

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**



For

UNISON NETWORKS LIMITED

Prepared by: Steve Woods, Veritek Limited

Date audit commenced: 28 January 2020

Date audit report completed: 30 April 2020

Audit report due date: 04-May-20

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EXECUTIVE SUMMARY

This Distributor audit was performed at the request of **Unison Networks (Unison)**, to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11. The audit was carried out at Unison's premises in Hastings, on January 28th, 2020.

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

The audit found six non-compliances and makes one recommendation.

The controls observed during the audit were generally strong, and improvements have been made since the last audit, which is evident in the reduction of non-compliances from 12 to six.

The main actions from the audit are to:

- ensure NSPs are accurate and that NSP changes are updated to the registry in a timely manner; and
- continue with improvement actions regarding registry population timeliness

The next audit frequency table indicates that the next audit be due in 18 months. I agree with this recommendation.

The matters raised are shown in the tables below.

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Requirement to provide complete and accurate information	2.1	11.2(1)	Not all practicable steps are taken to ensure that the information provided is complete and accurate.	Strong	Low	1	Identified
Timeliness of Provision of ICP Information to the registry manager	3.4	7(2) of Schedule 11.1	Registry not updated prior to commencement of trading for five ICPs.	Strong	Low	1	Identified
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2A) of Schedule 11.1	Late population of the initial electrical connection date for 61 ICPs (7%).	Moderate	Low	2	Identified
Changes to registry information	4.1	8 Schedule 11.1	Some price, network, status, and address changes were backdated.	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Notice of NSP for each ICP	4.2	7(1),(4) and (5) Schedule 11.1	Seven ICPs with an incorrect NSP recorded.	Strong	Low	1	Identified
ICP location address	4.4	2 Schedule 11.1	One ICP does not have a physical address unit number, street number, detailed property name or GPS coordinates to allow it to be readily located.	Strong	Low	1	Cleared
Future Risk Rating						8	

Future risk rating	0-1	2-5	6-8	9-20	21-29	30+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Clause	Recommendation
Unmetered load	4.6	clause 7(1) Schedule 11.1	Check unmetered load details for ICPs 0000035631HR7FB, 0000036054HB907 and 0000036055HB542.

ISSUES

Subject	Section	Issue	Description
		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

The Authority website was checked to determine whether there are any code exemptions in place.

Audit commentary

Review of exemptions on the Authority website confirmed that there are no exemptions in place relevant to the scope of this audit.

1.2. Structure of Organisation

Unison provided a copy of their organisational structure

1.3. Persons involved in this audit

Auditor:

Steve Woods

Veritek Limited

Electricity Authority Approved Auditor

Unison Networks personnel assisting in this audit were:

Name	Title
Clarissa Bevins	Customer Provisioning Specialist
Corrina Graham	Customer Delivery Administrator
Jason Larkin	Commercial Manager
Raewyn Holloway	Customer Billing Specialist
Shane Watson	Systems Specialist Financial and Billing

1.4. Use of contractors (Clause 11.2A)

Code reference

Clause 11.2A

Code related audit information

A participant who uses a contractor

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

Audit observation

All activities are completed directly by Unison.

1.5. Supplier list

All activities are completed directly by Unison.

1.6. Hardware and Software

Gentrack is used to create ICPs and interface with the registry. Unison's GIS is Small World, and ADMS is used for real time network monitoring.

System backups are conducted in accordance with Unison's Operational Security Standard which is reviewed by Audit NZ each year.

The frequency and extent of backups is determined by the importance of the information, potential impact of data loss/corruption, and risk management decisions by the system or data owner.

At a minimum, all on premise systems are backed up utilising snapshot technology daily:

- Incremental backup daily (Monday to Thursday) – 14 Days Retention
- Full backup Weekly (Friday) – 4 Weeks Retention
- Full backup Monthly (First Weekly Backup of Each Month) – 7 Years Retention

1.7. Breaches or Breach Allegations

The Electricity Authority confirmed that there have been no alleged breaches related to this audit scope for Unison for the audit period.

1.8. ICP and NSP Data

Unison owns and operates the electricity networks in the Hawke's Bay, Taupo, and Rotorua regions.

The table below lists the relevant NSPs and their associated balancing area, and the number of active ICPs connected.

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
HAWK	ATI0112	ATIAMURI	ROT0111	HAWK	TAUPROTHAWKG	NP	1/05/08	-
HAWK	FHL0331	FERNHILL			MAGPIESHAWKG	G	1/05/08	15774
HAWK	OWH0111	OWHATA			TAUPROTHAWKG	G	1/05/08	5631
HAWK	RDF0331	REDCLYFFE			MAGPIESHAWKG	G	1/05/08	23133
HAWK	ROT0111	ROTORUA			TAUPROTHAWKG	G	1/05/08	10333
HAWK	ROT0331	ROTORUA			TAUPROTHAWKG	G	1/05/08	12339
HAWK	TRK0111	TARUKENGA			TAUPROTHAWKG	G	1/05/08	3285
HAWK	WRK0331	WAIRAKEI			TAUPROTHAWKG	G	1/05/08	16945
HAWK	WTU0331	WHAKATU			MAGPIESHAWKG	G	1/05/08	24759

Unison does not own any embedded networks but has two networks embedded on their network. No embedded networks had start or end dates during the audit period. The embedded networks are detailed in the table below and are discussed in the relevant sections of this report.

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date
SMRT	HPL0011	ST AUBYN ST EAST HASTINGS	WTU0331	HAWK	HPL0011SMRTE	E	1/12/2017
TENC	TWQ0011	14 WEST QUAY AHURIRI NAPIER	RDF0331	HAWK	TWQ0011TENCE	E	1/08/2016

A list file detailing the ICP statuses was provided:

Status	Number of ICPs (19 Nov 19)	Number of ICPs (30 Nov 18)
New (999,0)	0	3
Ready (0,0)	247	183
Active (2,0)	112,199	111,537
Distributor (888,0)	2	2
Inactive – new connection in progress (1,12)	177	148
Inactive – electrically disconnected vacant property (1,4)	1,560	1518
Inactive – electrically disconnected remotely by AMI meter (1,7)	430	315
Inactive – electrically disconnected at pole fuse (1,8)	18	18
Inactive – electrically disconnected due to meter disconnected (1,9)	39	32
Inactive – electrically disconnected at meter box fuse (1,10)	17	16
Inactive – electrically disconnected at meter box switch (1,11)	14	10
Inactive – electrically disconnected ready for decommissioning (1,6)	32	39
Inactive – reconciled elsewhere (1,5)	1	-
Decommissioned (3)	9,991	9708

1.9. Authorisation Received

An authorisation email was provided.

1.10. Scope of Audit

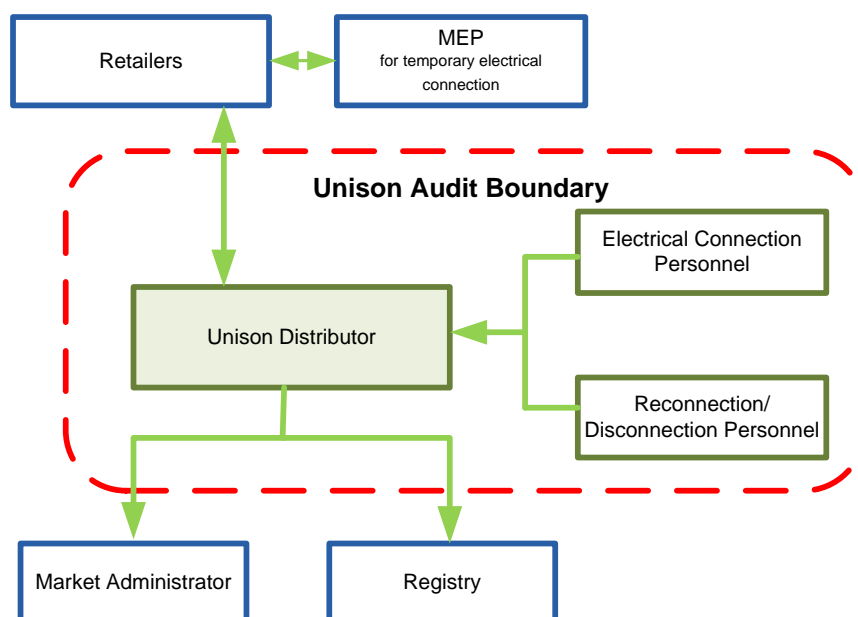
This Distributor audit was performed at the request of Unison, to encompass the Electricity Industry Participation Code requirement for an audit, in accordance with clause 11.10 of part 11.

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

The table below shows the tasks under clause 11.10(4) of Part 11, which Unison is responsible for. There are no other contractors who assist with these tasks:

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

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



1.11. Summary of previous audit

The January 2019 audit was completed by Rebecca Elliot of Veritek Ltd. The audit found 12 non-compliances and made one recommendation. The matters raised are detailed in the table below:

Subject	Section	Clause	Non-compliance	Status
Requirement to provide complete and accurate information	2.1	11.2(1)	Not all practicable steps are taken to ensure that the information provided is complete and accurate.	Still existing
Distributors must create ICPs	3.1	11.4	DUML ICPs not created per NSP for Napier CC, Hastings DC and Hawkes Bay NZTA in accordance with schedule 11.1.	Cleared
Provision of ICP Information to the registry manager	3.3	11.7	10 new ICPs electrically connected during the audit period with unmetered load details not recorded in accordance with schedule 11.1.	Cleared
Timeliness of Provision of ICP Information to the registry manager	3.4	7(2) of Schedule 11.1	Registry not updated prior to commencement of trading for one ICP.	Still existing
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2A) of Schedule 11.1	Late population of the initial electrical connection date for 42 ICPs (4%).	Still existing
Connection of ICP that is not an NSP	3.6	11.17	One ICP was electrically connected before proposed trader information was provided to the registry.	Cleared
Connection of ICP that is not an NSP	3.7	10.31	One ICP was electrically connected before proposed trader permission was provided.	Cleared
Electrical connection of a point of connection	3.16	10.33A	Streetlight circuits electrically connected without permission being gained from the trader.	Cleared
Changes to registry information	4.1	8 Schedule 11.1	Some price, network, status, and address changes were backdated.	Still existing

Subject	Section	Clause	Non-compliance	Status
Notice of NSP for each ICP	4.2	7(1),(4) and (5) Schedule 11.1	Two existing ICPs with an incorrect NSP recorded.	Still existing
ICP location address	4.4	2 Schedule 11.1	One ICP does not have a physical address unit number, street number, property name or GPS coordinates to allow it to be readily located.	Still existing
Provide ICP Information to the Registry manager	4.6	7(1)(m) & (p) Schedule 11.1	Known unmetered load not recorded in the correct field on the registry. One incorrect initial electrical connection date. Four active ICPs with no initial electrical connection date recorded connected prior to January 2018.	Cleared

Subject	Section	Clause	Recommendation	Status
Electrical connection of a point of connection	3.16	Clause 10.33A	Review the connection of streetlight circuits to ensure that the trader's permission is gained and that the load is being reconciled from the date of the electrical connection.	Cleared

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

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

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

Audit observation

I walked through the process to ensure that registry information is complete, accurate and not misleading or deceptive, including viewing reports used to resolve discrepancies.

The registry list file as at 12/11/2019 was examined to confirm compliance.

Audit commentary

Unison runs a set of registry discrepancy reports on a monthly basis. They also monitor the notification files coming back from the registry on a daily basis.

During the previous audit, it was recorded that the Napier City Council DUMML database contained private lights and that reconciliation was not occurring for these items of load. Napier City Council has investigated the private lights and they have provided a list of lights they claim are not owned by them. Unison had undertaken to conduct further investigations into these lights to identify how they are connected, to assist with determining ownership and responsibility. Unison may need to create shared unmetered load ICPs or other ICPs once there is certainty regarding ownership and responsibility.

As recorded in **section 4.2**, there were seven ICPs identified with incorrect NSPs recorded. The analysis showed that 15 ICPs had incorrect addresses recorded.

As recorded in **section 4.6**, there were two ICPs where the event date for distributed generation changes was incorrect.

- ICP 0000041934HR982 had solar details updated on 30/11/19 but the installation date was 02/10/19. The event date of 30/11/19 is incorrect.
- ICP 0000255968HBC88 has solar generation installed but the Distributor details were not populated at the time of the analysis. The details are now updated, but for the incorrect event date. The event date should be 01/10/19 not 27/01/20, which was the input date.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 2.1</p> <p>With: 11.2(1) and 10.6(1)</p> <p>From: 01-Dec-19</p> <p>To: 12-Nov-19</p>	<p>Not all practicable steps are taken to ensure that the information provided is complete and accurate.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The registry discrepancies processes are robust, and the number of discrepancies was low.</p> <p>The inaccurate information has a small impact on other participants and on settlement, therefore the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>System Change for ICP switching between NSPs</p> <p>Unison has revised the automated process to populate NSP changes for ICP switches. It is currently under investigation why the system changes have failed to resolve the issues completely. This includes a review of systems, integration, and business processes and controls.</p>		Mid-2020	Identified
<p>Distributed Generation</p> <p>The event date for the two ICPs in respect to distributed generation changes have been corrected.</p>		N/A	
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>System Change for ICP switching between NSPs</p> <p>Unison is currently reviewing the system and is instigating a wider review to incorporate systems, integration, and businesses processes and controls.</p>		Mid-2020	
<p>Distributed Generation</p> <p>Unison's process has been to update the information effective from the date it becomes available (ie not backdate information which results in a breach), Unison will change the process to ensure the registry reflects the date accurately, even if by backdating there is a breach of the Code in terms of not providing timely information.</p>		March 2020	

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

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

Audit observation

Unison's data management processes were examined. The registry list file as at 19/11/19 was examined to confirm compliance.

Audit commentary

Unison have processes in place to identify and resolve registry discrepancies as described in **section 2.1**. I saw evidence of incorrect information being corrected during the audit.

Audit outcome

Compliant

3. CREATION OF ICPS

3.1. Distributors must create ICPs (Clause 11.4)

Code reference

Clause 11.4

Code related audit information

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

Audit observation

The new connection process was examined in detail and is described in **section 3.2**.

A diverse characteristics sample of 20 new connection applications of the 1,130 created since 01/01/19 were checked from the point of application through to when the ICPs were created. The sample included ICPs with unmetered load, distributed generation, different traders, price categories, loss categories and NSPs.

Audit commentary

Unison creates ICPs as required by clause 1 of schedule 11.1.

During the previous audit, it was recorded that ICPs had not been created per NSP for some of the Distributed Unmetered Load databases. Unison has resolved this matter for all relevant ICPs. I checked the results and raised a query regarding Napier City Council, where all five ICPs are recorded as connected to RDF0331, however Unison's asset management plan shows that there are two zone substations (Bluff Hill and Marewa) in the centre of Napier that are fed from Whakatu (WTU0331). Unison provided details from their GIS showing that the lights are connected to RDF0331.

During the previous audit, it was recorded that the Napier City Council DUMML database contained private lights and that reconciliation was not occurring for these items of load. Napier City Council has investigated the private lights and they have provided a list of lights they claim are not owned by them. Unison had undertaken to conduct further investigations into these lights to identify how they are connected, to assist with determining ownership and responsibility. Unison may need to create shared unmetered load ICPs or other ICPs once there is certainty regarding ownership and responsibility.

Audit outcome

Compliant

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

Code reference

Clause 11.5(3)

Code related audit information

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

Audit observation

The new connection process was examined in detail. A diverse characteristics sample of 20 new connection applications of the 1,130 created since 01/01/19 were checked from the point of application through to when the ICPs were created.

Audit commentary

Unison receives all applications for new connections from customers or their agents. All applications are completed online and are received via a dedicated inbox. Upon receipt of the application, it is reviewed and then forwarded to the nominated trader to accept the nomination. The process once the application is received is unchanged with these being managed within Gentrack, attaching all associated documentation to the relevant ICP and creating a robust audit trail. Gentrack will not allow ICPs with duplicate addresses to be created. ICPs are created at the "Ready" status unless there is network extension required. In these cases, they are created at the "New" status. The ICP's are not created until all the relevant details have been provided. New ICPs are electrically connected by a Unison approved connection agent engaged by the trader. Unison issue an authority to electrically connect the ICP to the agent, and a "certificate of liveness" is returned to Unison by the liveness agent.

If an ICP cannot be created within three days of the acceptance from the trader being received an email is sent to the trader advising of the reason for the delay.

I checked the records for 20 new connections. 19 were created within three business days. One was created later than three business days, but notification was provided within three business days that engineering work was required.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

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

Audit observation

A diverse characteristics sample of 20 new connection applications of the 1,130 created since 01/01/19 were checked from the point of application through to when the ICP was created, to confirm the process and controls worked in practice.

Audit commentary

The new connection application form is online and includes all the relevant fields to populate the registry including unmetered load details.

A review of the sample of new connections confirmed that the ICP information provided to the registry by Unison was complete including for ten ICPs with an unmetered load associated with them.

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The event detail report for 01/12/18 to 12/11/19 was examined to determine the timeliness of the provision of ICP information for new connections. The audit compliance reporting was also examined.

Audit commentary

The distributor must provide to the registry the information listed in clause 7(1) of schedule 11.1 as soon as practicable, and before electricity is traded at the ICP.

1,198 new ICPs were created since 01/12/18. Of those, 891 have been completed and connected. I reviewed these completed new connections to identify ICPs where information was provided late. There were five examples where the status change to "Ready" occurred later than the electrical connection date. In all cases, this was due to the pricing details not being populated by a staff member in training.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.4 With: Clause 7(2) of Schedule 11.1 From: 11-Jul-19 To: 03-Oct-19	Registry not updated prior to commencement of trading for five ICPs. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong because most registry updates occurred on time. The audit risk rating is low because the status changes occurred between 2 and 5 days late.		
Actions taken to resolve the issue		Completion date	Remedial action status
The issue related to new staff inadvertently not completing the full new connection creation process without understanding the requirement to complete this to ensure all information including status is updated. Training has ensured that the correct process is followed.		N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Currently investigating whether a system control can be created that is compatible with Gentrack's base functionality	Control system investigation mid-2020.	

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

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

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

Audit observation

The event detail report, audit compliance report and the registry list for 01/12/18 to 12/11/19 were examined to determine the timeliness and accuracy of initial electrical connection dates for the 891 completed new connections.

- The nine updates over 20 days were checked to determine the reasons for the delay.
- The audit compliance report was checked for ICPs with an IECD populated, where the status was not "Active". No examples were identified.

Audit commentary

Unison expect a "certificate of livening" to be returned to them by the livening agent for each new connection. Once this is received the registry is updated. They also monitor the registry for any "active" status updates and there is an additional check as part of the registry discrepancy process.

The 891 completed new connections were reviewed:

- 830 (93%) had initial electrical connection dates updated within ten business days; and
- 61 (7%) had initial electrical connection dates populated more than ten business days after initial electrical connection; of those, nine were populated later than 20 business days of connection.

Eight updates were checked to determine why they were late. Six were due to late notification from livening agents and in two cases, there was no notification at all so the trader's "Active" date was used. Unison is in the process of implementing a "Digital Livening Certificate" with all livening agents so that paperwork is completed on site.

I checked all currently active ICPs created since the requirement to record an initial electrical connection date was introduced, and found they had all had initial electrical connection dates recorded.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: 03-Dec-18 To: 25-Jan-20	Late population of the initial electrical connection date for 61 ICPs (7%). Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate, as they are sufficient to ensure that initial electrical connection dates are accurate and populated on time most of the time. The potential impact is low, of the 61 late updates, eight were updated later than 20 business days of the initial electrical connection date.		
Actions taken to resolve the issue		Completion date	Remedial action status
Unison notes the non-compliance findings; however, there is no further action we can take to resolve the issue in the Registry.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Unison developed a mobile web portal for livening agents to submit livening certificate onsite. The intention of the portal was to reduce the delay in Unison receiving the relevant paperwork. After testing there was some issues identified so further refinements were undertaken. Unison is currently rolling out the portal to all their agents. Concurrently Unison is exploring other options to create a stronger incentive for timely and accurate livening information. This includes considering moving from a model where livening is delegated to electricians to arrange with approved agents to one where Unison issues all jobs for livening to the nominated agent incorporating an a SLA for completion, and only paying for services following receipt of paperwork within the SLA timeframe.		Late 2020	

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

Code reference

Clause 11.17

Code related audit information

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

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

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

Audit observation

The new connection process was examined in **section 3.2**.

The event detail file and registry list were examined to determine compliance.

Audit commentary

The new connection process requires applications for new connections to be submitted by traders.

Review of the registry list confirmed that a trader is currently recorded for all active and inactive ICPs, and no shared unmetered load is recorded on Unison's network.

I reviewed the 891 completed new connections on the event detail report to identify ICPs where information was provided late. All ICPs had a proposed trader populated prior to connection, including the five ICPs discussed in **section 3.4**.

Audit outcome

Compliant

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

Code reference

Clause 10.31

Code related audit information

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

Audit observation

The new connection process was examined in **section 3.2**. A diverse characteristics sample of 20 new connection applications of the 1,198 created since 01/12/18 were checked to determine if the ICPs were connected at the request of the trader.

Audit commentary

The new connection process requires acceptance of applications for new connections from traders prior to the creation of the ICP. The sample checked confirmed compliance for all ICPs

Audit outcome

Compliant

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

Code reference

Clause 10.31A

Code related audit information

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

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

Audit observation

The new connection process was examined in **section 3.2**. The event detail file and registry list for 01/12/18 to 12/11/19 were examined to determine compliance.

Audit commentary

Unison's processes are robust in relation to this clause as an ICP will not be electrically connected without the agreement from the trader, who in turn has agreement with an MEP for the ICP. No temporarily connected ICPs were identified.

Audit outcome

Compliant

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

Code reference

Clause 10.30

Code related audit information

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

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

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

Audit observation

The NSP table was reviewed.

Audit commentary

No new NSPs were created by Unison during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.30(A)

Code related audit information

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

- *has been authorised to make the request by the reconciliation participant responsible for the NSP; and*

- the MEP has an arrangement with that reconciliation participant to provide metering services.

Audit observation

The NSP table was reviewed.

Audit commentary

Any NSPs that are temporarily electrically connected follow the same process as those all other new connections. No temporarily connected NSPs were identified.

Audit outcome

Compliant

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

xxxxxxxxxxccc where:

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

Audit observation

The process for the creation of ICPs was examined.

Audit commentary

ICP numbers are created in Gentrack. The process for the creation of ICPs was examined, and all ICPs are created in the appropriate format.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

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

Audit observation

The process of allocation of the loss category was examined.

The list file as at 12/11/18 was examined to confirm all active ICPs have a single loss category code.

Audit commentary

Loss factors are determined from the information provided on application for a new connection.

The registry list was examined and all active and inactive ICPs have a single loss category code. Each loss category code clearly identifies the relevant loss factor.

Audit outcome

Compliant

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

Code reference

Clause 13 Schedule 11.1

Code related audit information

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

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

Audit observation

The ICP creation process was reviewed. The event detail file and registry list for 01/12/18 to 12/11/18 were examined to determine compliance.

Audit commentary

Unison creates all ICPs at “ready”, unless they know a network extension is needed.

No ICPs currently have “new” status recorded. Five were created at “New” during the audit period and this status was confirmed as correct. Monitoring of ICPs with the “New” and “Ready” status is discussed in **section 3.14**.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

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

Audit observation

The process to monitor ICPs at “new” and “ready” status was reviewed. The audit compliance report for 01/12/18 to 12/11/19 was examined to determine compliance.

All ICPs with “new” or “ready” status for more than 24 months were investigated to confirm whether the correct status was applied, and whether compliance is achieved.

Audit commentary

The process to monitor ICPs at the “New” and “Ready” statuses are checked monthly and an email is sent to each trader to request confirmation of the ICP still being required.

Examination of the registry list found:

Status	Number of ICPs at status as at 12/11/19	Number of ICPs at status for more than 12 months	Number of ICPs at status for more than 24 months
New (999,0)	-	-	-
Ready (0,0)	247	91	39

All ICPs at ready status for more than 24 months were checked, and I found the oldest creation date was 2/12/2014. Unison have contacted the trader for all:

- 33 have been confirmed as still required by the trader; and
- six have since been confirmed to be no longer required and have been “Decommissioned- set up in error”.

Audit outcome

Compliant

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

Code reference

Clause 7(6) Schedule 11.1

Code related audit information

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

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

Audit observation

The registry list for 01/12/18 to 12/11/19 was examined to determine compliance.

Audit commentary

No new embedded generation stations with capacity greater than 10 MW were connected during the audit period.

Unison supplies two embedded generation stations with a capacity of 10 MW or more. Both have individual loss categories, which were not assigned to any other ICPs during the period.

ICP	Generation start date	Loss Category
0000018218HRB13	21/08/2009	CBTPO
0000962306TU084	1/04/2007	RKTPO

Audit outcome

Compliant

3.16. Electrical connection of a point of connection (Clause 10.33A)

Code reference

Clause 10.33A

Code related audit information

- (1) A reconciliation participant may electrically connect a point of connection, or authorise the electrical connection of a point of connection, only if—
 - (a) the reconciliation participant is recorded in the registry as being responsible for the ICP; and*
 - (b) 1 or more certified metering installations are in place at the ICP in accordance with this Part; and*
 - (c) in the case of an ICP that has not previously been electrically connected, the owner of the network to which the point of connection is connected has given written approval of the electrical connection.**
- (2) A reconciliation participant described in subclause (1)(a)—
 - (a) may authorise the electrical connection of an ICP if—
 - (i) a metering installation is in place at the ICP; and*
 - (ii) the metering installation is operational but not certified; and*
 - (iii) the reconciliation participant arranges for the certification of the metering installation to be completed within 5 business days of the ICP being electrically connected;**
 - (b) may electrically connect an ICP if the point of connection is solely for unmetered load.**
- (3) A reconciliation participant must not authorise the electrical connection of a point of connection in either of the following circumstances:
 - (a) a distributor has electrically disconnected the point of connection for safety reasons, and has not subsequently approved the electrical connection of the point of connection;*
 - (b) electrically connecting the point of connection would breach the Electricity (Safety) Regulations 2010.**
- (4) No participant may electrically connect a point of connection or authorise the electrical connection of a point of connection, other than a reconciliation participant in the circumstances described in subclause (1), (2), or (3).*

Audit observation

Sub-clause (4) states that no participant may electrically connect a point of connection without the permission of the Reconciliation Participant. The electrical connection of streetlight circuits, which are a point of connection, was examined.

Audit commentary

The connection of streetlight circuits was discussed. The previous audit report recorded that Unison were connecting streetlight circuits but there was no permission being gained from the trader concerned of streetlight circuits being livened. This matter is now resolved. Unison requires the new connection process to be used for newly livened streetlight circuits. The process identifies the relevant ICP and includes approval from the Trader. I checked a recent example to confirm the process was robust and was used correctly.

Audit outcome

Compliant

4. MAINTENANCE OF REGISTRY INFORMATION

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

Code reference

Clause 8 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The management of registry updates was reviewed.

The event detail report and audit compliance report for 01/12/18 to 12/11/19 was reviewed to determine compliance. A diverse sample of 55 backdated events were reviewed to determine the reasons for the late updates.

The management of NSP changes was examined, and 15 NSP changes were reviewed.

Audit commentary

When information that is held by the registry changes, the distributor responsible for that ICP must provide notice to the registry of that change within three business days of that change taking effect. The event detail reports were examined to identify backdated event updates.

Address events

There was one late address correction. 99.98% of address updates were compliant.

Network events (Distributed Generation)

There were 15 late updates to distributed generation fields. 96.11% of updates were on time and the average business days to supply updates was 2.34. The reasons for late updates were as follows:

- 12 updates were late due to delayed field notification, and
- three updates were late due to a system issue, which is now fixed.

Network events

There were eight late network events, excluding NSP and DG changes. All were unmetered load updates. In all cases, late notification by traders was the cause.

Pricing events

15,619 pricing updates were identified. 5,267 of these (34%) were updated more than three business days after the event. 131 (0.8%) were updated more than 30 business days after the event. The ten latest updates were reviewed, and in all cases late requests from traders caused the late updates.

Status events

Unison is notified of ICPs ready for decommissioning via requests received from traders. The work is then issued to an approved contractor. Once the paperwork has been received back from the contractor,

Unison request the trader to move the ICP to “Inactive - ready for decommissioning” status and will decommission the ICP once it is at that status. Unison also monitor ICPs being moved to the “Inactive - ready for decommissioning” status and follow up with the trader if no request to decommission has been received.

Five status updates were later than three business days from the date the trader changed the status to “ready for decommissioning. Compliance was 96.51% and the average days to update the registry was 1.02 business days. Two examples were late due to late field notification and the other three were due to waiting for the trader to update their status and then just missing the three-day window.

Change of NSP

The process of NSP changes was changed during the previous audit period. It was expected to fully integrate the ADMS real time monitoring system and Gentrack, so that updates to NSPs flow through to Gentrack correctly and therefore get updated on to the registry with the correct effective date and within the required timeframe and only notify NSP changes that exceed 14 days in duration.

The previous audit report recorded that the change has not produced the expected results. NSP changes were being loaded effective for the same date as the update but the change had occurred 14 days prior. This issue appears to be resolved and no examples of this occurring were found.

There are still a large number of backdated NSP changes. 4,941 in total. 4,760 of these occurred prior to the matter being resolved. 151 of the 181 late updates since February 2019 occurred in September 2019.

A sample of 15 of these ICPs were reviewed and it was found that all were backdated due to network reconfiguration, but the updates did not get loaded to the registry within the expected timeframe due to a system issue, which has been raised with the supplier. The mapping of ICP to NSP is discussed in **section 4.2**.

The backdating of events to the registry is recorded as non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.1 With: Clause 8 Schedule 11.1 From: 01-Dec-18 To: 12-Nov-19	Some price, network, status, and address changes were updated more than three business days after the event date. Potential impact: Medium Actual impact: Medium Audit history: Multiple times Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating
Low	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement. The impact on settlement and participants is minor; therefore, the audit risk rating is low. Late NSP changes lead to inaccurate submissions by Traders. There are still some late changes, but the main issues have been resolved.
Actions taken to resolve the issue	
Completion date	Remedial action status

Unison acknowledges the non-compliances identified here. There is no further action we can take to resolve the non-compliances identified.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Address Events: There was no option available to put in a 'correct' date as it is replacing information already in the Registry, at the Trader's request.	N/A	
Network Events Pricing Events: As noted by the Auditor, in all cases for the ten latest updates, requests from traders caused the late updates. Unison has previously proposed a Code change to allow backdating of pricing events, providing there is agreement between the distributor and retailer. The Code change was included in the Authority's "Switching" consultation, which we submitted on. We are awaiting a Code change.	Dependent on Authority Schedule.	
Status Events: In 2018/19 Unison did a thorough review of its decommissioning process and we now have a good process to actively manage and reduce the number of ICPs that are "inactive ready for decommissioning" and "decommissioned". To implement this process with external parties, we have created a new service request workflow for permanent disconnection in our Gentrack system which will allow Unison to initiate and control the decommissioning process.	N/A	
NSP Changes: Following the 2019 Audit Unison set up a regular system for the reporting and interrogation of the accuracy of the system change for the populating of NSP information for ICP switching. The developed report identified any discrepancies. These reports initially ran nightly, and then moved to fortnightly reporting when no issues were identified. This put in place a regular compliance check to ensure that any failures of the process will be identified early and minimise the impact on reconciliation (if a failure should occur). On the basis non-compliance is still occurring due to network connectivity/configuration we have initiated a comprehensive review of system functionality, integration and business process design. Currently investigating a work process whereby data integrity should be monitored and maintained by the Asset Information Team.	Ongoing regular reporting.	

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

Code reference

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

Code related audit information

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

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

Audit observation

The process to determine the correct NSP was examined. The audit compliance report was checked, and 73 outliers were checked where the other ICPs on the same road were recorded against a different NSP.

Audit commentary

Each ICP application is checked in the GIS and the correct transformer is selected based on the geographical connection point.

Seven of the 73 outliers were confirmed as having the incorrect NSP. 17 had incorrect address details and two are still being investigated. Four of the seven discrepancies were ICPs created within the last 18 months and three were historic. The discrepancies were due to data processing issues. The incorrect address details are recorded as non-compliance in **section 2.1**.

As recorded in **section 3.1**, during the previous audit, it was found that ICPs had not been created per NSP for some of the Distributed Unmetered Load databases. Unison advised they resolved this matter for all relevant ICPs. I checked the results and raised a query regarding Napier City Council, where all five ICPs are recorded as connected to RDF0331, however Unison's asset management plan shows that there are two zone substations (Bluff Hill and Marewa) in the centre of Napier that are fed from Whakatu (WTU0331). Unison provided details from their GIS showing that the lights are connected to RDF0331.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.2 With: Clauses 7(1),(4) and (5) Schedule 11.1 From: 01-Dec-18 To: 25-Jan-20	Seven ICPs with an incorrect NSP recorded. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating:1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong as the GIS clearly identifies transformer and therefore NSP connection point. The audit risk rating is low as only seven ICPs were found to be mis-mapped and none were in the incorrect balancing areas.		
Actions taken to resolve the issue		Completion date	Remedial action status
Unison have investigated the ICPs and we have amended the Registry to reflect the correct NSP. The address details for the 17 ICPs have been corrected. Two ICPs are still being investigated as part of our wider investigation into control of NSP information		Mid-2020	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
It is currently under investigation why the system changes have failed to resolve the issues completely. This includes a review of systems, integration, and business processes and controls. (See action outlined in 2.1 above).		Mid-2020	

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

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

Audit observation

The management of customer queries was examined.

Audit commentary

Unison seldom receives direct requests for ICP identifiers. ICP identifiers can be provided immediately on request once the address has been confirmed.

Audit outcome

Compliant

4.4. ICP location address (Clause 2 Schedule 11.1)

Code reference

Clause 2 Schedule 11.1

Code related audit information

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

Audit observation

The process to determine correct and unique addresses was examined. The registry list as at 30/11/18 was reviewed to determine compliance for all active and inactive ICPs.

Audit commentary

Duplicate addresses

A check is performed in GIS and Gentrack to confirm that new addresses created are not duplicates.

Analysis of the registry list did not identify any active ICPs with duplicate addresses.

Not readily locatable

111 of the 112,199 active ICPs do not have GPS coordinates recorded. 110 of the ICPs without GPS coordinates had sufficient address information recorded to allow them to be readily locatable.

One ICP does not have sufficient information to enable it to be readily located. ICP 0000044789HBDE5 is a pump on Waipatu road but there is no street number or GPS coordinates.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.4 With: Clause 2 Schedule 11.1 From: 26-Mar-19 To: 25-Jan-20	One ICP does not have a physical address unit number, street number, detailed property name or GPS coordinates to allow it to be readily located. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as strong and the risk as low, because only one ICP had an address that could not be readily located.		
Actions taken to resolve the issue		Completion date	Remedial action status

Unison has corrected the address details in the Registry for the pump on Waipatu Road. We note that in respect to the 110 of the active ICPs which do not have GPS coordinates recorded, many of these are DUML and therefore have no single GPS location. They do however have sufficient address information recorded to allow them to be readily locatable.	N/A	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
A report is run on a weekly basis for those ICPs with no GPS coordinates and checked with GIS to ensure these are in the process of ICP creation through As-built. If an ICP that has been finalized in GIS is found without this information is escalated for resolution and manually updated once available.	On-going compliance check.	

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

The management of this process was discussed.

Audit commentary

For new connections, this clause is well understood and there are no shared service mains on the Unison network.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

- *the location address of the ICP identifier (Clause 7(1)(a) of Schedule 11.1)*
- *the NSP identifier of the NSP to which the ICP is usually connected (Clause 7(1)(b) of Schedule 11.1)*
- *the installation type code assigned to the ICP (Clause 7(1)(c) of Schedule 11.1)*

- *the reconciliation type code assigned to the ICP (Clause 7(1)(d) of Schedule 11.1)*
- *the loss category code and loss factors for each loss category code assigned to the ICP (Clause 7(1)(e) of Schedule 11.1)*
- *if the ICP connects the distributor's network to an embedded generating station that has a capacity of 10MW or more (Clause 7(1)(f) of Schedule 11.1):*
 - a) *the unique loss category code assigned to the ICP*
 - b) *the ICP identifier of the ICP*
 - c) *the NSP identifier of the NSP to which the ICP is connected*
 - d) *the plant name of the embedded generating station*
- *the price category code assigned to the ICP, which may be a placeholder price category code only if the distributor is unable to assign the actual price category code because the capacity or volume information required to assign the actual price category code cannot be determined before electricity is traded at the ICP (Clause 7(1)(g) of Schedule 11.1)*
- *if the price category code requires a value for the capacity of the ICP, the chargeable capacity of the ICP as follows (Clause 7(1)(h) of Schedule 11.1):*
 - a) *a placeholder chargeable capacity if the distributor is unable to determine the actual chargeable capacity*
 - b) *a blank chargeable capacity if the capacity value can be determined from metering information*
 - c) *the actual chargeable capacity of the ICP in any other case*
- *the distributor installation details for the ICP determined by the price category code assigned to the ICP (if any), which may be placeholder distributor installation details only if the distributor is unable to assign the actual distributor installation details because the capacity or volume information required to assign the actual distributor installation details cannot be determined before electricity is traded at the ICP (Clause 7(1)(i) of Schedule 11.1)*
- *the participant identifier of the first trader who has entered into an arrangement to sell or purchase electricity at the ICP (only if the information is provided by the first trader) (Clause 7(1)(j) of Schedule 11.1)*
- *the status of the ICP (Clause 7(1)(k) of Schedule 11.1)*
- *designation of the ICP as "Dedicated" if the ICP is located in a balancing area that has more than 1 NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) *the nameplate capacity of the generator; and*
 - b) *the fuel type*
- *the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

The management of registry information was reviewed. The registry list as at 12/11/19 was reviewed to determine compliance.

A typical sample of data discrepancies were checked.

Audit commentary

Registry data validation processes are discussed in **section 2.1**. All ICP information was checked and confirmed compliant unless discussed below:

NSPs

Assignment of NSPs was reviewed in **section 4.2**.

Installation type and generation details

The distributed generation process has not changed during the audit period. Unison require an application from any customers wanting to connect distributed generation. Once installed, Unison receive paperwork back from the field and Gentrack is then updated. As noted in **section 4.1**, paperwork can be slow in being returned. Unison runs a monthly check of all ICPs that have a distributed generation profile where Unison has no distributed generation recorded. Additional to this the EIEP files are monitored to identify any ICPs where generation is recorded but where Unison has no distributed generation is recorded. All such instances are investigated. All pending applications are managed on an aging basis to ensure these are being updated as soon as possible.

Analysis of the registry list confirmed there are 1,676 ICPs with generation capacity recorded, an increase from 1,346 last year. All ICPs with generation capacity have a fuel type and installation type of "B" or "G" recorded on the registry.

There were nine ICPs with a generation profile and no generation capacity recorded by Unison, these were examined.

- ICP 0000255968HBC88 has solar generation installed but the Distributor details were not populated at the time of the analysis. The details are now updated, but for the incorrect event date. The event date should be 01/10/19 not 27/01/20, which was the input date.
- ICP 0000041934HR982 had solar details updated on 30/11/19 but the installation date was 02/10/19. The event date of 30/11/19 is incorrect.
- Four ICPs do not have solar installed. The trader's profile is incorrect.
- Three ICPs are being checked with the trader. I checked the EIEP files for these ICPs and found no generation row recorded. Unison has not received an application for these ICPs.

Unison have good controls in place in relation to the management of distributed generation.

Unmetered load

Part 11 states the distributors must provide unmetered load type and capacity of the unmetered load to the registry "if known".

As noted in **section 3.3**, unmetered load is correctly recorded for newly created ICPs.

Review of the registry list identified 193 active ICPs with unmetered load recorded by the trader and no unmetered load recorded by Unison, a decrease from 230 identified during the previous audit. These are all historic. Unison are populating these in the recommended format if the load can be confirmed.

For all active ICPs with unmetered load recorded by Unison, the Trader also has unmetered load details populated.

I checked the accuracy of the unmetered load details recorded by Unison against the trader's unmetered load details for the 91 ICPs where Unison's field was populated in the recommended format.

15 ICPs had a difference greater than ± 0.1 kWh. Three of these relate to pay phones where the trader has a different figure. It's not clear which is correct, and which is incorrect. I recommend Unison checks their figures for accuracy.

Recommendation	Description	Audited party comment	Remedial action
Regarding clause 7(1) Schedule 11.1	Check unmetered load details for ICPs 0000035631HR7FB, 0000036054HB907 and 0000036055HB542.	Unmetered load details have been populated in the correct format effective 26/02/20.	Cleared

Six related to CCTV cameras and three related to bus shelters. The unmetered load matched to the new connection application form.

ICP 0000552757HB3CE has 1.5 kWh per day recorded by Unison and 5.9 kWh recorded by the trader despite both fields indicating one 125W lamp on for 12 hours. The trader field is incorrect.

ICP 0005683259HB047 has 108 watts recorded by Unison but only 60 watts recorded by the trader (3x20watt LED). This was corrected during the audit.

ICP 0008343715HBC1E has 476 watts recorded by Unison and the trader but the trader's daily kWh calculation is low by 0.8644 kWh per day.

Initial Electrical Connection date

The importance of this information has been communicated to Unison' approved livening agents as part of regular roadshows.

I reviewed all completed new connections on the event detail report to confirm whether an initial electrical connection date was recorded, and if the date was consistent with the dates populated by the trader and MEP.

34 of the 891 completed new connections had initial electrical connection dates inconsistent with the earliest active date and/or meter certification date. Unison checked all examples and confirmed their date was correct. I checked ICP 0000043811HBB79 against the "high risk register" and found it had a date of 22/11/18 not 19/11/18. This was investigated and I was shown the livening certificate confirming the date of 19/11/18.

The list file was checked since part ten came into effect for any active ICPs that have no initial electrical connection date recorded. No examples were identified.

Compliance is recorded because no data was identified as missing.

Audit outcome

Compliant

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

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

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

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

Audit observation

The management of registry information was reviewed. The event detail report and registry list for 01/12/18 to 12/11/19 were reviewed to determine compliance.

Audit commentary

891 new connections were completed and made active during the period reviewed. I reviewed these completed new connections on the event detail report and found all had a pricing category entered within 10 days of being electrically connected.

Audit outcome

Compliant

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

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

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

Audit observation

The registry list as at 12/11/19 was reviewed to determine compliance. GPS coordinates were mapped for a sample of 200 ICPs to determine their accuracy.

Audit commentary

44,270 of the 112,199 active ICPs (40%) have GPS coordinates recorded.

Where Unison have populated GPS coordinates, these are provided in the correct format.

Audit outcome

Compliant

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

Code reference

Clause 14 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The processes to manage the ready status were reviewed.

The registry list as at 12/11/19 was reviewed to identify and check ICPs at the “Ready” status. A diverse sample of ten ICPs at ready status were checked.

Audit commentary

Unison creates all ICPs at the “Ready” status, unless they know a network extension is needed.

The registry list showed 247 ICPs currently at “Ready” status, 39 of those have been at “Ready” status for more than two years and are discussed further in **section 3.14**. All had a single price category assigned and proposed trader identified.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.1

Code related audit information

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

Audit observation

The registry list as at 12/11/19 was reviewed to identify ICPs at distributor status. All ICPs with distributor status were reviewed.

Audit commentary

Unison supplies two ICPs with distributor status; they are points of connection between embedded networks and Unison’s network. Both have an LE ICP recorded on the registry.

There is no shared unmetered load recorded in the registry. Unison are working with the traders in relation to some potential shared unmetered load for the Napier City Council. This is discussed further in **section 7.1**.

Audit outcome

Compliant

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

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

Audit observation

The registry list as at 12/11/19 was reviewed to identify ICPs at “decommissioned” and “ready for decommissioning” status. A diverse sample of 10 ICPs “ready for decommissioning”, and 10 “decommissioned” ICPs were checked.

Audit commentary

The decommissioning process is discussed in **section 4.1**. Reporting in place to identify ICPs at the “inactive - ready to be decommissioned” status and this is checked regularly to identify any ICPs that traders have moved to this status but for which Unison have received no request. The volume of ICPs at this status has reduced from 39 in the last audit to 32.

Unison are reviewing this process and plan to move it online to streamline it. Full decommissions will only be able to be undertaken by Unison contractors and not approved agents which will provide Unison greater control.

Examination of the list file found 32 ICPs are at “ready for decommissioning” status. By the time of the on-site audit 14 of these ICPs had been decommissioned. The table below summarises the remaining 18.

Ready for decommissioning since	ICP count
2003	2
2012	1
2018	4
2019	11

A sample of the ten oldest ICPs at ready for decommissioning status were checked to determine whether the status was correct, and why they have not been decommissioned:

Issues identified in the 2019 audit were followed up:

- ICP 0001262586UN05F is now decommissioned, and
- ICPs 0000650635TU2AF & 0000650638TUDF4 are still in dispute between Unison and the trader because there has not been any information supplied to Unison to enable decommissioning to occur.

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

Audit outcome

Compliant

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

Code reference

Clause 23 Schedule 11.1

Code related audit information

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

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

A price category code takes effect on the specified date.

Audit observation

The price category code table on the registry was examined.

Audit commentary

No new pricing codes have been entered since 1 April 2016.

Audit outcome

Compliant

5. CREATION AND MAINTENANCE OF LOSS FACTORS

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

Code reference

Clause 21 Schedule 11.1

Code related audit information

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

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

A loss category code takes effect on the specified date.

Audit observation

The loss category code table on the registry was examined.

Audit commentary

No new loss factors have been created during the audit period.

Audit outcome

Compliant

5.2. Updating loss factors (Clause 22 Schedule 11.1)

Code reference

Clause 22 Schedule 11.1

Code related audit information

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

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

Audit observation

The loss category code table on the registry was examined.

Audit commentary

The following loss codes had their consumption loss factor adjusted effective from 01/04/19:

- CBTPO
- H3H
- H3L
- R3H; and
- R3L.

In all cases, notification was provided on 02/11/18 and only one loss factor applied per month.

Audit outcome

Compliant

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

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

Code reference

Clause 11.8 and Clause 25 Schedule 11.1

Code related audit information

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

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

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

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

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

Audit observation

The NSP table was examined.

Audit commentary

No NSPs have been created or decommissioned during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 26(1) and (2) Schedule 11.1

Code related audit information

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

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

Audit observation

The NSP table was reviewed.

Audit commentary

No NSPs have been created or decommissioned during the audit period.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The NSP table was reviewed.

Audit commentary

No balancing area changes have occurred during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

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

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

Audit observation

The NSP table was reviewed.

Audit commentary

Unison has not created any new embedded networks during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

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

Audit observation

The NSP table was reviewed.

Audit commentary

No balancing area changes have occurred during the audit period for Unison's NSPs.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

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

Audit observation

The NSP table was reviewed.

Audit commentary

No existing ICPs became NSPs during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

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

Audit observation

The NSP table was reviewed.

Audit commentary

Unison has not initiated the transfer of any ICPs during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

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

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

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

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

Audit observation

The NSP supply point table was examined, along with evidence of all updates made to the Reconciliation Manager via the portal.

Audit commentary

The NSP supply point table was reviewed:

Distributor	NSP POC	Description	MEP	Old certification Expiry	New certification expiry
HAWK	ATI0112	ATIAMURI	MRPL	06/08/21	26/07/23

The certification expiry date is correct.

Audit outcome

Compliant

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

Code reference

Clause 10.25(2)

Code related audit information

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

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

Audit observation

The NSP supply point table was reviewed.

Audit commentary

Unison have not connected any new NSPs during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The NSP supply point table was reviewed.

Audit commentary

Unison have not initiated any changes of network owner.

Audit outcome

Compliant

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

The NSP supply point table was reviewed.

Audit commentary

There has been no changes to the MEP during the audit period.

Audit outcome

Compliant

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

The NSP supply point table was reviewed.

Audit commentary

Unison has not initiated the transfer of any ICPs during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 6 Schedule 11.2

Code related audit information

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

Audit observation

The NSP supply point table was reviewed.

Audit commentary

Unison has not initiated the transfer of any ICPs during the audit period.

Audit outcome

Compliant

7. MAINTENANCE OF SHARED UNMETERED LOAD

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

Code reference

Clause 11.14(2) and (4)

Code related audit information

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

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

Audit observation

The registry list as at 30/11/19 was reviewed to identify any ICPs with shared unmetered load connected.

Audit commentary

A Review of the registry list confirmed there is no shared unmetered load connected to any Unison ICP.

During the previous audit, it was recorded that the Napier City Council DUMML database contained private lights and that reconciliation was not occurring for these items of load. Napier City Council has investigated the private lights and they have provided a list of lights they claim are not owned by them. Unison had undertaken to conduct further investigations into these lights to identify how they are connected, to assist with determining ownership and responsibility. Unison may need to create shared unmetered load ICPs or other ICPs once there is certainty regarding ownership and responsibility.

Audit outcome

Compliant

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

Code reference

Clause 11.14(5)

Code related audit information

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

Audit observation

The registry list as at 12/11/19 was reviewed to identify any ICPs with shared unmetered load connected.

Audit commentary

Review of a registry list confirmed there is no shared unmetered load connected to any Unison ICPs.

Audit outcome

Compliant

8. CALCULATION OF LOSS FACTORS

8.1. Creation of loss factors (Clause 11.2)

Code reference

Clause 11.2

Code related audit information

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

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

Audit observation

The “Guidelines on the calculation and the use of loss factors for reconciliation purposes” was published on 26 June 2018. I have assessed Unison’s process and compliance against the guideline’s recommended thresholds.

Unison provided their CM2002 System Loss Allocation Standard, and system loss allocation spreadsheet. The loss factor table on the registry was reviewed.

Audit commentary

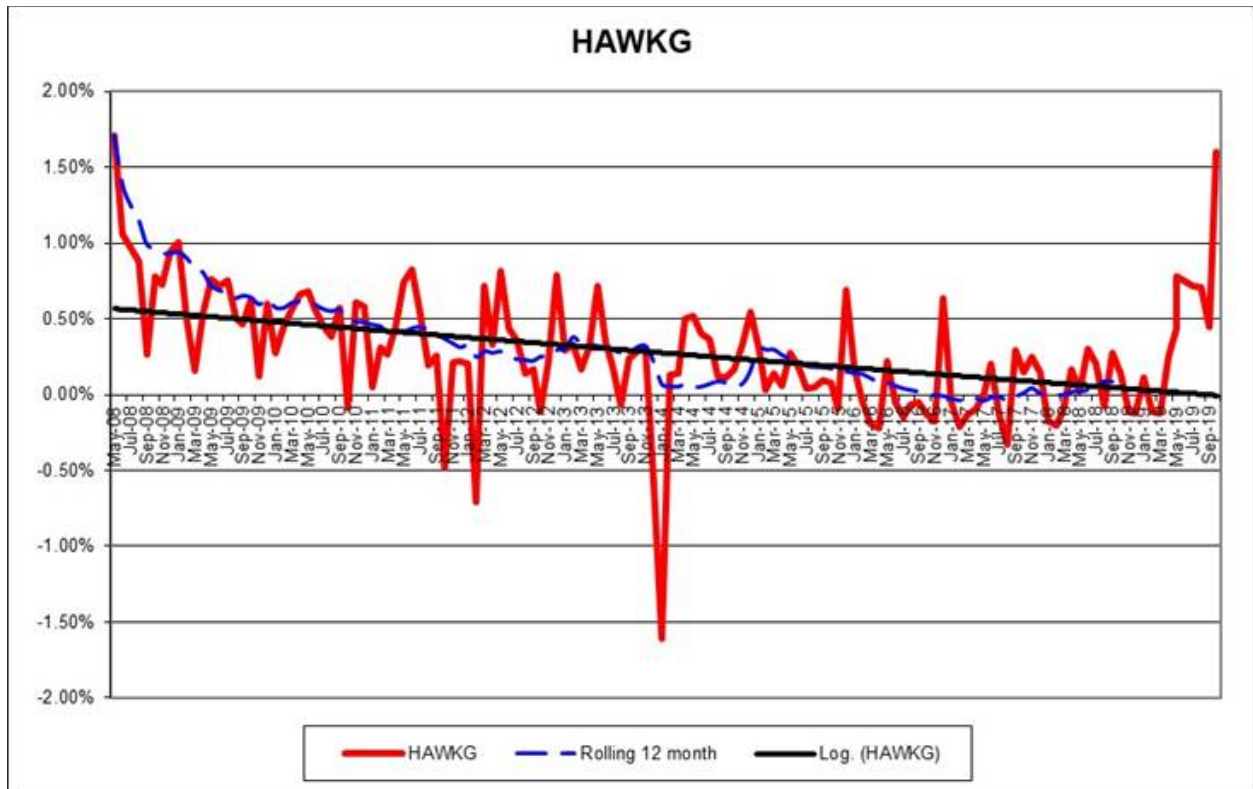
Unison’s provided their documented loss factor processes. These follow the “Guidelines on the calculation and the use of loss factors for reconciliation purposes v2.1”.

Loss factors were revised on 06/09/18, and the following loss codes had their consumption loss factor adjusted effective from 01/04/19:

- CBTPO
- H3H
- H3L
- R3H; and
- R3L.

I confirmed that the updated loss factors were consistent with the revised loss factor calculations.

The Electricity Authority provided the reconciliation losses which indicate losses are tracking within the +/- 1% threshold indicated in the guideline. The Electricity Authority confirmed that by the 14-month wash up, losses were tracking at less than 0.1% (0.1 to -0.05%) since April 2016.



Audit outcome

Compliant

CONCLUSION

The audit found six non-compliances and makes one recommendation.

The controls observed during the audit were generally strong, and improvements have been made since the last audit, which is evident in the reduction of non-compliances from 12 to six.

The main actions from the audit are to:

- ensure NSPs are accurate and that NSP changes are updated to the registry in a timely manner; and
- continue with improvement actions regarding registry population timeliness

The next audit frequency table indicates that the next audit be due in 18 months. I agree with this recommendation.

PARTICIPANT RESPONSE