

# **How to become a Test House**

**Version 4.2**

## Version control

Version	Date amended	Comments
3.0	12 November 2008	Updated into Commission's new format, content unchanged.
4.0	29 October 2009	Update into Commission's new format, application form updated.
4.1	30 June 2010	Removal of application forms as test houses now submit via the Commission's web portal.
4.2	1 November 2010	Updated for transition to Electricity Authority.

## **Disclaimer**

This information paper outlines the process on how to become an approved test house under the Electricity Industry Participation Code 2010 (Code).

This information paper does not form part of the Code. It is provided for general information only and not as legal advice, and does not establish any legal obligation in itself.

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## **Glossary of abbreviations and terms**

<b>Authority</b>	Electricity Authority
<b>Code</b>	Electricity Industry Participation Code 2010
<b>MA</b>	Market administrator



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## Introduction

1. Retailers and generators must ensure every metering installation used to record the supply of electricity complies with the accuracy provisions in the Code. Approved test houses (test houses) ensure metering systems operate accurately. Test houses are responsible for certifying metering installations, and ensuring that the standards of metering calibration, testing, installation, and maintenance detailed in the Code are sustained.
2. An approved test house means a meter testing and calibration facility that has been approved by the market administrator (MA) in accordance with the procedures in Code of Practice 10.2 of Schedule 10.1 of the Code.
3. There are two categories of test house - class A and class B.
4. Class A test houses are approved to carry out calibration of working standards, metering equipment and metering installations, installation of metering equipment and commissioning and certifying all categories of metering installations. In addition, a class A test house is authorised to issue calibration and certification reports for all metering categories.
5. Class B test houses are approved to carry out calibration of class 1 and class 2 meters and class 0.5 current transformers, the installation of metering equipment, and commissioning and certifying category 1 - 3 metering installations.
6. Clause 7 of Code of Practice 10.2 of Schedule 10.1 of the Code sets out the requirements for obtaining either a class A or class B approved test house status.
7. This document contains a number of terms found in the Code. These terms are defined in clause 1.1 of the Code.

## Compliance with the Code

8. All metering must comply with the Code. Only approved test houses are allowed to carry out metering functions. However, it is the retailer or generator contracting the approved test house that is held responsible for the approved test house's compliance with the Code.

## Test house approval requirements

9. The MA approves test houses. A test house seeking approval must be able to demonstrate to the satisfaction of the MA that it has the facilities and procedures to consistently meet the requirements as outlined in the Code for the class of test house for which it is seeking approval.
10. The general requirements for test house approval are set out in clause 5 of Code of Practice 10.2 of Schedule 10.1 of the Code.

11. In addition to these requirements, clause 6 of Code of Practice 10.2 outlines the additional requirements for class A approved test houses.
12. The MA may appoint an auditor to carry out an initial audit of the applicant. The applicant will pay for the costs associated with this initial audit.
13. Note: there is currently an exemption in place for all class A test houses. Please see exemption no 105 for more information <http://www.ea.govt.nz/code-regs-act/code-regs/exemptions>

## Procedures for approval

14. Approval, as either a class A or class B test house, is valid for a maximum period of 12 months from the date approval is given by the MA.
15. Test houses seeking approval need to complete the application form on the Authority's web portal. Further information on the web portal can be found on the Authority's website at <http://www.ea.govt.nz/industry/market/retail-audits>, under the heading 'How to submit a retail audit'. The application form must be submitted to the MA, along with a copy of their quality assurance manual. The MA may seek the advice of an auditor, at the cost of the applicant.
16. If an auditor has been instructed by the MA to review the application, the auditor may request additional information and carry out inspections of the test house and audits of its procedures. The auditor may consider this necessary to enable it to process the application and make recommendations to the MA.

## Register of approved test houses

17. When a test house is approved, it will be placed on the register of approved test houses held and maintained by the MA, and a certificate of approval issued.
18. All registered participants must have reasonable access to the approved test house register. The approved test house register is published on the Authority's website at <http://www.ea.govt.nz/industry/market/retail-audits/register>.

## Authority participant register

19. All participants in the electricity industry must also register with the Authority and supply registration information. This information will be available to the public on the Authority's website in the participant register: <http://www.ea.govt.nz/industry/market/retail-audits>
20. To register as a participant, please complete the participant registration form: <http://www.ea.govt.nz/act-code-regs/participant-register> and email it to the Authority on [info@ea.govt.nz](mailto:info@ea.govt.nz). If you have any questions regarding registration, please email the Authority at: [info@ea.govt.nz](mailto:info@ea.govt.nz).

21. The Authority will acknowledge receipt of your registration by email within five working days of its receipt. If you have not received confirmation after five days of faxing it please re-submit your registration.

## Annual renewal

22. Annual renewal of test house approval status is required under clause 7(9) to (13) of Code of Practice 10.2 of Schedule 10.1 of the Code. This will be granted only where the approved test house can demonstrate that it continues to meet the required standards, set out in clause 5(1) of Code of Practice 10.2 of Schedule 10.1 of the Code.
23. At least two calendar months prior to expiry of the approval, a test house must apply for renewal and provide such information, as the MA may reasonably request. Annual renewal is requested through the Authority's web portal. Further information on the web portal can be found on the Authority's website at <http://www.ea.govt.nz/industry/market/retail-audits>, under the heading 'How to submit a retail audit'.
24. The MA will review each application for renewal and may seek the advice of an auditor. Where information supplied in the application is considered to be incomplete or unsatisfactory, the MA will advise the test house of its concerns and may, after giving it reasonable opportunity to address those concerns, carry out an audit of it.
25. Where the MA is satisfied that an approved test house continues to satisfy the criteria for approval, approval will be renewed for a further 12 months. A new certificate of approval will be issued.
26. If an approved test house fails to renew its approval by the due date the MA has the right to cancel the approval of the approved test house, remove its name from the register and request the return of the certificate of approval.
27. The original certificate of approval will be returned to the MA. The MA will notify all registered participants of the removal of an approved test house from the register.

## Audits

28. The MA or auditor appointed by the MA may carry out audits of the test house. A list of approved auditors is published on the Authority's website at <http://www.ea.govt.nz/industry/market/retail-audits/registers>.
29. The test house will afford the MA or auditor full access to all relevant facilities, personnel, records and manuals at any time within normal business hours, and will provide any additional information considered necessary.

30. The auditor will produce an audit report. Before the audit report is submitted to the MA<sup>1</sup>, any non-conformances noted by the auditor are to be referred back to the test house. Details of action taken by the test house to correct the non-conformances will be submitted to the auditor for inclusion in the report.
31. Unless an additional audit is requested in accordance with clause 8(8) of Code of Practice 10.2 of Schedule 10.1 of the Code, regular audits will be carried out at intervals of three years for Class A approved test houses and two years for Class B approved test houses at the expense of the approved test house.
32. If a participant considers that an approved test house may no longer meet the relevant criteria for approval for any or all of its activities, that participant may request an additional audit. Payment of the costs for additional audits is set out in clause 9 of Code of Practice 10.2 of Schedule 10.1 of the Code.
33. If an approved test house fails an audit, the MA has the right to cancel the approval of the approved test house, remove its name from the register and request the return of the certificate of approval.
34. The original certificate of approval will be returned to the MA. The MA will notify all registered participants of the removal of an approved test house from the register.

## Sources of information

1. If you require further assistance, please contact the Market Administrator:

Electricity Authority  
PO Box 10041  
Wellington  
Attention: Market Administrator

Telephone: 04 460 8860  
Fax: 04 460 8879  
Email: [retailoperations@ea.govt.nz](mailto:retailoperations@ea.govt.nz)

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<sup>1</sup> The audit report should be submitted through the Authority's web portal. Further information on the web portal can be found on the Authority's website at <http://www.ea.govt.nz/industry/market/retail-audits>, under the heading 'How to submit a retail audit'.