

**ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTOR AUDIT REPORT**

For

Aurora Energy Limited



Prepared by: Rebecca Elliot

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Date audit report completed: 4 May 2020

Audit report due date: 11-May-20

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EXECUTIVE SUMMARY

This Distributor audit was performed at the request of Aurora Energy 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 remotely during the COVID 19 pandemic over April 22nd-24th, 2020.

The audit was conducted in accordance with the Guideline for Distributor Audits V7.2, which was produced by the Electricity Authority.

Aurora has robust reporting and processes in place. This audit identified two areas of opportunity:

- The audit found 22% of new connections were not updated to “ready” until after electrical connection had occurred, primarily due to two factors:
 - late notification from the contractors (there are a number of approved contractors working on the Aurora network and it appears the paperwork can be slow in being returned), and
 - a period where resources were constrained.
- An address update has inadvertently stripped some address information causing a small number of duplications and an increase in addresses that are not readily locatable.

I thank Jon, Richard and the team for their assistance in the audit.

This audit found eight non-compliances and makes four recommendations. The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below provides some guidance on this matter and contains a future risk rating score of 17, which results in an indicative audit frequency of 12 months. I have considered this in conjunction with Aurora’s comments and agree with this recommendation.

The matters raised are shown in the table below:

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Provision of registry information	3.4	7(2) of Schedule 11.1	Late update to Ready for 497 (22%) of ICPs electrically connected during the audit period.	Moderate	Medium	4	Investigating
Population of IECD	3.5	7(2A) of Schedule 11.1	145 late initial electrical connection date updates.	Moderate	Low	2	Identified
Changes to registry information	4.1	8 Schedule 11.1	Updates to registry backdated greater than 3 business days of the event.	Moderate	Low	2	Identified
NSP accuracy	4.2	7(1)(b) of Schedule 11.1	Four ICPs with incorrect NSPs.	Moderate	Low	2	Identified
ICP location address	4.4	2 of Schedule 11.1	Eight ICPs with duplicate addresses and some addresses no longer readily locatable due to addressing update in GTV.	Moderate	Low	2	Investigating
Registry accuracy	4.6	7(1)(k)&(p) of Schedule 11.1	1 ICP with incorrect IECD. Known unmetered load not recorded. NSP dedication flag incorrect for 2 LE ICPs.	Moderate	Low	2	Identified
Provision of price category codes	4.7	7(3) of Schedule 11.1	22 ICPs with price category codes updated later than 10 business days.	Moderate	Low	2	Investigating
Decommissioned status	4.11	20 of Schedule 11.1	One ICP not updated to decommissioned.	Strong	Low	1	Investigating
Future Risk Rating						17	
Indicative Audit Frequency						12 months	

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	Recommendation	Next action
Electrical connection of a point of connection	3.16	Review the connection process for streetlights to ensure that a trader has accepted responsibility for these prior to electrical connection.	Investigating
Provide ICP information	4.6	Using the audit compliance report, check all ICPs with contractors and inspectors where the trader has a PV1 profile, but Aurora is unaware that solar generation is installed.	Not adopted
		Liaise with trader to confirm the correct unmetered load details for the three ICPs where the loads vary.	Identified
Notification of shared unmetered load	7.1	Investigate the ownership of six lights in Jones Ave, Lake Hayes to determine if these are private or belong to the council	Investigating

ISSUES

Subject	Section	Recommendation	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

I checked the Authority's website to identify any exemptions in place.

Audit commentary

Aurora has no exemptions in place that are relevant to the scope of this audit.

1.2. Structure of Organisation

Aurora provided the organisation charts for the relevant parts of the organisation:

1.3. Persons involved in this audit

Auditor:

Rebecca Elliot

Veritek Limited

Electricity Authority Approved Auditor

Aurora personnel assisting in this audit were:

Name	Title
Evan Dickson	Senior CIW Co-ordinator
Graham Moore	CIW Co-ordinator
Jon Stone	Commercial Development Manager
Richard Starkey	Contract Performance Manager
Simeon Dwyer	Network Billing Analyst

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 fulfillment 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

Aurora subcontracts Delta and independent contractors to conduct field activities. The management and control areas covered by this audit are conducted by Aurora employees. This matter was discussed during the audit to ensure Aurora understands their responsibilities under this clause.

Audit commentary

Aurora has maintained responsibility for all of their obligations during the audit period.

1.5. Supplier list

Aurora engages Delta and other independent contractors to conduct field activities.

1.6. Hardware and Software

Aurora provided the following information detailing hardware and software used in the processes being audited:

- Aurora connection application database for tracking connection applications,
- GTV for ICP creation, line charge billing and source for Registry updates, and
- ARC GIS.

Aurora's backup arrangement processes are documented under Aurora's Quality Management System – ISO9001:2008. All data is backed-up in accordance with standard industry protocols.

1.7. Breaches or Breach Allegations

Aurora has no breach allegations recorded by the Electricity Authority which are relevant to this audit.

1.8. ICP and NSP Data

Aurora has responsibility for balancing areas in the Otago and Central Otago regions, and the Heritage Estate embedded Network at Te Anau.

The table below lists the relevant NSPs and their associated balancing areas.

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
DUNE	CML0331	CROMWELL			CROMWELDUNEG	G	01/05/08	14,147
DUNE	CYD0331	CLYDE			CLYDE00DUNEG	G	01/05/08	7,415
DUNE	FKN0331	FRANKTON			FRANKTODUNEG	G	01/05/08	14,115
DUNE	HWB0331	HALFWAY BUSH			DUNEDINDUNEG	G	01/05/08	34,804
DUNE	SDN0331	SOUTH DUNEDIN			DUNEDINDUNEG	G	01/05/08	20,961
DUNE	HER0111	HERITAGE ESTATE	NMA0331	TPCO	HERITGEDUNEE	E	01/05/08	136

The NSP below was decommissioned during the audit period and the ICPs were transferred to HWB0331 or SDN0331.

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date
DUNE	HWB0332	HALFWAY BUSH			DUNEDINDUNEG	G	01/05/08

There are six embedded networks connected to the Aurora network, shown in the table below. The TENC TQC0011 embedded network was created during the audit period. No embedded networks were decommissioned during the audit period.

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date
AJML	MSC0011	MERIDIAN SHOPPING CENTRE	HWB0331	DUNE	MSC0011AJMLE	E	23/03/2020
LLNW	NLK0111	OUTLET ROAD WANAKA	CML0331	DUNE	NLK0111LLNWE	E	12/07/2017
TENC	TFM0011	FIVE MILE SHOPPING CENTRE	FKN0331	DUNE	TFM0011TENCE	E	8/07/2015
TENC	TJW0011	243-261 Princes Street Dunedin	SDN0331	DUNE	TJW0011TENCE	E	1/04/2018
TENC	TQC0011	Queenstown Central	FKN0331	DUNE	TQC0011TENCE	E	11/06/2018
TRPG	WPG0331	WAIPORI GENERATION	HWB0331	DUNE	WPG0331TRPGE	E	1/05/2008

Aurora provided a list of all ICPs as at March 2020 by way of a registry “list file”. A summary of this data by “ICP status” is as follows.

Status	Number of ICPs 2019	Number of ICPs 2018	Number of ICPs 2017
Distributor (888)	9	-	-
New (999)	385	-	-
Ready (000)	106		-
Active (2,0)	91,578	89,572	88,189
Inactive - new connection in progress (1,12)	154	154	112
Inactive – electrically disconnected vacant property (1,4)	1,095	1,022	1,083
Inactive – electrically disconnected remotely by AMI meter (1,7)	263	190	205
Inactive – electrically disconnected at pole fuse (1,8)	10	7	7
Inactive – electrically disconnected due to meter disconnected (1,9)	5	3	4
Inactive – electrically disconnected at meter box fuse (1,10)	5	1	0
Inactive – electrically disconnected at meter box switch (1,11)	1	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	11	8	15
Inactive – reconciled elsewhere (1,5)	0	-	-
Decommissioned (3)	8,204	7,701	7,382

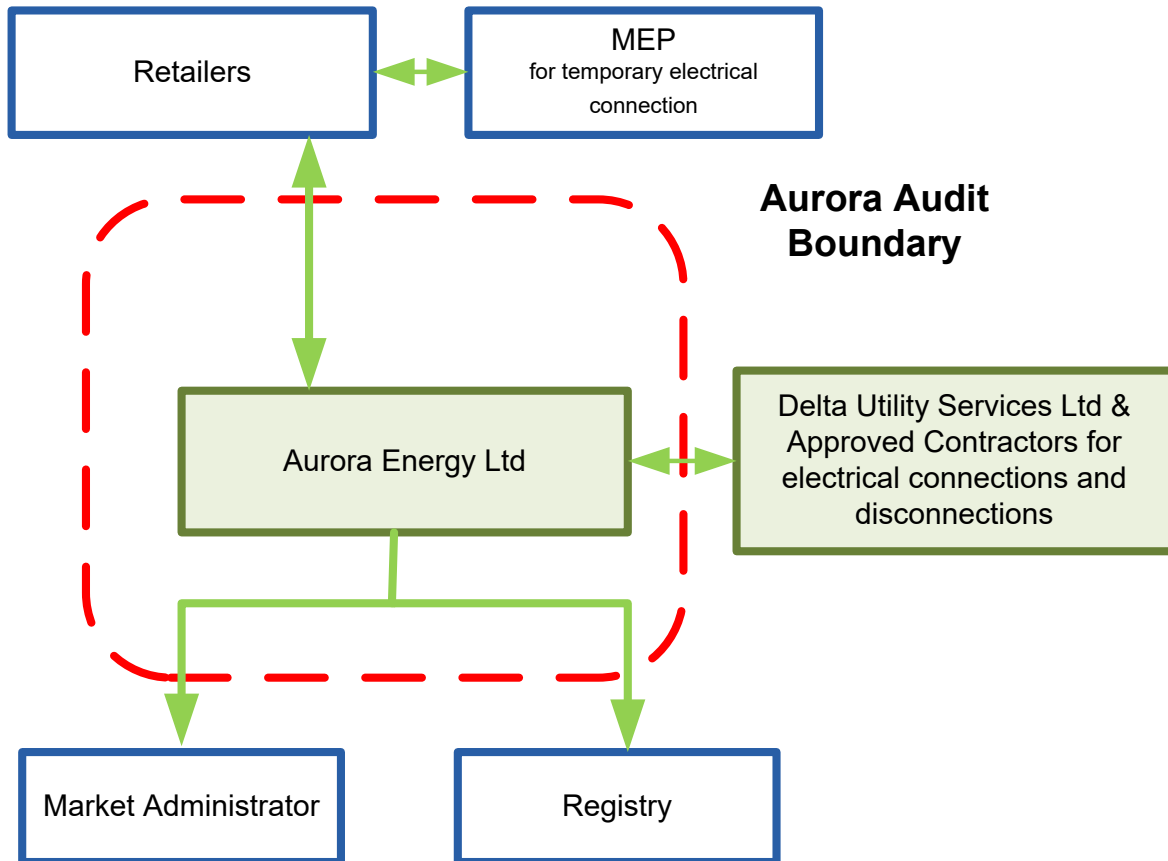
1.9. Authorisation Received

An email authorising the collection of information was provided.

1.10. Scope of Audit

This Distributor audit was performed at the request of Aurora Energy 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 remotely during the COVID 19 pandemic over April 22nd-24th 2020.

The scope of the audit is shown in the diagram below, with the Aurora audit boundary shown for clarity.



All activities covered by this audit are conducted at Aurora's head office in Dunedin.

The audit was conducted in accordance with the Guideline for Distributor Audits V7.2, which was produced by the Electricity Authority.

1.11. Summary of previous audit

Aurora provided a copy of their previous audit, conducted in August 2018 by Steve Woods of Veritek Ltd. The findings of the previous audit are shown in the tables below.

Table of Non-Compliance

Subject	Section	Clause	Non-compliance	Status
Provision of registry information	3.4	7(2) of Schedule 11.1	Late update to Ready for 8 ICPs.	Still existing
Population of IECD	3.5	7(2A) of Schedule 11.1	16 late initial electrical connection date updates.	Still existing
Changes to registry information	4.1	8 Schedule 11.1	Updates to registry backdated greater than 3 business days of the event.	Still existing
NSP accuracy	4.2	7(1)(b) of Schedule 11.1	Two ICPs with incorrect NSPs.	Still existing
Registry accuracy	4.6	7(1)(k)&(p) of Schedule 11.1	18 ICPs with incorrect IECD or status.	Still existing
Provision of price category codes	4.7	7(3) of Schedule 11.1	11 ICPs with price category codes updated later than 10 business days.	Still existing
Decommissioned status	4.11	20 of Schedule 11.1	5 ICPs not updated to decommissioned.	Still existing

Table of Recommendations

Subject	Section	Clause	Recommendation for Improvement	Status
Registry accuracy	4.6	Regarding clause 7(1)(o) of schedule 11.1	Check all ICPs with contractors and inspectors where the trader has a PV1 profile, but Aurora is unaware that solar generation is installed.	Not adopted but is being considered using the audit compliance reporting

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(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 Part 11 is:

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

Audit observation

Aurora's data management processes were examined. The list file as at 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were examined to confirm compliance.

Audit commentary

Aurora has robust discrepancy reporting in place and take all practicable steps to provide complete and accurate information. No information was found to be misleading or deception. Examination of files found three minor discrepancies. These are detailed in **section 4.6**.

Audit outcome

Compliant

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

Code reference

Clause 11.2(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

Aurora's data management processes were examined. The list file as at 9/04/20 and the combined audit compliance reports for the audit period of 1/07/18 to 31/03/20 were examined to confirm compliance.

Audit commentary

Aurora has a comprehensive suite of discrepancy reports in place. These are managed on a daily basis to ensure that information is complete and accurate and is not misleading or deceptive. Any incorrect data is corrected upon discovery. I did not identify any examples where errors were not corrected as soon as practicable.

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** below. A diverse characteristic sample of 20 new connection applications of the 2,850 created were checked from the point of application through to when the ICP was created.

The creation of LE ICPs for the connection of embedded networks to Aurora's network was also examined.

Audit commentary

Aurora creates ICPs as required by clause 1 of schedule 11.1. No examples of points of connection without ICPs were found. The sample checked in **section 3.2** below confirms this.

The TENC TQC0011 embedded network was created during the audit period, and Aurora created the LE network as required by this clause.

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. 20 new connection applications of the 2,850 created during the audit period were checked from the point of application through to when the ICP was created. These were selected using the typical characteristic methodology to confirm the process and controls worked in practice.

Audit commentary

ICP requests are received directly from customers or their agents via the submission of an Aurora Connection Application (ACA). No new connections are requested by traders therefore this clause does not apply. ICPs are created at “New” immediately, whether engineering work is required or not. The ICP number is issued to both the applicant and proposed trader. Traders’ are requested to accept responsibility for the ICP. Some traders do this whilst for others, Aurora are notified by the field contractor who has the work issued by the trader. In this instance Aurora consider this to be the trader’s acceptance. When the electrical connection reports are submitted late this causes the ICP to be updated to “Ready” after it has been electrically connected. This is discussed further in **section 3.4**.

The records for 20 ICPs covering across Aurora’s network (including some with unmetered load and distributed generation installed) were examined and confirmed all were requested by the electrician or customer.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

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

Audit observation

The new connection process for populating all required registry fields was examined. The list file was examined for all ICPs created during the audit period.

Audit commentary

Aurora has a fully automated registry update process to ensure all information listed in this clause is provided to the registry. Aurora data is contained in GTV, which is validated against the registry on a regular basis, error logs are created if any fields are different, and these are then investigated. There were 2,274 electrically connected new connections and all had the required information provided. The timeliness of these updates is detailed in **section 3.4**.

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The new connection process was examined. The registry list for 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were examined to determine the timeliness of the provision of ICP information for new connections.

A diverse characteristics sample of 22 late updates were examined.

Audit commentary

Aurora requires contractors to provide prior notification of their intention to connect and electrically connect an ICP. It is intended that ICP statuses be changed from “New” to “Ready” prior to electrical connection occurring.

The process for updating the registry is automated for all fields, and the update occurs on a nightly basis. 2,850 ICPs were created during the audit period. 2,247 ICPs were electrically connected. The registry was populated later than the first active date for 497 (22%) ICPs. The 497 late updates were reviewed:

Late updates	Within 4 bus days	Within 10 bus days	Within 30 bus days	Within 90 bus days	Within 247 bus days
497	355	459	482	492	497

This is a significant increase since the last audit. The sample checked found:

- 14 x late notification from the contractors, and
- eight were late due to new staff missing critical pricing information causing the ICP to remain at the “New” status.

There has been an increase in the volume of late notifications from the field. Aurora are aware of this and are working with the approved contractors to address this. There were some resource constraints during the audit period, and when new staff were brought in to assist, they were less experienced, and this caused some information to be missed or input incorrectly resulting in late updates. Further training has been provided to address this.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 3.4</p> <p>With: Clause 7(2) of Schedule 11.1</p> <p>From: 02-Jul-18</p> <p>To: 26-Feb-20</p>	<p>Late update to Ready for 497 (22%) of ICPs electrically connected during the audit period.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>		
Audit risk rating	Rationale for audit risk rating		
Medium	<p>The controls are recorded as moderate as Aurora have sufficient reporting in place to identify this, but due to resource constraints and an increase in the number of contractors approved to work on the network, the volume of late updates has increased.</p> <p>The audit impact is assessed to be medium due to the volume of late updates which prevents the trader from making these ICPs active.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
The issue identified relates to the late notification of historic events, so no further action is required.		N/A	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Aurora Energy has a monthly reconciliation process to identify discrepancies between installation statuses in its billing and connection management system and the Registry. However as this is a monthly check, resolving the discrepancies will likely cause a late update to the Registry.</p> <p>Aurora Energy will investigate a change in the New Connection process to streamline ICP creation, where practicable. this may involve creating new ICPs in 'Ready' status when it is evident that no construction work is required, removing the need for contractors to notify when the network is ready to connect to.</p>		31 Dec 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 no later than 10 business days after the date on which the ICP is initially energised.

Audit observation

The new connection process was examined.

The registry list for 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were examined to determine the timeliness of the provision of the initial electrical connection date. A diverse characteristics sample of 20 late updates were examined.

Audit commentary

The livening reports provided by the contractors have the initial electrical connection date recorded on them. This date is entered into Gentrack which then writes this to the registry. The discrepancy reporting in place identifies any potential discrepancies.

There were 2,743 initial electrical connection date updates in the event detail report. The audit compliance report identified 145 (6%) late updates. This is not necessarily an increase in non-compliance but more refined reporting being available in this audit which identifies these correctly. The sample of 20 late updates examined found:

- seven were due to late notification from the field contractors,
- five were identified as part of the BAU monthly discrepancy check which were investigated and updated as soon as possible,
- three were updated late due to data entry errors due to new staff, which is discussed in **section 3.4**, and
- one was due to an unauthorised connection which was an unmetered connection where no inspection was carried out; Aurora are investigating this connection.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: Clause 7(2A) of Schedule 11.1 From: 01-Dec-17 To: 30-Jun-18	145 late initial electrical connection date updates. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate as Aurora have sufficient reporting in place to identify this, but due to resource constraints and an increase in the number of contractors approved to work on the network, the volume of late updates has increased. There is no impact on settlement. The only potential impact is where a trader may wish to compare their Active date to the IECD, so the impact is considered minor, leading to an audit risk rating of low.		
Actions taken to resolve the issue		Completion date	Remedial action status
The issue identified relates to the late notification of historic events, so no further action is required.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora Energy’s Customer Initiated Works team will review the way it gathers information from contractors in the field to ensure accurate information is provided in a timely fashion.		31 Dec 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, and all traders that are responsible for an ICP on the shared unmetered load have been advised.

Audit observation

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

The registry list for 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were examined to determine the timeliness of the provision of ICP information for new connections.

Audit commentary

The new connections process was examined, and the process includes a “trader responsibility” step. All ICPs that were electrically connected had a trader recorded in the registry as having accepted responsibility.

This clause requires that a distributor must not connect an ICP across which unmetered load is shared unless a trader is recorded in the registry as accepting responsibility for the shared unmetered load. Aurora does not allow or intend to allow any new shared unmetered load connections. Review of a registry list confirmed there is no shared unmetered load recorded against any Aurora ICP. There are six potential private lights that have been identified in the Queenstown Lakes District Council DUMML audit. These have been passed to Aurora to see if they are shared unmetered load. This is discussed in **section 7**.

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, or if there is only shared unmetered load at the ICP and each trader has been advised.

Audit observation

The new connection process was examined. The combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 was examined.

Audit commentary

Aurora has a step in the new connections process to ensure a trader accepts responsibility and is recorded in the registry. There are no ICPs without a proposed trader recorded in the registry.

Audit outcome

Compliant

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

Code reference

Clause 10.31A

Code related audit information

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

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

If the ICP is only shared unmetered load, the distributor must advise the traders of the intention to temporarily connect the ICP unless:

- *advising all traders would impose a material cost on the distributor, and*
- *in the distributor's reasonable opinion, the advice would not result in any material benefit to any of the traders*

Audit observation

The new connection process was examined in **section 3.2**. The registry compliance audit report for 1/07/18 to 31/03/20 were examined.

Audit commentary

The new connection process requires that the trader arrange for electrical connection and they in turn have an 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 examined.

Audit commentary

No new embedded NSPs have been created by Aurora 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

No new embedded NSPs have been created by Aurora.

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:

yyyyyyyyyyxxccc where:

- *yyyyyyyyyy 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 market administrator.*

Audit observation

The new connection process was examined and a sample of 20 ICPs were checked.

Audit commentary

ICPs are created in GTV. All ICPs are created in the appropriate format. The sample checked confirmed compliance.

Audit outcome

Compliant

3.12. Loss category (Clause 6 Schedule 11.1)

Code reference

Clause 6 Schedule 11.1

Code related audit information

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

Audit observation

The list file was examined to confirm all active ICPs have a single loss category code.

Audit commentary

Each ICP only has a single loss category, which clearly identifies the relevant loss factor. Each loss category code has a different loss factor for day and night, and summer and winter.

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 registry list for 1/04/20 was examined to determine compliance.

Audit commentary

The new connections process was examined during the audit and it was found that ICPs are created at “New” and the status is expected to be changed to “Ready” before electrical connection occurs or on the same day as electrical connection. The timeliness of these updates is discussed in **section 3.4**.

Examination of the list file found 59 ICPs at the “New” status. There were no ICPs at “New” with initial electrical connection dates populated. The monitoring of ICPs at this 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 calendar 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

I checked the list file for ICPs at “New” or “Ready” for longer than 24 months to confirm that traders had been notified.

Audit commentary

Aurora requests updates for ICPs at “New” and “Ready” on an ongoing basis from the proposed traders and the applicant. Response from traders is variable.

There are 59 ICPs at “New” and 15 at “Ready” that have been there for longer than 24 months. An extreme sample of ten at each status was examined and found all had been emailed on February 7th, 2020. One has since been confirmed as no longer required, Aurora are awaiting replies for the remaining 19 ICPs.

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

This requirement was discussed, and the list file was examined.

Audit commentary

There are no embedded generators with a capacity greater than 10MW that require specific loss category codes. There has been no new embedded generation greater than 10MW created during the audit period. Aurora is aware of this requirement.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(4)

Code related audit information

No participant may electrically connect a point of connection or authorise the electrical connection of a point of connection, other than a reconciliation participant.

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 process to connect streetlights was discussed. All new streetlights are assumed to belong to the local council unless Aurora are advised otherwise. These are added to GIS and then added to the Aurora database, and it is this database that Aurora bills the trader from. I recommend that the process for new streetlight connections is reviewed to ensure that all such connections have a trader accept responsibility, to ensure that lights are being captured in the council database which is used for reconciliation prior to electrical connection.

Recommendation	Description	Audited party comment	Remedial action
Electrical connection of a point of connection	Review the connection process for streetlights to ensure that a trader has accepted responsibility for these prior to electrical connection.	Aurora Energy will review the process for streetlight connections to ensure that traders accept responsibility for these prior to electrical connection.	Investigating

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 3 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 8 business days after the change takes effect.

If the change to the NSP identifier is for more than 10 business days, the notification must be provided no later than the 13th business day and be backdated to the date the change took effect.

In the case of decommissioning an ICP, notification must be given by the later of 3 business days after the registry manager has advised the distributor that the ICP is ready to be decommissioned, or 3 business days after the distributor has decommissioned the ICP.

Audit observation

The management of registry updates was reviewed.

The registry list for 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were examined. A diverse sample of a minimum of ten (or all if there were less than ten examples) backdated events by event type were reviewed to determine the reasons for the late updates.

The management of NSP changes was examined.

Audit commentary

Address events

There were 3,859 address updates that did not relate to the initial population of address data (which is discussed separately in **section 3.4**).

99.65% were made on time with an average time to update the registry of 2.97 days. There were 15 late address updates. The sample checked of these found that all related to corrections. This is recorded as non-compliance below.

Network Events

The network events evaluated excluded those relating to the population of the initial electrical connection dates (discussed in **section 3.5**), NSP changes (discussed below) and the initial network events relating to the creation of ICPs.

The network event compliance report was examined and recorded 833 late network updates. This was reviewed and found:

- 125 late distributed generation updates which are covered by another of the compliance reports and are discussed below so these have been excluded,
- 342 late initial electrical connection updates which are covered by another of the compliance reports discussed in **section 3.5** so these have been excluded,
- 48 NSP changes which are covered by another of the compliance reports and are discussed below so these have been excluded, and
- 303 change of trader events which occur as the ICP is made “ready” and this occurs prior to electrical connection and therefore these have also been excluded.

This leaves 15 genuine late network updates. A diverse sample of five of these were checked and found all related to corrections. As the report included a large number of incorrect events in it, I am unable to determine the compliance percentage but given the small volume of genuine late network events compliance is expected to be high.

Distributed Generation

The distributed generation process is described in **section 4.6**. 58.27% of all distributed generation network updates were made on time with an average time to update the registry of 7.96 days. There were 125 late distributed generation updates. The sample checked found they were all late due to late notification from the field. The late updating of the distributed generation details is recorded as non-compliance.

NSP Changes

There were 3,533 late NSP changes reported. The late updates were reviewed:

Late updates	Within 18 bus days	Within 82 bus days	Within 132 bus days
3,533	1	3,352	3,533

As noted in **section 1.8**, NSP HWB0331 was decommissioned during the audit period. The ICPs from this NSP were transferred to either SDN0331 or HWB0332. Due to an internal miscommunication these were all notified late. The decommissioning of an NSP is a rare occurrence and they were in the same balancing area so had a minor impact on reconciliation. The late updating of the NSP changes is recorded as non-compliance.

Pricing events

All pricing updates are made in GTV. These then write to the registry overnight.

There were 15,638 pricing updates that did not relate to the initial population of pricing data (which is discussed separately in **section 3.4** and **section 4.7**).

97.3% were made on time. This has improved from the level of 89% compliance recorded in the 2018 audit. The 421 late updates were reviewed:

Late updates	Within 10 bus days	Within 20 bus days	Within 30 bus days	Within 90 bus days	Within 365 bus days	Within 1,552 bus days
1,258	333	373	393	412	418	421

A sample of ten updates over 30 business days late were checked. All were backdated to correct pricing because:

- four were notified late,
- three were corrections to pricing,
- two were requested by either the customer or retailer, and
- one was compliant as the change was made prior to the first active date.

As recorded in the last audit, on some occasions, traders will request that price category code changes be backdated to match their tariff requirements or the physical characteristics of the installation, for example an upgrade or downgrade of fuse size. Aurora will sometimes backdate, and in all cases the change is made within three days of the date of notification by the trader. Aurora will continue with the current practice, particularly in situations where a refusal to backdate the change will result in customers being financially disadvantaged, or where the price category must match the on-site configuration.

Decommissioning Status Events

The decommissioning process is discussed in **section 4.11**. The code changed on 1/11/18 in relation to the Distributor updating an ICP to decommissioned. The event detail report was assessed according to the code at the time of the decommissioning occurring:

- there were 408 ICPs decommissioned prior to 1/11/18, 236 (58%) of these were updated late with an average of 31 days after the event to update these, and
- there were 308 ICPs decommissioned after 1/11/18, only 38 (12%) were updated late; 88% were compliant with an average of five business days to update which is a reflection of Aurora's robust management of this process.

The late updating of 274 decommissioning events is recorded as non-compliance below.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.1</p> <p>With: Clause 8 Schedule 11.1</p> <p>From: 02-Jul-18</p> <p>To: 26-Feb-20</p>	<p>Updates to registry backdated greater than 3 business days.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>The controls are rated as moderate. Aurora has robust reporting in place which identifies discrepancies which ensures that discrepancies are identified but some errors still occur.</p> <p>The Audit risk rating is low as the majority of the changes have no impact on reconciliation.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Aurora backdates network pricing events where information that leads to a change in price category or pricing attribute has not been provided, or has not been provided on time by a contractor. It would be disadvantageous to consumers to comply with this requirement in circumstances where Aurora has not applied altered pricing information in error, or where contractors have not provided Aurora information in a timely fashion.</p> <p>Aurora is mindful of this Code requirement and limits any backdating to corrections of pricing information.</p>		No Change	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Aurora is mindful of this Code requirement and limits any backdating to corrections of pricing information.</p> <p>As noted in 3.5, above, Aurora Energy's Customer Initiated Works team will review the way it gathers information from contractors in the field to ensure accurate information is provided in a timely fashion.</p> <p>We will review the circumstances surrounding the NSP change. While this is a rare occurrence, we will consider the lessons learned from the recent change and establish a formal process to manage any future change</p>		31 Dec 2020	

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

Code reference

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

Code related audit information

The distributor must notify the registry of the NSP identifier of the NSP to which the ICP is usually connected under Clause 7(1)(b) of Schedule 11.1.

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 reporting identified 17 active ICPs where 10% or fewer ICPs on a street have a different NSP and there are fewer than three ICPs with a different NSP. All were examined to determine if the correct NSP has been assigned.

Audit commentary

The controls in place to ensure new ICPs have the correct NSP are robust. The GXP determination for the two areas outside of Dunedin are allocated based on geographical location. For ICPs in the Dunedin area the NSP is assigned at the time the ICP is plotted in the GIS. Where the GXP boundaries meet this is determined by the transformer the ICP will be connected to. Validation is in place to ensure NSP accuracy.

The ICPs checked found 13 ICPs were correctly mapped. Four ICPs were found to be assigned to the incorrect GXP. Three of these were connected to the incorrect NSP when they were created suggesting that the transformer wasn't checked. ICP 0000207918DE1E1 was plotted incorrectly in GIS resulting in it being mapped to the incorrect GXP. These are being corrected.

Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 4.2</p> <p>With: Clause 7(1)(b) of Schedule 11.1</p> <p>From: 02-Jul-18</p> <p>To: 26-Feb-20</p>	<p>Four ICPs with incorrect NSPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Moderate</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate as they will mitigate risk most of the time but there is room for errors to occur.</p> <p>The audit risk rating is low as the NSPs in question are in the same balancing area.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Aurora backdates network pricing events where information that leads to a change in price category or pricing attribute has not been provided, or has not been provided on time by a contractor. It would be disadvantageous to consumers to comply with this requirement in circumstances where Aurora has not applied altered pricing information in error, or where contractors have not provided Aurora information in a timely fashion.</p> <p>Aurora is mindful of this Code requirement and limits any backdating to corrections of pricing information.</p> <p>NSP changes and DG updates have been completed.</p>		No Change	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>Aurora is mindful of this Code requirement and limits any backdating to corrections of pricing information.</p> <p>As noted in 3.5, above, Aurora Energy's Customer Initiated Works team will review the way it gathers information from contractors in the field to ensure accurate information is provided in a timely fashion.</p> <p>We will review the circumstances surrounding the NSP change. While this is a rare occurrence, we will consider the lessons learned from the recent change and establish a formal process to manage any future change</p>		31 Dec 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 discussed to confirm policy.

Audit commentary

Requests for ICP identifiers are not a common occurrence, however Aurora provides this information if the requesting party has authorisation.

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 list file as at 9/04/20 and the combined audit compliance report covering the audit period were examined.

A diverse sample of 20 ICPs were checked to determine if they are readily locatable.

Audit commentary

GTV is checked to confirm that there are no existing ICPs with the same address. If the address is not readily locatable the applicant is contacted to get further details. The location is plotted in the GIS system.

The audit compliance report recorded eight active ICPs where the address is duplicated. Four of these were created during the audit period and the other four are historical. These were all examined and found that a recent addressing update to remove all company names from the address fields e.g. McDonalds has inadvertently stripped out valid addressing information. Aurora's own discrepancy reporting had identified these, and they are working to add address details to return them to be readily locatable.

A check of the list file identified 1,039 active ICPs that had no street number and potentially insufficient details to readily locate these ICPs. 835 of these have a lot and DP number recorded. This is not sufficient for a meter reader to locate the property. This is due to the ICP applications only having a lot and DP number and there is no process to update these once the ICP is created unless the retailer requests the address to be updated at a later date. The sample of 20 ICPs checked found:

- eight were locatable, and
- 12 had no street number and only the lot and DP number.

I also examined some further examples in the larger list and found more examples affected by the recent addressing update that has been stripped out addressing details.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.4 With: Clause 2 of Schedule 11.1 From: 02-Jul-18 To: 26-Feb-20	Eight ICPs with duplicate addresses and some addresses no longer readily locatable due to addressing update in GTV. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as robust as they will mitigate risk most of the time. A one-off event has inadvertently affected the addressing information. The audit risk rating is low as this has no direct impact on reconciliation but could affect meter readers ability to get manual reads.		
Actions taken to resolve the issue		Completion date	Remedial action status
The eight ICPs with duplicate addresses have been corrected.		Completed	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora Energy perform a monthly check for duplicate addresses. A large update was made to the freeform fields in the registry in mid-April, prior to this audit being performed between April 22 – 24. The duplicate addresses would have been identified as part of Aurora Energy's routine check at the end of April. We will review whether a change to our process would better manage instances where a customer wishes to connect, but address information has not been issued by Council. An obvious solution would be not to connect any ICP until address information is available; however, this would likely result in poor customer service.		31 Dec 2020	

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

This was examined as part of the new connection process and proof of process was checked as part of the sample of 20 new connections examined.

Audit commentary

For new connections this clause is well understood, and the policy is to allow shared service mains, but individual fusing is required. A section in the “network connection inspection form” requires that fusing information be notified.

Audit outcome

Compliant

4.6. Distributors to Provide ICP Information to the Registry (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:

- *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 for a billing period from metering information collected for that billing period*
 - c) *if there is more than one capacity value at the ICP, and at least one, but not all, of those capacity values can be determined for a billing period from the metering information collected for that billing period-*
 - (i) no capacity value recorded in the registry field for the chargeable capacity; and*
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded*
 - d) *if there is more than one capacity value at the ICP, and none of those capacity values can be determined for a billing period from the metering information collected for that billing period-*
 - (i) the annual capacity value recorded in the registry field for the chargeable capacity; and*
 - (ii) either the term "POA" or all other capacity values, recorded in the registry field in which the distributor installation details are also recorded*
 - e) *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 one NSP located within it, and the ICP will be supplied only from the NSP advised under Clause 7(1)(b) of Schedule 11.1, or the ICP is a point of connection between a network and an embedded network (Clause 7(1)(l) of Schedule 11.1)*
- *if unmetered load, other than distributed unmetered load, is associated with the ICP, the type and capacity in kW of unmetered load (Clause 7(1)(m) of Schedule 11.1)*
- *if shared unmetered load is associated with the ICP, a list of the ICP identifiers of the ICPs that are associated with the unmetered load (Clause 7(1)(n) of Schedule 11.1)*
- *if the ICP is capable of generating into the distributors network (Clause 7(1)(o) of Schedule 11.1):*
 - a) *the nameplate capacity of the generator; and*
 - b) *the fuel type*
 - c) *the initial electrical connection date of the ICP (Clause 7(1)(p) of Schedule 11.1).*

Audit observation

The management of registry information was reviewed. The registry list as at 9/04/20 and the audit compliance report for the audit period from 1/07/18 to 31/03/20 were reviewed to determine compliance. A sample using typical characteristics of data discrepancies were checked.

Audit commentary

Aurora has a fully automated registry update process to ensure all information listed in this clause is provided to the registry. Aurora data is contained in GTV, which is validated against the registry on a regular basis, error logs are created if any fields are different, and these are then investigated.

All ICP information was checked and confirmed compliant unless discussed below:

Initial Electrical Connection Date

2,743 ICPs have had the initial electrical connection date updated between 1/07/18 and 31/03/20. The audit compliance reporting identified 63 ICPs with date inconsistencies between the initial electrical connection date, the active date and the meter certification date. A typical sample of 24 ICPs were checked:

ICP	Meter certification date	Initial Electrical Connection date	First Active date	Comments
0000509542DEABF	UNM	30/10/2019	31/10/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509665CE738	12/11/2019	08/11/2019	12/11/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000508965CE997	UNM	26/04/2019	01/05/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509765CEE3C	23/10/2019	22/10/2019	23/10/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509799CED35	17/10/2019	16/10/2019	17/10/2019	Paperwork sighted and found the incorrect date was entered in this instance.
0000509365CE23D	MEP still to load	19/09/2019	04/10/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509400DE19B	12/08/2019	08/08/2019	12/08/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000508960DEAC3	14/08/2019	10/04/2019	14/08/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000508932DE24E	20/08/2019	16/08/2019	20/08/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509377DE60E	16/08/2019	15/08/2019	16/08/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509284CEDC6	22/06/2019	22/06/2019	26/06/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509296CE7EE	08/06/2019	07/06/2019	08/06/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509297CEBAB	08/06/2019	07/06/2019	08/06/2019	Paperwork sighted and Aurora's electrical connection date confirmed

ICP	Meter certification date	Initial Electrical Connection date	First Active date	Comments
0000509295CEB2E	08/06/2019	07/06/2019	08/06/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000508214CE381	15/05/2019	08/05/2019	15/05/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000508246DE517	22/05/2019	13/05/2019	22/05/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509132CEDF8	14/05/2019	14/05/2019	16/05/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509066DE3E5	14/04/2019	17/04/2019	14/05/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509042DEFBA	07/05/2019	06/05/2019	07/05/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000509043DE3FF	03/03/2020	16/04/2019	17/04/2019	Paperwork sighted and Aurora's electrical connection date confirmed
0000508076CE6F3	11/10/2018	11/11/2018	11/11/2018	Paperwork sighted and Aurora's electrical connection date confirmed
0000507329DE55D	21/11/2018	23/11/2018	23/11/2018	Paperwork sighted and Aurora's electrical connection date confirmed

Aurora require livening paperwork to be returned to them by the contractors and the initial electrical connection date is taken from this. All were correct except for ICP 0000509799CED35 which was loaded with the incorrect date. Overall, the level of accuracy is very high. The one incorrect initial electrical connection date is recorded as non-compliance below.

The audit compliance report identified 30 active ICPs with no initial electrical connection date recorded. A typical sample of 20 of these were examined and found:

- no livening report has been received for 15 ICPs, and
- five were incorrectly recorded on the report and all were electrically connected prior to the code requirement coming into effect.

Two ICPs were identified in the audit compliance reporting as at the "Ready" status with an initial electrical connection date recorded. These were examined and found that they are electrically connected. ICP 0000510020DE48E has since been made active. ICP 0000508434CE8D2 is still to be made active by the trader.

Distributed Generation

The distributed generation process was examined. Aurora has an application process which requires a form to be submitted by the owner. Aurora reviews the application and approval is issued. An inspection must be completed, and copies of all documentation be provided to Aurora prior to connection. Aurora monitors the EIEP1 file for generation where it is not expected. Any found are investigated.

Examination of the list file found 768 ICPs with generation capacity recorded. All had an installation type of “B” and the fuel type and generation capacity recorded.

I checked the distributed generation information populated on the registry against the paperwork provided for a sample of ten ICPs and found that information aligned in all instances.

The audit compliance report identified 38 active ICPs where the trader’s profile indicates distributed generation is present and Aurora have none recorded. The sample of ten ICPs were checked and found:

- five ICPs where no application has been received and no generation has been detected on the EIEP1 report, but the meter has an injection channel.
- four ICPs where an application has been received and generation has been detected on the EIEP1 file, but Aurora have not received an inspection report; these will either be inspected and updated on the registry or be disconnected, and
- ICP 0000000905DE8AF is being updated as this has since been inspected as part of BAU.

I recommend that the audit compliance report is checked to identify possible distributed generation where Aurora has either not received an application or livening report in addition to the checking of the EIEP1 to ensure all possible installations of distributed generation are identified and investigated.

Recommendation	Description	Audited party comment	Remedial action
Provide ICP information	Using the audit compliance report, check all ICPs with contractors and inspectors where the trader has a PV1 profile, but Aurora is unaware that solar generation is installed.	Aurora Energy follow up with traders whenever there is actual distributed generation reported against ICPs where we have not received an inspection report.	Not adopted

Unmetered Load

The ACA form requires all unmetered load to be detailed on it.

Review of the registry list confirmed that there was no shared unmetered load. There has been a small number of private streetlights identified in a DUML audit to be investigated. This is detailed in **section 7**. ICP 0000508659CE27E is an unmetered CCTV camera electrically connected 17/01/19. The electrician did not supply the details in the application and no livening report was received to confirm the load therefore Aurora have no unmetered load details recorded. The unmetered load is expected to be “known” for all new connections. This is recorded as non-compliance below.

I checked that the unmetered load values matched for the 141 active ICPs where both the Aurora and the trader have values recorded and found all matched with the exception of four ICPs. These were checked and found that three were based on the applications details and one where the trader has the incorrect load details. I recommend that the trader is contacted to confirm the three unmetered loads with a variance found.

Recommendation	Description	Audited party comment	Remedial action
Provide ICP information	Liaise with trader to confirm the correct unmetered load details for the three ICPs where the loads vary.	Aurora Energy will check with trader to confirm the correct unmetered load details for the three ICPs where the loads vary.	Identified

Dedicated vs non-dedicated

The application of dedicated vs non-dedicated flag was examined. This was examined and found to be correct in relation to the balancing areas for the GN reconciled ICPs.

The LE ICPs were examined and found two of the LE ICPs had the flag incorrectly set to “N”. These have been corrected. This is recorded as non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.6 With: Clause 7(1)(k)&(p) of Schedule 11.1 From: 02-Jul-18 To: 26-Feb-20	1 ICP with incorrect IECD. Known unmetered load not recorded. NSP dedication flag incorrect for 2 LE ICPs. Potential impact: Low Actual impact: Low Audit history: Three times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as moderate. There is reporting in place to identify discrepancies but there is room for improvement. The audit risk rating is low as the errors found have a minor effect on reconciliation.		
Actions taken to resolve the issue		Completion date	Remedial action status
The ICP with incorrect IECD was identified during the audit and has been corrected, as has the known UML not recorded and NSP incorrect dedication flag for the two LE ICPs.		Completed	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Aurora will review the monthly reconciliation process to ensure that ICPs without IEDs and an Active status, and ICPs with inconsistent statuses between Aurora’s billing and connection management system are identified and resolved.		31 Dec 2020	

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 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 registry list for 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were reviewed to determine compliance.

Audit commentary

The price code is added to all ICPs as they move from the “new” status to “ready” status.

There were 22 ICPs with changes backdated more than 10 business days. These were investigated and found:

- 14 were due to late notification from contractors, and
- eight were due to new staff missing critical pricing information, as discussed in **section 3.4**. further training has since been provided to prevent this occurring in the future.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.7 With: Clause 7(3) of Schedule 11.1 From: 01-Jul-18 To: 31-Mar-20	22 ICPs with price category codes updated later than 10 business days. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are recorded as moderate as Aurora have sufficient reporting in place to identify this but due to resource constraints and an increase in the number of contractors approved to work on the network, the volume of late updates has increased. The audit risk rating is low as the number of late pricing updates is small compared to the overall number of new connections.		
Actions taken to resolve the issue		Completion date	Remedial action status
The issue identified relates to the late notification of historic events, so no further action is required.		N/A	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
This finding is a flow-on effect of the issues highlighted in section 3.4. As stated in our response to section 3.4. Aurora Energy will investigate a change in the New Connection process to streamline ICP creation, where practicable. this may involve creating new ICPs in 'Ready' status when it is evident that no construction work is required, removing the need for contractors to notify when the network is ready to connect to.		31 Dec 2020	

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 co-ordinates (optional), it must meet the NZTM2000 standard in a format specified by the Authority.

Audit observation

I checked the list file for ICPs with GPS co-ordinates recorded.

Audit commentary

GPS co-ordinates are not recorded.

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 registry list for 9/04/20 and the combined registry compliance audit reports covering the period from 1/07/18 to 31/03/20 were examined.

All ICPs at “ready” status had a single price category assigned and proposed trader identified.

Audit commentary

The status of “ready” is used once the ICP is ready for connection. The new connection process has a step to confirm the trader has taken responsibility. All ICPs only have one price category code.

The registry list showed 106 ICPs currently at “ready” status, 16 have been at “ready” status for more than two years. This is discussed further in **section 3.14**.

As discussed in **section 4.6**, two ICPs were identified in the audit compliance reporting as at the “ready” status with an initial electrical connection date recorded. These were examined and found they have been electrically connected and therefore it is the trader’s responsibility to make the ICP active.

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

I checked the list file to confirm compliance.

Audit commentary

The list file contained nine embedded network (LE) ICPs. I checked these against the NSP mapping table and confirmed the details are recorded correctly on the registry.

There is some potential shared unmetered load to be investigated. This is detailed in **section 7**. If this is confirmed to be present, then Aurora will need to create a distributor ICP to account for this.

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

I examined the physical process for decommissioning ICPs along with the timeliness and accuracy of registry updates.

Audit commentary

ICP decommissioning processes are well documented. Requests are made either directly to approved contractors or to dispatch. Notification is then made to the relevant retailer. Aurora monitors ICPs that have been physically decommissioned to ensure the retailer changes the status to “ready for decommissioning” so that Aurora can change the status to “decommissioned”. There are often delays in the Trader updating their status and this can lead to physically decommissioned ICPs being on the registry as “Active” or “disconnected – vacant” because Aurora is unable to decommission until the Trader has updated their status.

There were 11 ICPs with a status of “ready for decommissioning” during the audit. Aurora is awaiting the paperwork back for ten of these to confirm the ICP has been decommissioned. ICP 0000002766DEED4 was decommissioned but not updated on the registry due to human error. This is recorded as non-compliance.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.11 With: Clause 20 of Schedule 11.1 From: 28-May-19 To: 26-Feb-20	One ICP not updated to decommissioned. 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	Controls are rated as strong. Aurora have robust reporting in place to ensure risk are mitigated. The audit risk is rated as low as this has no impact on settlement		
Actions taken to resolve the issue		Completion date	Remedial action status
The one incorrect ICP was corrected following this audit.		N/A	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
As stated in the audit report <i>“Controls are rated as strong. Aurora have robust reporting in place to ensure risk are mitigated”</i> ; however we will review our processes to determine whether additional detective controls can be implemented		31 Dec 2020	

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

I checked the price category code table for any new or changed codes during the audit period.

Audit commentary

There were no changes during the audit period. Aurora understands the requirement to provide notification of new price category codes.

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

I checked the loss category code table for any new codes during the audit period.

Audit commentary

There were no additional codes 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 on the registry, the distributor must enter the replaced loss factor on the table in the registry.

Audit observation

I checked the loss category code table for any changed factors during the audit period.

Audit commentary

Each ICP only has a single loss category, which clearly identifies the relevant loss factor. Each loss category code has a different loss factor for day and night, and summer and winter. There were many loss factor changes during the audit period. The notification date was January 2020 for start dates of 1st April and 1st October 2020, which achieves compliance with the requirement to provide two months' notice.

Changes to Aurora's loss factors are always effective on the first of any month and all trading periods only have one loss factor.

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 notify 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 notify 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 notify 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:

- *notify the reconciliation manager*
- *notify the market administrator*
- *notify each affected reconciliation participant*
- *comply with Schedule 11.2.*

Audit observation

The NSP table on the registry was examined.

Audit commentary

No NSPs were created or decommissioned that were an interconnection point between two local networks.

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 1 calendar month before the NSP is electrically connected or the ICP is transferred.

Audit observation

The NSP table on the registry was examined.

Audit commentary

No NSPs were created 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 notify 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 on the registry was examined.

Audit commentary

No new balancing areas were created 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 notify the reconciliation manager at least one calendar 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 on the registry was examined.

Audit commentary

Aurora have not created any embedded networks.

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

No balancing areas were changed during the audit period.

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 notify any trader trading at the ICP of the transfer at least one calendar 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 notify the market administrator in the prescribed form, no later than three business days before the transfer takes effect.

Audit observation

The NSP table was reviewed.

Audit commentary

Aurora has not acquired any networks.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1)&(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)).*

Audit observation

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

Audit commentary

Aurora is responsible for the metering installation at the point of connection between Heritage Estate and The Power Company.

Distributor	NSP POC	Network Type	Description	MEP	Certification Expiry
DUNE	HER0111	EN	HERITAGE ESTATE	AMCI	14-04-20

This meter has not been recertified during the audit period. I note that the meter certification will expire on 14/04/20. Due to the current COVID-19 pandemic Aurora have been unable to get this recertified. The Electricity Authority have provided direction in relation to this and Aurora intend to act on this as soon as the current crisis has passed.

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 table on the registry was examined.

Audit commentary

No NSPs were created 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 notify:

- *the previous network owner (Clause 29(1)(a) of Schedule 11.1)*
- *the reconciliation manager (Clause 29(1)(b) of Schedule 11.1)*
- *the market administrator (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 calendar month notification is required before the acquisition (Clause 29(2) of Schedule 11.1).

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Aurora has not acquired any networks during the audit period.

Audit outcome

Compliant

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

The NSP supply point table was examined.

Audit commentary

The MEP has not changed for Heritage Estate.

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 market administrator confirmation that it has received written consent to the proposed transfer from:

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

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

Audit observation

The NSP table on the registry was examined.

Audit commentary

Aurora has not acquired any networks 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 table on the registry was examined.

Audit commentary

Aurora has not acquired any networks 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 notify the registry 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 notify the registry 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

Aurora does not have any shared unmetered load. The streetlight audit reports carried out in the Aurora network area were checked for any potential shared unmetered load.

Audit commentary

The recent QLDC streetlight report found six lights in Jones Ave, Lake Hayes that the council have advised are private and therefore not their responsibility. I have passed these to Aurora to investigate and recommend that they check who requested their lighting and who is therefore responsible.

Recommendation	Description	Audited party comment	Remedial action
Notification of shared unmetered load	Investigate the ownership of six lights in Jones Ave, Lake Hayes to determine if these are private or belong to the council.	Aurora Energy will investigate the ownership of the six lights identified in Jones Ave, Lake Hayes.	Investigating

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 notify all traders affected by that change or decommissioning as soon as practicable after the change or decommissioning.

Audit observation

Aurora does not have any shared unmetered load.

Audit commentary

Aurora does not have any shared unmetered load.

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.

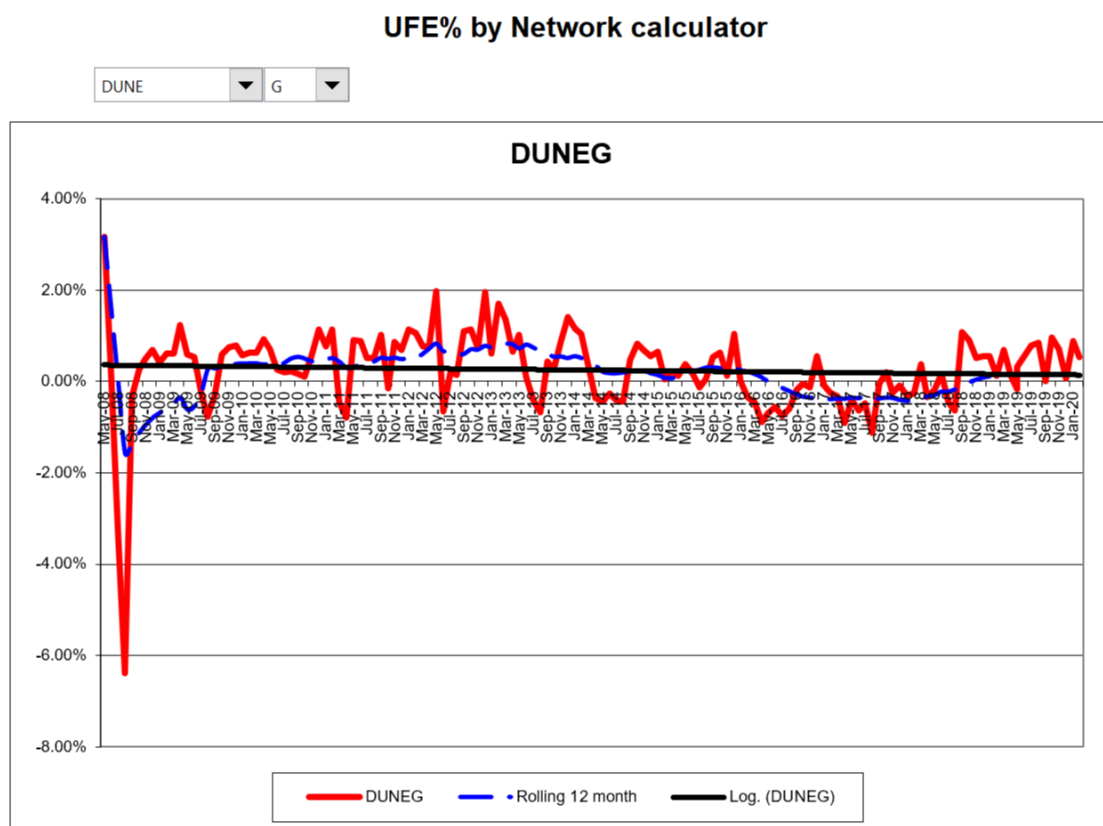
Audit observation

Aurora publishes reconciliation losses, which include technical losses and non-technical losses. I reviewed the process and supporting documentation in relation to the calculation of loss factors.

Audit commentary

There are different loss factors for summer/winter and day/night. These are revised annually based on historic data over several years. The process achieves compliance with clause 11.2.

The table below shows that UFE is within the +/-1%.



Audit outcome

Compliant

CONCLUSION

Aurora has robust reporting and processes in place. This audit identified two areas of opportunity:

- The audit found 22% of new connections were not updated to “ready” until after electrical connection had occurred, primarily due to two factors:
 - late notification from the contractors (there are a number of approved contractors working on the Aurora network and it appears the paperwork can be slow in being returned), and
 - a period where resources were constrained.
- An address update has inadvertently stripped some address information causing a small number of duplications and an increase in addresses that are not readily locatable.

I thank Jon, Richard and the team for their assistance in the audit.

This audit found eight non-compliances and makes four recommendations. The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below provides some guidance on this matter and contains a future risk rating score of 17, which results in an indicative audit frequency of 12 months. I have considered this in conjunction with Aurora’s comments and agree with this recommendation.

PARTICIPANT RESPONSE

Aurora Energy acknowledge the areas of non-compliance identified in the audit report. In response to each non-compliance raised, we have stated the method (whether it be a change in process or a reminder to staff of the correct process) by which these non-compliances will be mitigated in the future.

Over the next year, we will review how information is supplied by contractors in the field and review the contractual obligations to ensure that we receive accurate and timely information. This audit report highlights instances where information from the field has either not been provided, or has been provided incorrectly. This causes issues around a lack of notification of information to the registry, or late notifications. Whilst it is not realistic to expect that information reported to us will be completely error-free, we are concerned about the amount of incorrect information currently being supplied to us.