

ELECTRICITY INDUSTRY PARTICIPATION CODE DISTRIBUTOR AUDIT REPORT

For

Marlborough Lines Ltd

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EXECUTIVE SUMMARY

This distributor audit was performed at the request of Marlborough Lines Ltd (MARL) as required by clause 11.10 of Part 11, to assure compliance with the Electricity Industry Participation Code 2010. The relevant rules audited are as required by the Guidelines for Distributor Audits V7.0 issued by the Electricity Authority.

This audit found the Marlborough Lines management of compliance obligations to the Electricity Industry Participation Code 2010 (code) to be diligent and well organised. This is evident by the relatively low number of discrepancies identified. The systems and processes in place are robust, and efficiently delivered. Data entry is largely manual and errors are inevitable however effective exception and error checking appears to have mitigated this. Recommendations and suggestions from previous audits have been accepted and implemented, for example the recommendation from last audit to increase the Gentrack – Registry data comparison to twice weekly. It was noted that discrepancies were remediated quickly once identified. The main issue identified during this audit was:

- Late job completion information from field contractors impacting on Registry update requirements.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Distributor audit provides some guidance on this matter. The Future Risk Rating score is 7 which results in an indicative audit frequency of 18 months. We agree with the result.

We thank Marlborough Lines staff for their full and complete cooperation in this audit.

Audit period was 01/09/19 to 31/08/20

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Requirement to provide complete and accurate information	2.1	Clause 11.2(1) and 10.6(1)	Registry information missing for a relatively small number of ICPs	Strong	Low	1	Identified
Timeliness of Provision of Initial Electrical Connection Date	3.5	Clause 7(2A) of Schedule 11.1	(1.7%) had IECD populated in the registry later than 10 days	Strong	Low	1	Identified
Changes to registry information	4.1	Clause 8 Schedule 11.1	Registry information not updated within 3 business days from the event date	Moderate	Low	2	Identified
Distributors to Provide ICP Information to the Registry	4.6	Clause 7(1) Schedule 11.1	The registry contains incorrect information for a number of ICPs with respect to IECD & D.G.	Strong	Low	1	Identified
Maintenance of price category codes	4.12	Clause 23 Schedule 11.1	New price category codes were entered into the registry tables 3 days less than the 2 months required by the code.	Moderate	Low	2	Identified
Future Risk Rating						7	
Future risk rating	1-2	3-6	7-9	10-19	20-24	25+	
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months	

1.3. Persons involved in this audit

Name	Title	Company
Scott Wilkinson	Commercial Manager (Primary Contact)	Marlborough Lines Ltd
Jenny Griffiths	Commercial and Revenue Analyst	Marlborough Lines Ltd
Peter Carter	Network Electrical Inspector	Marlborough Lines Ltd
Allan Borcoski	Electricity Authority Approved Auditor	Borcoski Energy Services Ltd

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 contractors 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

Discussed with Marlborough Lines Staff who state Marlborough Lines does not use agents for any of the functions covered by this audit.

Audit commentary

During the audit, we did not identify any contractors which assist Marlborough Lines to meet their obligations. All functions covered in this audit are performed in-house by Marlborough Lines Staff.

1.5. Supplier list

Gentrack Group Limited supports Gentrack, the system used by Marlborough Lines to create ICPs, store ICP related information and interface with the Registry.

1.6. Hardware and Software

Gentrack, is the core information system used by Marlborough Lines to create ICPs, store ICP related information and interface with the Registry.

1.7. Breaches or Breach Allegations

Marlborough Lines Staff state no breaches or alleged breaches were recorded in the period covered by this audit. A check of the electricity Authority confirms this.

1.8. ICP and NSP Data

Distributor	NSP POC	Description	Parent POC	Parent Network	Balancing Area	Network type	Start date	No of ICPs
MARL	BLN0331	Blenheim			BLN0331MARLG	G	1/05/08	26412

Status	Number of ICPs (3/09/20)	Number of ICPs (2019)	Number of ICPs (2017)
New (999,0)	0	0	0
Ready (0,0)	0	1	3
Active (2,0)	26,037	25,724	25,324
Distributor (888,0)	3	3	3
Inactive – new connection in progress (1,12)	15	11	12
Inactive – electrically disconnected vacant property (1,4)	311	282	302
324Inactive – electrically disconnected remotely by AML meter (1,7)	36	27	27
Inactive – electrically disconnected at pole fuse (1,8)	9	5	8
Inactive – electrically disconnected due to meter disconnected (1,9)	0	0	1
Inactive – electrically disconnected at meter box fuse (1,10)	1	0	0
Inactive – electrically disconnected at meter box switch (1,11)	0	0	0
Inactive – electrically disconnected ready for decommissioning (1,6)	6	0	3
Inactive – reconciled elsewhere (1,5)	0	0	0
Decommissioned (3)	2,515	2,402	2,277

1.9. Authorisation Received

Marlborough Lines provided a letter of authorisation to the auditors permitting the collection of data from other parties for matters directly related to the audit

1.10. Scope of Audit

This audit was performed at the request of Marlborough Lines, as required by clause 11.10 of Part 11, to

assure compliance with the Electricity Industry Participation Code 2010.

The audit covers the following processes under clause 16A.23 of Part 16A performed by Marlborough

Lines

(a) -The creation of ICP identifiers for ICPs

(b) -The provision of ICP information to the registry and the maintenance of that information

(c) - The creation and maintenance of loss factors

The audit was carried out on the Marlborough Lines premises at 1 Alfred Street in Blenheim, on the 16/17 September 2020. We have followed the audit guidelines as published by the Authority as at the report date in the nature of this audit, in the areas that they reasonably apply under the scope of a distributor's activities.

1.11. Summary of previous audit

Subject	Section	Clause	Non Compliance	Comment
Requirements to correct errors	2.2	Clause 11.2(2) and 10.6(2)	Missing data is corrected but in a few cases is identified late, it results in backdating transactions in the registry	Cleared
Timeliness of Provision of Initial Electrical Connection Date	3.5	7(2a) of Schedule 11.1	9 ICPs (1.9%) electrically connected since the last audit had Initial Electrical Connection Date populated later than 10 business days	Still exists
Changes to registry information	4.1	Clause 8 Schedule 11.1	late pricing updates for a small percentage of ICPs (4.2%) and network updates (27.6%)	Still exists
ICP location address	4.4	2 of Schedule 11.1	Ten ICPs had duplicate addresses that did not allow them to be readily located	Cleared
Distributor to provide ICP information to the registry manager	4.6	7(1) of Schedule 11.1	A very small number of ICPs had information missing in the registry	Still exists
Updating loss factors	5.2	22(5) of Schedule 11.1	Late update of two loss factors	Cleared

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 11.2(1) and 10.6(1)

Code related audit information

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

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

Audit observation

The Audit Compliance Reports for the audit period, the LIS, PR255 and EDA files 03 September 2020 were checked. It was discussed with Marlborough Lines Staff what processes and all practicable steps were in place to ensure correct information is in their systems and provided to the registry.

Audit commentary

Section	Registry Discrepancy
3.5	IECD Input to Registry later than 10 business days <ul style="list-style-type: none">5 x ICPs
4.1	Registry information not updated within 3 business days <ul style="list-style-type: none">Address 6.4%Network 29.2%Pricing 99.9%
4.6	Distributors to Provide ICP Information to the Registry manager No IECD in Registry But Active <ul style="list-style-type: none">1 x ICPs Incorrect IECD in Registry <ul style="list-style-type: none">16 x ICPs Distributed Generation Incorrect Installation Type <ul style="list-style-type: none">2x ICPs Distributed Generation no Capacity in registry <ul style="list-style-type: none">2 x ICPs Distributed Generation no Fuel type in registry <ul style="list-style-type: none">2 x ICPs

A significant challenge observed appears to be obtaining information from field contractors particularly external contractors. Distributed Generation installation information appears to be very slow getting back to Marlborough Lines.

Audit outcome

Non-compliant

NON-COMPLIANCE

Non-compliance	Description		
Audit Ref: 2.1 With: <i>Clause 11.2(1) and 10.6(1)</i> From: 01-Sep-19 To: 31-Aug-20	Registry information missing for a relatively small number of distributed generation ICPs and IECD. Updates to registry late for IECD, pricing, address and network information. Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls recorded as strong because exception reporting is demonstrated as being effective by relatively low number of errors. The audit Risk Rating is assigned as low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
MLL will continue to request the provision of accurate and timely data from field contractors so that relevant information can be updated appropriately. MLL will continue to run reports comparing data held in its ICP management system against Registry data to identify discrepancies and take action accordingly.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As above		Ongoing	

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

Code reference

Clause 11.2(2) and 10.6(2)

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports for the audit period, the LIS and EDA files 03 September 2020 were checked. It was discussed with Marlborough Lines Staff what processes were in place to identify incorrect information in their systems and the registry, and the process to correct that data as soon as practicable.

Audit commentary

Marlborough Lines have developed a range of exception monitoring processes to monitor data quality. For example checking for IECD data from the field and uploading it as soon as it is available, and a comparison report to check for any mis-match of information between Gentrack and the Registry. These reports are run twice weekly as suggested at last audit. Where information is missing or appears incorrect Marlborough Lines Staff are diligent in investigating the issue and resolving it quickly, this is evident in the relatively low number of historical errors found.

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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked.

Audit commentary

Customers or their agent (such as electrician or builder) apply to Marlborough Lines for a new ICP connection using a Network Connection Application form. New connection applications are assessed to ensure the proposed connection meets Marlborough Lines requirements, a suitable network connection point and capacity is available. If work is required to enable the new ICP connection the customer will be referred to an approved network contractor for a quote for the work to be done. Once the customer has accepted any quotes for works to be completed and Network contribution fees paid the network application will be approved. The new ICP will be created in Gentrack and the ICP will be sent to the customer and an email sent to the customer nominated Retailer for acceptance and request to liven. When the Retailer accepts the ICP (and requests livening) by return email, the ICP information will be uploaded into the Registry in the READY status.

The process is well documented and appears to be followed as no discrepancies were identified when examining the new ICP connection sample .

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 3 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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff.

Audit commentary

Customers or their agents apply directly to Marlborough Lines for a new ICP connection to the network. Participants do not apply for or request ICPs on the Marlborough Lines network. Marlborough Lines Staff are aware of this code requirement.

Audit outcome

Compliant

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

Code reference

Clause 11.7

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked.

Audit commentary

Once a new ICP connection application has been approved the new ICP will be created in Gentrack and the ICP will be sent to the customer and an email sent to the customer nominated Retailer for acceptance and request to live. When the Retailer accepts the ICP (and requests liveness) by return email. The ICP information will be uploaded into the Registry in an overnight file transfer. The ICP will be assigned the READY status in the registry.

The process is well documented and appears to be followed as no discrepancies were identified when examining the new ICP connection sample .

Audit outcome

Compliant

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

Code reference

Clause 7(2) of Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

Random sample Checks

ICP	ICP Created in Registry as Ready	Retailer acceptance and request to connect	IECD	IECD Input to Registry
0001116082MLCAA	22/11/19	22/11/2019	28/11/19	29/11/19
0001123685ML16A	02/09/19	02/09/19	06/09/19	06/09/19
0008810294ML43D	06/12/19	06/12/19	13/12/19	13/12/19
0001123716MLB49	25/03/20	25/03/20	30/04/20	01/05/20
0001123727ML0F4	29/06/20	29/06/20	16/07/20	17/07/20
0001139111ML624	30/09/19	30/09/19	08/01/20	14/01/20
0001177825MLA8A	09/03/20	09/03/20	12/03/20	12/03/20
0002271664ML0DE	05/02/20	05/02/20	14/02/20	17/02/20
0005505352ML3BE	27/09/19	27/09/19	25/10/19	30/10/19
0005506288ML789	03/08/19	03/08/19	13/08/20	13/08/20
0005515308ML1C6	15/06/20	15/06/20	22/06/20	23/06/20
0006619463ML31F	22/05/20	22/05/20	29/05/20	29/05/20

Marlborough Lines hold a complete set of ICP information from the original network connection application through to the initial electrical connection record. The ICP creation information required for Registry population is held in Gentrack and uploaded to the Registry when the Retailer accepts the ICP (including request to initially live). The Marlborough Lines records checked matched the Registry, demonstrated retailer acceptance (and request to live) prior to ICPs being uploaded to the Registry and prior to INITIAL ELECTRICAL CONNECTION DATE (IECD).

Audit outcome

Compliant

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

Code reference

Clause 7(2A) of Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked.

Audit commentary

ICPs Connected During Audit Period	IECD Input to Registry later than 10 business days	Comment
296	<ul style="list-style-type: none">• 5 x (1.7%)• 2 x data corrections• 1 x Registry update failure	<ul style="list-style-type: none">• Range 11 - 30 days<ul style="list-style-type: none">• Delay in receiving external contractor paperwork• Range 14 - 31 days<ul style="list-style-type: none">• IECD incorrect from field• 22 days<ul style="list-style-type: none">• Corrected manually once identified

The random sample of new ICP connections did not find any discrepancies though the Audit Compliance Summary report discovered eight discrepancies. This was a slightly improved level of compliance as found in the last audit taking into account that two were corrections of wrong IECD provided from the field and one was a Registry update failure that required re-loading via the web browser. Late information from the field is still the key reason for late updates.

Audit outcome

Non-compliant

NON-COMPLIANCE

Non-compliance	Description		
Audit Ref: 3.5 With: <i>Clause 7(2) of Schedule 11.1</i> From: 01-Sep-19 To: 31-Aug-20	5 ICPs (1.7%) connected during the audit period had Initial Electrical Connection dates populated in the registry later than 10 days due to late paperwork return. Potential impact: Low Actual impact: Low Audit history: Three or more times previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls recorded as strong because exception reporting is demonstrated as being effective. The audit Risk Rating is assigned as low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
MLL continues to run the daily report to compare differences in connections from the previous day. This allows MLL to see which ICPs have been connected overnight and where we may need to follow up to obtain the relevant paperwork. MLL adds comments to the Gentrack connection that the report has picked up that the connection has been connected and that no paperwork has been provided. MLL periodically requests that external contractors submit new electrical connections paperwork in a timely manner.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As above		Ongoing	

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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

Once a new ICP connection application has been approved the new ICP will be created in Gentrack and the ICP will be sent to the customer and an email sent to the customer nominated Retailer for acceptance and request to liven. When the Retailer accepts the ICP (and requests livening) by return email. The ICP information will be uploaded into the Registry in an overnight file transfer. The ICP will be assigned the READY status in the registry.

A check of the sample new ICP connection records matched the Registry, demonstrated retailer acceptance and request to liven prior to ICPs being uploaded to the Registry and prior to IECD, the process was shown to be compliant.

Marlborough Lines does not accept new shared unmetered load.

Audit outcome

Compliant

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

Code reference

Clause 10.31

Code related audit information

A distributor must not connect an ICP that is not an NSP unless requested to do so by the trader trading at the ICP, or if there is only shared unmetered load at the ICP and each trader has been advised.

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

A check of the sample new ICP connection records matched the Registry, demonstrated retailer acceptance and request to liven prior to ICPs being uploaded to the Registry and prior to IECD, the process was shown to be compliant.

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 documents were reviewed and discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff state there have not been any requests to temporarily electrically connect any installation during this audit period. Marlborough Lines Staff are aware of the code requirements in this area.

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 5 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 Registry NSP table was reviewed along with the LIS report 03 September 2020 and the clause was discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines has one NSP BLN0331 and balancing area BLN0331MARLG. Marlborough Lines has not made any new NSP connections during the audit period.

Marlborough Lines Staff are aware of the code requirements in this area.

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 Registry NSP table was reviewed along with the LIS report 03 September 2020 and the clause was discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff state there have not been any requests to temporarily electrically connect any NSP that is not a point of connection to the grid during this audit period.

Marlborough Lines Staff are aware of the code requirements in this area.

Audit outcome

Compliant

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

Code reference

Clause 1(1) Schedule 11.1

Code related audit information

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

xxxxxxxxxxccc where:

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

ICP identifiers for Marlborough Lines are created by Gentrack using an algorithm based on a sequential network connection number, (based on historic geographic meter reading rounds) combined with the unique distributor code ML and a checksum.

Gentrack uploads the ICP and associated information to the registry in an overnight file transfer process.. The ICP is checked and validated during the upload process. It was confirmed that correctly formatted ICPs were uploaded to the Registry by reviewing the sample of new ICP connection ICPs.

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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

The loss category code is assigned to an ICP when it is first created in Gentrack and then uploaded to the registry along with other associated information in an overnight file transfer process. It was confirmed that loss factor codes (as found in the loss factor tables in the Registry) were uploaded to the Registry by reviewing the sample of new ICP connection ICPs.

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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

Marlborough Lines Staff state that the NEW status is not used by Marlborough Lines. All ICPs are uploaded into the Registry as READY.

A check of the new ICP connection sample showed the process to be compliant.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.1

Code related audit information

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

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

Audit observation

The Audit Compliance Summary Reports and LIS reports 03 September 2020 and the Registry were checked. This was also discussed with Marlborough Lines Staff.

Audit commentary

The twice weekly exception reporting suggested by the auditor of previous audits appears to be effective as no ICPs with “new” or “ready” status having been in the registry for 24 months or longer were identified during the audit period.

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*

- *the NSP identifier of the NSP to which the ICP is connected*
- *the plant name of the embedded generating station.*

Audit observation

The LIS report 09 September 2020 and the Registry were checked. This was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines does not have an embedded generation station on its network, that has a capacity of 10 MW or more.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

Once a new ICP connection application has been approved the new ICP will be created in Gentrack and the ICP will be sent to the customer and an email sent to the customer nominated Retailer for acceptance and request to liven. When the Retailer accepts the ICP (and requests livening) by return email. The ICP information will be uploaded into the Registry in an overnight file transfer. The ICP will be assigned the READY status in the registry.

A check of the sample new ICP connection records matched the Registry, demonstrated retailer acceptance and request to liven prior to ICPs being uploaded to the Registry and prior to IECD, the process was shown to be compliant.

New ICP connections are made to the network by Marlborough Lines staff or Marlborough Lines approved contractors only.

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 Audit Compliance Summary Reports, LIS, EDA reports 03 September 2020 and the Registry were checked.

Audit commentary

The table below outline the EDA file analysis for this clause for the audit period:

Activity	Total number of updates		No of updates later than 3BD		Date range of updates	
	2020	2019	2020	2019	2020	2019
Address	846	750	77 (9.1%)	34 (4.5%)	Up to 3210	Up to 20
Network	758	1467	226 (29.8%)	405 (27.6%)	Up to 538	Up to 4087
Pricing	14685	3197	478 (3.3%)	138 (4.2%)	Up to 232	Up to 213

Of the updates later than 3 business days the following table shows the proportions of Registry data updates for audit period data compared to historical data corrections:

	Updates Within the Audit Period Greater Than 3 days	Number of Historical Data Corrections
Address	54 (6.4%)	23 (2.7%)

Network	221 (29.2%)	5 (0.66%)
Pricing	477 (3.2%)	1 (0.0068%)

The key reason for late registry updates remains late contractor job completion information and Retailer requests for back dates. It is suggested that monitoring the Audit Compliance report may assist in identifying these in future.

The large volume of pricing updates were due to changes to price category codes introduced on 1 April 2020, the majority were updated to the registry within 3 business days.

No NSP change discrepancies were identified.

Audit outcome

Non-compliant

NON-COMPLIANCE

Non-compliance	Description		
Audit Ref: 4.1 With: <i>Clause 8 Schedule 11.1</i> From: 01-Sep-19 To: 31-Aug-20	Registry information not updated within 3 business days from the event date for a relatively low percentage of transactions. Potential impact: Low Actual impact: Low Audit history: Three or more times previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Controls recorded as moderate as exception reporting can be improved. The audit Risk Rating is assigned as low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
MLL will continue to emphasise the requirement for timely return of information from external contractors so that information can be updated within required timeframes.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
As above		Ongoing	

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

Code reference

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

Code related audit information

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

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry NSP mapping table were checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

Marlborough Lines has one NSP BLN0331 and balancing area BLN0331MARLG. The NSP identifier is uploaded into the Registry when ICPs are initially loaded into the Registry as READY.

Audit outcome

Compliant

4.3. Customer queries about ICP (Clause 11.31)

Code reference

Clause 11.31

Code related audit information

The distributor must advise a customer (or any person authorised by the customer) or embedded generator of the customer or embedded generator's ICP identifier within 3 business days after receiving a request for that information.

Audit observation

This was discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines provide a customer focused service. For example customers often call about high power accounts and Marlborough Lines staff respond proactively, by checking loadings, installing monitoring equipment as required and changing pricing as appropriate. Marlborough Lines Staff advised customer and electrician queries are received typically by phone whilst Retailers prefer email. Phone requests are usually dealt with immediately with customer and connection information available in Gentrack. Technical staff are readily available as required.

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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry was checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

This was non-compliant at last audit.

A check of the sample new ICP connection records in Gentrack matched the Registry. The address process at ICP creation and Registry upload, demonstrated the address process to be compliant. When a new ICP is created the address is visually checked and validated in the Marlborough Lines GIS where all ICPs are plotted.

The Audit compliance report identified three duplicate addresses involving six ICPs. Further investigation showed that the three properties two commercial and one farm had been subdivided at some point, only the farm would have been difficult to locate the other two were at the same physical site. Marlborough Lines Staff obtained and updated the addresses on the Registry during the audit.

Audit outcome

Compliant

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

Code reference

Clause 3 Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports and LIS reports 03 September 2020 were checked. The new connection process documents were reviewed and the clause discussed with Marlborough Lines Staff.

Audit commentary

The network connection application process is very robust and well documented. Network connection designs would not allow an ICP to be dependent on another ICP for it to be electrically disconnected.

Marlborough Lines Staff state there are no known ICPs that could not be electrically disconnected without electrically disconnecting another ICP.

Audit outcome

Compliant

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

Code reference

Clause 7(1) Schedule 11.1

Code related audit information

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

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry was checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked

Audit commentary

The table below outlines a summary of the LIS files and Audit compliance reports analysis for this clause:

Issue	Description	Explanation	Remedial Action	Result
IECD Discrepancies	<ul style="list-style-type: none"> 2 x IECD/Active/Metering date mis-match. 	<ul style="list-style-type: none"> 1 x incorrect IECD provided. Original IECD correct. Metering communication issue repaired post Covid 	<ul style="list-style-type: none"> Date corrected at audit Nil required 	<ul style="list-style-type: none"> Compliant
	<ul style="list-style-type: none"> 1 x IECD but no active status. 	<ul style="list-style-type: none"> IECD correct. Retailer failed 	<ul style="list-style-type: none"> Retailer corrected at audit Corrected at audit 	<ul style="list-style-type: none"> Compliant

	<ul style="list-style-type: none"> • 16 x incorrect IECD uploaded • 13 x IECD/ACTIVE status mis-match • 1 x blank IECD • 1 x IECD failed to upload to Registry. 	<ul style="list-style-type: none"> • to populate in Registry. • Data entry error • Retailer data entry error • New ICP created to replace shared ICP on a substation. No IECD uploaded to registry . • Issue with overnight transfer process 	<ul style="list-style-type: none"> • Nil as Registry correct based on completion documents. • Nil as yet. An IECD needs to be uploaded to registry as original connection post Aug 2013. • Issue resolved, IECD uploaded 09 2020. 	<ul style="list-style-type: none"> • Non Compliant • Compliant • Non Compliant • Compliant
Distributed Generation Discrepancies (D.G.)	<ul style="list-style-type: none"> • 3 x ICPs with L installation type not B. • 11 x ICPs with no installation type, capacity or fuel type but profile indicates D.G. • 5 x ICPs with no installation type, capacity or fuel type but profile indicates D.G. • 2x ICPs with no capacity and incorrect installation type in Registry. 	<ul style="list-style-type: none"> • D.G. removed. • MARL has received no application to connect D.G. • Marl waiting for commissioning documentation. • Data entry error 	<ul style="list-style-type: none"> • Nil as Registry correct. • Further checks show the Retailer has set the settlement flag to N on the EG Register in registry. • Wait for completion documentation. • Corrected at audit 	<ul style="list-style-type: none"> • Compliant • Compliant • Compliant • Non Compliant •

The problem noted in the last audit where updating distributed generation information in the Registry interfered with the IECD and/or failed to load or uploaded the incorrect installation type has been resolved. It was found to be a data entry error.

Distributed generation information still suffers from the industry wide issue of the installation details failing to be provided to the distributor on time.

Audit outcome

Non-compliant

NON-COMPLIANCE

Non-compliance	Description		
Audit Ref: 4.6 Wi With: 7(1) of Schedule 11.1th: From: 01-Sep-19 To: 31-Aug-20	The registry contains incorrect information for a number of ICPs with respect to Initial Electrical Connection Date, solar installations Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Controls recorded as strong because exception reporting and monitoring is effective. The audit Risk Rating is assigned as low due to minimal impact on settlement outcomes.		
Actions taken to resolve the issue		Completion date	Remedial action status
MLL routinely reviews the NMR (metering) report (from the Registry) which highlights connections where DG has been installed. MLL compares this report to corresponding information in Gentrack and where there are discrepancies will update.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

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

Code reference

Clause 7(3) Schedule 11.1

Code related audit information

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

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry was checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked.

Audit commentary

The price category code is assigned in Gentrack when a new ICP is created. The code is assigned based on capacity information collected in the network connection application. The upload file from Gentrack to the registry populates the registry with a single price category code.

Audit outcome

Compliant

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

Code reference

Clause 7(8) and (9) Schedule 11.1

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports and LIS and reports 03 September 2020 and the Registry was checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked.

Audit commentary

GPS coordinates are not recorded in the registry. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 14 Schedule 11.1

Code related audit information

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

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

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

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry was checked. The new connection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP connection records were also checked.

Audit commentary

Once a new ICP connection application has been approved the new ICP will be created in Gentrack and the ICP will be sent to the customer and an email sent to the customer nominated Retailer for acceptance and request to liven. When the Retailer accepts the ICP (and requests livening) by return email. The ICP information will be uploaded into the Registry in an overnight file transfer. The ICP will be assigned the READY status in the registry. The upload file from Gentrack to the registry also populates the registry with a single price category code for each ICP.

A check of the sample new ICP connection records matched the Registry, demonstrated retailer acceptance and request to liven prior to ICPs being uploaded to the Registry and prior to IECD, the process was shown to be compliant.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.1

Code related audit information

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

Audit observation

The LIS report 03 September 2020 and the Registry were checked.

Audit commentary

Marlborough Lines has three ICPs with the status of "distributor" representing shared unmetered load as private street lights.

Shared ICP	Individual ICPs
0001162160ML3A8	0001162161MLFED 0001162165MLEE7 0001162169MLDF9 0001162173ML5C5
0001188480MLF2A	0001188497ML84D 0001188501MLF21 0001188505MLE2B 0001188509MLD35
0006616380ML307	0006616388ML113 0006616394ML8A0 0006616400ML94F 0006616406ML8C0 0006616412ML367

The information in the Registry matched Marlborough Lines records.

Audit outcome

Compliant

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

Code reference

Clause 20 Schedule 11.1

Code related audit information

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

Decommissioning only occurs when:

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry was checked. The disconnection process documents were reviewed and discussed with Marlborough Lines Staff. A random sample of 12 new ICP disconnection records were also checked.

Audit commentary

Marlborough Lines decommissioned 68 ICPs during the audit period.

At the last audit Marlborough Lines decommissioned ICPs at the request of customers and/or electricians directly. The Retailer was retrospectively requested to change the ICP status in the registry to DE-ENERGISED READY FOR DECOMMISSIONING. Once a Retailer changed the status in the registry Marlborough Lines updated the ICPs status to DECOMMISSIONED.

During the audit period Marlborough Lines updated the decommissioning process so that all requests to decommission come from the Retailer only. Customers and electricians are referred to the Retailer. The Retailer will send a service request for Marlborough Lines to complete and the Retailer changes the ICP Registry status to DE-ENERGISED READY FOR DECOMMISSIONING. Marlborough Lines check for this status change before raising an internal job to complete the permanent disconnection of the network connection. The job completion documentation is returned to Marlborough Lines Customer Services Staff to update GIS, Gentrack and the Registry.

Checks on the sample decommission records showed the process worked well and information updates were manually entered into Gentrack usually on the same day it was received

Audit outcome

Compliant

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

Code reference

Clause 23 Schedule 11.1

Code related audit information

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

Each entry must specify the date on which each price category code takes effect, which must not be earlier than 2 months after the date the code is entered in the table.

A price category code takes effect on the specified date.

Audit observation

The Price Category Codes table in the registry was checked. This was also discussed with Marlborough Lines Staff.

Audit commentary

During the audit period Marlborough Lines reviewed its pricing and made some changes. Eight new price categories were entered into the Registry Price Category Code tables during the audit period with a start date of 1/04/2020.

Code	Description	Start Date	Registry Input date
DS15	Residential standard up to 15 kVA	01/04/2020	03/02/2020
DS30	Residential standard up to 30 kVA	01/04/2020	03/02/2020

DSR15	Residential remote up to 15 kVA	01/04/2020	03/02/2020
DSR30	Residential remote up to 30 kVA	01/04/2020	03/02/2020
TS	Temporary supply up to 30kVA	01/04/2020	03/02/2020
DTR	Residential remote over 31 kVA	01/04/2020	03/02/2020
PMU	Uncontrolled 7.5 to 23 kW	01/04/2020	13/05/2020
PKU	23 kW uncontrolled	01/04/2020	13/05/2020

The Registry input dates for six of the new Price Category Codes were three days short of the code required two months and thirteen days after the start date for two of the new codes. The new codes would have needed to be input into the Registry by 31 January 2020 to be compliant. The price changes had been communicated directly to Retailers prior to the two month code requirement and the pricing methodology along with the new prices had been published on the Marlborough Lines website.

Audit outcome

Non-compliant

NON-COMPLIANCE

Non-compliance	Description
Audit Ref: 4.12 With: <i>Clause 23</i> <i>Schedule 11.1</i> From: 01-Sep-19 To: 31-Aug-20	New price category codes were entered into the registry tables 3 days less than the 2 months required by the code. Potential impact: Low Actual impact: Low Audit history: none Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating
Low	Controls recorded as moderate because the changes had been communicated well in advance with Retailers and 2 of the 3 days were weekend days. The audit Risk Rating is assigned as low due to minimal impact on settlement outcomes.
Actions taken to resolve the issue	
Completion date	Remedial action status

The information was scheduled to be put in on the date that the requirement would have been adhered to, however, the staff member responsible for inputting this data was unable to, and subsequently, the information was not input until the following business day, resulting in it being late. MLL will endeavour to update the information several days in advance of the minimum required timeframe so that there is a 'buffer' in case other unscheduled work comes along which may prohibit the updates being done.	Ongoing	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As above	Ongoing	

5. CREATION AND MAINTENANCE OF LOSS FACTORS

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

Code reference

Clause 21 Schedule 11.1

Code related audit information

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

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

A loss category code takes effect on the specified date.

Audit observation

The Loss Category table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines have two Loss Factor Codes with a single value for the year. They had a start date of 01/04/2018 and have not been updated and no new Loss Factor Codes have been added since then.

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

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

Audit observation

The Loss Category table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

This was non-compliant at last audit.

Marlborough Lines have two Loss Factor Codes with a single value for the year. They had a start date of 01/04/2018 and have not been updated and no new Loss Factor Codes have been added since then.

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 2 local networks, the distributor must give written notice to the reconciliation manager of the creation or decommissioning.

If the embedded network owner is creating or decommissioning an NSP that is an interconnection point between 2 embedded networks, the embedded network owner must give written notice to the reconciliation manager of the creation or decommissioning.

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

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

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

Audit observation

The NSP Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines has one NSP BLN0331 and balancing area BLN0331MARLG. Marlborough Lines has not created or decommissioned any new NSP connections.

Marlborough Lines Staff are aware of the code requirements in this area.

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 2 local networks. In all other

cases, the request must be made at least 1 month before the NSP is electrically connected or the ICP is transferred.

Audit observation

The NSP Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff stated that Marlborough Lines did not ask the Reconciliation manager to create any unique NSP identifiers.

Marlborough Lines Staff advise they are aware of the code requirements.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

Audit observation

The NSP Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff stated that Marlborough Lines did not ask the Reconciliation manager to create an NSP or balancing area.

Marlborough Lines Staff advise they are aware of the code requirements.

Audit outcome

Compliant

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

Code reference

Clause 26(4) Schedule 11.1

Code related audit information

If a participant notifies the creation of an NSP, or the transfer of an ICP to an NSP that is a point of connection between a network and an embedded network owned by the distributor, the distributor must give notice to the reconciliation manager at least 1 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 Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff stated that Marlborough Lines did not create an NSP or transfer an ICP to an NSP.

Marlborough Lines Staff advise they are aware of the code requirements.

Audit outcome

Compliant

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

Code reference

Clause 24(2) and (3) Schedule 11.1

Code related audit information

The distributor must give written notice to the reconciliation manager of any change to balancing areas associated with an NSP supplying the distributor's network. The notification must specify the date and trading period from which the change takes effect, and be given no later than 3 business days after the change takes effect.

Audit observation

The NSP Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff confirmed that there were no changes to the single balancing area BLN0331MARLG.

Audit outcome

Compliant

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

Code reference

Clause 27 Schedule 11.1

Code related audit information

If a transfer of an ICP results in an ICP becoming an NSP at which an embedded network connects to a network, or in an ICP becoming an NSP that is an interconnection point, in respect of the distributor's network, the distributor must give written notice to any trader trading at the ICP of the transfer at least 1 month before the transfer.

Audit observation

The NSP Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff

Audit commentary

Marlborough Lines Staff confirmed that Marlborough Lines did not transfer an ICP which resulted in an ICP becoming an NSP, at which an embedded network connected to a network or an ICP became an NSP that is an interconnection point.

Audit outcome

Compliant

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

Code reference

Clause 1 to 4 Schedule 11.2

Code related audit information

If the distributor wishes to transfer an ICP, the distributor must give written notice to the Authority in the prescribed form, no later than 3 business days before the transfer takes effect.

Audit observation

This was discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff stated that Marlborough Lines did not transfer any ICPs.

Marlborough Lines Staff advise they are aware of the code requirements.

Audit outcome

Compliant

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

Code reference

Clause 10.25(1) and 10.25(3)

Code related audit information

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

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

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

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

Audit observation

The NSP Mapping table in the Registry was examined and this was also discussed with Marlborough Lines Staff.

Audit commentary

Marlborough Lines Staff confirmed Marlborough Lines does not have any NSPs that are not connections to the grid for which they are responsible.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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 Audit Compliance Summary Reports, LIS and reports 03 September 2020 and the Registry were checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines Staff confirmed Marlborough Lines does not have any NSPs that are not connections to the grid for which they are responsible.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 29 Schedule 11.1

Code related audit information

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

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

At least 1 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

LIS report 03 September 2020 and NSP mapping table in the Registry was checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines Staff confirmed that Marlborough Lines did not acquire all or part of any network.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clause 10.22(1)(b)

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines Staff confirm that Marlborough Lines does not own any embedded networks.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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

Code reference

Clauses 5 and 8 Schedule 11.2

Code related audit information

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

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

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines Staff confirm that Marlborough Lines does not own any embedded networks and did not create any since the last audit.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

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 Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines Staff confirm that Marlborough Lines does not own any embedded networks and did not create any since the last audit.

This clause is not applicable. Compliance was not assessed.

Audit outcome

Not applicable

7. MAINTENANCE OF SHARED UNMETERED LOAD

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

Code reference

Clause 11.14(2) and (4)

Code related audit information

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

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines does not accept any new shared unmetered load.

Marlborough Lines has three historic ICPs with the status of “distributor” representing shared unmetered load as private street lights.

Shared ICP	Individual ICPs
0001162160ML3A8	0001162161MLFED 0001162165MLEE7 0001162169MLDF9 0001162173ML5C5
0001188480MLF2A	0001188497ML84D 0001188501MLF21 0001188505MLE2B 0001188509MLD35
0006616380ML307	0006616388ML113 0006616394ML8A0 0006616400ML94F 0006616406ML8C0 0006616412ML367

The information in the Registry is correct and matched Marlborough Lines records.

Audit outcome

Compliant

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

Code reference

Clause 11.14(5)

Code related audit information

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

Audit observation

The Audit Compliance Summary Reports, LIS and EDA reports 03 September 2020 and the Registry were checked. This was discussed with Marlborough Lines Staff .

Audit commentary

Marlborough Lines does not accept any new shared unmetered load.

Marlborough Lines has three historic ICPs with the status of “distributor” representing shared unmetered load as private street lights. There have been no changes to these ICPs.

Marlborough Lines Staff advise they are aware of the code requirements and as they become aware of any changes to these historic unmetered load shared ICPs they will update the Registry.

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

This was discussed with Marlborough Lines Staff and the Asset management Plans, Information Disclosure documents and Loss Factor information on the Marlborough Lines website was reviewed.

Audit commentary

Marlborough Lines loss factor calculation methodology is based on the requirements as set out in the Electricity Authority's Guidelines on the Calculation and use of Loss Factors for Reconciliation Purposes. The loss Factors are published on the Marlborough Lines website along with an outline on how they are calculated.

Marlborough Lines two Loss Factors MLHV and MLLV were recalculated and updated in 2018. They are monitored regularly to identify any significant patterns that would indicate changes are required.

Marlborough Lines staff advise that evaluation of data for the past 12 months does not show any trends that would influence losses so no changes to Loss Factors are required at this time. Marlborough Lines observation is that customer behaviour does not change quickly and there have been no other significant engineering or load changes that would influence losses since 2018.

Marlborough Lines staff advise they do intend to review Network Losses starting in early 2021.

Audit outcome

Compliant

CONCLUSION

PARTICIPANT RESPONSE

MLL welcomes the audit undertaken by Allan Borcoski on behalf of the Electricity Authority, and we would like to express our thanks to Allan for his valuable input.

MLL notes the audit findings and will endeavour to action the measures included in the non-compliance responses.

APPENDIX A - TEMPLATE FOR NON-COMPLIANCE, ISSUES AND RECOMMENDATIONS.

NON-COMPLIANCE

Non-compliance	Description	
Audit Ref: With: From: Click here to enter a date. To: Click here to enter a date.	Potential impact: Choose an item. Actual impact: Choose an item. Audit history: Controls: Choose an item. Breach risk rating:	
Audit risk rating	Rationale for audit risk rating	
Choose an item.		
Actions taken to resolve the issue	Completion date	Remedial action status
		Choose an item.
Preventative actions taken to ensure no further issues will occur	Completion date	

RECOMMENDATION

Recommendation	Description	Audited party comment	Remedial action

ISSUE

Issue	Description	Remedial action