawal code sent for one ICP. One late NW request issued. Four late AW responses sent	Still exits
Electricity conveyed & notification by embedded generators	6.1	15.13	Distributed generation for ICP 0000289650TE1FB should be gifted	Still exits
Electricity supplied information provision to the reconciliation manager	11.3	15.7	Network billing information incorrectly being submitted as billed information when this should be from the financial system.	Cleared
Historic estimate process	12.11	4 and 5 of Schedule 15.3	One HE scenario calculated incorrectly.	Cleared

We reviewed the last audits non-compliances. Seven non-compliances were cleared. More details to be found in relevant sections.

1.11. Audit requirements (Clause 15.37A)

Code reference

Clause 15.37A

Code related audit information

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

Audit observation

The Supercharged Energy reconciliation participant audit was due to be submitted to the authority by 27th February 2019 for certification to be approved by 27th April 2019. The site audit was completed on 27th March and 2nd of April 2019 therefore the audit report will be lodged late. This is recorded as non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 1.11 With: 15.37A From: 27-Feb-19 To: 29-Mar-19	Audit report completed late Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor		
Actions taken to resolve the issue		Completion date	Remedial action status
Creation of a shared business calendar with important due dates highlighted.		25/02/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Future Audit due dates will now be placed in the business calendar. Reminders will be set eight weeks beforehand to book an audit in good time.		-	

1.12. Audit required if participant makes material changes (Clause 16A.11)

Code reference

Clause 16A.11

Code related audit information

(1) If there is a material change to any of a participant's systems or processes that are the subject of regular audits under clause 10.17A, 11.8B, 11.10, 15.37A or 15.37B, the participant must arrange for an additional audit, which must be completed in accordance with this Part no later than 5 business days before the change is implemented.

(2) For the purposes of subclause (1), a material change to a system or process is a change that is likely to affect the ability of the participant to comply with any relevant provision of this Code.

Audit observation

JC Consulting used to provide the registry management services (including switching) to Supercharged Energy. During November/December'18 the company has taken this functionality in-house. Clause 16A.11(1) requires Supercharged Energy to arrange and submit a material change audit to the Authority no later than 5 business days before the change is implemented. The material change audit was not conducted.

Supercharged Energy uses the registry web interface for switching and information management as JC Consulting did.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 1.12 With: 16A.11(1) From: 01-Nov-18 To: 28-Mar-19	Material change audit not conducted Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor. The company uses the registry interface, which is reliable, and JC Consulting provides support services if any difficulties arise.		
Actions taken to resolve the issue		Completion date	Remedial action status
Transition and training of switching functionality has been a gradual process, and was discussed at the previous audit. It would not be possible to conduct a material change audit until after the transition and training had been completed, and by then those functions were being audited in the normal audit			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	

2. OPERATIONAL INFRASTRUCTURE

2.1. Relevant information (Clause 10.6, 11.2, 15.2)

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

A participant must take all practicable steps to ensure that information that the participant is required to provide is:

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

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

Audit observation

The LIS file dated 28/03/19 was examined to identify any inaccuracies. The Event Detail (EDA) file for the period 01/09/18 to 24/03/19 was examined to determine how quickly Supercharged Energy provides information to the registry and corrects information which is identified as inaccurate.

Audit commentary

The LIS file and Metering Installation Information (PR-255) were analysed, the results are shown below.

Issue	Quantity	Comments
ICP Status = 002, MEP = blank, UNM Flag = N	0	No evidence of this occurring
ICP Status = 002, Generation Capacity is not blank,	53	
Highest Metering Category >2 with residential ANZSIC code assigned (000000)	0	No evidence of this occurring
ANZSIC code = blank or T994, T994000, T99, T999, T999999, T995, T995000, T997, T997000, T998, T998000	0	No evidence of this occurring
ICP with B or G Inst Type, or non-null Fuel or Gen Capacity that do not have a corresponding Injection Register	1	ICP 0006152147RND57; Solar connected on 1/12/18 when MERI was a trader. FCLM nominated as new MEP on 12/03/
Highest Metering Category greater than 2, Submission Type HHR = No	0	No evidence of this occurring
Highest Metering Category = 9, UNM Flag=N	0	No evidence of this occurring
All active ICPs with Initial Energisation Date populated during a defined period	0	No evidence of this occurring
All Active ICPs (ICP Status = 2) with Shared ICP List not blank	0	No evidence of this occurring

All ICPs at ICP Status 001,12	0	No evidence of this occurring
Submission Type HHR = Y, Profile does not contain HH	0	No evidence of this occurring
Submission Type HHR and Submission Type NHH both = Y	0	No evidence of this occurring
All active ICPs where Distributor has indicated UML (UML Load Details not NULL) but Retailer has none (UNM Flag = N)	0	No evidence of this occurring
All active ICPs with UNM Flag = Y	0	No evidence of this occurring
All active ICPs with load in excess of 6kWh (Daily Unmetered kWh greater than 16.4 daily)	0	No evidence of this occurring
All active ICPs with load between 3-6k kWh (Daily Unmetered kWh between 8.2-16.4 daily)	0	No evidence of this occurring
All active ICPs with Engineered profile (Daily Unmetered kWh = ENG)	0	No evidence of this occurring

JC Consulting runs weekly registry validation reporting to identify any changes that have occurred in the registry and to make sure that all the information required for submission is correct and accurate. This validation includes checks such as changes to unmetered loads, where embedded generation is recorded by the distributor, but Supercharged Energy is not aware that solar panels are electrically connected. These weekly processes implemented by JC Consulting work well.

In the last audit a non-compliance was recorded because 12 ICPs had incorrect profiles recorded in the registry where distributed generation was connected. The non-compliance was addressed after the audit.

Audit outcome

Compliant

2.2. Provision of information (Clause 15.35)

Code reference

Clause 15.35

Code related audit information

If an obligation exists to provide information in accordance with Part 15, a participant must deliver that information to the required person within the timeframe specified in the Code, or, in the absence of any such timeframe, within any timeframe notified by the Authority. Such information must be delivered in the format determined from time to time by the Authority.

Audit observation

We reviewed the process for file submission performed by JC Consulting.

Alleged breaches during the period covered by this audit were reviewed.

Audit commentary

We found JC Consulting processes to be compliant.

As per **section 1.6**, on 4 October 2018, Supercharged Energy has failed to submit data to the reconciliation manager by 16:00 on business day 4. Also in February'19 submission files were submitted late by one day.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.2 With: 15.35 From: 01-Nov-18 To: 28-Mar-19	Submission files in October'18 and February'19 were submitted late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because non-compliance identified in this section was caused by a disagreement between SUPE and their contractor. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Better communication and planning between SUPE and contractor. Contractor controls for complying with file submission deadlines are strong.			

2.3. Data transmission (Clause 20 Schedule 15.2)

Code reference

Clause 20 Schedule 15.2

Code related audit information

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

Audit observation

JC Consulting downloads data from Metrix, FCLM, and Wells servers on behalf of Supercharged Energy. Data is downloaded daily.

Audit commentary

Once metering data is downloaded from the service providers servers it is uploaded to the RM TOOL.

JC Consulting copies metering data to Dropbox shared with Supercharged Energy, the company uses this data for analysis and billing purposes.

The data transfer process was reviewed during the FCLM and Wells audit and found compliant.

We sampled six ICPs from MTRX and Wells and traced them from the original files to volume information created by JC Consulting and uploaded to the reconciliation manager system.

Audit outcome

Compliant

2.4. Audit trails (Clause 21 Schedule 15.2)

Code reference

Clause 21 Schedule 15.2

Code related audit information

Each reconciliation participant must ensure that a complete audit trail exists for all data gathering, validation, and processing functions of the reconciliation participant.

The audit trail must include details of information:

- *provided to and received from the registry manager*
- *provided to and received from the reconciliation manager*
- *provided and received from other reconciliation participants and their agents.*

The audit trail must cover all archived data in accordance with clause 18.

The logs of communications and processing activities must form part of the audit trail, including if automated processes are in operation.

Logs must be printed and filed as hard copy or maintained as data files in a secure form, along with other archived information.

The logs must include (at a minimum) the following:

- *an activity identifier (clause 21(4)(a))*
- *the date and time of the activity (clause 21(4)(b))*
- *the operator identifier (clause 21(4)(c)).*

Audit observation

We checked the audit trail for all data gathering, validation, and correction.

Audit commentary

JC Consulting retains an audit trail of downloaded data via FileZilla.

The audit trail of reconciliation files is recorded by the RM portal. The audit trail of data validation, estimation and creation of reconciliation files is recorded in the RM TOOL.

During this audit we confirmed that the audit trail for data gathering, validation and processing functions is archived. For any changes to data, logs are created showing the date and time of the activity, an activity identifier, and the operator identifier.

Audit outcome

Compliant

2.5. Retailer responsibility for electricity conveyed - participant obligations (Clause 10.4)

Code reference

Clause 10.4

Code related audit information

If a participant must obtain a consumer's consent, approval, or authorisation, the participant must ensure it:

- *extends to the full term of the arrangement*
- *covers any participants who may need to rely on that consent.*

Audit observation

We reviewed Supercharged Energy's terms and conditions.

Audit commentary

The document states that the agreement applies from the agreed date and to the date a customer applies to switch to another electricity supplier. The agreement covers any other participants such as MEPs or a distributor.

Audit outcome

Compliant

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

Code reference

Clause 10.7(2), (4), (5) and (6)

Code related audit information

The responsible reconciliation participant must, if requested, arrange access for the metering installation to the following parties:

- *the Authority*
- *an ATH*
- *an auditor*
- *an MEP*
- *a gaining metering equipment provider.*

The trader must use its best endeavours to provide access:

- *in accordance with any agreements in place*
- *in a manner and timeframe which is appropriate in the circumstances.*

If the trader has a consumer, the trader must obtain authorisation from the customer for access to the metering installation, otherwise it must arrange access to the metering installation.

The reconciliation participant must provide any necessary facilities, codes, keys or other means to enable the party to obtain access to the metering installation by the most practicable means.

Audit observation

We reviewed Supercharged Energy's terms and conditions.

Audit commentary

Supercharged Energy's terms and conditions include consent to access for authorised parties for the duration of the contract.

Audit outcome

Compliant

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

Code reference

Clause 10.35(1) & (2)

Code related audit information

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

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

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

Audit observation

The LIS file dated 28/03/19 was reviewed.

Audit commentary

Supercharged Energy only supplies ICPs with metering categories 1 and 2. The company does not trade any installations with loss compensation.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

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

- *the trader to provide information about the customer to the Authority and for the Authority to provide the information to another trader if required under Schedule 11.5 (clause 11.15B(1)(d)); and*
- *the trader to assign the rights and obligations of the trader to another trader (clause 11.15B(1)(e)).*

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

Audit observation

We reviewed Supercharged Energy's terms and conditions.

Audit commentary

Supercharged Energy's terms and conditions contain the appropriate clauses to achieve compliance with this requirement.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

A reconciliation participant must only request the connection of a point of connection if they:

- *accept responsibility for their obligations in Parts 10, 11 and 15 for the point of connection; and*
- *have an arrangement with an MEP to provide 1 or more metering installations for the point of connection.*

Audit observation

Supercharged Energy will not be dealing with new connections for some time. The EDA file was reviewed.

Audit commentary

Supercharged Energy has not had any new connections. The company is not planning to trade new installations in the near future. When SUPE decides to take on new connections they will document the process.

The review of the EDA file confirmed that Supercharged Energy has not completed any new connections since the last audit.

Audit outcome

Compliant

2.10. Temporary Electrical Connection of an ICP (Clause 10.33(1))

Code reference

Clause 10.33(1)

Code related audit information

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

- *they are recorded in the registry as being responsible for the ICP; and*
- *1 or more certified metering installations are in place at the ICP in accordance with Part 10; and*
- *for an ICP that has not previously been electrically connected, the network owner has given written approval.*

Audit observation

It was discussed during the audit. Supercharged Energy will not be dealing with new connections for some time. The EDA file was reviewed.

Audit commentary

Supercharged Energy has not had any new connections. The company is not planning to trade new installations in the near future. When SUPE decides to take on new connections they will document the process.

Audit outcome

Compliant

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

Code reference

Clause 10.33A (1)

Code related audit information

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

- *they are recorded in the registry as being responsible for the ICP; and*
- *1 or more certified metering installations are in place at the ICP in accordance with Part 10; and*
- *for an ICP that has not previously been electrically connected, the network owner has given written approval.*

Audit observation

The new connection and reconnection processes were discussed. The EDA file for the period 01/09/18 to 24/03/19 was examined.

Audit commentary

The review of the EDA file confirm that Supercharged Energy has not completed any new connections since the last audit.

There was one disconnection. One ICP 0005722462RN85D was reconnected. It is identified as a non-compliance in **section 3.3** because the registry update was backdated by 87 BD.

Audit outcome

Compliant

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

Before providing the registry manager with any information in accordance with clause 11.7(2) or clause 11.18(4), a trader must ensure that it, or its customer, has made any necessary arrangements for the provision of line function services in relation to the relevant ICP

Before providing the registry manager with any information in accordance with clause 11.7(2) or clause 11.18(4), a trader must have entered into an arrangement with an MEP for each metering installation at the ICP.

Audit observation

The LIS file was reviewed to confirm the networks that Supercharged Energy ICPs are connected to.

Audit commentary

The previous audit identified non-compliance because Supercharged Energy did not have arrangements in place with all the networks on which they trade ICPs.

Network	Arrangement in place
TASM	UoSA in place
TOPE	UoSA in place
CKHK	SUPE has halted customer acquisition while UoSA is approved. Since sending the signed agreement, SUPE continue to cooperate with the network to provide any information required to execute the UoSA from network end. Invoicing arrangement
EASH	UoSA in place
UNET	UoSA in place
NELS	UoSA in place
HAWK	UoSA in place
NPOW	UoSA in place
LINE	UoSA in place
ORON	UoSA in place
ELEC	Waiting for counter sign of agreement
VECT	UoSA in place
MARL	UoSA in place
WAIP	UoSA in place
COUP	UoSA in place
POCO	No arrangement, all ICPs removed from PowerCo network

Audit outcome

Compliant

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

The LIS file was examined to confirm which MEPs are recorded against SUPE’s ICPs.

Audit commentary

The table below shows what arrangement SUPE has with MEPs who provided services to their installations.

MEP	Arrangement in place
SMCO	No arrangement
FCLM	Arrangement in place
LMGL	invoiced
NGCM	No arrangement
CTCT	No arrangement
TRUM	No arrangement
NPOW	invoiced
MTRX	Arrangement in place
ARCS	No arrangement

There are 71 ICPs traded by Supercharged Energy for which the company does not have any arrangement with MEP. The table below shows the split between MEPs.

MEP	Number of ICPs
ARCS	7
CTCT	8
NGCM	27
SMCO	27
TRUM	2

ARCS, NGCM, and SMCO provide MEP services (AMI meters) for 61 ICPs. The estimated annual charge for AMI meters is \$90.00, therefore a monthly meter lease charge for 61 ICPs X \$7.50 is \$457.50 plus 10 ICPs @ \$4.17 = \$41.70. Total cost of lease charges is \$500.00 per month.

Some of the ICPs without an arrangement with the relevant MEPs have been traded by SUPE since 03/18, some of them are more recent gains. Using a daily estimate meter lease charge we calculated that from March'18 up to 31/03/19, Supercharged Energy has not paid MEPs around \$2,600.

The company strategy is to nominate FCLM as the new MEP and ask them to install Import/Export meters. For 54 out of 71 ICPs(76%), FCLM was nominated as the MEP but FCLM had not installed their meters yet, as per the registry information.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.13 With: 10.36 From: 01-Sep-18 To: 28-Mar-19	No arrangements for 71 ICPs with MEPs Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating:3		
Audit risk rating	Rationale for audit risk rating		
Low	The audit risk rating is recorded as low because a number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
We dispute this as we do currently have an arrangement with all MEPs. The arrangement is that we will switch out their meters as soon as practical after we have taken over the ICP. In the meantime we pay their regular metering charges when they send us an invoice. Most of the remaining 44 ICPs are on the TASM network and are awaiting network approval before new meters can be installed.			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
Network Tasman have slowed this process by incorrectly linking the meter change process to the solar approval process, which should be treated as two separate processes. This has been raised with Network Tasman. Had the Network allowed us to install our meters following the SR requests to the MEP we believe we would have avoided this breach.			

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

As described in **section 2.9**, Supercharged Energy does not trade new connections. The LIS file dated 24/03/19 and EDA file were analysed.

Audit commentary

Analysis of registry files confirmed that Supercharged Energy only trades in already established connections. When SUPE decide to take on new connections they will document the process.

Audit outcome

Compliant

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

Code reference

Clause 11.7(2)

Code related audit information

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

Audit observation

According to the process, the company checks each ICPs information in the registry before the ICP is accepted.

Audit commentary

We analysed the LIS file and confirm that the company provided all information to the registry for installations at which they trade energy.

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

We reviewed the EDA file for the period 01/09/18 to 24/03/19

Audit commentary

Analysis of the EDA file showed the following transaction recorded:

Activity	Status code	No of updates	No of updates later than 5BD	Date range of updates [BD]	Comment
Status (2,0)	Active	1	1 (100%)	87	
Trader		130	89 (68.5%)		48 ICPs updated profile to RPS PV1

Analysis of the EDA file showed that there were two types of transactions recorded in the registry. There was one change of an ICP status and 130 updates to trader information. 68.8% of trader updates were entered later than 5 BD. Since Dec'18 the process has been managed in-house using the registry web interface.

We discussed with the company the high number of late updates. They are related to backdated MEP nominations and changing the profile used for reconciliation from RPS to RPS PV1 when solar panels are electrically connected.

JC Consulting runs weekly reports to monitor in the registry where embedded generation is recorded by the distributor, but Supercharged Energy is not aware that solar panels are electrically connected. Supercharged Energy commented that the flow of information from the MEP is often delayed therefore the registry is updated later than 5 BD.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 01-Sep-18 To: 28-Mar-19	68.5% of trader updates are recorded later than 5BD Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Moderate Breach risk rating:2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate because there are some improvements that can be made to them. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Updates to the registry are made within 5 days of SUPE being notified (either by the registry or by paperwork) by the MEP. It is unfair and inappropriate to calculate the time delay from the actual meter work completion.			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	

3.4. Trader responsibility for an ICP (Clause 11.18)

Code reference

Clause 11.18

Code related audit information

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

A trader ceases to be responsible for an ICP if:

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

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

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

Audit observation

The LIS file dated 28/03/19 was analysed and we confirm that all ICPs have a MEP recorded in the registry.

Audit commentary

Supercharged Energy fully understand that as soon as they are recorded in the registry as accepting responsibility, the responsibility will cease only when an ICP switches out to another trader and its code is recorded in the registry.

Supercharged Energy is aware of their responsibility to notify the MEP where an ICP is decommissioned, and to obtain a final reading.

Since the last audit, the company has not marked any ICP as “ready for decommissioning”.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

We analysed the LIS file dated 28/03/19 and the EDA files for the period of 01/09/18 to 24/03/19.

Audit commentary

Supercharged Energy has not completed any new connections during the period covered by this audit. The analyses of the EDA files showed that Supercharged Energy provided all required information to the registry for their ICPs. We confirm that the information recorded is correct.

Audit outcome

Compliant

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

We analysed the LIS file dated 28/03/19.

Audit commentary

The correctness of the ANZIC code is checked at the time when a switch is finalised. We reviewed the LIS file and confirm that all ICPs have the correct ANZSIC code recorded. The non-compliance recorded in the previous audit was addressed by a change in the acquisition process.

Audit outcome

Compliant

Description	Recommendation	Audited party comment	Remedial action
Incorrect property name for 0000009294NT824	Request TASM to remove "irrigation" description in the property name field	Request sent to TASM 01/04/2019.	Completed

3.7. Changes to unmetered load (Clause 9(1)(f) of Schedule 11.1)

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

*if a settlement type of UNM is assigned to that ICP, the trader must populate:
the code ENG - if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or
the daily average kWh of unmetered load at the ICP - in all other cases (clause 9(1)(f)(ii)).*

Audit observation

The LIS file was reviewed to identify any UML.

Audit commentary

At the time of this audit, Supercharged Energy was not trading any UML. As described in **section 2.1**, this is checked regularly as a validation process undertaken by JC Consulting.

Audit outcome

Compliant

3.8. Management of “active” status (Clause 17 Schedule 11.1)

Code reference

Clause 17 Schedule 11.1

Code related audit information

The ICP status of “active” is be managed by the relevant trader and indicates that:

- the associated electrical installations are electrically connected (clause 17(1)(a))
- the trader must provide information related to the ICP in accordance with Part 15, to the reconciliation manager for the purpose of compiling reconciliation information (clause 17(1)(b)).

Before an ICP is given the “active” status, the trader must ensure that:

- the ICP has only 1 customer, embedded generator, or direct purchaser (clause 17(2)(a))
- the electricity consumed is quantified by a metering installation or a method of calculation approved by the Authority (clause 17(2)(b)).

Audit observation

We analysed the LIS file dated 28/03/19. The reconnection process was reviewed and found compliant.

Audit commentary

The review of the LIS file showed that the status of 0005722462RN85D was changed to active, backdated by 87 BD.

At the time of this audit all ICPs but one had the status “active” assigned.

Audit outcome

Compliant

3.9. Management of “inactive” status (Clause 19 Schedule 11.1)

Code reference

Clause 19 Schedule 11.1

Code related audit information

The ICP status of “inactive” must be managed by the relevant trader and indicates that:

- electricity cannot flow at that ICP (clause 19(a)); or
- submission information related to the ICP is not required by the reconciliation manager for the purpose of compiling reconciliation information (clause 19(b)).

Audit observation

The LIS file and EDA files were analysed. The process for connection and disconnection was reviewed and found compliant.

Audit commentary

We identified ICP 0005722462RN85D for which the status was assigned as “inactive” but when consumption was recorded, the status in the registry was changed. According to Supercharged Energy

they never requested a reconnection of this ICP. There is a possibility that the status assigned by the previous trader (CTCT) was incorrect.

The ICP was made active as of 23/7/18 (on 21/11/18). The first time volumes for this ICP were submitted was for month 201811 and initial submissions 6/12/18. The first June volumes for this ICP were submitted 14/2/19, and it is being washed up as IC Consulting tracks through the subsequent months

There was another ICP, 0397203918LCEB9, with the “inactive” status, it was marked as “disconnected by AMI meters” but JC Consulting noticed that a meter was recording volumes, which means that the meter was not disconnected. The status in the registry was reversed. This ICP switched to GBUG on 22/03/19.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.9 With: 19 of Schedule 11.1 From: 01-Sep-18 To: 28-Mar-19	Incorrect “inactive” status was assigned to one ICP for 87 days 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 because there are some improvements that can be made to them. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
The ICP in question was updated to active effective the retailer start date immediately consumption was detected, the delay was due to difficulties obtaining reads, but the read received was still within the four-month period. We believe our system acted appropriately given the information that was available			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

Audit observation

It is a distributor's code obligation to monitor any ICP which has had the status of "New" or "Ready" for 24 calendar months or more. It is expected that a trader be able to respond to such queries from distributors.

Audit commentary

Supercharged Energy has not received such a query from any distributor because the company does not trade new connections.

Audit outcome

Not applicable

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

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

Audit observation

We examined the standard switch process documentation. We found it compliant.

Supercharged Energy moved this operation from Fiji to in-house over two months, November and December'18. The company uses the registry interface to conduct switching.

We analysed the EDA file to assess the switching timeline.

Audit commentary

Supercharged Energy used only the standard switch process. 82 NTTR were sent to the registry. All NT files were sent with the event date being in the future.

Supercharged Energy is aware of the requirements of the Fair Trading Act 1986.

Audit outcome

Compliant

4.2. Losing trader response to switch request and event dates - standard switch (Clauses 3 and 4 Schedule 11.3)

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

Within 3 business days after receiving notice of a switch from the registry manager, the losing trader must establish a proposed event date. The event date must be no more than 10 business days after the date of receipt of such notification, and in any 12-month period, at least 50% of the event dates must be no more than 5 business days after the date of notification. The losing trader must then:

- *provide acknowledgement of the switch request by (clause 3(a) of Schedule 11.3):*
- *providing the proposed event date to the registry manager and a valid switch response code (clause 3(a)(i) and (ii) of Schedule 11.3); or*

- *providing a request for withdrawal of the switch in accordance with clause 17 (clause 3(c) of Schedule 11.3).*

When establishing an event date for clause 4, the losing trader must disregard every event date established by the losing trader for a customer who has been with the losing trader for less than 2 calendar months (clause 4(2) of Schedule 11.3).

Audit observation

We analysed the EDA file to assess the switching timeline and correctness of information in the AN files. The Switch Breach report for the period covered by this audit was reviewed.

Audit commentary

Supercharged sent 39 AN files to other traders.

Analysis of the EDA file showed that Supercharged Energy is compliant with clause 4(1)(b) of Schedule 11.3, more than 50% of switches had the event dates no more than 5 business days after the date of notification. The company policy is to accept the event date specified in NT file by a gaining trader.

Only 1 AN file was sent after 3 business days (Christmas period) ,the rest of them were sent in time.

We checked the switch response code for 22 ICPs and confirm it was correct. The last audit identified non-compliance which was addressed.

In recent discussions with the Authority it came to light that the meaning of “AD” switch response code “Alert that meter is an advanced meter” has changed. The most recent guideline is

AD –the metering is being changed to AMI, but the registry is not yet updated

It means that if a participant uses AA switch response code for installations with AMI meters, it is compliant.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.2 With: 3 of Schedule 11.3 From: 28-Dec-18 To: 31-Dec-18	One AN file late 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 recorded as strong. SUPE monitors a switch breach report provided by the registry. As soon as they received a NT notification, AN response is sent. Lateness of one AN file happened over Christmas period. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor if any.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Clearer switching responsibilities have been set when switching manager is on leave.		15/01/2019	

4.3. Losing trader must provide final information - standard switch (Clause 5 Schedule 11.3)

Code reference

Clause 5 Schedule 11.3

Code related audit information

If the losing trader provides information to the registry manager in accordance with clause 3(a) of Schedule 11.3 with the required information, no later than 5 business days after the event date, the losing trader must complete the switch by:

- *providing event date to the registry manager (clause 5(a)); and*
- *provide to the gaining trader a switch event meter reading as at the event date, for each meter or data storage device that is recorded in the registry with accumulator of C and a settlement indicator of Y (clause 5(b)); and*
- *if a switch event meter reading is not a validated reading, provide the date of the last meter reading (clause 5(c)).*

Audit observation

We analysed the EDA file to assess the switching timeline and correctness of information in CS files. The Switch Breach report for the period covered by this audit was reviewed. The documentation was reviewed, it was found that it contained incorrect information (Incorrect number of days for CS file to be sent). It was corrected during the audit.

Audit commentary

Supercharged Energy was using the Switch Breach Report to monitor the number of days when the CS file is due to be sent. The report is incorrect because it still shows that the CS must be sent no later than 10 BD. The current Code allows only 5 BD, the report was not changed after the Code amendment. It was discussed during the audit and the company, from now on, will be treating this report as indication only.

The total number of switches finalised using this process was 26 . We identified 15 CS files which were sent later than 5 business days after the event date, which is 53% of all files. We checked the content of seven CS files and found them correct.

The average daily kwh for CS file value is divided by the number of registers supplied and stored in dbase. If FE calculation is not possible (i.e. only one read), then stored average kwh/day per register value X no of days is used.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: 5 of Schedule 11.3 From: 01-Sep-18 To: 24-Mar-19	15 CS files were sent late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate as they require some adjustment .A new process has been written, the next audit will assess how well it is followed. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff training, however, it must be noted that we were basing our actions on the switch breach report from the registry, which (we now know) does not accurately reflect the updated rules.			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
We recommend that the EA correct the registry breach reporting. Until this is completed, we will process losing retailer switches within the correct business day windows. New process written 27/03/2019.		27/03/2019	

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

Code reference

Clause 6(1) and 6A Schedule 11.3

Code related audit information

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

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

If the gaining trader disputes a switch meter reading because the switch event meter reading provided by the losing trader differs by 200 kWh or more, the gaining trader must, within 4 calendar months of the actual event date, provide to the losing trader a changed switch event meter reading supported by 2 validated meter readings.

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

Audit observation

The process of managing read change requests (RR files) is managed by JC Consulting. We reviewed the process and found it compliant.

Audit commentary

Supercharged Energy reconciles all their new switches as NHH. JC Consulting performs a comparison between a switch event read and a read from the MEP or Wells. If the difference is less than 200 kWh, the switch event read provided by a losing trader is used for reconciliation. If the difference is greater than 200 kWh, RR file is sent. Supercharged Energy did not send any RR files but received two RR files. Both RR files were accepted and used for reconciliation.

We have randomly selected six switch event reads and traced them to the RM TOOL and confirm they are used for reconciliation.

Audit outcome

Compliant

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

Code reference

Clause 6(2) and (3) Schedule 11.3

Code related audit information

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

- the gaining trader will trade electricity from a meter with a half hour submission type in the registry (clause 6(2)(b));

- *the gaining trader within 5 business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading.*

Audit observation

The process for the management of read change was examined. The EDA file was examined to identify if any RRs were sent by Supercharged Energy or received by them.

Audit commentary

Supercharged Energy trades all newly gained ICPs as NHH. The company did not issue any RR files under clause 6(2) of Schedule 11.3 and did not receive any RR files under clause 6(3) of Schedule 11.3.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 11.3

Code related audit information

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

Audit observation

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

Audit commentary

Supercharged Energy confirmed that no disputes occurred in the period covered by this audit which would require a resolution. Supercharged Energy stated that they will not decline to accept another traders' validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

If the "uninvited direct sale agreement" applies, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement in accordance with section 36M of

the Fair-Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.

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

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

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

Audit observation

The EDA file for period covered by this audit was reviewed. The switch move process was examined.

Audit commentary

Analysis of the EDA file confirmed that SUPE did not use this type of switching to gain customers.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

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

Audit observation

The EDA file for the period covered by this audit was reviewed. The switch move process was examined, which had incorrectly noted how quickly a switch should be finalised. The documentation was corrected during the audit.

The Switch Breach report was reviewed to determine if any breaches occurred.

Audit commentary

Analysis of the EDA file confirmed that SUPE lost seven customers using the switch move process. Switch Breach report showed that for ICP 0005318212WM7DA AN file was sent outside of this clause requirement. It was only one day late during the Christmas period.

No confirmation of the switch event date (AN file) was sent for 0000164900TED15.

CS files for three ICPs were sent later than required. Supercharged Energy was not aware that the timeline for a move switch is different to a standard switch. We validated switch events reads against reads in the RM TOOL and found them identical. Daily kWh were correctly calculated.

We identified two ICPs for which Supercharged Energy did not accept the event date proposed by the losing trader and determine dates. The date for 0138334072LC269 was one day earlier than requested by the losing trader and for 0005318212WM7DA the proposed date was confirmed in the AN file but in the CS file a transfer date was 17/12/18 instead of 21/12/18.

Supercharged Energy was not aware that a new proposed event date must be no later than 10 business days after the date the losing trader receives notice. The date can't be before of date of notification .

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.8 With: 10(1) of Schedule 11.3 From: 01-Sep-18 To: 24-Mar-19	3 CS files were sent late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate as they require some adjustment. A new process has been written, the next audit will assess how well it is followed. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff training, however, it must be noted that we were basing our actions on the switch breach report from the registry, which (we now know) does not accurately reflect the updated rules.			Disputed
Preventative actions taken to ensure no further issues will occur		Completion date	
We recommend that the EA correct the registry breach reporting. Until this is completed, we will process losing retailer switches within the correct business day windows. New process written 27/03/2019.		27/03/2019	

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

Code reference

Clause 10(2) Schedule 11.3

Code related audit information

If the losing trader determines a different date, the losing trader must also complete the switch by providing to the registry manager as described in subclause (1)(a):

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

Audit observation

The move out switches were examined using the EDA file.

Audit commentary

We identified two ICPs for which Supercharged Energy did not accept the event date proposed by the losing trader and determine dates as described in **section 4.8**. These two switches were finalised within the timeframe described by this clause.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

The move out switches were examined using the EDA file.

Audit commentary

We analysed two ICPs described in **section 4.9** and confirm compliance was met.

Audit outcome

Compliant

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

Code reference

Clause 12 Schedule 11.3

Code related audit information

The gaining trader may use the switch event meter reading supplied by the losing trader or may, at its own cost, obtain its own switch event meter reading. If the gaining trader elects to use this new switch

event meter reading, the gaining trader must advise the losing trader of the switch event meter reading and the actual event date to which it refers as follows:

- if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or
- if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter reading. In this case, the gaining trader, within 4 calendar months of the actual event date, must provide to the losing trader a changed validated meter reading or a permanent estimate supported by 2 validated meter readings and the losing trader must either (clause 12(2)(b) and clause 12(3)):
- advise the gaining trader if it does not accept the switch event meter reading and the losing trader and the gaining trader must resolve the dispute in accordance with the disputes procedure in clause 15.29 (with all necessary amendments) (clause 12(3)(a)); or
- if the losing trader notifies its acceptance or does not provide any response, the losing trader must use the switch event meter reading supplied by the gaining trader. (clause 12(3)(b)).

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

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

Audit observation

The EDA file for the period of this audit was analysed.

Audit commentary

Supercharged Energy did not send and did not receive any RR files for move in switches. The company did not gain any ICPs using this process.

Audit outcome

Compliant

4.12. Gaining trader informs registry of switch request - gaining trader switch (Clause 14 Schedule 11.3)

Code reference

Clause 13 Schedule 11.3

Code related audit information

The gaining trader switch process applies when a trader has an arrangement with a customer or embedded generator to trade electricity through or assume responsibility for:

- a half hour metering installation (that is not a category 1 or 2 metering installation) at an ICP with a submission type of half hour in the registry and an AMI flag of "N"; or
- a half hour metering installation at an ICP that has a submission type of half hour in the registry and an AMI flag of "N" and is traded by the losing trader as non-half hour; or
- a non-half hour metering installation at an ICP at which the losing trader trades electricity through a half hour metering installation with an AMI flag of "N".

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

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

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

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

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

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

14(4)(a) – the proposed event date is in the same month as the date on which the gaining trader advised the registry manager; or

14(4)(b) – the proposed event date is no more than 90 days before the date on which the gaining trader advises the registry manager and this date is agreed between the losing and gaining traders.

Audit observation

The EDA file was examined to determine whether any gaining trader switches occurred during the audit period.

Audit commentary

No gaining trader switches occurred during the audit period. Supercharged Energy does not intend to supply any meters with category 3 or higher.

Audit outcome

Not applicable

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

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

15(a) - provide to the registry manager a valid switch response code as approved by the Authority; or

15(b) - provide a request for withdrawal of the switch in accordance with clause 17.

Audit observation

The EDA file was examined to determine whether any gaining trader switches occurred during the audit period.

Audit commentary

No gaining trader switches occurred during the audit period. Supercharged Energy does not intend to supply any meters with category 3 or higher.

Audit outcome

Not applicable

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

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

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

16(a)- give the losing trader or MEP for the ICP an opportunity to interrogate the metering installation immediately before the ICP is electrically disconnected or the metering equipment is removed; or

16(b)- carry out an interrogation and, no later than 5 business days after the metering installation is electrically disconnected or removed, advise the losing trader of the results and metering component numbers for each data channel in the metering installation.

Audit observation

The EDA file was examined to determine whether any gaining trader switches occurred during the audit period.

Audit commentary

No gaining trader switches occurred during the audit period. Supercharged Energy does not intend to supply any meters with category 3 or higher.

Audit outcome

Not applicable

4.15. Withdrawal of switch requests (Clauses 17 and 18 Schedule 11.3)

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

A losing trader or gaining trader may request that a switch request be withdrawn at any time until the expiry of 2 calendar months after the event date of the switch.

If a trader requests the withdrawal of a switch, the following provisions apply:

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*
 - *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
 - and*
 - *the withdrawal advisory code published by the Authority. (clause 18(c)(ii))*

- within 5 business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal. (clause 18(d))
- on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c). All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request. (clause 18(e))
- if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within 2 business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16. (clause 18(f))

Audit observation

The process for switch withdrawal was examined. We also reviewed the EDA file and Switch Breach Report.

Audit commentary

Supercharged Energy issued 23 NW files, 11 of them were sent later than 2 calendar months after the event date of the switch. 11 NW files were rejected by a losing trader.

Withdrawal code	Description	Count	Count reject
CE	Customer error	2	2
CX	Customer cancellation	10	2
UA	Unauthorised switch	6	4
WP	Wrong premise	5	3

We went through a sample of 9 NWs and identified that some of them were incorrect. The overall impression is that Supercharged Energy does not have a good understanding of the application of withdrawal codes. We identified at least two ICPs for which different withdrawal codes were used in each NW file until the other trader accepted it.

Supercharged Energy received 29 NW files, 20 of them were rejected. Closer analysis showed that the exchange of 29 NW files were related to only 15 ICPs. For ICP 0001201544CN3D2, traders exchanged 5 NW files, the last one was accepted by Supercharged Energy.

All AW were issued as per Code requirements.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.15 With: 17 of Schedule 11.3 From: 01-Sep-18 To: 24-Mar-19	Some NW files were sent late, and some NW had incorrect withdrawal code used Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as weak . SUPE does not have a good understanding of how the withdrawal process works. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Staff training carried out to educate about proper use of NW files.		26/03/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Withdrawal process documentation updated to include comprehensive cover of regulations 03/04/2019		03/04/2019	

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

For an interrogation or validated meter reading or permanent estimate carried out in accordance with Schedule 11.3:

21(a)- the trader who carries out the interrogation, switch event meter reading must ensure that the interrogation is as accurate as possible, or that the switch event meter reading is fair and reasonable.

21(b) and (c) - the cost of every interrogation or switch event meter reading carried out in accordance with clauses 5(b) or 11(b) or (c) must be met by the losing trader. The costs in every other case must be met by the gaining trader.

Audit observation

We examined the meter reading process in relation to the switching process. Supercharge Energy has lost a small number of ICPs in the period covered by this audit. In the event that an actual read won't be available JC Consulting will calculate an estimate.

Audit commentary

All meter readings used in the switching process will be validated meter readings or estimates.

Audit outcome

Compliant

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

Code reference

Clause 11.15AA to 11.15AB

Code related audit information

A trader that buys electricity from the clearing manager may elect to have a switch saving protection by giving notice to the Authority in writing.

If a protected trader enters into an arrangement with a customer of another trader (the losing trader), or a trader enters into an arrangement with a customer of a protected trader, to commence trading electricity with the customer, the losing trader must not, by any means, initiate contact with the customer to attempt to persuade the customer to terminate the arrangement during the period from the receipt of the NT to the event date of the switch including by:

11.15AB(4)(a)- making a counter offer to the customer; or

11.15AB(4)(b)- offering an enticement to the customer.

Audit observation

Supercharged Energy is not part of the Switch saving protection program.

Audit commentary

10 NWs were sent with the withdrawal code of "CX". Two of them were sent before the switches were finalised but both affected traders are not part of the switch saving protection program. The company admitted that they do not check which trader is part of the program before approaching a customer. The contact made with a customer is only to assure that a switch is legitimate.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

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

11.14(2) - The distributor must give written notice to the traders responsible for the ICPs across which the unmetered load is shared, of the ICP identifiers of the ICPs.

11.14(3) - A trader who receives such a notification from a distributor must give written notice to the distributor if it wishes to add or omit any ICP from the ICPs across which unmetered load is to be shared.

11.14(4) - A distributor who receives such a notification of changes from the trader under (3) must give written notice to the registry manager and each trader responsible for any of the ICPs across which the unmetered load is shared.

11.14(5) - If a distributor becomes aware of any change to the capacity of a shared unmetered load ICP or if a shared unmetered load ICP is decommissioned, it must give written notice to all traders affected by that change as soon as practicable after that change or decommissioning.

11.14(6) - Each trader who receives such a notification must, as soon as practicable after receiving the notification, adjust the unmetered load information for each ICP in the list for which it is responsible to ensure that the entire shared unmetered load is shared equally across each ICP.

11.14(7) - A trader must take responsibility for shared unmetered load assigned to an ICP for which the trader becomes responsible as a result of a switch in accordance with Part 11.

11.14(8) - A trader must not relinquish responsibility for shared unmetered load assigned to an ICP if there would then be no ICPs left across which that load could be shared.

11.14(9) - A trader can change the status of an ICP across which the unmetered load is shared to inactive status, as referred to in clause 19 of Schedule 11.1. In that case, the trader is not required to give written notice to the distributor of the change. The amount of electricity attributable to that ICP becomes UFE.

Audit observation

The LIS file was analysed. Supercharged Energy's intention is not to trade SUML or UML

Audit commentary

In the previous audit ICP 0006093744RN6ED was identified as a SUML ICP but after closer analysis it was discovered that the network entry was incorrect. This ICP switched away from SUPE.

There are no shared unmetered load ICPs traded by SUPE. JC Consulting checks weekly, to see if any of the networks have not entered an historic SUML.

Audit outcome

Compliant

5.2. Unmetered threshold (Clause 10.14 (2)(b))

Code reference

Clause 10.14 (2)(b)

Code related audit information

The reconciliation participant must ensure that unmetered load does not exceed 3,000 kWh per annum, or 6,000 kWh per annum if the load is predictable and of a type approved and published by the Authority.

Audit observation

The LIS file dated 28/03/19 was analysed.

Audit commentary

No unmetered load over the 3,000 kWh threshold was traded.

Audit outcome

Compliant

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

Code reference

Clause 10.14 (5)

Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

Audit observation

The LIS file dated 28/03/19 was analysed.

Audit commentary

No unmetered load over the 3,000 kWh threshold was traded.

Audit outcome

Compliant

5.4. Distributed unmetered load (Clause 11 Schedule 15.3, Clause 15.37B)

Code reference

Clause 11 Schedule 15.3, Clause 15.37B

Code related audit information

An up-to-date database must be maintained for each type of distributed unmetered load for which the retailer is responsible. The information in the database must be maintained in a manner that the resulting submission information meets the accuracy requirements of clause 15.2.

A separate audit is required for distributed unmetered load data bases.

The database must satisfy the requirements of Schedule 15.5 with regard to the methodology for deriving submission information.

Audit observation

The LIS file dated 28/03/19 was analysed.

Audit commentary

Supercharged Energy does not trade distributed unmetered load and does not have such plans for the future.

Audit outcome

Not applicable

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

The process for embedded generation was reviewed during ORBS's audit and found compliant. The EDA and LIS files were reviewed for the period covered by this audit.

Audit commentary

All ICPs traded by Supercharged Energy are metered, no subtraction method is used to determine submission information.

We identified ICP 0006152147RND57, for which solar panels were installed on 01/12/18 as per distributor information, when it was a MERI customer. It switched to SUPE on 11/01/19. SUPE nominated FCLM as the MEP on 13/03/19. The nomination was accepted but export/meter not installed yet as per the registry information. Embedded generation is present on site, but it is not submitted or gifted (RM was notified).

The previous audit identified an ICP with a similar problem (0000289650TE1FB). We checked the registry and confirm that Import/Export meter is installed, and volumes are submitted using HHR profile.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.1 With: 15.13 From: 01-Dec-18 To: 28-Mar-19	Embedded generation for 0006152147RND57 is not being submitted or gifted 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 recorded as moderate as they require some improvement. The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Meter change now completed 28/03/2019.		28/03/2019	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Meter change processes are being moved back to NZ so there is more accountability and oversight in the meter change process. This will therefore speed up network approval and the meter change process.			

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

Code reference

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

Code related audit information

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

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

The participant responsible for the metering installation must:

- advise the reconciliation manager of the certification expiry date not later than 10 business days after certification of the metering installation
- become the MEP or contract with a person to be the MEP

- *advise the reconciliation manager of the MEP identifier no later than 20 days after entering into a contract or assuming responsibility to be the MEP.*

Audit observation

Supercharged Energy does not trade such installations.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

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

Code related audit information

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

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

Audit observation

The LIS file and reconciliation files were analysed.

Audit commentary

The file analysis showed that Supercharged Energy submits volumes to the reconciliation manager using RPS, PV1, and HHR profiles. No control devices are needed therefore the company has never approached a MEP asking for a control device to be certified.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

The process related to defective installations was examined.

Audit commentary

Any defective installations are identified through the meter reading validation process conducted by JC Consulting or they are notified by MEPs. If such issue arises, Supercharged Energy raises SR asking for an investigation and replacement of a meter if necessary

No defective meters have been identified during the period covered by this audit.

Audit outcome

Compliant

6.5. Collection of information by certified reconciliation participant (Clause 2 Schedule 15.2)

Code reference

Clause 2 Schedule 15.2

Code related audit information

Only a certified reconciliation participant may collect raw meter data, unless only the MEP can interrogate the meter, or the MEP has an arrangement which prevents the reconciliation participant from electronically interrogating the meter:

2(2) - The reconciliation participant must collect raw meter data used to determine volume information from the services interface or the metering installation or from the MEP.

2(3) - The reconciliation participant must ensure the interrogation cycle is such that it does not exceed the maximum interrogation cycle in the registry.

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

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

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

2(6) – The interrogation systems must record:

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

Audit observation

The data collection conducted by JC Consulting was examined during ORBS's audit and found compliant.

Audit commentary

The data is collected by FCLM and MTRX then downloaded by JC Consulting, who validates it. HHR data is used for reconciliation only if provided by FCLM.

Compliance with this clause in relation to clock synchronisation is validated during the FCLM and MTRX audit.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

All validated meter readings must be derived from meter readings.

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

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

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

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

Audit observation

The data collection conducted by JC Consulting was examined during ORBS's audit and found compliant.

Audit commentary

Metering data is collected remotely by MRTX and FCLM. Reads are a collected manually by Wells. Supercharged Energy does not read meters themselves. There were no customer reads.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 15.2

Code related audit information

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

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

Audit observation

The process for the application of meter reading was examined as part of ORBS's audit and found compliant.

Audit commentary

We examined the outcomes of the process in **section 12.11** and found it compliant.

Audit outcome

Compliant

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

Code reference

Clause 7(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The process for missing reads was examined during the ORBS's audit and found compliant. The EDA file was examined to identify ICPs which have switched out since the last audit.

Audit commentary

The EDA file showed that 33 ICPs switched to other traders. The company provided evidence that all of them were read at least once during their responsibility.

Audit outcome

Compliant

6.9. NHH meters interrogated annually (Clause 8(1) and (2) Schedule 15.2)

Code reference

Clause 8(1) and (2) Schedule 15.2

Code related audit information

At least once every 12 months, each reconciliation participant must obtain a validated meter reading for every meter register for non-half hour metered ICPs, at which the reconciliation participant trades continuously for each 12-month period.

If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 8(1).

Audit observation

The process for missing reads was examined during the ORBS's audit and found complaint. We reviewed the Meter Frequency Reports (MRF) for July'18 to Jan'19. The Reports were accurate and submitted to the Authority in time.

Audit commentary

A review of the Meter Frequency Reports confirmed that Supercharged Energy met the read attainment requirements.

Audit outcome

Compliant

6.10. NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)

Code reference

Clause 9(1) and (2) Schedule 15.2

Code related audit information

In relation to each NSP, each reconciliation participant must ensure that for each NHH ICP at which the reconciliation participant trades continuously for each 4 month, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every 4 months for 90% of the non-half hour metered ICPs.

A report is to be sent to the Authority providing the percentage, in relation to each NSP, for which consumption information has been collected no later than 20 business days after the end of each month.

If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 9(1).

Audit observation

The process for missing reads was examined during the ORBS’s audit and found compliant. We reviewed the Meter Frequency Reports (MFR) for 4 months. The reports were accurate and submitted to the Authority in time.

Audit commentary

A review of Meter Frequency Reports confirmed that Supercharged Energy did not meet the read attainment requirements for the following months:

- 10/18 - 1 NSP (ISL0331)
- 11/18 - 3 NSPs (ONG0331, ISL0331, and ROS1101) -
- 12/18 – 1 NSP (ROS1101)

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.10 With: 9 (1) of Schedule 15.2 From: 01-Oct-18 To: 31-Dec-18	The read attainment requirements were not met for 3 consecutive months Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
WELLS has been contracted to read meters manually, and a procedure is in place to follow up on late reads.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

6.11. NHH meter interrogation log (Clause 10 Schedule 15.2)

Code reference

Clause 10 Schedule 15.2

Code related audit information

The following information must be logged as the result of each interrogation of the NHH metering:

10(a) - the means to establish the identity of the individual meter reader

10(b) - the ICP identifier of the ICP, and the meter and register identification

10(c) - the method being used for the interrogation and the device ID of equipment being used for interrogation of the meter.

10(d) - the date and time of the meter interrogation.

Audit observation

NHH metering data is collected by Wells, FCLM, and Metrix.

Audit commentary

Compliance with this clause was assessed during the Wells and Metrix audits. We reviewed Wells audit dated 21/06/19.

Audit outcome

Compliant

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

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

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

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

Audit observation

HHR data is collected by FCLM on behalf of Supercharged Energy and passed to JC Consulting. According to the LIS file dated 28/03/19, Supercharged Energy has been trading 23 ICPs reconciled as HHR.

Audit commentary

FCLM is responsible for HHR collection. It is reviewed during their MEP audit.

Audit outcome

Compliant

6.13. HHR interrogation data requirement (Clause 11(2) Schedule 15.2)

Code reference

Clause 11(2) Schedule 15.2

Code related audit information

The following information is collected during each interrogation:

11(2)(a) - the unique identifier of the data storage device

11(2)(b) - the time from the data storage device at the commencement of the download unless the time is within specification and the interrogation log automatically records the time of interrogation

11(2)(c) - the metering information, which represents the quantity of electricity conveyed at the point of connection, including the date and time stamp or index marker for each half hour period. This may be limited to the metering information accumulated since the last interrogation

11(2)(d) - the event log, which may be limited to the events information accumulated since the last interrogation

11(2)(e) - an interrogation log generated by the interrogation software to record details of all interrogations.

The interrogation log must be examined by the reconciliation participant responsible for collecting the data and appropriate action must be taken if problems are apparent or an automated software function flags exceptions.

Audit observation

HHR data is collected by FCLM on behalf of Supercharged Energy and passed to JC Consulting.

Audit commentary

FCLM is responsible for HHR collection. Compliance with this clause was examined during their MEP audit.

Audit outcome

Compliant

6.14. HHR interrogation log requirements (Clause 11(3) Schedule 15.2)

Code reference

Clause 11(3) Schedule 15.2

Code related audit information

The interrogation log forms part of the interrogation audit trail and, as a minimum, must contain the following information:

11(3)(a)- the date of interrogation

11(3)(b)- the time of commencement of interrogation

11(3)(c)- the operator identification (if available)

11(3)(d)- the unique identifier of the meter or data storage device

11(3)(e)- the clock errors outside the range specified in Table 1 of clause 2

11(3)(f)- the method of interrogation

11(3)(g)- the identifier of the reading device used for interrogation (if applicable).

Audit observation

HHR data is collected by FCLM on behalf of Supercharged Energy and passed to JC Consulting.

Audit commentary

FCLM is responsible for HHR collection. Compliance with this clause was examined during their MEP audit.

Audit outcome

Compliant

7. STORING RAW METER DATA

7.1. Trading period duration (Clause 13 Schedule 15.2)

Code reference

Clause 13 Schedule 15.2

Code related audit information

The trading period duration, normally 30 minutes, must be within $\pm 0.1\%$ (± 2 seconds).

Audit observation

Supercharged Energy received HHR data from FCLM.

Audit commentary

We reviewed data provided by FCLM and confirm that the trading period duration is 30 minutes.

Audit outcome

Compliant

7.2. Archiving and storage of raw meter data (Clause 18 Schedule 15.2)

Code reference

Clause 18 Schedule 15.2

Code related audit information

A reconciliation participant who is responsible for interrogating a metering installation must archive all raw meter data and any changes to the raw meter data for at least 48 months, in accordance with clause 8(6) of Schedule 10.6.

Procedures must be in place to ensure that raw meter data cannot be accessed by unauthorised personnel.

Meter readings cannot be modified without an audit trail being created.

Audit observation

The process to archive and store raw meter data was reviewed during ORBS's audit and found compliant. HHR data is received from FCLM, who archives raw meter data. Supercharged Energy keeps a copy of all HHR data.

Audit commentary

A review of audit trails in **section 2.4** confirmed that reads cannot be modified without creating an audit trail.

Audit outcome

Compliant

7.3. Non-metering information collected / archived (Clause 21(5) Schedule 15.2)

Code reference

Clause 21(5) Schedule 15.2

Code related audit information

All relevant non-metering information, such as external control equipment operation logs, used in the determination of profile data must be collected, and archived in accordance with clause 18.

Audit observation

Supercharged Energy only uses RPS, PV1 and HHR profile for reconciliation submissions. No external control equipment is used.

Audit commentary

Compliance was not assessed because this clause is not applicable to the Supercharged Energy operation.

Audit outcome

Not applicable

8. CREATING AND MANAGING (INCLUDING VALIDATING, ESTIMATING, STORING, CORRECTING AND ARCHIVING) VOLUME INFORMATION

8.1. Correction of NHH meter readings (Clause 19(1) Schedule 15.2)

Code reference

Clause 19(1) Schedule 15.2

Code related audit information

If errors are detected during validation of non-half hour meter readings, one of the following must be undertaken:

19(1)(a) - confirmation of the original meter reading by carrying out another meter reading

19(1)(b) - replacement of the original meter reading by another meter reading (even if the replacement meter reading may be at a different date)

19(1)(c) - if the original meter reading cannot be confirmed or replaced by a meter reading from another interrogation, then an estimated reading is substituted, and the estimated reading is marked as an estimate and it is subsequently replaced in accordance with clause 4(2).

Audit observation

The correction of NHH readings, if necessary, is completed by JC Consulting. The process was reviewed during ORBS's audit and found compliant.

Audit commentary

No NHH corrections were made during the period covered by this audit. Supercharged Energy makes sure to have frequent reads for all NHH sites.

Audit outcome

Compliant

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

Code reference

Clause 19(2) Schedule 15.2

Code related audit information

If errors are detected during validation of half hour metering information the correction must be as follows:

19(2)(a) - if a check meter or data storage device is installed at the metering installation, data from this source may be substituted

19(2)(b) - in the absence of any check meter or data storage device, data may be substituted from another period if the total of all substituted intervals matches the total consumption recorded on the meter, if available, and the pattern of consumption is considered materially similar to the period in error.

Audit observation

The correction of HHR readings, if necessary, is completed by JC Consulting. The process was reviewed during ORBS's audit and found compliant.

Audit commentary

No HHR corrections were made during the period covered by this audit. JC Consulting conducts very thorough HHR data validation to detect possible data inaccuracies.

Audit outcome

Compliant

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

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

If error compensation and loss compensation are carried out as part of the process of determining accurate data, the compensation process must be documented and must comply with audit trail requirements.

Audit observation

Error and loss compensation was discussed during the audit.

Audit commentary

Supercharged Energy only supplies ICPs with metering categories 1 and 2 and does not deal with any installations with error or loss compensation.

Audit outcome

Compliant

8.4. Correction of HHR and NHH raw meter data (Clause 22(1) and (2) Schedule 15.2)

Code reference

Clause 22(1) and (2) Schedule 15.2

Code related audit information

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

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

22(2)(a) - the date of the correction or alteration

22(2)(b) - the time of the correction or alteration

22(2)(c) - the operator identifier of the reconciliation participant

22(2)(d) - the half-hour metering data or the non-half hour metering data corrected or altered, and the total difference in volume of such corrected or altered data

22(2)(e) - the technique used to arrive at the corrected data

22(2)(f) - the reason for the correction or alteration.

Audit observation

The process for the correction of NHH and HHR reads was examined during the ORBS's audit and found complaint.

Audit commentary

No corrections have occurred since the last audit. Audit trails are discussed in **section 2.4**. JC Consulting receives only a copy of raw meter data. Retention of raw meter data is the responsibility of MRTX, FCLM, and Wells. It was covered in their audits and found compliant.

Audit outcome

Compliant

9. ESTIMATING AND VALIDATING VOLUME INFORMATION

9.1. Identification of readings (Clause 3(3) Schedule 15.2)

Code reference

Clause 3(3) Schedule 15.2

Code related audit information

All estimated readings and permanent estimates must be clearly identified as an estimate at source and in any exchange of metering data or volume information between participants.

Audit observation

The estimation processes and classifications were examined during the ORBS's audit and found compliant.

Audit commentary

We reviewed a sample of six readings in the RM TOOL and confirmed they were correctly labelled. We traced them from the source file to the JC Consulting system. Each register read or interval read has a flag assigned.

Audit outcome

Compliant

9.2. Derivation of volume information (Clause 3(4) Schedule 15.2)

Code reference

Clause 3(4) Schedule 15.2

Code related audit information

Volume information must be directly derived, in accordance with Schedule 15.2, from:

3(4)(a) - validated meter readings

3(4)(b) - estimated readings

3(4)(c) - permanent estimates.

Audit observation

JC Consulting provided a submission summary for Sept'18 to Jan'19.

Audit commentary

The data provided by JC Consulting was reviewed in **section 11** and **12** to confirm that volumes were based on readings as required.

Audit outcome

Compliant

9.3. Meter data used to derive volume information (Clause 3(5) Schedule 15.2)

Code reference

Clause 3(5) Schedule 15.2

Code related audit information

All meter data that is used to derive volume information must not be rounded or truncated from the stored data from the metering installation.

Audit observation

Meter data is collected by MEPs and Wells.

Audit commentary

We compared a sample of five ICPs and compared data received from FCLM and data stored in the RM TOOL. We confirmed that data was neither rounded nor truncated.

Compliance with this clause was part of Wells and FCLM, and MTRX audit.

Audit outcome

Compliant

9.4. Half hour estimates (Clause 15 Schedule 15.2)

Code reference

Clause 15 Schedule 15.2

Code related audit information

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

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

Audit observation

HHR estimation is conducted by JC Consulting if necessary. The process was examined as part of ORBS's audit and found compliant.

Audit commentary

JC Consulting stated that no HHR data required estimation. Supercharged Energy trades only 23 ICPs since Dec'18.

There is a requirement to use "reasonable endeavours" to ensure that data is accurate to within 10%. The ORBS's audit confirmed that the process documentation is sufficient to achieve compliance.

JC Consulting confirmed that no HHR data was estimated for Supercharged Energy ICPs.

Audit outcome

Compliant

9.5. NHH metering information data validation (Clause 16 Schedule 15.2)

Code reference

Clause 16 Schedule 15.2

Code related audit information

Each validity check of non-half hour meter readings and estimated readings must include the following:

16(2)(a) - confirmation that the meter reading or estimated reading relates to the correct ICP, meter, and register

16(2)(b) - checks for invalid dates and times

16(2)(c) - confirmation that the meter reading or estimated reading lies within an acceptable range compared with the expected pattern, previous pattern, or trend

16(2)(d) - confirmation that there is no obvious corruption of the data, including unexpected 0 values.

Audit observation

NHH metering information data validation is conducted by JC Consulting. The process was reviewed during ORBS's audit and found compliant.

Audit commentary

JC Consulting adopted a validation process for NHH reads which consists of checking for high, low reads, consumption detected >10% of rollover amount, consumption on de energised sites, missing reads, negative consumption. There is also the process to monitor "possible" bridged meters.

Audit outcome

Compliant

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

Code reference

Clause 17 Schedule 15.2

Code related audit information

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

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

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

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

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

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

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

17(4)(f) - a review of meter and data storage device event list. Any event that could have affected the integrity of metering data must be investigated.

Audit observation

JC Consulting receives remotely read metering data from FCLM and MTRX. The process for the validation of HHR metering information was reviewed during ORBS's audit and found compliant.

Audit commentary

When data is uploaded into the RM TOOL a validity check of meter readings is conducted and an exception report is created. FCLM and MTRX are advised if there is an issue. According to the service agreement

with FCLM, the company have an obligation to advise of meter events. The data is received by JC Consulting. No events were reported which could affect the integrity of metering data.

Audit outcome

Compliant

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

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

Code reference

Clause 13.136

Code related audit information

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

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

Audit observation

Supercharged Energy is not required to provide information to the pricing manager.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.137

Code related audit information

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

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

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

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

Audit observation

Supercharged Energy is not required to provide information to the pricing manager.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.138

Code related audit information

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

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

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

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

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

Audit observation

Supercharged Energy is not required to provide information to the pricing manager.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 13.140

Code related audit information

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

Audit observation

Supercharged Energy is not required to provide information to the pricing manager.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

11.1. Buying and selling notifications (Clause 15.3)

Code reference

Clause 15.3

Code related audit information

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

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

Audit observation

The LIS file dated 28/03/19 was used to identify which profiles are used by Supercharged Energy.

Audit commentary

For submissions Supercharged Energy uses the profiles of HHR, RPS, and PV1. Trading notifications were not required.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

Each retailer and direct purchaser (excluding direct consumers) must deliver a report to the reconciliation manager detailing the number of ICP days for each NSP for each submission file of submission information in respect of:

15.6(1)(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period

15.6(1)(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

The ICP days information must be calculated using the data contained in the retailer or direct purchaser's reconciliation system when it aggregates volume information for ICPs into submission information.

Audit observation

The ICP days reporting is completed by JC Consulting as Supercharged Energy's agent. The process for the calculation of ICP days was examined during the ORBS's audit and found compliant.

We reviewed the GR-100 for the period Sept'18 to Jan'19.

Audit commentary

We reviewed the ICP days file (AV-110) submitted to the reconciliation manager and GR-100 provided by the reconciliation manager. The results are shown below:

Month	R0	R1	R3	R7	R14
Feb'18			0.00%	0.00%	
Mar'18			0.00%	0.00%	
Apr'18	3.90%	-0.55%	0.00%	0.00%	
May'18	-0.14%	0.00%	0.00%	0.00%	
June'18	0.00%	0.00%	0.00%	0.00%	
July'18	0.00%	0.00%	0.00%		
Aug'18	0.00%	0.00%	0.00%		
Sept'18	0.00%	0.00%	0.00%		
Oct'18	0.00%	0.00%			
Nov'18	0.00%	0.00%			
Dec'18	0.00%	0.00%			
Jan'19	0.00%				

Analysis of GR-100 showed that the number of days calculated by the registry and the RM TOOL was the same for all submissions (initial and revisions). The discrepancies in April'18 and May'18 were explained in the previous audit.

In **section 1.6** we noted that submissions in Nov'18 were submitted one day late and the same occurred in Feb'19. It constitutes non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.2 With: 15.6 From: 01-Nov-18 To: 07-Feb-19	Submission files in November'18 and February '19 were submitted one day late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because the non-compliance identified in this section was caused by a disagreement between SUPE and their contractor. The audit risk rating is recorded as moderate. The number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Better communication and planning between SUPE and contractor. Contractor controls for complying with file submission deadlines are strong.			

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

Code reference

Clause 15.7

Code related audit information

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

15.7(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period

15.7(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

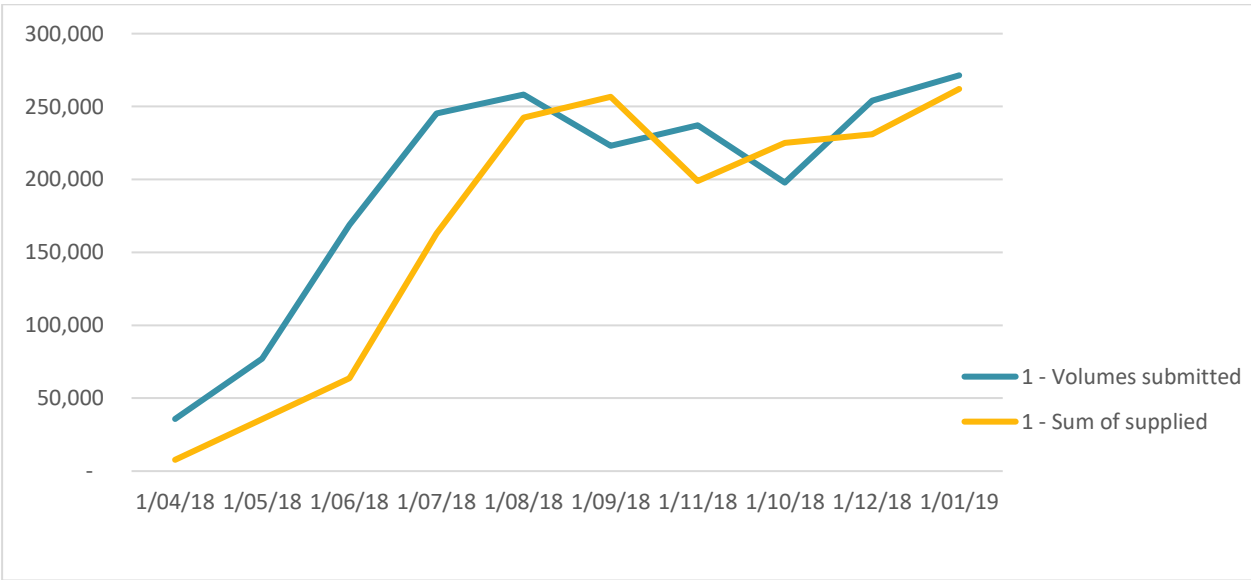
Audit observation

As a part of the process for file submission to the reconciliation manager, JC Consulting submits AV-120 every month for the current month and scheduled revisions. We checked the RM portal to confirm it.

Audit commentary

Supercharged Energy provides billing information to JC Consulting. The table below shows a comparison between volumes submitted and supplied.

Months	Volumes submitted	Sum of supplied
1/04/18	35,765	7,746
1/05/18	77,130	35,667
1/06/18	168,887	63,698
1/07/18	245,243	162,868
1/08/18	258,243	242,336
1/09/18	223,159	256,788
1/11/18	237,072	199,034
1/10/18	197,939	225,138
1/12/18	253,990	230,986
1/01/19	271,417	262,057



The previous audit identified non-compliance because the billed information submitted as part of this report was derived from the network billing volumes as the billing information was not available.

This issue has been addressed. Supercharged Energy uses Ultimate software for billing. Financial information is passed to JC Consulting before each submission.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.3 With: 15.7 From: 01-Nov-18 To: 28-Mar-19	Submission files in October'18 and February'19 were submitted late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because the non-compliance identified in this section was caused by a disagreement between SUPE and their contractor. The audit risk rating is recorded as moderate. The number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Better communication and planning between SUPE and contractor. Contractor controls for complying with file submission deadlines are strong.			

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

Code reference

Clause 15.8

Code related audit information

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

15.8(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period

15.8(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.

Audit observation

JC Consulting provided a set of submission files (AV140) for Dec'18 to Jan'19.

GR-090 (missing ICPs) was reviewed for Dec'18 to Jan'19.

We compared the volumes in HHRVOLS and HHRAGGR for a selected month.

The process for the calculation and aggregation of HHR data was examined during the ORBS’s audit and found to be correct.

Audit commentary

We compared volumes in HHRVOLS and HHRAGGR for the months Dec’18 to Jan’19. There were no differences between the volumes and aggregates.

The HHRAGGR files are prepared at ICP level based on submission information. Clause 15.8 states that the HHRAGGR should contain electricity supplied information rather than submission information. The Reconciliation Manager Functional Specification in section 3, described HHRAGGR as HHR submission information that is aggregated per ICP for the whole month.

There is a misalignment between the Code requirements and RM file specification. It is a problem well known to the Authority and is awaiting a resolution.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 11.4 With: 15.8 From: 01-Feb-19 To: 07-Feb-19	Submission files were submitted late in February’19. HHRAGGR files do not contain electricity supplied information Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because the non-compliance identified in this section was caused by a disagreement between SUPE and their contractor. Supercharged Energy submits submissions volumes as per the reconciliation manager specification.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Better communication and planning between SUPE and contractor. Contractor controls for complying with file submission deadlines are strong.			

12. SUBMISSION COMPUTATION

12.1. Daylight saving adjustment (Clause 15.36)

Code reference

Clause 15.36

Code related audit information

The reconciliation participant must provide submission information to the reconciliation manager that is adjusted for NZDT using 1 of the techniques set out in clause 15.36(3) specified by the Authority.

Audit observation

Supercharged Energy received HHR data from FCLM. The process was reviewed as part of ORBS's audit report and found compliant

Audit commentary

FCLM's compliance with this clause is covered by the MEP audit. All data provided to Supercharged Energy is daylight saving adjusted using the "trading period run on" technique.

Audit outcome

Compliant

12.2. Creation of submission information (Clause 15.4)

Code reference

Clause 15.4

Code related audit information

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

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

Audit observation

JC Consulting calculates and provides reconciliation files on behalf of Supercharged Energy. Reconciliation data is provided for both HHR and NHH ICPs

Audit commentary

We checked the timing of file submissions and confirm that for Sept'18 to Jan'19. Data was submitted late in Oct'18 and Feb'19, which constitutes non-compliance

Accuracy of submissions between HHRVOLS and HHRAGGR were checked in **section 11.4**.

Audit outcome

Non-compliant

v	Description		
Audit Ref: 12.2 With: 15.4 From: 01-Nov-18 To: 07-Feb-19	Submission files in November'18 and February '19 were submitted one day late Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate because the non-compliance identified in this section was caused by a disagreement between SUPE and their contractor. The audit risk rating is recorded as moderate. The number of ICPs traded by Supercharged Energy is small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Better communication and planning between SUPE and contractor. Contractor controls for complying with file submission deadlines are strong.			

12.3. Allocation of submission information (Clause 15.5)

Code reference

Clause 15.5

Code related audit information

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

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

Audit observation

The process for the allocation of submission information was examined during the ORBS's audit and found compliant.

Audit commentary

JC Consulting thoroughly validates and checks volume data before submission files are sent to the reconciliation manager. Copies of reconciliation submissions are provided to Supercharged Energy.

We compared consecutive submissions for Oct'18 and Dec'18 and found them to contain the same NSPs. The JC Consulting database inserts zeros lines where an NSP has been included in a previous revision but it is not present in the current revision. It was caused by withdrawn switches.

Audit outcome

Compliant

12.4. Grid owner volumes information (Clause 15.9)

Code reference

Clause 15.9

Code related audit information

The participant (if a grid owner) must deliver to the reconciliation manager for each point of connection for all of its GXPs, the following:

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.9(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period. (clause 15.9(b))*

Audit observation

The LIS file was reviewed. Supercharged Energy is not a grid owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.5. Provision of NSP submission information (Clause 15.10)

Code reference

Clause 15.10

Code related audit information

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

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

Audit observation

The LIS file was reviewed. Supercharged Energy is not an embedded network owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.6. Grid connected generation (Clause 15.11)

Code reference

Clause 15.11

Code related audit information

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

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

Audit observation

The LIS file was reviewed. Supercharged Energy is not a grid owner.

Audit commentary

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

12.7. Accuracy of submission information (Clause 15.12)

Code reference

Clause 15.12

Code related audit information

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

Audit observation

All relevant revisions were submitted on day 13 by JC Consulting. Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

Audit commentary

A review of alleged breaches confirmed that no reconciliation submissions (revisions) were made late.

JC Consulting provided evidence that any updates to metering information are submitted to the RM. On day 4 JC Consulting used Supercharged Energy's own profile to calculate NHH submissions, they are replaced as soon as GR-030 is available.

Audit outcome

Compliant

12.8. Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)

Code reference

Clause 4 Schedule 15.2

Code related audit information

Only volume information created using validated meter readings, or if such values are unavailable, permanent estimates, has permanence within the reconciliation processes (unless subsequently found to be in error).

Volume information created using estimated readings must be subsequently replaced at the earliest opportunity by the reconciliation participant by volume information that has been created using validated meter readings or permanent estimates by, at the latest, the month 14 revision cycle.

A permanent estimate may be used in place of a validated meter reading, but only if, despite having used reasonable endeavours; the reconciliation participant has been unable to obtain a validated meter reading.

Audit observation

JC Consulting submits reconciliation files on behalf of Supercharged Energy.

Processes to replace estimates with permanent estimates by revision 14 were discussed however Supercharged Energy began trading in February 2018, and no 14-month revisions will be submitted until later this year.

Audit commentary

No revision 14 has been submitted yet. Any switch event reads with flag “E” are treated as permanent estimates from a reconciliation point of view unless “challenged” by a gaining trader.

Audit outcome

Compliant

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

Code reference

Clause 2 Schedule 15.3

Code related audit information

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

- *half hour volume information for each ICP notified in accordance with clause 11.7(2) for which there is a category 3 or higher metering installation (clause 2(1)(a))*
- *for each ICP about which information is provided under clause 11.7(2) for which there is a category 1 or category 2 metering installation (clause 2(1)(b)):*
 - a) *half hour volume information for the ICP; or*
 - b) *non-half hour volumes information calculated under clauses 4 to 6 (as applicable).*
 - c) *unmetered load quantities for each ICP that has unmetered load associated with it derived from the quantity recorded in the registry against the relevant ICP and the number of days in the period, the distributed unmetered load database, or other sources of relevant information. (clause 2(1)(c))*

- *to create non-half hour submission information a reconciliation participant must only use information that is dependent on a control device if (clause 2(2)):*
 - a) *the certification of the control device is recorded in the registry; or*
 - b) *the metering installation in which the control device is location has interim certification.*
- *to create submission information for a point of connection the reconciliation participant must apply to the raw meter data (clause 2(3)):*
 - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))*
 - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report. (clause 2(3)(b))*

Audit observation

The process for aggregation and content of reconciliation files was reviewed during the ORBS's audit and found compliant.

Audit commentary

Supercharged Energy trades both NHH and HHR ICPs.

No ICPs with unmetered load are supplied. Supercharged Energy only used RPS, PV1, and HHR profiles; no certified control devices were used to create volumes. We crosschecked the registry file and reconciliation files for three months and confirm that volumes were submitted for all ICPs.

Audit outcome

Compliant

12.10. Historical estimates and forward estimates (Clause 3 Schedule 15.3)

Code reference

Clause 3 Schedule 15.3

Code related audit information

For each ICP that has a non-half hour metering installation, volume information derived from validated meter readings, estimated readings, or permanent estimates must be allocated to consumption periods using the following techniques to create historical estimates and forward estimates. (clause 3(1))

Each estimate that is a forward estimate or a historical estimate must clearly be identified as such. (clause 3(2))

If validated meter readings are not available for the purpose of clauses 4 and 5, permanent estimates may be used in place of validated meter readings. (clause 3(3))

Audit observation

We reviewed AV-080 for Sept'18 to Jan'19.

Audit commentary

We confirm that historical and forward estimates were included and identified correctly.

Audit outcome

Compliant

12.11. Historical estimate process (Clause 4 and 5 Schedule 15.3)

Code reference

Clause 4 and 5 Schedule 15.3

Code related audit information

The methodology outlined in clause 4 of Schedule 15.3 must be used when preparing historic estimates of volume information for each ICP when the relevant seasonal adjustment shape is available.

If a seasonal adjustment shape is not available, the methodology for preparing an historical estimate of volume information for each ICP must be the same as in clause 4, except that the relevant quantities kWh_{Px} must be prorated as determined by the reconciliation participant using its own methodology or on a flat shape basis using the relevant number of days that are within the consumption period and within the period covered by kWh_{Px}.

Audit observation

Historical estimates are calculated by JC Consulting. The process was audited during the ORBS's audit and found compliant.

Audit commentary

We asked JC Consulting to provide three examples of calculations relevant to Supercharged Energy. The scenarios provided covered the following scenarios:

- Reads before and after month
- Reads span month
- ICP starts in month
- ICP ends in month

We checked calculations and confirm their correctness.

Audit outcome

Compliant

12.12. Forward estimate process (Clause 6 Schedule 15.3)

Code reference

Clause 6 Schedule 15.3

Code related audit information

Forward estimates may be used only in respect of any period for which an historical estimate cannot be calculated.

The methodology used for calculating a forward estimate may be determined by the reconciliation participant, only if it ensures that the accuracy is within the percentage of error specified by the Authority.

Audit observation

Forward estimates are calculated by JC Consulting if required. The process was audited during the ORBS's audit and found compliant.

Audit commentary

Supercharged Energy's forward estimates are based on a daily average consumption specified in the CS file or daily average consumption from the previous read to read. Using GR170NHH we checked variances between submission day 4 and day 13, the variances were negligible.

By revision 3, as per note in **section 13.3**, forward estimates are mostly replaced by historical estimates. There were a few exceptions last year.

Audit outcome

Compliant

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

Code reference

Clause 7 Schedule 15.3

Code related audit information

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

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

Audit observation

A review of the LIS file showed that Supercharged Energy uses HHR, RPS, and PV1 profile.

Audit commentary

On 01/12/18 Supercharged Energy had started to reconcile some ICPs as HHR. Ten ICPs were checked to confirm that there was an actual reading on the day of the profile change.

Audit outcome

Compliant

13. SUBMISSION FORMAT AND TIMING

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

Code reference

Clause 8 Schedule 15.3

Code related audit information

Submission information provided to the reconciliation manager must be aggregated to the following level:

- *NSP code (clause 8(a))*
- *reconciliation type (clause 8(b))*
- *profile (clause 8(c))*
- *loss category code (clause 8(d))*
- *flow direction (clause 8(e))*
- *dedicated NSP (clause 8(f))*
- *trading period for half hour metered ICPs and consumption period or day for all other ICPs. (clause 8(g))*

Audit observation

Supercharged Energy provided submission files for Sept'18 to Jan'19.

Audit commentary

We reviewed files and confirm that the format of submission files is compliant. We reviewed HHRVOLS and HHRAGGR in **section 11.4**. NHHVOLS were discussed in **section 12.9**.

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

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

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

Audit observation

We reviewed submission files for Oct'18 to Jan'19.

Audit commentary

Submission information for NHH and HHR is rounded to two decimal places. It was discussed with the company as to how submission information was calculated, and JC Consulting confirm that submission volumes are rounded, using a method prescribed by this clause, at the end of calculations.

Audit outcome

Compliant

13.3. Historical estimate reporting to RM (Clause 10 Schedule 15.3)

Code reference

Clause 10 Schedule 15.3

Code related audit information

By 1600 hours on the 13th business day of each reconciliation period the reconciliation participant must report to the reconciliation manager the proportion of historical estimates per NSP contained within its non-half hour submission information.

The proportion of submission information per NSP that is comprised of historical estimates must (unless exceptional circumstances exist) be:

- *at least 80% for revised data provided at the month 3 revision (clause 10(3)(a))*
- *at least 90% for revised data provided at the month 7 revision (clause 10(3)(b))*
- *100% for revised data provided at the month 14 revision. (clause 10(3)(c))*

Audit observation

JC Consulting creates and submits reconciliation files for NHH ICPs. We reviewed NHHVOLs and GR-70 NHH submitted since the last audit.

Audit commentary

Supercharged Energy has not submitted the 14 month revision yet.

The analysis of GR-170NHH showed that Supercharged Energy met the historical estimates attainment requirements for revision 7 but not for revision 3.

The table below shows for which months Supercharged Energy did not meet the historical estimates attainment requirements for revision 3.

Month	Rev 3 (target 80%)
June'8	79.01%
July'18	76.15%
Aug'18	83.16%
Nov'18	66.64%

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 13.3 With: 10 of Schedule 15.3 From: 01-Feb-19 To: 07-Feb-19	The proportion of historical estimates in submission information for 4 months has not achieved the target of 80% Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are recorded as moderate as they require some adjustment . The audit risk rating is recorded as low because the number of ICPs traded by Supercharged Energy small therefore any impact to the market will be minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
These were due to a single ICP that was read within the four-month period.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
No action is possible.			

CONCLUSION

PARTICIPANT RESPONSE

A number of the clauses that SUPE has been penalised for (late Profile updates) are outside of SUPE's control as we are dependant on the performance of the MEP. Additionally, SUPE has been penalised multiple times for the same event (late submission of files), We also feel that the requirement for a material change audit while switching functions were being transitioned would be impractical (how do you audit before the transition, and what would you audit).

We submit that the audit rating is inflated by the audit scores above and is harsh, and a recommendation for a nine-month audit period is likewise harsh.

We believe we have already put steps in place to remedy many of the other switch related non compliances.

Taking the above into account, we feel we qualify for a twelve-month audit period as indicated by the score.