

ELECTRICITY INDUSTRY PARTICIPATION CODE  
RECONCILIATION PARTICIPANT AUDIT REPORT

VERITEK

For

*Contact*®

CONTACT ENERGY LIMITED

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Date audit commenced: 7 July 2022

Date audit report completed: 9 August 2022

Audit report due date: 30 August 2022

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## EXECUTIVE SUMMARY

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of **Contact Energy Limited (Contact)**, to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits version 7.2.

Contact uses the CTCT, CTCS and CTCX participant codes.

- CTCT is managed directly by Contact. The code is used for generation, and meter category 1 and 2 ICPs with NHH or HHR submission type, and unmetered ICPs with NHH submission type.
- CTCS is managed by **Simply Energy Limited (Simply Energy)** as Contact's agent. CTCS customers are supplied by the Contact Energy brand and may be billed and settled as HHR, NHH or DUML.
- CTCX is managed by Simply Energy as Contact's agent. CTCX customers are supplied by the Simply Energy or Plains Power brands, but receive Contact Energy pricing and therefore are assigned to a Contact Energy trader code. They are billed as HHR but may be settled as NHH if their metering does not meet HHR certification requirements.

Simply Energy produces HHR submissions for CTCS and CTCX, and EMS produces NHH submissions for CTCS and CTCX.

Unless otherwise specified, the processes and non-compliances described in the report apply to all codes.

### CTCT

CTCT continues to have good processes and robust controls for registry management and switching.

- The timeliness of updates for new connections is excellent at 94.64%, and there were only a small number of late files for switching.
- Registry data and switching data accuracy continues to be managed well with robust reporting and business owners working discrepancies sent for investigation.
- Good progress has been made with confirming historic unmetered loads. Long term BTS ICPs are monitored as part of BAU to determine whether they should be metered.

I found evidence of continued improvement to read attainment and submission processes, but read validation and correction require improvement.

The following key areas require some improvement to increase compliance:

- **Service orders closed as incomplete but not followed up**  
This is a known issue where the service order is returned as incomplete but if the contractor doesn't indicate further work, then the robot will close these out and no BPEM is created to flag that further work is needed. CTCT are working to resolve this. Missed follow ups were identified for distributed generation, reconnections and disconnections.
- **Acceptance of requests to change electrical connection dates from distributors**  
Any such requests should be investigated before accepting the distributor's request as their date is not always correct.
- **Submission data validation and correction**  
Missing or incorrect data is not consistently identified at the point of entry, such as missing loss factor information, incorrect unmetered load, NSP changes, or missing or incorrect settlement units.  
Issues that could affect meter accuracy including issues on full lists of meter events from MEPS, and bridged meters are also not consistently investigated and corrected promptly. A clear process for bridged meters needs to be developed.  
Responsibilities for identification, investigation and correction of issues can be split across multiple teams, and failure to communicate further work required can prevent issues from

being resolved on time or at all. It was difficult for Veritek to confirm who was responsible for completing some validation and correction processes.

If these issues with static data or volumes are not resolved prior to submission, they will result in inaccurate submission data. The reconciliation team has some processes to identify corrections required, but these are not being completed as frequently as they were and there is sometimes insufficient time to resolve discrepancies prior to submission due to staffing changes, handover of responsibilities, and workloads.

- **Corrections to submission from the previous audit not processed**  
Some corrections to ICP start dates were not corrected due to the impact on customer billing. Submission accuracy is required by the code regardless of billing implications.
- **ICPs with meter category 3 or higher**  
CTCT now only supplies generation meters with category 3 or higher where it collects its own data using MV90. CTCT does not have processes in place to manage other ICPs with category 3 or higher metering. To avoid future non-compliance, processes should be in place to ensure that any ICPs upgraded to meter category three or above are transferred to CTCS from the upgrade date. ICPs with category 3 or higher should not be allowed to switch in, and if they do, the switch should be withdrawn and transferred to CTCS.
- **Proportion of historic estimate at 14 months**  
Not all estimated reads are replaced by actual reads or permanent estimates by the 14-month revision.

## **CTCS and CTCX**

Management of the registry and switching areas has continued to improve since the last audit.

- Simply Energy has automated part of the switching process. A material change audit was undertaken prior to this going live. The processes work well and have improved performance and freed resource up. The next stage of the switching automation has been delayed until 2023 at the earliest.
- The management of DUMML databases has improved during the audit period with an additional resource to assist in this area. Audits are being responded to promptly.
- The issue of read changes not being reflected in submissions has been resolved and this was confirmed in the samples checked.

There have been some improvements to reading and reconciliation:

- Read attainment processes have recently been improved, and some recommendations have been made to further improve the process.
- Some previous audit issues have been resolved including allowing MADRAS to accept readings with decimal places, no longer sending customer reads to MADRAS, and ensuring that agreed switch readings are applied for reconciliation.

The following key areas require some improvement to increase compliance:

- **Timeliness of new connections**  
The timeliness of new connection updates remains low at 26.92%. Most of these relate to complex TOU sites so the submission volumes associated can be high. Simply Energy relies on either the return of metering paperwork or the initial electrical connection date being populated by the distributor. I have recommended that they request the same livening notification that was being sent to the HDM team from the MEP when these were managed by CTCT as these clearly detail when consumption has commenced and are sent promptly. This should improve the timeliness of updates.
- **CS creation**

The creation of CS files continues to be relatively manual with the bulk switch out process being used for more than ten ICPs switching, or for less than this the formatted excel spreadsheet is used to create this. Errors were found with the SQL script being used in the bulk switch out process in June 2022 and were fixed but the error had been present since January 2022. This has resulted in incorrect last read dates, average daily consumption values, read types and last reads being sent. The number of ICPs sent with the incorrect data during the period where the SQL script was incorrect is unknown.

- **Read validation**

There are some gaps in the read validation process which should be addressed, including validation of zero consumption, monitoring of inactive consumption, and full analysis of meter events provided by MEPS.

- **Reads used to calculate historic estimate**

Some validated actual readings are not recorded in MADRAS because they are omitted during the data transfer process. Simply Energy is investigating revising the read transfer process to prevent permanent deletion of earlier reads and also to use the read insert date, rather than the read date to ensure that all readings are captured where a backdated switch occurs.

Readings for unmetered load are not calculated and entered for every month, resulting in some forward estimate for unmetered load. Simply Energy is reviewing processes to make calculating and loading unmetered load readings more efficient.

- **Replacement of HHR data**

Where an MEP provides data for part of a day, and then later provides replacement data for the missing part of the day, the initially provided data is omitted and estimated when the replacement is loaded.

- **Submission accuracy**

There have been four alleged breaches for provision of inaccurate submission information and further monitoring has been implemented to prevent recurrence.

The previous audits recorded that Simply Energy had commenced a thorough review of the NHH DA system/provider for the CTCX and CTCX codes. A requirements document was prepared, and options to further develop the existing system, migrate to an established, compliant, off-the-shelf system, or a new system build were considered. Simply Energy has decided not to migrate to a new system for now. They will provide more historic reads to MADRAS to improve submission accuracy, and then review any non-compliances remaining and determine the next steps.

## **Conclusion**

The audit found 44 non-compliance issues and 22 recommendations are made.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below provides some guidance on this matter and contains a future risk rating score of 103 which results in an indicative audit frequency of three months. The risk rating has reduced over the last three consecutive audits from 137, to 106, and now 103.

I have considered this in conjunction with Contact's responses and recommend that the next audit is undertaken in a minimum of nine months, which recognises that improvements have been made and many more are in progress and allows resources to be focussed on development and not audit preparation. This will ensure appropriate audit oversight within a reasonable period of time.

The matters raised are detailed in the table below.



## AUDIT SUMMARY

### NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Participants to give access	1.11	16A.4	<b>CTCT</b> Some information was not provided within 15 business days of the request.	Moderate	Low	2	Identified
Relevant information	2.1	10.6, 11.2, 15.2	<b>CTCT</b> Some inaccurate data is recorded and was not updated as soon as practicable. Some previous audit corrections not carried out. <b>CTCS and CTCX</b> Some inaccurate data is recorded and was not updated as soon as practicable.	Moderate	High	6	Identified
Data transmission	2.3	20 Schedule 15.2	<b>CTCS and CTCX</b> Some validated actual readings are not recorded in MADRAS because they are omitted during the data transfer process.	Moderate	Medium	4	Identified
Temporary Electrical Connection of an ICP	2.10	10.33	<b>CTCT</b> CTCT was not recorded as the trader on the registry at the time of temporary electrical connection for ICP 0110012765EL031.	Strong	Low	1	Investigating
Electrical connection of a point of connection	2.11	10.33A	<b>CTCT</b> One of the sample of 21 ICPs checked of a possible 132 new metered ICPs had certification details recorded more than five business days after connection. ICP 1002153939UNA83 is a CT site and was certified late. 17 of the sample of 20 checked of a possible 251 ICPs reconnected without having metering certified within five business days.  Metering for two ICP's was not recertified on unbridging. <b>CTCS</b> Four ICPs were not certified within five business days of connection. One ICP was not recertified within five days of reconnection.	Strong	Low	1	Identified
Arrangements for metering equipment provision	2.13	10.36	<b>CTCT</b> No arrangement in place for the maintenance of BOPE metering.	Strong	Low	1	Identified
Meter bridging	2.17	10.33C and 2A of Schedule 15.2	<b>CTCT</b> I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that	Weak	Medium	6	Investigating

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			corrections had been accurately processed.				
Provision of information on dispute resolution scheme	2.19	11.30A	<b>CTCS – Plains Power brand</b> Not in place for all inbound phone calls.	Strong	Low	1	Investigating
Changes to Registry	3.3	10 Schedule 11.1	<b>CTCT</b> 1,019 late updates to active status. 434 late updates to inactive status. 1,431 late trader updates. 79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. <b>CTCS</b> Four late updates to active status. Nine late updates to inactive status. 63 late trader updates. Three ANZSIC code updates were made more than 20 business days after CTCS began trading at the ICP. <b>CTCX</b> Five late trader updates.	Moderate	Low	2	Identified
Trader responsibility for an ICP	3.4	11.18	<b>CTCT</b> Notification was not provided to the MEP prior to decommissioning for four ICPs from a sample of ten. <b>CTCS</b> Notification was not provided to the MEP prior to decommissioning for one ICP from a sample of ten of a possible 11 ICPs.	Moderate	Low	2	Identified
Provision of information to the registry	3.5	9 Schedule 11.1	<b>CTCT</b> 131 late updates to active status and MEP nominations for new connections. 79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. Eight ICPs have incorrect active status dates. <b>CTCS</b> 19 late updates to active status for new connections. Three ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. Two late MEP nominations for new connections.	Moderate	Low	2	Identified
ANZSIC codes	3.6	9 (1(k) of Schedule 11.1	<b>CTCT</b> Seven (7%) of the 100 ICPs sampled were confirmed to have the incorrect ANZSIC codes applied. These were corrected during the audit period. <b>CTCX</b> One of the 20 ICPs sampled had an incorrect ANZSIC code applied. This was corrected during the audit. <b>CTCS</b>	Moderate	Low	2	Cleared

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			11 (37%) of the 30 ICPs sampled had an incorrect ANZSIC code applied. All related to a group of council ICPs. These were corrected during the audit.				
Changes to unmetered load	3.7	9(1)(f) of Schedule 11.1	<b>CTCT</b> Some incorrect unmetered load information was identified. <b>CTCS</b> Two ICPs with the incorrect unmetered load recorded. This will be resulting in a very minor amount of incorrect submission.	Moderate	Low	2	Investigating
Management of Active status	3.8	17 Schedule 11.1	<b>CTCT</b> Eight new ICPs have incorrect active status dates recorded.	Strong	Low	1	Identified
Management of Inactive status	3.9	19 of schedule 11.1	<b>CTCT</b> ICP 0000202347UN912 was disconnected on 21 December 2020 but the disconnection read was not entered until 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago and a reconciliation volume correction will not be processed as the change would result in a small negative adjustment. <b>CTCS</b> ICP 0007200667RN539 was consuming energy on 29 April 2022 but has inactive status recorded for that day, resulting in under submission of 14 kWh.	Moderate	Low	2	Identified
Losing trader must provide final information	4.3	5 Schedule 11.3	<b>CTCT</b> Nine CS breaches. One E2 breach. Four of a sample of five of a possible 594 ICPs were incorrectly sent with an average daily consumption of zero kWh. One of a sample of five ICPs was sent with an incorrect very high average daily consumption of 50,011 kWh. Four transfer switches had an incorrect last read date. One transfer switch had an estimated read type recorded but should have had actual. One transfer switch had an incorrect last actual read date and was later withdrawn. One ICP of a sample of five sent with the incorrect last read type and date. <b>CTCS</b> One transfer switch had an estimated read type recorded but should have had actual.	Moderate	Low	2	Investigating

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>One transferred ICP sent with the incorrect last read of 9120 but should have been 9127, resulting in 7 kWh being pushed to the gaining trader. This was due to an error in the SQL script being used to process bulk switch outs. This error started in January 2022 but was not identified and corrected until June 2022.</p> <p>One of the five transferred ICPs sampled sent with the incorrect last read of 190256 but should have been 190192, resulting in 64 kWh of over submission. The average daily consumption figure was calculated incorrectly and the last read date was incorrect.</p> <p>Two switch moves sent with an incorrect average daily consumption figure.</p>				
Retailers must use the same reading	4.4	6(1) and 6A Schedule 11.3	<p><b>CTCT</b></p> <p>The reading in SAP for one ICP did not reflect the outcome of the RR process and was corrected during the audit.</p>	Strong	Low	1	Cleared
Gaining trader informs registry of switch request	4.7	9 of Schedule 11.3	<p><b>CTCT</b></p> <p>One of a sample of 15 switch move ICPs incorrectly sent with the wrong switch type.</p> <p><b>CTCS</b></p> <p>Three of the sample of five switch move ICPs incorrectly sent with the wrong switch type.</p>	Strong	Low	1	Identified
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	<p><b>CTCT</b></p> <p>Seven ICPs had event dates more than ten business days after the NT receipt date, including five ET breaches. Three AN files sent with the incorrect AN code of MU "unmetered supply".</p>	Strong	Low	1	Investigating
Losing trader must provide final information	4.10	11 Schedule 11.3	<p><b>CTCT</b></p> <p>Two of a sample of five of a possible 5,307 ICPs were sent with an incorrect average daily kWh of zero. All eight sampled of a possible 42 ICPs sent with a very high average daily kWh figure.</p> <p>Four of a sample of five switch moves of a possible 14 had an estimated read type recorded but should have had actual.</p> <p>Seven ICPs had an incorrect last actual read date.</p> <p>One switch move had no reads sent.</p> <p><b>CTCX</b></p> <p>One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p><b>CTCS</b></p>	Moderate	Low	2	Investigating

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>All five ICPs sampled of a possible 15 where the last actual read date is the day before the event date and estimated switch read type was sent found multiple errors. Some were due to human error and two incorrect final estimated reads were sent due to an error in the SQL query.</p> <p>Four ICPs where the last actual read date is more than one day before the switch event date sent with an actual read were checked and found multiple errors. Some were due to human error and three incorrect final estimated reads were sent due to an error in the SQL query.</p> <p>One ICP sent with a last read date on the day of the switch event.</p> <p>Three of a sample of a possible 143 ICPs sent with an incorrect high average daily consumption value.</p> <p>One ICP sent with a negative average daily consumption figure.</p>				
Gaining trader changes to switch meter reading	4.11	12 of Schedule 11.3	<p><b>CTCT</b></p> <p>Two late RR files for switch moves.</p>	Strong	Low	1	Identified
Gaining trader informs registry of switch request - gaining trader switch	4.12	14 of Schedule 11.3	<p><b>CTCS</b></p> <p>Two gaining trader switches backdated more than 90 days without the losing trader's agreement.</p>	Moderate	Low	2	Identified
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	<p><b>CTCT</b></p> <p>Three NWs did not have the code with the best fit applied.</p> <p>21 SR breaches.</p> <p>60 NA breaches.</p> <p><b>CTCS</b></p> <p>One SR breach.</p> <p>Five NA breaches.</p> <p>Three NWs did not have the code with the best fit applied.</p>	Moderate	Low	2	Identified
Metering information	4.16	21 Schedule 11.3	<p><b>CTCX</b></p> <p>One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p><b>CTCS</b></p> <p>One transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error.</p> <p>Two transferred ICP and five switch move ICPs sent with the incorrect last read.</p>	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			One switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error.				
Maintaining shared unmetered load	5.1	11.4	<b>CTCT</b> Five ICPs with the incorrect shared unmetered load value recorded.	Moderate	Low	2	Investigating
Distributed unmetered load	5.4	11 of schedule 15.3	<b>CTCT and CTCS</b> The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code. Inaccurate submission information for ten of the databases managed. Some streetlight audits were not submitted by the due date. One streetlight audit overdue.	Moderate	High	6	Identified
Electricity conveyed & notification by embedded generators	6.1	10.13	<b>CTCT</b> While meters were bridged, energy was not metered and quantified according to the code for 112 ICPs. Seven generating ICPs present in the last audit still to have I flow metering installed and electricity is not quantified according to the code. Two generation ICPs 0000034267CH514 and 0000034351CHA67 still to have I flow metering installed and electricity is not quantified according to the code. <b>CTCS</b> ICPs 0005093997HBEBB and 0005093997HBEBB are believed to be grid connected generation but are not being gifted or any generation settled as there is no injection metering present.	Moderate	Low	2	Identified
Derivation of meter readings	6.6	3(1), 3(2) and 5 Schedule 15.2	<b>CTCS and CTCX</b> Meter condition information is not routinely reviewed to identify issues with seals, tampering, phase failure or safety.	Weak	Low	3	Identified
NHH meter reading application	6.7	6 Schedule 15.2	<b>CTCX</b> One of the four CS files sent with an estimated read instead of an actual due to human error. <b>CTCS</b> One transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error. Two transferred ICP and five switch move ICPs sent with the incorrect last read.	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			One switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error. The meter upgrade for 0000151826WAOE5 was incorrectly processed, and corrected during the audit.				
Interrogate meters once	6.8	7(1) and (2) Schedule 15.	<b>CTCS</b> For at least ten ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met. The meter read compliance process begins after 130 days with no readings so it is unlikely compliance will be achieved where the period of supply is less than 130 days.	Moderate	Low	2	Identified
NHH meters interrogated annually	6.9	8(1) and (2) Schedule 15.2.	<b>CTCS</b> For at least 20 ICPs unread in the 12 months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Moderate	Low	2	Identified
NHH meters 90% read rate	6.10	9(1) and (2) Schedule 15.2	<b>CTCS</b> For at least ten ICPs unread in the four months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Moderate	Low	2	Identified
Identification of readings	9.1	3(3) Schedule 15.2	<b>CTCS</b> Two transfer switch ICPs and all five ICPs sampled of a possible 15 switch move ICPs, had incorrectly labelled switch event meter readings.	Moderate	Low	2	Identified
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	<b>CTCS and CTCX</b> AMS and EDMI's EIEP3 file format may round the trading period data to two decimal places if the meter does not have a multiplier and the volume for that hour has a non-zero value in the third decimal place.	Moderate	Low	2	Cleared
Electronic meter readings	9.6	17(4)(f)& (g) of schedule 15.2	<b>CTCT, CTCS and CTCX</b> Full AMI meter event logs provided by MEPS are not routinely reviewed.	Weak	Low	3	Investigating
Calculation of ICP days	11.2	15.6	<b>CTCT</b> TENC-TML0011 and TENC-TNP0011 had incorrect ICP days reported for March 2022 revision 1. 25 revision differences were caused by inaccurate ICP days submission data because incorrect settlement unit information was recorded in SAP. The errors were corrected by the time that the audit was complete except for ICP 1001153745CK57D which was	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			<p>disconnected on 21 September 2021 and reconnected on 22 September 2021. The registry reflects the correct disconnection and reconnection dates, but SAP is active for the whole period.</p> <p><b>CTCS</b>            Incorrect ICP days were reported for BRY0661 and ISL0661 in July and August 2021 because an NSP change for ICP 0007173300RN6EB did not have boundary readings entered. The net difference for the balancing area was zero.            HHR ICP days were under reported for one day in August 2021 for MNG0331 for ICP 0301589534LC9D5 because one HHR read was not validated and an estimated reading was not inserted.</p>				
HHR aggregates information provision to the reconciliation manager	11.4	15.8	<p><b>CTCT</b>            ICP 0314801030LCF84 had its volume submitted against PEN0221 instead of PEN0331. The change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team's GR090 validation.</p>	Moderate	Low	2	Investigating
Creation of submission information	12.2	15.4	<p><b>CTCT</b>            Four ICPs had missing unmetered load settlement units, which prevented unmetered load being submitted. The missing settlement units were added during the audit and correct submission data will be washed up. Some ICPs were missing from submissions due to data inaccuracies. Some corrections identified in the previous audit were not corrected and are now outside the revision cycle.            I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed.</p> <p><b>CTCS</b>            One ICP did not have consumption during an inactive period reported. Two ICPs had missing unmetered load information.            One HHR ICP had its estimate removed and not replaced with a validated reading resulting in under</p>	Moderate	Medium	4	Identified



Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			submission of one day of consumption and one ICP day.  Some corrections identified in the previous audit not corrected and are now outside the revision cycle.				
Accuracy of submission information	12.7	15.12	<b>CTCT, CTCX and CTCS</b> Some submission data was inaccurate and was not corrected at the next available opportunity.	Moderate	High	6	Identified
Permanence of meter readings for reconciliation	12.8	4 Schedule 15.2	<b>CTCT and CTCS</b> Some estimates were not replaced by revision 14.	Weak	Low	3	Identified
Reconciliation participants to prepare information	12.9	2(1)(c) of schedule 12.3	<b>CTCT</b> 1099580899CN808 had metering category 3 with NHH submission and RPS profile from 22 February 2022 until 27 February 2022. It switched to CTCS 28 February 2022 and has HHR profile applied for CTCS' period of supply. ICP 0314801030LCF84 had its HHR volume submitted against PEN0221 instead of PEN0331. CTCT supplied the ICP since 7 July 2010. The change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team's GR090 validation.	Moderate	Low	2	Identified
Historical estimates and forward estimates	12.10	3 Schedule 15.3	<b>CTCS and CTCX</b> Where SASV profiles are not available, consumption based on validated readings is labelled as forward estimate.	Strong	Low	1	Identified
Forward estimate process	12.12	6 Schedule 15.3	<b>CTCT and CTCS</b> Inaccurate forward estimate caused the thresholds not to be met in some instances.	Moderate	Low	2	Identified
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	<b>CTCT and CTCS</b> Historic estimate thresholds were not met for some revisions.	Moderate	Medium	4	Identified
<b>Future Risk Rating</b>					<b>103</b>		
<b>Indicative Audit Frequency</b>					<b>3 months</b>		

Future risk rating	0	1-3	4-14	16-40	41-55	55+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

## RECOMMENDATIONS

Subject	Section	Recommendation	Response
Registry validation	2.1	<b>CTCT</b> Expand SAP to registry validation to include the loss factor field.	Investigating
Validation of inputs to the submission process	2.1	<b>CTCT</b> I recommend confirming processes and responsibilities to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity. Team members responsible for managing the data should be aware of the impact incorrect information has on reconciliation submissions, and the process steps required to resolve issues completely. As a minimum management of the following data should be considered: <ul style="list-style-type: none"> <li>• aggregation factors including Network, NSP, dedicated NSP, loss factor (and pricing category which is linked to this), profile, submission type, and flow direction,</li> <li>• ICP metering and unmetered load, including ensuring that SAP's unmetered load settlement units are correct and that meters have the correct status and details recorded on switch in, replacement and new connection,</li> <li>• management of ICP status including ensuring that SAP's settlement units are accurate and consistent with the registry, and that inactive consumption is identified, investigated and reported as required, and</li> <li>• Identification and correction of meter defects including bridged meters.</li> </ul>	Identified
Connection of an ICP	2.9	<b>CTCS and CTCX</b> Ensure new connection notifications especially in relation to TOU sites are sent promptly from the MEPS.	Identified
Bridged meter processes	2.17	<b>CTCT</b> Develop processes to: <ul style="list-style-type: none"> <li>• identify bridged meters where CTCT reconnects a meter and the contractor indicates that the meter was bridged to reconnect,</li> <li>• identify bridged meters where no notification has been provided by a contractor, but the read validation process indicates the ICP is connected with zero consumption,</li> <li>• arrange for the meter to physically be unbridged as soon as possible after the bridging is detected through paperwork or read validation,</li> <li>• estimate consumption during the bridged period, and record the correction in SAP,</li> <li>• review the correction for accuracy, and ensure that the volumes are correctly applied for submission, and</li> <li>• monitor to ensure that bridged meters are unbridged and corrections are processed.</li> </ul>	Investigating
Management of upgrades/ downgrades	3.3	<b>CTCS and CTCX</b> Review Salesforce functions to give better visibility to the field services team managing this.	Investigating
Notification to MEP of decommissioning	3.4	<b>CTCT</b> Review the MEP notification process when decommissioning ICPs to ensure that the MEP is notified at the same time as the service request is issued to the field, so they have adequate opportunity to retrieve their assets.	Investigating
Obtain certification and connection details to confirm correct active status dates	3.5	<b>CTCT</b> Confirm the correct connection date for ICP 1000606028PCB29 with Vector. The ICP is believed to be temporarily electrically connected to certify the meter on 29 March 2022 but was not made active until 8 April 2022 based on a request received from the distributor to amend the date.	Investigating
Obtain certification and connection details to	3.5	<b>CTCS</b>	Investigating

Subject	Section	Recommendation	Response
confirm correct active status dates		Obtain meter certification paperwork to confirm the correct connection date and how the meter was tested for ICP 0110012926EL85F for the initial meter installation on 28/04/22.	
BPEMs for changes to distributor unmetrated load	3.7	<b>CTCT</b> Create a new BPEM to identify removal of unmetrated loads.	Investigating
Unmetered vacant ICP	3.7	<b>CTCT</b> Request assistance from Aurora to locate the point of connection for ICP 0000507374DE20E.	Investigating
Confirm unmetered load	3.7	<b>CTCS</b> Liaise with CCC and the MEP to determine what load is to be reconciled to ICP 0000298513MPF38.	Identified
Monitoring of inactive consumption	3.9	<b>CTCS and CTCX</b> Monitor for consumption on ICPs during inactive periods and take corrective action to update the status and re-disconnect as necessary.	Identified
CS estimated daily kWh	4.3	<b>CTCS and CTCX</b> Consider reviewing the estimated daily consumption calculation to ensure compliance with the registry functional specification.	Identified
Withdrawal of switch requests	4.15	<b>CTCS</b> Status check for all switch requests to except any ICPs at the 1,12 or 1,6 statuses, so these do not switch without investigation.	Identified
ICPs with generation profile management	6.1	<b>CTCT</b> Profile application should be reviewed to ensure that the correct profile is assigned at switch in.	Identified
Profile application aligns with fuel type	6.1	<b>CTCT</b> Check that profiles are consistent with fuel types as part of the registry discrepancy checks.	Identified
Communication with customers on the reasons ICPs are unread	6.8	<b>CTCS and CTCX</b> Ensure that the reasons each ICP is unread is provided to the customer so that issues can be appropriately resolved.	Identified
Develop clear guidance to ensure the best endeavours requirements for read attainment are met	6.8	<b>CTCS and CTCX</b> Currently communication methods and content are determined by the staff member. I recommend providing guidance to ensure that the requirement to make at least three attempts to contact the customer using two different communication methods are met where the issue cannot be resolved promptly.	Identified
Replacement of actual data with actual data	9.4	<b>CTCS and CTCX</b> If partial replacement data is provided, ensure that only the periods with valid replacement data are updated in DataHub.	Investigating
Zero consumption reporting	9.5	<b>CTCS and CTCX</b> Establish a validation process for meters with zero consumption.	Identified
SAP settlement unit issues	11.2	<b>CTCT</b> Investigate the issues preventing SAP settlement units being updated correctly for unmetered load, reconnections and disconnections and determine a solution.	Identified
ICPs with meter category 3 or higher	12.9	<b>CTCT</b> Update the meter upgrade process to ensure that where an ICP is upgraded to meter category 3 or higher the ICP is switched to CTCS and settled as HHR from the meter upgrade date. Ensure switching process prevents ICPs with meter category 3 or higher switching in to CTCT. These ICPs should only be supplied by CTCS.	Identified

## ISSUES

Subject	Section	Description	Issue
		Nil	

## 1. ADMINISTRATIVE

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

#### Code reference

*Section 11 of Electricity Industry Act 2010.*

#### Code related audit information

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

#### Audit observation

The Electricity Authority's website was reviewed to identify any exemptions relevant to the scope of this audit.

#### Audit commentary

Exemption 293 for ICP 0003133903AA777 expired on 1 April 2021 because Contact is no longer recorded as the trader on the registry. There are four exemptions currently in place relevant to the scope of this audit:

**Exemption No. 177:** Exemption to clause 8(g) of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of providing half-hour ("HHR") submission information instead of non-half-hour ("NHH") submission information for distributed unmetered load ("DUML"). This exemption expires at the close of 31 October 2023.

**Exemption No. 185:** Exemption to clause 11 of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of creating DUML databases for the following ICPs. This exemption expires on the date on which Contact no longer has responsibility as the trader for these ICPs on the registry, and still applies for ICP 0001183605HB0B0.

ICP identifier	Comments
0001183605HB0B0	Contact still has responsibility for this ICP, under veranda lights with load of 3.7 kWh per day are connected.
0000038627NTADB	Decommissioned 17/5/17
0000557925UND32	Switched out 28/2/14
0000600085HBD8B	Switched out 23/1/13
0000916610TEA3F	Switched out 1 December 2016
0005000772HBA61	Switched out 28/8/14
0008801012TP900	Unmetered load details have been removed on the registry effective 23 June 2014
0014189134HBC96	Switched out 3 November 2015
0016096032EL6DD	Switched out 16/7/16
0018137292HB7F1	Decommissioned 5/2/13
0046054751HBF7	Switched out 8 November 2012

**Exemption No. 191:** Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000032431HR99C. This exemption expires on the earlier of:

- the close of 31 December 2023, or
- the completion date of a major upgrade to the Ohaaki substation.

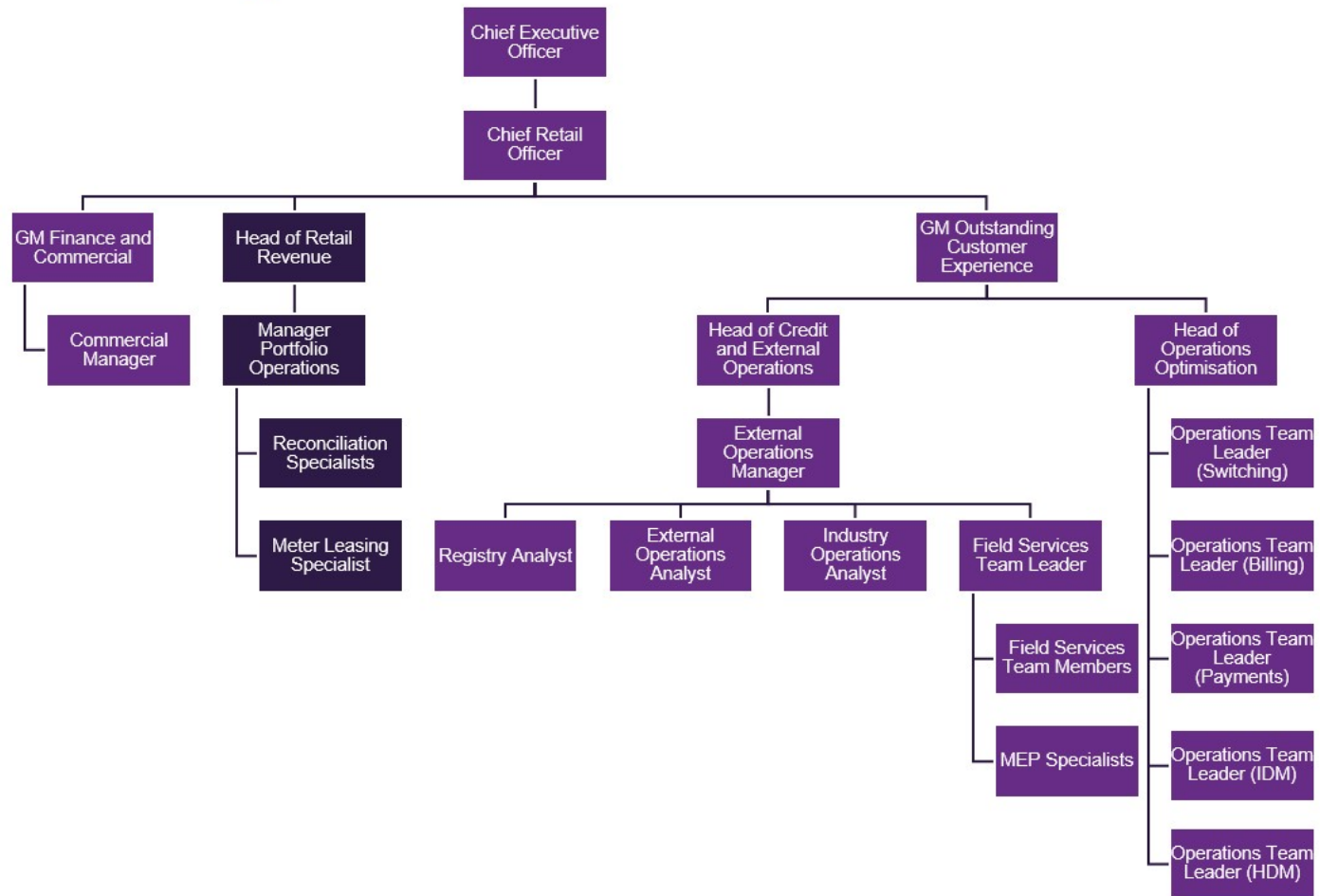
**Exemption No. 203:** Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000880392WEA92. This exemption expires on the earlier of:

- the close of 31 December 2022, or
- the completion date of a major upgrade to the switchboards at Contact's co-generation plant at the Te Rapa dairy factory.

## 1.2. Structure of Organisation

Contact provided a copy of their organisational structure.

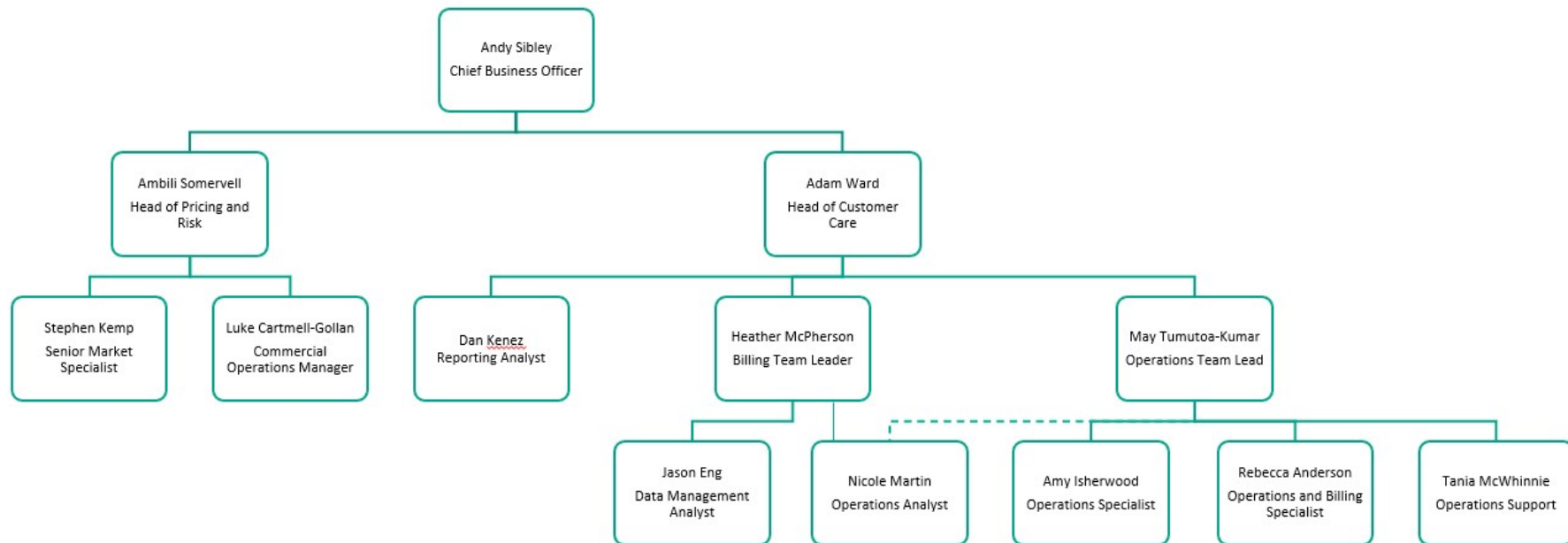
### Contact Organisational Diagram



Simply Energy provided a copy of their organisational structure.

# Simply Energy Compliance Organization Chart

1 May 2022



### 1.3. Persons involved in this audit

#### Auditors:

Name	Company	Role
Rebecca Elliot	Veritek Limited	Lead auditor
Tara Gannon	Veritek Limited	Supporting auditor

#### Contact personnel assisting in this audit were:

Name	Title	Organisation
Aaron Wall	Portfolio Analyst	Contact Energy
Adam Ward	Head of Customer Care	Simply Energy
Ambili Somervell	Head of Pricing and Risk, Simply Energy	Simply Energy
Avtar Singh	Operations Team Leader	Contact Energy
Caitlin Molenaar	Wellbeing Team Member	Contact Energy
Chris Golder	Operations Team Member	Contact Energy
Darren Law	Contractor Operations Lead	Contact Energy
Debby Abrahams	Commercial Manager	Contact Energy
Hadleigh Townsend	Dispatch Contract Manager	Contact Energy
Jason Eng	Data Management Analyst	Simply Energy
James Upward	Field Services Team Member	Contact Energy
Joanne Benvenuti	Operations Team Member	Contact Energy
Kirstyn Harding	Operations Team Member	Contact Energy
KP Chiew	Senior Reconciliation Analyst	Contact Energy
Luke Cartmell-Gollan	Commercial Operations Manager	Simply Energy
Martin Black	Operations Team Member	Contact Energy
Mary-Anne Bone	Operations Team Member	Simply Energy



Name	Title	Organisation
May Tumutoa-Kumar	Operation Team Lead	Simply Energy
Nagham Anayi	External Customer Solutions Specialist	Contact Energy
Nathan Joyce	Network Operations Analyst External Customer Solutions	Contact Energy
Nikhil Kilawat	SAP ISU DM/EDM consultant	Contact Energy
Paul Robson	Operations Team Member	Contact Energy
Roy Burne	Operations Team Member	Contact Energy
Scott Robertson	Portfolio Analyst	Contact Energy
Simon Reed	Developer	Contact Energy
Stephen Kemp	Senior Market Specialist, Simply Energy	Simply Energy
Tania McWhinnie	Operations Team Member	Simply Energy
Todd Martin	Operations Team Member	Simply Energy
Virginia Holmwood	Customer Advocate Team Leader	Contact Energy

#### 1.4. Use of Agents (Clause 15.34)

##### Code reference

Clause 15.34

##### Code related audit information

*A reconciliation participant who uses an agent*

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

##### Audit observation

Use of agents was discussed with Contact.

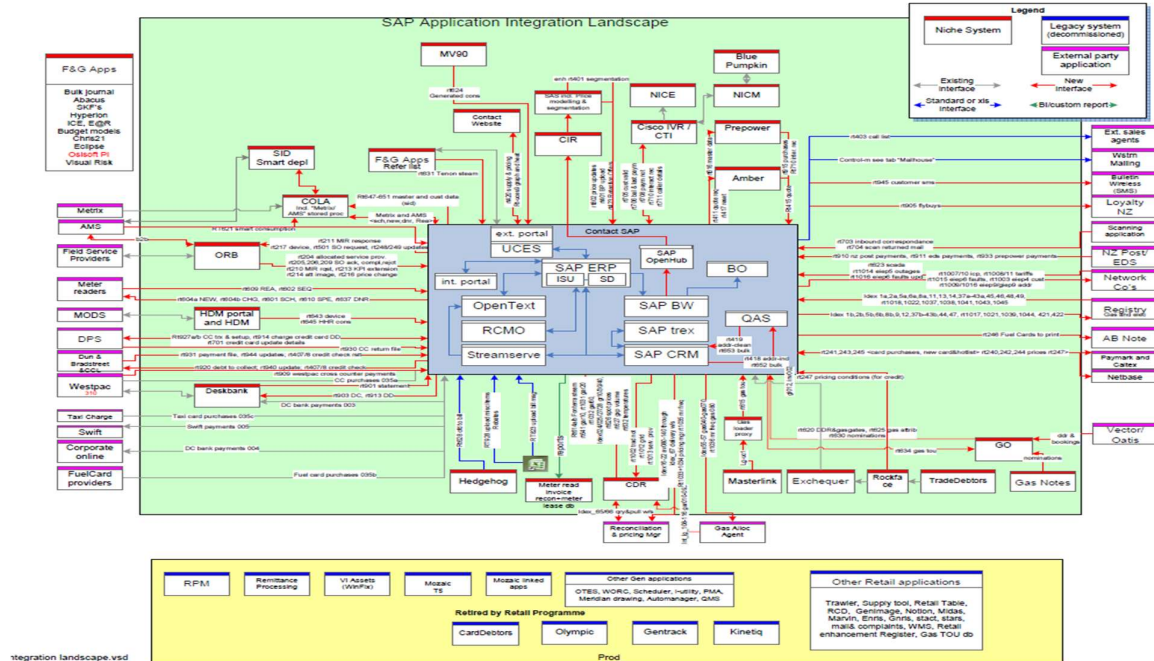
##### Audit commentary

Contact uses a number of agents in relation to the functions covered by the scope of this audit as discussed in **section 1.9**.

## 1.5. Hardware and Software

### Contact (CTCT)

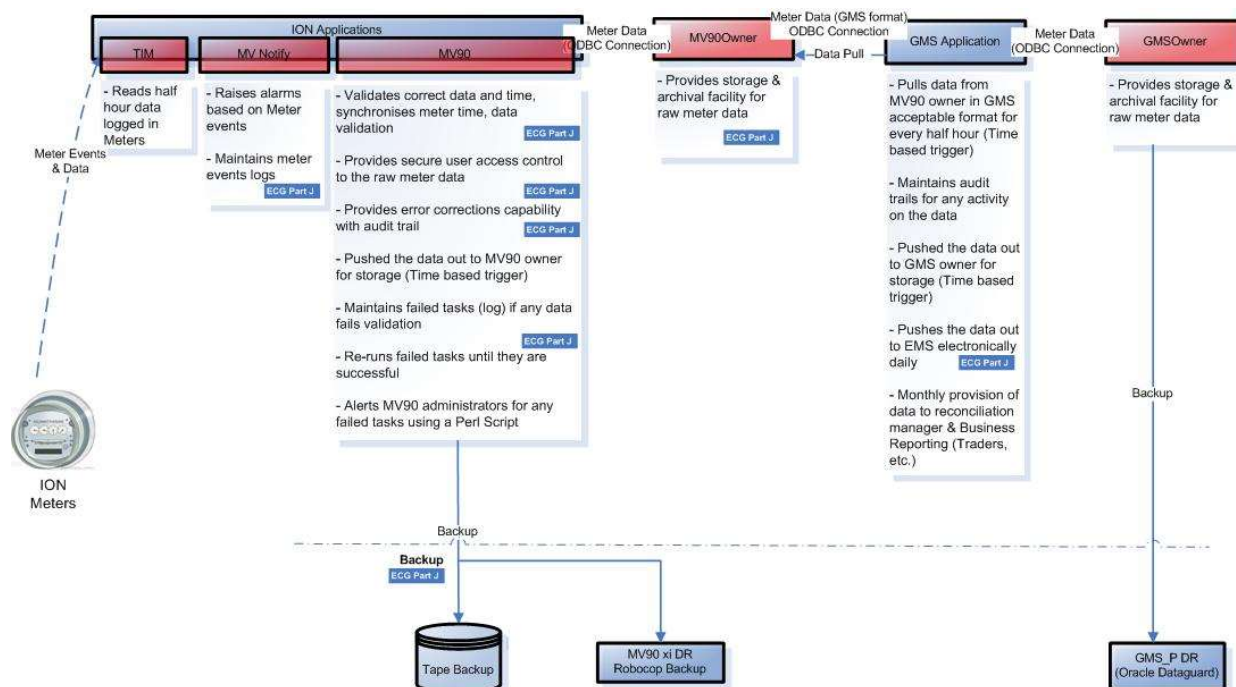
A diagram of Contact's system configuration is shown below.



SAP is cloud based and can continue to operate in the event of the failure of any single data centre. Backups occur according to the following schedule:

Backup	SAP System	Full Backup	Differential Backup	Transaction Log backup
SAP Database Backups	ECC	Weekly (Sunday)	Daily	Every 30 minutes
	CRM			
	Gateway			
	Portal			
	PO			

The diagram below shows an overview of data flow, validation, storage and backup arrangements for generation.



### Simply Energy (CTCX and CTCS)

Meter reading and volume data is imported into AXOS DataHub, which is used to validate the volumes and produce HHR submissions. Validated readings are transferred to the AXOS billing engine for billing and as billed reporting, and to Emersion to produce invoices for customers supplied under the CTCS participant code.

SalesForce is used for the management of ICP and customer information, and registry validation reporting. Emersion also records customer information.

EMS's Madras system is used for NHH submission.

Backup is cloud based, and password protection is in place to prevent unauthorised access to data.

### Agents

Agent systems are discussed in their own audit reports.

### 1.6. Breaches or Breach Allegations

The EA confirmed that there were four alleged breaches relevant to the scope of the audit during the audit period, all for CTCS.

Reference	Trader code	Code section	Description	Outcome
2203CTCT1	CTCS	Part 15 clause 15.2 (1) (a)	Part one: There was under submission of 2,132,678.09 kWh for the January 2022 initial submission due to an error updating meter start dates during a meter change. The data was corrected and washed up by revision one.	no result yet

Reference	Trader code	Code section	Description	Outcome
			Part two: There was under submission of 2,822,041 kWh for the October 2021 revision three submission due to an error applying a multiplier when processing a meter change from AMI to TOU. The data was corrected and washed up by revision seven.	
2203CTCT2	CTCS	Part 15 clause 15.2 (1) (a)	<p>When an ICP switched in effective 1 February 2021, Simply Energy set up the metering based on what the five meters recorded on the registry. When data was received for another three meter registers not recorded on the registry, the associated volumes were omitted because Simply Energy believed the meters were not to be settled.</p> <p>It was later confirmed that the three registers were installed in September 2020 and should have had volumes submitted since the switch in date. A correction was made in January 2022 and volumes are being submitted through the revision process.</p>	no result yet
2107CTCT1	CTCS	Part 15 clause 15.2 (1) (a)	CTCS failed to deliver accurate information to the Reconciliation Manager in their AV-080 (NHH submission file) for 202011 R7. CTCS had a dedicated flag change at NSP MMP0111-MOPO. The flag changed from N to Y. CTCS failed to zero out the volumes at that NSP for the previous submission under the N flag, and therefore when submitting under the Y flag duplicated the volume.	decline to pursue with warning
2202CTCT1	CTCS	Part 15 clause 15.2 (1) (a)	<p>Simply Energy (CTCS) submitted NHH volumes for NSP TCC0011-TENC with special profile E08. The reconciliation system did not have a profile for this, and queried it with the profile owner, CTCT, who confirmed they don't have profile E08 on NSP TCC0011 and therefore wouldn't provide a shape.</p> <p>CTCS did not provide shape values. In revision three they zeroed the volume for the TCC0011-TENC-E08 and moved the load to the RPS profile.</p>	no result yet

## 1.7. ICP Data

### CTCT

All active ICPs are summarised by metering category in the table below. ICPs which are active but have no metering details or unmetered load recorded on the registry and are discussed in **section 2.9**.

Metering Category	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017	2016
1	428,728	409,511	404,012	407,310	408,039	413,110	417,819	419,055
2	2656	2489	2,674	3,956	4774	5,136	5,201	5,460
3	2	1	182	530	816	857	942	990
4		-	81	205	322	337	383	388
5	3	3	16	22	35	41	52	49
9	71	191	97	112	152	198	250	273
Blank	278	246	231	329	453	645	676	1,042

Status	ICPs Apr 2022	ICPs Aug 2021	ICPs Jan 2021	ICPs 2020	ICPs 2019	ICPs 2018	ICPs 2017	ICPs 2016
Active (2,0)	431,738	412,441	407,293	412,464	414,591	420,324	425,323	427,257
Inactive – new connection in progress (1,12)	2	1	-	-	2	2	-	-
Inactive – electrically disconnected vacant property (1,4)	6,935	6,931	6,978	6,954	7,313	7,734	8,135	8,564
Inactive – electrically disconnected remotely by AMI meter (1,7)	3,338	2,795	3,045	2,330	2,208	1,778	1,678	1,283
Inactive – electrically disconnected at pole fuse (1,8)	82	61	71	62	62	26	103	2
Inactive – electrically disconnected due to meter disconnected (1,9)	78	74	83	81	73	11	1	1
Inactive – electrically disconnected at meter box fuse (1,10)	49	40	44	35	24	-	-	-

Status	ICPs Apr 2022	ICPs Aug 2021	ICPs Jan 2021	ICPs 2020	ICPs 2019	ICPs 2018	ICPs 2017	ICPs 2016
Inactive – electrically disconnected at meter box switch (1,11)	1	-	-	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	964	925	909	970	1,104	1,354	1,951	2,876
Inactive – reconciled elsewhere (1,5)	2	-	1	3	3	5	2	4
Decommissioned (3)	54,319	53,230	52,440	51,096	49,518	47,987	45,670	42,970

### CTCX

All active ICPs are summarised by metering category in the table below. The two active ICPs with a blank metering category are residual load ICPs with an SB reconciliation type.

Metering Category	Apr 2022	Aug 2021	Jan 2021	2020
1	33	36	32	28
2	47	37	35	23
3	3	3	3	2
4	-	-	-	-
5	-	-	-	-
9	-	-	-	-
Blank	2	2	2	2

Status	ICPs Apr 2022	ICPs Aug 2021	ICPs Jan 2021	ICPs 2020
Active (2,0)	85	78	72	55
Inactive – new connection in progress (1,12)	-	-	-	-
Inactive – electrically disconnected vacant property (1,4)	-	-	-	-
Inactive – electrically disconnected remotely by AMI meter (1,7)	-	-	-	-
Inactive – electrically disconnected at pole fuse (1,8)	-	-	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	-	-	-	-

Inactive – electrically disconnected at meter box fuse (1,10)	-	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	-	-	-	-
Inactive – reconciled elsewhere (1,5)	-	-	-	-
Decommissioned (3)	1	1	1	-

### CTCS

All active ICPs are summarised by metering category in the table below. ICPs which are active but have no metering details or unmetered load recorded on the registry and are discussed in **section 2.9**.

Metering Category	Apr 2022	Aug 2021	Jan 2021	2020
1	3,441	4,857	4,414	41
2	866	1,125	1,033	24
3	391	430	380	38
4	152	154	129	7
5	31	16	5	-
9	55	64	45	3
Blank	64	75	77	-

Status	ICPs Apr 2022	ICPs Aug 2021	ICPs Jan 2021	ICPs 2020
Active (2,0)	5,000	6,721	6,083	113
Inactive – new connection in progress (1,12)	13	14	3	-
Inactive – electrically disconnected vacant property (1,4)	2	2	1	-
Inactive – electrically disconnected remotely by AMI meter (1,7)	2	6	2	-
Inactive – electrically disconnected at pole fuse (1,8)	-	1	2	-
Inactive – electrically disconnected due to meter disconnected (1,9)	-	-	-	-
Inactive – electrically disconnected at meter box fuse (1,10)	-	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-

Inactive – electrically disconnected ready for decommissioning (1,6)	6	3	1	-
Inactive – reconciled elsewhere (1,5)	5	6	3	-
Decommissioned (3)	76	33	5	-

### 1.8. Authorisation Received

Contact provided a letter of authorisation.

### 1.9. Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of Contact, to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2

The audit was carried out remotely using Microsoft Teams between 7 and 25 July 2022.

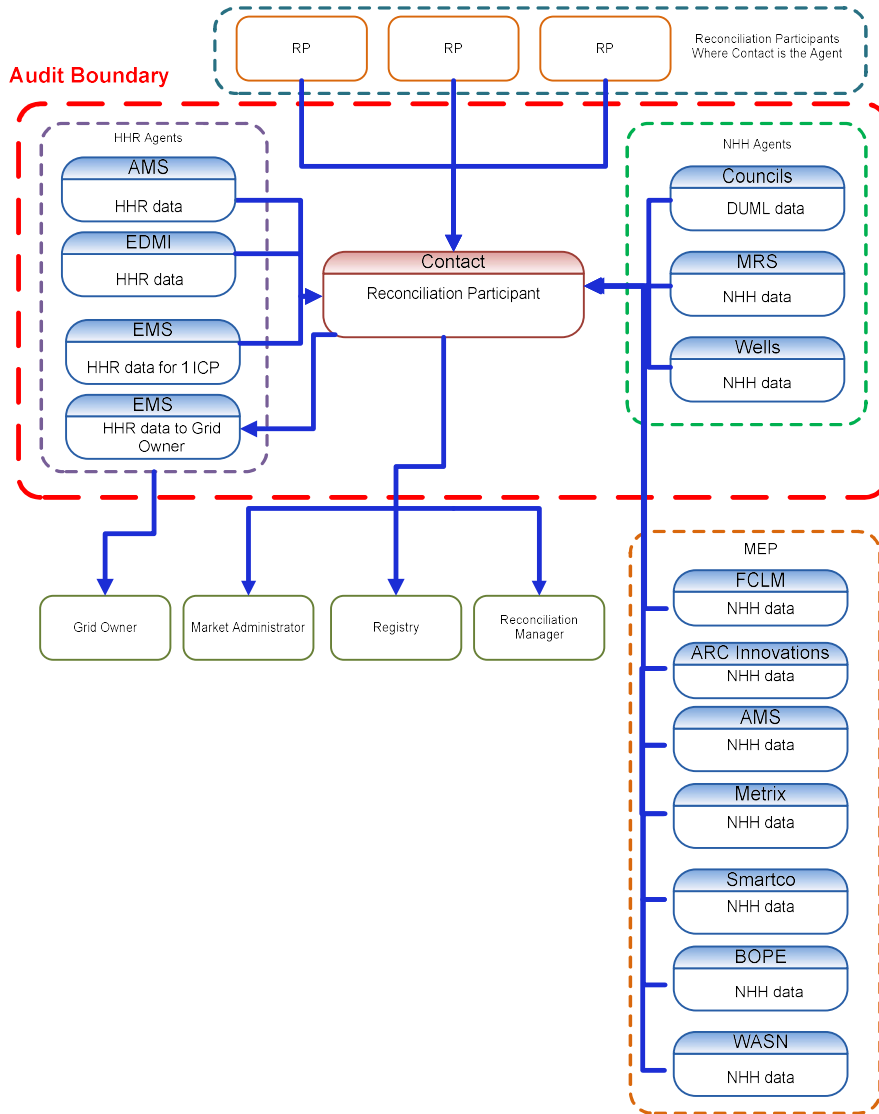
The audit analysis was completed on:

- for CTCT a registry list, event detail report and audit compliance report for 1 December 2021 to 30 April 2022 and a registry list snapshot for 9 May 2022 were reviewed, and
- for CTCS and CTCX a registry list, event detail reports and audit compliance reports for 1 December 2021 to 30 April 2022 and a registry list snapshot for 5 May 2022 were reviewed.

#### **CTCT**

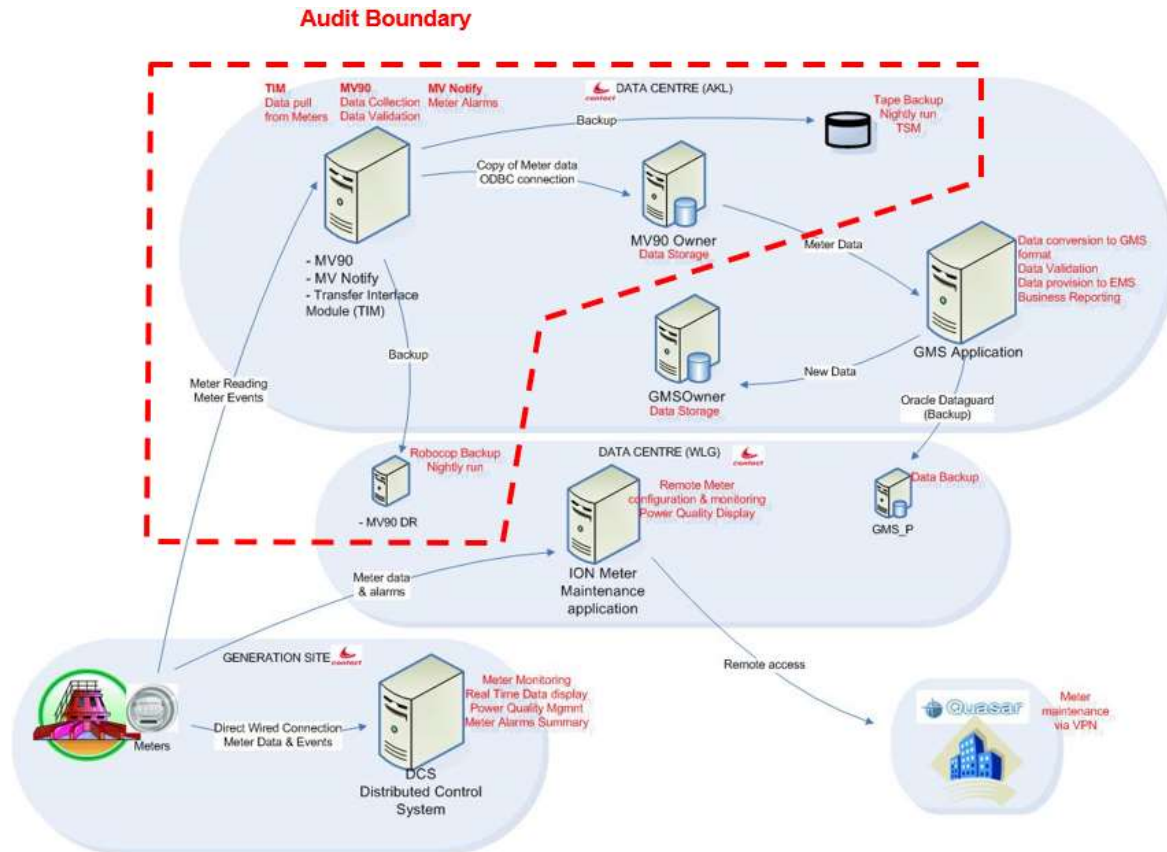
The scope of the audit is shown in the diagram below, with the CTCT audit boundary shown for clarity.





CTCT acts as an agent to other Reconciliation Participants who have responsibility for embedded network “gate” ICPS. It is intended that these parties will use CTCT’s audit report to support their application for certification.

The diagram below is specific to CTCT's HHR data collection activities for generation metering, and it shows the audit boundary for this area.



The table below shows the tasks under clause 15.38 of part 15, for which Contact requires certification. This table also lists those agents who assist with these tasks:

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs Providing Data to Contact
(a) - Maintaining registry information and performing customer and embedded generator switching		
(b) – Gathering and storing raw meter data	MRS – NHH (up to 30 June 2022) Wells – NHH (from 1 July 2022) AMS – HHR EDMI – HHR EMS – HHR	AMS (incl Smartco) ARC Innovations Influx IntelliHUB (incl Metrix and Counties Power) Nova WEL Networks

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs Providing Data to Contact
(c)(iii) - Creation and management of volume information	AMS – HHR EDMI – HHR EMS – HHR Various Councils – DUML databases	
(d)(i)– Calculation of ICP days		
(d)(ii) - delivery of electricity supplied information under clause 15.7		
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8		
(e) – Provision of submission information for reconciliation		
(f) - Provision of metering information to the Grid Owner	EMS	

### CTCX

CTCX customers are supplied by the Simply Energy or Plains Power brands but receive Contact Energy pricing and therefore are assigned to a Contact Energy trader code. They are billed as HHR but may be settled as NHH if their metering does not meet HHR certification requirements.

- Simply Energy acts as an agent for switching, registry and submission processes.
- EDMI and AMS supply HHR data directly to Simply Energy, and Simply Energy validates the data and creates HHR submissions.
- EMS creates NHH submission information for CTCX as an agent.
- Wells provides readings for any manually read NHH ICPs, and MEPs provide AMI data.

The table below shows the tasks under clause 15.38 of part 15, for which Contact requires certification for its CTCX code. This table also lists those agents who assist with these tasks:

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs
(a) - Maintaining registry information and performing customer and embedded generator switching	Simply Energy	
(b) - Gathering and storing raw meter data	Wells – NHH AMS – HHR EDMI – HHR	AMS (incl Smartco) ARC Innovations Influx IntelliHUB (incl Metrix and Counties Power)

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs
(c)(i) - Creation and management of HHR volume information	Simply Energy	
(c)(ii) - Creation and management of NHH volume information	EMS	
(d)(i) - Calculation of ICP days	EMS – NHH Simply Energy – HHR	
(d)(ii) - delivery of electricity supplied information under clause 15.7	Simply Energy	
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8		
(e) - Provision of submission information for reconciliation	EMS – NHH Simply Energy – HHR	

## CTCS

CTCS customers are supplied by the Contact Energy brand and may be billed and settled as HHR, NHH or DUML.

- Simply Energy acts as an agent for switching, registry, and submission processes.
- EDMI and AMS supply HHR data directly to Simply Energy, and Simply Energy validates the data and creates HHR submissions.
- EMS creates NHH submission information for CTCS as an agent, including DUML submissions.
- MRS provided readings for any manually read NHH ICPs up to 30 June 2022 and Wells provided readings from 1 July 2022. MEPs provide AMI data.

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

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs
(a) - Maintaining registry information and performing customer and embedded generator switching	Simply Energy	
(b) – Gathering and storing raw meter data	MRS – NHH (up to 30 June 2022) Wells – NHH (from 1 July 2022) AMS – HHR EDMI – HHR	AMS Arc Innovations (Arc) Counties Power IntelliHUB Smartco Influx

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs
(c)(i) - Creation and management of HHR volume information	Simply Energy Various Councils – DUML databases	
(c)(ii) - Creation and management of NHH volume information	EMS	
(d)(i) - Calculation of ICP days & delivery of a report under clause 15.6	Simply Energy - HHR EMS - NHH	
(d)(ii) - delivery of electricity supplied information under clause 15.7	Simply Energy	
(e) - Provision of submission information for reconciliation	Simply Energy - HHR EMS - NHH	

### Agents

Contact receives DUML data from a number of Councils, who are considered agents under clause 15.34 of part 15. These databases are now audited separately. A summation of these audits is detailed in **section 5.4**.

The remaining agents listed above have been audited in accordance with the Guidelines for Reconciliation Participant Audits V7.2. Their audit reports are expected to be submitted with this audit. EMS' NHH processes are not included in their agent audit and were reviewed as part of this audit. The MRS, Wells, AMS, EMS and EDMI reports will be submitted with this report. Any non-compliances affecting Contact are recorded in this report.

### 1.10. Summary of previous audit

Contact provided a copy of their previous reconciliation participant audit report conducted in November 2021 by Rebecca Elliot (lead auditor) of Veritek Limited. The summary tables below show the statuses of the non-compliances and recommendations raised in the previous audit. Further comment is made in the relevant sections of this report.

Subject	Section	Clause	Non-compliance	Status
Relevant information	2.1	10.6, 11.2, 15.2	Some inaccurate data is recorded and was not updated as soon as practicable.	Still existing
Electrical connection of a point of connection	2.11	10.33A	<p><b>CTCT</b> 61 new metered ICPs had certification details recorded more than five business days after connection. 132 ICPs reconnected without having metering certified within five business days.</p> <p><b>CTCS</b> ICP 1002112011LCCEA was not certified within five business days of connection. ICP 0000005966CPA23 was not recertified within five days of reconnection.</p>	Still existing

Subject	Section	Clause	Non-compliance	Status
Provision of information on dispute resolution scheme	2.19	11.30A	<b>CTCS and CTCX</b> This is not in place for inbound phone calls.	Still existing
Changes to Registry	3.3	10 Schedule 11.1	<b>CTCT</b> 1,192 late updates to active status. 491 late updates to inactive status. 2,498 late trader updates. <b>CTCS</b> 18 late updates to active status. 28 late updates to inactive status. 113 late trader updates. <b>CTCX</b> 18 late trader updates.	Still existing
Trader responsibility for an ICP	3.4	11.18	<b>CTCT</b> Notification was not provided to the MEP prior to decommissioning for four ICPs from a sample of 10. An incorrect MEP nomination for 0000165066CK5F0 has been rejected and needs to be reissued to the correct MEP (LMGL). The audit compliance report found 11 ICPs where the MEP had been nominated but no response had been received within 14 days of the nomination.	Still existing
Provision of information to the registry	3.5	9 Schedule 11.1	<b>CTCT</b> 195 late updates to active status and MEP nominations for new connections. Seven new ICPs have incorrect active dates recorded from a sample of 40. 108 late ANZSIC code updates. <b>CTCS</b> 27 late updates to active status for new connections. One late MEP nomination for new connections.	Still existing
ANZSIC codes	3.6	9 (1(k) of Schedule 11.1	<b>CTCT</b> 18 (18%) of the 100 ICPs sampled were confirmed to have the incorrect ANZSIC codes applied. These were corrected during the audit period. A further two ICPs were confirmed to have incorrect ANZSIC codes while examining late updates to registry. 0001831350TGAF6 was updated to ANZSIC code A011 in error effective from 16 December 2020 and corrected back to D281100 effective from 27 August 2021. The incorrect ANZSIC code is applied from 16 December 2020 to 26 August 2021. <b>CTCX</b> One of the 20 ICPs sampled had an incorrect ANZSIC code applied. This was corrected during the audit. <b>CTCS</b> Two >category 1 metered ICPs with an incorrect residential ANZSIC code applied. Seven (23%) of the 30 ICPs sampled had an incorrect ANZSIC code applied. These were corrected during the audit.	Still existing
Changes to unmetered load	3.7	9(1)(f) of Schedule 11.1	<b>CTCT</b> Some incorrect unmetered load information was identified: <ul style="list-style-type: none"> <li>ICP 0000552757HB3CE has a 125 W MV lamp which is expected to have standard ballast wattage of 11 W, giving a total wattage of 136 W. The 1.656 kWh daily average</li> </ul>	Still existing

Subject	Section	Clause	Non-compliance	Status
			<p>has been calculated based on 138 W but should have been 1.632 kWh based on 136 W.</p> <ul style="list-style-type: none"> <li>• 0005301922TU192 should be updated to 1.45 kWh and 252;11.9;2x UVL on the registry.</li> <li>• 0000553257NR3D0 should be updated to 20;24;security gate on the registry.</li> <li>• 0015822016EL2B1 should be updated to 3.45 kWh on the registry.</li> <li>• 0005000186HBD7A had its unmetered load details corrected from 28 September 2021 but should be corrected from the switch in date 14 April 2021.</li> <li>• ICPs 0006797822RN416, 0000026060WE15A, 0013531104EL2A7 and 0000024991EA327 do not have unmetered load installed but have unmetered load details recorded on the registry.</li> <li>• ICP 0015780248EL8F7 has missing unmetered load details on the registry from 12 March 2019 until 23 September 2021. SAP is correct so there is no impact on submission.</li> <li>• ICP 0000020052CPB35 has missing unmetered load details on the registry from 18 May 2021 until 15 September 2021. There is also a gap in SAP's unmetered load between the previous customer moving out on 1 June 2021 and new customer moving in on 5 June 2021.</li> <li>• ICP 0016096677ELF31 requires its trader unmetered load details to be corrected to 200;11.5, 2x100W UVL.</li> <li>• A further ten ICPs had incorrect unmetered load details corrected during the audit.</li> </ul> <p><b>CTCS</b> Three ICPs with the incorrect unmetered load recorded. This will be resulting in a very minor amount of under submission.</p>	
Management of Active	3.8	17 Schedule 11.1	<p><b>CTCT</b> Seven new ICPs have incorrect active status dates recorded.</p> <p><b>CTCS</b> Four new connections with the incorrect active date recorded. One (5%) of the 18 reconnected ICPs sampled updated to inactive for the incorrect date.</p>	Still existing
Management of Inactive	3.9	19 of schedule 11.1	<p><b>CTCT</b> Ohoka Downs DUML ICP 0000366150MP46C is to be decommissioned as the connected lights are metered. The ICP became inactive on 4 June 2021, but the registry has recorded inactive status from 7 October 2020. Four updates to inactive status were incorrect and were corrected during the audit.</p> <p><b>CTCS</b> Eight (3+ 2+3) (20%) of the 40 (12+18+10) ICPs sampled updated to inactive for the incorrect dates.</p>	Still existing
Inform registry of switch request for ICPs - standard switch	4.1	2 Schedule 11.3	<p><b>CTCT</b> One NT file was issued as a transfer switch but should have been a switch move.</p> <p><b>CTCS</b> Three of the sample of five NT files checked were issued more than two business days after pre-conditions were cleared.</p>	Cleared
Losing trader must provide	4.3	5 Schedule 11.3	<p><b>CTCT</b> Eight CS breaches. Two E2 breaches.</p>	Still existing

Subject	Section	Clause	Non-compliance	Status
final information			<p>Three CS files had an incorrect daily average kWh recorded. 17 transfer switches had an estimated read type recorded but should have had actual. One transfer switch had an incorrect last actual read date and was later withdrawn.</p> <p><b>CTCS</b> All five ICPs sampled of a possible 11 ICPs where the last actual read date is for a date before the switch event date were sent with the incorrect read type of "E" due to human error. Two of the five ICPs sampled of a possible 11 ICPs where the last actual read date is more than one day before the switch event date were sent with the incorrect read type of "A" due to human error. 18 (5+5+ 5+3) (87%) of the 20 ICPs (5+5+5+5) sampled had the incorrect average daily consumption recorded.</p>	
Retailers must use the same reading	4.4	6(1) and 6A Schedule 11.3	<p><b>CTCS</b> One late AC file. Approximately 650 of both transfer and switch move ICPs with readings were not reflective of the readings agreed through the RR process resulting in some significant incorrect volumes being reconciled.</p>	Still existing
Gaining trader informs registry of switch request	4.7	9 of Schedule 11.3	<p><b>CTCT</b> Seven switch move NT files were issued more than two business days after pre-conditions were cleared. The NTs were initially issued on time for the wrong address and were reissued to the correct address once the error was found.</p> <p><b>CTCS</b> Two of the sample of five NT files checked were issued more than two business days after pre-conditions were cleared</p>	Still existing
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	<p><b>CTCT</b> Two E2 breaches. Two T2 breaches. Two ET breaches affecting one ICP. One WR breach.</p> <p><b>CTCS</b> Eight AN files sent with AA when MU would have been more accurate. One E2 breach. 34 T2 breaches. One WR breach.</p>	Still existing
Losing trader must provide final information	4.10	11 Schedule 11.3	<p><b>CTCT</b> One CS file had an incorrect average daily kWh. Ten transfer switches had an estimated read type recorded but should have had actual.</p> <p><b>CTCX</b> Incorrect average daily consumption sent for both CS files sent.</p> <p><b>CTCS</b> All five ICPs sampled of a possible 147 ICPs where the last actual read date is for a date before the switch event date were sent with the incorrect read type of "E" due to human error. All five ICPs sampled of a possible nine ICPs where the last actual read date is more than one day before the switch event date were sent with the incorrect read type of "A" due to human error.</p>	Still existing



Subject	Section	Clause	Non-compliance	Status
			18 (5+4+4+4+1) (87%) of the 21 ICPs (5+5+5+5+1) sampled had the incorrect average daily consumption recorded.	
Gaining trader changes to switch meter reading	4.11	12 of Schedule 11.3	<b>CTCT</b> Five late RR files for switch moves. The reading in SAP for one ICP did not reflect the outcome of the RR process and was corrected during the audit. <b>CTCS</b> Approximately 650 of both transfer and switch move ICPs had readings not reflective of the readings agreed through the RR process resulting in some significant incorrect volumes being reconciled.	Still existing
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	<b>CTCT</b> Five NWs did not have the code with the best fit applied. 17 SR breaches. 78 NA breaches. <b>CTCX</b> One NW did not have the code with the best fit applied. <b>CTCS</b> Six NWs did not have the code with the best fit applied. Two NWs issued in error. Five SR breaches. Two NA breaches. Five AW breaches.	Still existing
Metering information	4.16	21 Schedule 11.3	<b>CTCS</b> All five ICPs sampled of a possible 11 transferred ICPs and all five switch move ICPs sampled of a possible 147 where the last actual read date is for a date before the switch event date were sent with the incorrect read type of "E" due to human error. Two of the five ICPs sampled of a possible 11 transferred ICPs and all five ICPs sampled of a possible nine switch moves where the last actual read date is more than one day before the switch event date were sent with the incorrect read type of "A" due to human error.	Still existing
Distributed unmetered load	5.4	11 of schedule 15.3	<b>CTCT and CTCS</b> The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code. Inaccurate submission information for several databases. Some streetlight audits not submitted by the due date. No streetlight audit undertaken for Waka Kotahi ICPs 0016099060EL730 and 0110004920EL4F1	Still existing
Electricity conveyed & notification by embedded generators	6.1	10.13	<b>CTCT</b> While meters were bridged, energy was not metered and quantified according to the code for 24 ICPs. ICPs 0000932060TE629, 0418695067LC047, and 0419151060LCC0F are believed to be generating but do not have I flow metering installed and electricity is not quantified according to the code. <b>CTCX</b> NHH ICP 0000012442EA341 has RPS profile and does not have generation metering installed. Solar generation was installed on 4 June 2021, but import/export metering was only installed on 17 September 2021, therefore quantification was not occurring. <b>CTCS</b>	Still existing

Subject	Section	Clause	Non-compliance	Status
			ICP 0000589585UNDBO is believed to be grid connected generation but the I flow is not settled.	
Derivation of meter readings	6.6	3(1), 3(2) and 5 Schedule 15.2	<b>CTCT</b> IHUB estimates labelled as actuals. <b>CTCS</b> Meter condition information is not routinely reviewed to identify issues with seals, tampering, phase failure or safety. IHUB estimates labelled as actuals.	Still existing
NHH meter reading application	6.7	6 Schedule 15.2	<b>CTCS</b> All five transferred ICPs sampled of a possible 11 transferred ICPs and all five switch move ICPs sampled of a possible 147 ICPs where the last actual read date is for a date before the switch event date were sent with the incorrect read type of "E" due to human error. Two of the five ICPs sampled of a possible 11 transferred ICPs and all five switch move ICPs sampled of a possible nine ICPs where the last actual read date is more than one day before the switch event date were sent with the incorrect read type of "A" due to human error. Approximately 650 of both transfer and switch move ICPs had readings not reflective of the readings agreed through the RR process resulting in some significant incorrect volumes being reconciled.	Still existing
Interrogate meters once	6.8	7(1) and (2) Schedule 15.	<b>CTCT</b> For at least three ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met. <b>CTCS</b> For at least ten ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Still existing
NHH meters interrogated annually	6.9	8(1) and (2) Schedule 15.2.	<b>CTCS</b> For at least 18 ICPs unread annually, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Still existing
NHH meters 90% read rate	6.10	9(1) and (2) Schedule 15.2	<b>CTCT</b> For at least three ICPs unread at 4 months, exceptional circumstances did not exist, and the best endeavours requirement was not met. <b>CTCX</b> For one ICP unread at 4 months, exceptional circumstances did not exist, and the best endeavours requirement was not met. <b>CTCS</b> For at least seven ICPs unread at 4 months, exceptional circumstances did not exist, and the best endeavours requirement was not met.	Still existing
Identification of readings	9.1	3(3) Schedule 15.2	<b>CTCT</b> 17 incorrectly labelled switch event meter readings. IHUB estimates labelled as actuals. <b>CTCS</b> Seven of ten ICPs sampled of a possible 22 transferred ICPs and all ten sampled of a possible 156 had incorrectly labelled switch event meter readings. IHUB estimates labelled as actuals.	Still existing

Subject	Section	Clause	Non-compliance	Status
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	<b>CTCS and CTCX</b> AMS and EDM1's EIEP3 file format may round the trading period data to two decimal places if the meter does not have a multiplier and the volume for that hour has a non-zero value in the third decimal place. Any NHH data recorded with decimal places in DataHub is rounded to the nearest whole number when exported to EMS' MADRAS for reconciliation.	Still existing
Electronic meter readings	9.6	17(4)(f)&(g) of schedule 15.2	<b>CTCT</b> Clock synchronisation and event reports not reviewed. Voltage on the load side of a disconnected meter event is not sent by MEPs. <b>CTCS &amp; CTCX</b> AMI event logs are not routinely reviewed.	Still existing
Calculation of ICP days	11.2	15.6	<b>CTCT</b> ICP days were not reported correctly where settlement unit information was incorrect in SAP, or a system defect resulted in an incorrect submission type being applied. Contact has been working to resolve these issues before revision 14, and the ICP days differences are generally small. <b>CTCS</b> Over submission of 31 NHH ICP days for one ICP not closed out in MADRAS.	Still existing
HHR aggregates information provision to the reconciliation manager	11.4	15.8	<b>CTCT</b> HHR aggregates file does not contain electricity supplied information. <b>CTCX</b> HHR aggregates file does not contain electricity supplied information. <b>CTCS</b> HHR aggregates file does not contain electricity supplied information	Still existing
Creation of submission information	12.2	15.4	<b>CTCT</b> Some ICPs were missing from submissions due to data inaccuracies. HHR submission not occurring for ICP 1001157629CK617 since 01 February 2021. <b>CTCX</b> Generation volume not submitted for ICP 0000012442EA341 from 4 June 2021 to 16 September 2021. <b>CTCS</b> One ICP missing from HHR vols for September 2020. Under submission was 2,991.4 kWh. Submission of 3,160 kWh did not occur for ICP 0000572490WT5C1 because it was recorded as inactive.	Still existing
Allocation of submission information	12.3	15.5	<b>CTCT</b> NSP manual corrections are not always applied if changes occur to an NSP then back again within the same balancing area and the same month.	Cleared
Accuracy of submission information	12.7	15.12	<b>CTCT, CTCX and CTCS</b> Some submission data was inaccurate and was not corrected at the next available opportunity.	Still existing
Permanence of meter readings	12.8	4 Schedule 15.2	<b>CTCT, CTCS and CTCX</b> Some estimates were not replaced by revision 14.	Still existing

Subject	Section	Clause	Non-compliance	Status
for reconciliation				
Reconciliation participants to prepare information	12.9	2(1)(c) of schedule 12.3	<b>CTCT</b> Unmetered submission not occurring for ICP 0000366150MP46C. HHR submission not occurring for ICP 1001157629CK617.	Still existing
Historical estimates and forward estimates	12.10	3 Schedule 15.3	<b>CTCS and CTCX</b> Where SASV profiles are not available, consumption based on validated readings is labelled as forward estimate.	Still existing
Forward estimate process	12.12	6 Schedule 15.3	<b>CTCT</b> Inaccurate FE caused the thresholds not to be met in some instances. <b>CTCS</b> Thresholds were not met for some revisions due to unmetered load estimates being based on 55 kWh per day. There was one meter reading error.	Still existing
Historical estimate reporting to RM	13.3	10 of Schedule 15.3	<b>CTCT</b> Historic estimate thresholds were not met for some revisions. <b>CTCS</b> Historic estimate thresholds were not met for some revisions. <b>CTCX</b> Historic estimate thresholds were not met for some revisions.	Still existing

Subject	Section	Recommendation	Status
Registry validation	2.1	Expand SAP to registry validation to include the loss factor field.	Not adopted.
		Develop validation reporting to ensure compensation factors are correct.	In progress.
Resolve active unmetered ICPs with the unmetered flag set to N	2.9	<b>CTCT</b> Reissue MEP nominations for 000165066CK5F0, 1000002829BP476 and 0000921936TU403. Arrange decommissioning for ICPs 0009604831CN581, 0000008036CE985 and 0099551585CN50D. Investigate ICPs 0042141002PC502 and 0181346710LC342 to confirm whether decommissioning is required and arrange decommissioning as necessary.	Cleared. The affected ICPs have now had MEP nominations accepted and metering details added, are dismantled, ready for decommissioning, or inactive.
Provision of information on dispute resolution.	2.19	<b>CTCX</b> Update terms and conditions to Utilities Disputes	Cleared.
		<b>CTCS and CTCX</b> Notification of Utilities Disputes be added to the IVR.	Cleared.
Monitoring of active ICPs where the metering category is 9 or blank	3.4	<b>CTCS and CTCX</b> Use the AC-020 report tab 17 to identify and check any ICPs where the metering category is 9 or blank and no unmetered load recorded.	Cleared.
ANZSIC codes	3.6	Use the AC020 report tab 12 to identify and investigate any ICPs greater than category 1 with a residential ANZSIC code applied.	Cleared.
BPEMs for changes to distributor unmetered load	3.7	<b>CTCT</b> Review the criteria for the IE22 BP EM, which appears not to be identifying changes to	Not adopted.

Subject	Section	Recommendation	Status
		distributor unmetered load where the unmetered load is removed.	
Decommissioning of unmetered ICPs no longer required	3.7	<b>CTCT</b> Decommission ICPs 0000503975DE2C1, 0000503967DE8E9, and 0000508312DE511.	Identified or cleared. 0000503975DE2C1 – dismantled 0000503967DE8E9 – dismantled 0000508312DE511 – service job pending completion
Management of inactive status	3.9	<b>CTCS</b> I recommend that the process for backdated switches be reviewed to ensure that any inactive periods are correctly recorded.	Cleared.
Management of inactive status	3.9	<b>CTCS</b> Review decommissioning process to ensure that staff use the correct date to decommission ICPs.	Not adopted.
Monitoring of inactive consumption	3.9	<b>CTCS and CTCX</b> Where exceptions occur for readings after a data stream end date, check the readings to confirm whether there is consumption during an inactive period, and take corrective action to update the status as necessary.	Not adopted. Data streams are no longer end dated when ICPs are disconnected and inactive consumption is not actively monitored.
AN response code hierarchy	4.2	<b>CTCS and CTCX</b> Consider adding the OC (occupied premises), PD (premises electrically disconnected), CO (contracted customer) and MP (metering is prepaid) codes to the AN code hierarchy to ensure that AA (accept and acknowledge) is only used when no other codes are applicable. Prepaid metering is not usually supplied.	Cleared.
CS estimated daily kWh	4.3	<b>CTCS and CTCX</b> Consider reviewing the estimated daily consumption calculation to ensure compliance with the registry functional specification.	Not adopted.
Investigate distributed generation exceptions	6.1	<b>CTCT</b> The I flow meter for ICP 0221906002LC12A was removed when the meter was relocated on 14 July 2021. Investigate to determine whether it is still generating, and I flow metering is required. Follow up I flow metering for 0000060012NT81E and 1000002206BPCF7 which have generation profiles recorded and no I flow registers. ICPs 0000076130CE377, 0002967578BUE49, 0003921719AL1E7 and 0005503188ML3AA should be checked to determine whether generation is present and update the settlement flag as required. Confirm the fuel types and correct profiles for 0000053221CP0F6 (wind PV1), 0011006802PCDFA (wind PV1), 0007006355HBE4D (other PV1) and 0006178979RNEB4 (other PV1).	Identified or cleared. 0221906002LC12A - CTCT has confirmed that generation is still present and is waiting for the paperwork to be returned. 0000060012NT81E and 1000002206BPCF7 – have been updated to remove the generation profiles. 0000076130CE377, 0002967578BUE49, and 0005503188ML3AA – the I flow registers were confirmed not to be relevant for settlement and profiles are correctly recorded. 0003921719AL1E7 – has switched out. 0000053221CP0F6 (wind PV1) – should be updated to EG1 0011006802PCDFA (wind PV1) – switched away but should be updated to EG1 0007006355HBE4D (other PV1) - switched away but should be updated to EG1 0006178979RNEB4 (other PV1) – PV1 was confirmed to be correct.

Subject	Section	Recommendation	Status
Amend switch readings	6.9	Amend switch readings where CTCS actual readings are lower than CTCT switch estimates.	Cleared.
HHR estimation for new ICPs	9.4	<b>CTCS and CTCX</b> Improve the HHR estimation process so that DataHub can apply estimates where data for an equivalent day is not available.	Cleared, a manual process has been developed to create estimates where there is insufficient history for DataHub to create them.
Replacement of estimates with actual data	9.4	<b>CTCS and CTCX</b> If actual data is received for periods which have been estimated, ensure that the estimates are replaced with the actual data, even if register reads are not available.	Cleared, this issue is resolved.
Replacement of actual data with actual data	9.4	<b>CTCS and CTCX</b> If partial replacement data is provided, ensure that only the periods with valid replacement data are updated in DataHub.	Not adopted.
Zero consumption reporting	9.5	Establish specific reporting for zero consumption.	Not adopted.
Disconnected consumption reporting	9.5	Establish specific reporting for consumption on disconnected ICPs.	Not adopted.

### 1.11. Participants to give access (Clause 16A.4)

#### Code reference

Clause 16A.4

#### Code related audit information

*(1) A participant must give the Authority or an auditor full access to all information that may be required for the purposes of carrying out an audit.*

*(2) The participant must provide the information—*

*(a) at no charge; and*

*(b) no later than 15 business days after receiving a request for the information from the Authority or an auditor, as the case may be.*

#### Audit observation

The code requires that information requested by the auditor be provided within 15 business days of the request. Veritek provided information requests to Contact and their agent for the purposes of this audit.

#### Audit commentary

Whilst most information was provided within the required timeframe, some audit information was not provided by CTCT within three weeks of being requested. This is recorded as non-compliance.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 1.11 With: Clause 16A.4  From: 04-May-22 To: 09-Aug-22	<b>CTCT</b> Some information was not provided within 15 business days of the request. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as moderate as most information was provided as requested. The audit risk rating is low as the information was eventually provided but this impacted analysis time.		
Actions taken to resolve the issue		Completion date	Remedial action status
AMI data: Contact is reviewing the process and have put more controls in place to ensure data requests are fulfilled within deadlines. The AMI processes changed teams internally and there was a challenge to extract the specific data out of big raw files. Contact is looking further to simplify this process for data extractions for AMI process.		Nov 2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
AMI data: Contact is reviewing the process to simplify the data extractions.		Nov 2022	

## 2. OPERATIONAL INFRASTRUCTURE

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

#### Code reference

Clause 10.6, 11.2, 15.2

#### Code related audit information

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

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

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

#### Audit observation

The processes to find and correct incorrect information was examined. The registry validation processes were examined in detail in relation to the achievement of this requirement.

The registry list and ACO20 reports were examined to identify any registry discrepancies, and to confirm that all information was correct and not misleading.

#### Audit commentary

##### CTCT

##### Registry and static data accuracy

Current registry data values are validated against SAP using SAS queries, which generate reports of mismatches. The number of queries reviewed has been expanded during the audit period to include further checks of events, unmetered load, and ANZSIC code details.

The following queries are reviewed several times at the beginning and middle of each month:

Query name	Description
CONNECTION_MISMATCH_RPT	This report shows current status discrepancies between SAP and the registry, which are investigated to confirm the correct status and passed to the appropriate team for further action, such as the operations team to re-connect.
SUPPLY_SCEN_MISMATCHES	This report shows discrepancies between the registry trader and expected trader based on SAP information. Exceptions most commonly occur because of switch timing, or ICPs not being completely closed down or loaded in SAP. Exceptions are referred to the switching or operations team for action.
ELEC_EVENTS_MISMATCH	This report compares the event numbers/identifiers recorded on the registry to SAP to identify events which are missing from either database. The events are investigated and SAP and/or the registry are updated accordingly.
ELEC_EVENTS_NOTCTCT	This report shows events where SAP recorded CTCT as the retailer, but the registry recorded another trader. There are usually a small number of exceptions for LE ICPs and ICPs directly connected to the grid.



Query name	Description
UNMETERED_REPORTING_1	<p>This report shows:</p> <ul style="list-style-type: none"> <li>discrepancies between the trader unmetered load details, unmetered flag, and daily unmetered kWh in SAP and the registry, and</li> <li>ICPs with at least one unmetered load field populated, which do not have the other corresponding fields populated.</li> </ul> <p>The correct details are confirmed, and the registry and SAP are updated as required.</p>
UNMETERED_REPORTING_1	This report shows active ICPs with meter category 9 or null and the unmetered flag set to no. The ICPs are checked to determine whether action or correction is required.
NETWORK_GRID_MISMATCH	This report shows NSP, network, and reconciliation type discrepancies, which are investigated and resolved.

The following queries are reviewed monthly:

Query name	Description
ANZSIC_CODE_MISMATCHES	This report shows ANZSIC code mismatches between SAP and the registry, meter category 2 ICPs with residential ANZSIC codes and ICPs with unknown ANZSIC codes. Exceptions are checked and corrected as necessary.
GENERATION_MONITORING	This report shows installation type discrepancies between SAP and the registry, and instances where the profile is inconsistent with the installation type. Where a job for import/export metering has been raised, no action is taken. Where no job has been raised, the exception is passed to the distributed generation team to arrange meter installation.

Monitoring is in place to check new connection active status dates against meter certification dates and initial electrical connection dates. These checks are discussed further in **section 3.5**.

The last report noted that, the data team do not check for loss factor mismatch between SAP and the registry, and the profile checks are limited to obvious discrepancies between submission type and profile, and distributed generation. These are still in progress as Contact are moving their registry discrepancy reporting from SAS to Databrick and these are expected to be developed once this transfer is complete. I have repeated the recommendation to maintain visibility. All other reconciliation aggregation factors are validated against the registry.

Description	Recommendation	Audited party comment	Remedial action
Registry validation	<p><b>CTCT</b></p> <p>Expand SAP to registry validation to include the loss factor field.</p>	We continue to investigate opportunities within our existing data and reporting to further expand our validation checks to include the loss factor field.	Investigating

Examination of the NHH to HHR and HHR to NHH meter change process discussed in **section 6.7**, found that whilst the NHH meter readings are applied correctly, the registry cannot reflect that an ICP is both HHR and NHH on the same day, therefore causing a discrepancy between the profile recorded on the day of meter change. This has no material impact on reconciliation. No examples were found where the

profile change and meter change occurred at the same time, because CTCT usually downgrades the submission type before meter changes for category one and two meters.

Analysis of the AC020 report and registry list found:

Issue	Apr 2022 Qty	Aug 2021 Qty	Jan 2021 Qty	2020 Qty	2019 Qty	Comments
ICP at status "new connection in progress" (1,12)	2	1	0	0	2	Compliant.
Active date variance with Initial Electrical Connection Date and/or meter certification date	657	1,001	630	102	41	I checked a diverse sample of 46 ICPs and found eight had incorrect active status dates. See <b>section 3.5</b> .
Active ICPs with metering category 3 or higher with NHH submission flag	1	0	0	0	0	ICP 1099580899CN808 is discussed in <b>section 12.9</b> .
Active ICPs with blank ANZSIC codes	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T994" or "T994000" don't know	2	3	43	1	140	Both were timing differences. See <b>section 3.6</b> .
Active ICPs with ANZSIC "T997" "response unidentifiable"	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T998" "response outside of scope"	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T99", "T999" or "T999999" not stated	0	0	4	0	28	Compliant.
Active ICPs with metering category 3 or above with a residential ANZSIC code	0	0	0	0	0	Compliant.
Active ICP with no MEP and unmetered flag set to N	141	23	58	32	302	See <b>sections 2.9 and 3.4</b>
Active ICP with meter category 9 or blank and unmetered flag set to N	150	196	58	32	170	See <b>sections 2.9, 3.4 and 3.8</b> .
ICPs with Distributor unmetered load populated	6	8	3	1	15	See <b>section 3.7</b> .

Issue	Apr 2022 Qty	Aug 2021 Qty	Jan 2021 Qty	2020 Qty	2019 Qty	Comments
but retail unmetered load is blank or 0						
ICPs with unmetered load flag Y but load is recorded as zero, excluding SB ICPs	0	2	0	1	2	Compliant.
ICP with incorrect standard unmetered load	16	20	18	72	184	16 ICPs had incorrect standard unmetered daily kWh or unmetered load details recorded, and ten of those were corrected during the audit. See <b>section 3.7</b> .
ICPs with incorrect shared unmetered load	6	0	0	1	0	Four ICPs with shared unmetered load were missed due to no BPEM (business process exceptions) in place to identify these. These were corrected during the audit.  Load calculation was incorrect for ICP 0006792090RN10C. This was corrected during the audit.  The shared unmetered load was removed on ICP 0006498230RN1E0 for 13 August 2021 but should have been removed from 4 January 2021. See <b>section 3.3</b> .
Submission against the RPS profile where the registry has a controlled profile.	246	240	214	310	1,918	246 ICPs with profiles requiring a certified control device recorded on the registry had expired HHR certification or NHH non-AMI metering with no control device certification. RPS profile was correctly applied for submission. See <b>section 6.3</b> .
Active ICPs with invalid NHH and/or HHR profiles recorded on the registry.	5	204	194	26	1,373	<b>HHR and NHH submission flags = Y.</b> All 152 ICPs were HHR metered ICPs with some unmetered load which is settled as NHH or timing differences resolved prior to the audit.  <b>Profile inconsistent with submission flags.</b> 13 inconsistencies were found. Nine were HHR metered ICPs with some unmetered load which is settled as NHH or timing differences resolved prior to the audit, and four were corrected during the audit.  <b>Incorrect submission flag.</b> ICP 1099580899CN808 had cat 3 HHR metering with a NHH submission type

Issue	Apr 2022 Qty	Aug 2021 Qty	Jan 2021 Qty	2020 Qty	2019 Qty	Comments
						recorded on the registry. The ICP was correctly submitted as HHR, and the registry was updated during the audit.  <b>Incorrect profile date.</b> 0000003764DEFF1 incorrectly had RPS profile and NHH submission type recorded for the first six days after switching in, and was corrected during the audit.
Incorrect generation profiles recorded on the registry.	21	-	28	1	10	Refer to <b>section 6.1</b> .
Arc category 2 meters submitted as HHR	-	-	-	-	10	CTCT has 2,342 active ARCS HHR settled ICPs. All have metering category 1, and have the multiplier flag = N.
Incorrect status recorded on the registry	7	12	16	1	5	Seven new ICPs have incorrect active status dates recorded. See <b>sections 3.5</b> and <b>3.8</b> .

The following registry and static data accuracy issues were identified during the audit for CTCT, and were not resolved as soon as practicable:

Field	Discrepancy	Report section
Meter category 3 with NHH submission and CTCT trader	ICP 1099580899CN808 was upgraded from category 1 to category 3 on 22 February 2022 and should have been switched to CTCS and settled as HHR. The ICP remained with CTCT on RPS profile until a backdated switch to CTCS was completed effective from 28 February 2022.	12.9
Unmetered load	16 ICPs had incorrect standard unmetered daily kWh or unmetered load details recorded, and ten of those were corrected during the audit.  Four ICPs with shared unmetered load were missed due to no BPEM in place to identify these. These were corrected during the audit.  Load calculation was incorrect for ICP 0006792090RN10C. This was corrected during the audit.	3.7
	The shared unmetered load was removed on ICP 0006498230RN1E0 for 13 August 2021 but should have been removed from 4 January 2021. See <b>section 3.3</b> .	3.3
Profile	<b>Recorded profile is not compliant with profile requirements.</b> 246 ICPs with profiles requiring a certified control device recorded on the registry had expired HHR certification or NHH non-AMI metering with no control device certification. RPS profile was correctly applied for submission.	6.3
	<b>Profile inconsistent with submission flags.</b> Four inconsistencies were not corrected until they were discovered during the audit.	2.1

Field	Discrepancy	Report section
	<p><b>Incorrect submission flag.</b> ICP 1099580899CN808 had cat 3 HHR metering with a NHH submission type recorded on the registry. The ICP was correctly submitted as HHR, and the registry was updated during the audit.</p> <p><b>Incorrect profile date.</b> 0000003764DEFF1 incorrectly had RPS profile and NHH submission type recorded for the first six days after switching in, and was corrected during the audit.</p> <p><b>Incorrect generation profiles recorded on the registry.</b> 21 ICPs have incorrect generation profiles.</p>	6.1
ARCS category meters settled as HHR	CTCT has 2,342 active ARCS HHR settled ICPs. All have metering category 1, and have the multiplier flag = N. These meters are expected to be settled as NHH because ARCS data does not contain the required number of decimal places.	2.1
Incorrect status dates	Eight ICPs had incorrect active status dates which were not corrected as soon as practicable.	3.5, 3.8

Registry discrepancies identified during the previous audit were re-checked to confirm whether they were resolved. The following discrepancies remained:

Field	Discrepancy	Report section
Active status updates for new connections	<p>The seven ICPs identified with the incorrect correct active status dates recorded on the registry were not corrected due to the customer impact. The code requires that submission is complete and accurate regardless of customer invoicing. This is recorded as non-compliance below.</p> <p>The affected ICPs are detailed below for reference:</p> <ul style="list-style-type: none"> <li>• 0000049481HB6D2 registry date 12 March 2021 correct date 10 March 2021,</li> <li>• 0000572629NR17A registry date 2 March 2021 correct date 1 March 2021,</li> <li>• 000060622NT9E0 registry date 21 July 2020 correct date 20 July 2020,</li> <li>• 0007203165RN85E registry date 22 July 2020 correct date 21 July 2020,</li> <li>• 0007201591RN602 registry date 21 May 2021 correct date 20 May 2021,</li> <li>• 0007202111RNDA9 registry date 25 June 2021 correct date 24 June 2021, and</li> <li>• 0007199964RN126 registry date 9 March 2021 correct date 10 March 2021.</li> </ul>	3.5, 3.8
Settlement unit data	ICP days were not reported correctly where settlement unit information was incorrect in SAP, or a system defect resulted in an incorrect submission type being applied. CTCT has been working to resolve these issues before revision 14, and the ICP days differences are generally small.	11.2

#### Read and volume data accuracy

Read and volume accuracy issues are identified through CTCT's validation processes, which are described in detail in **sections 9.5 and 9.6**.

A spreadsheet template is used to estimate consumption in situations where meters are determined to be recording incorrectly or are stopped. The template uses historic consumption from periods prior to the fault, or consumption recorded by a replacement meter after the fault. Correction activity is conducted by a limited number of experienced staff in the revenue assurance and reconciliation teams to ensure accuracy and consistency. The correction is then processed in SAP by either:

- reversing the bill, correcting the readings, and rebilling,
- adding consumption to an existing reconciliation period record which allows the change to be independent of billing to the customer if necessary, or
- where a meter is stopped, faulty, or bridged, CTCT can close the meter on an estimated closing read which includes the unrecorded consumption and restart the meter on the correct read.

For each of the correction methods the consumption will flow through to reconciliation submissions. Correction occurs within the 14-month period if the period affected is longer than 14 months. This ensures all consumption is accounted for.

I checked a sample of NHH corrections as described in the table below:

<p>Defective meters</p>	<p>Stopped or faulty meters are identified through the read validation process described in <b>section 9.5</b>, or through meter condition information provided by the meter reader. The field services team raises a service order to check and/or replace the meter, and once paperwork is received which confirms the fault, it is passed to the revenue assurance team to calculate a correction, and then the reconciliation team who check the correction.</p> <p>Consumption during the faulty period is calculated using a template and added to the closing reading from the paperwork. The consumption estimated based on the daily average before the fault occurred, or after the new meter was installed. The calculated read is entered into SAP as an estimated meter removal reading and used to generate reconciliation submissions.</p> <p>I checked ten examples of suspected stopped or faulty meters. In all cases corrections had been appropriately processed, and the full correction was within the 14-month period.</p> <p>While reviewing meter condition validation, I found the meter for 0000435644TP635 had stopped but a correction for consumption during the faulty period was not processed after the meter was removed, because the team responsible for processing corrections was not notified. A correction was processed during the audit.</p>
<p>Incorrect multipliers</p>	<p>A weekly meter mismatch report compares meter data in SAP and the registry and identifies differences in multipliers, register counts, meter dials and meter serial numbers. Meter multiplier discrepancies have the highest priority, and weekly processing ensures that most multiplier discrepancies are resolved before the ICP is invoiced.</p> <p>Multiplier corrections are resolved by correcting the meter master data in SAP. If the ICP has already been invoiced, the invoices must be reversed before the correction can be processed. Corrections for category 1 meters are processed automatically through workflows unless invoices are required to be reversed. Corrections for category 2 meters are always processed manually by a user.</p> <p>Ten examples of incorrect multipliers were identified during the audit period, and found they were processed correctly.</p> <p>I rechecked the previous audit exception for ICP 0328863025LC9DE and confirmed that the SAP multiplier was correct, and the incorrect multiplier was recorded on the registry. The registry has since been updated.</p>
<p>Bridged meters</p>	<p>Bridged meters are identified through the read validation process, or by contractors indicating that a meter is bridged, and further work is required to unbridge on work completion paperwork. When a bridged meter is discovered, the field services team arrange for the meter to be unbridged by the MEP as soon as possible.</p> <p>It is expected that once work completion paperwork indicating the meter is unbridged is received, details would be passed to the revenue assurance team who would calculate a correction in the same way as for a stopped meter. This process has not been operating as expected, I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed.</p>

	<p>The reconciliation team uses the Databricks datawarehouse to search for ICPs with notes indicating that they have been bridged or unbridged. This report is currently being reviewed for the first time this year, but is intended to be reviewed at least every three months. The delay was caused because the staff member responsible for overseeing this left CTCT and it is being added into the processes of other staff. The report identifies bridged meters so that:</p> <ul style="list-style-type: none"> <li>• bridged meters which have not been unbridged are referred to field services, so that a service order can be raised for unbridging, and</li> <li>• if an ICP has been unbridged, it is checked to determine whether a correction to capture consumption during the bridged period has been made and if not, this will be followed up.</li> </ul> <p>Two ICPs found to be bridged but not unbridged during the previous audit were checked. One has been unbridged, and a correction was processed, the other is now vacant and disconnected.</p> <p>Two ICPs were unbridged during the previous audit period but corrections had not been processed. Both have been appropriately corrected.</p>
Consumption while inactive	<p>BP EMs are generated for the revenue assurance team when consumption occurs on an inactive ICP. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.</p> <p>CTCT provided examples of ICPs where these BP EMs are generated. I found that most did not have genuine consumption because the consumption was estimated, not actual. For ICP 0000202347UN912 the ICP was disconnected on 21 December 2020, but the disconnection read was not entered until 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago and a reconciliation volume correction will not be processed as the change would result in a small negative adjustment.</p> <p>The reconciliation team also maintains a spreadsheet of inactive ICPs with consumption which is refreshed approximately every three months. This report is used to identify any ICPs with consumption during periods with inactive status which have not already been corrected through the BP EM process. The process was completed for the first time this year in July. The delay was caused because the staff member responsible for overseeing this left Contact and it is being added into the processes of other staff.</p> <p>As detailed in <b>section 2.11</b>, ICP 0000569678UNC82 was gained on 23 May 2021 but the reconnection wasn't completed as the site needed a COC before this could be completed. An actual read was gained on 28 June 2021 indicating consumption, but no action was taken. The next actual was gained on 28 April 2022. The ICP was made active for the incorrect date of 27 April 2022 resulting in under submission of 6,906 kWh between the gain date and the next active date. A correction was processed during the audit on the registry and in SAP, and revised submission information will be washed up</p>
Unmetered load corrections	<p>Corrections occur as required for unmetered load data. The unmetered load data for billing and reconciliation have been uncoupled, so it is possible to process an unmetered load correction without reversing billing.</p> <p>If unmetered wattage for a time slice or on hours are updated in SAP, the revised data will flow through to revision submissions.</p> <p>I checked five examples of unmetered load corrections and found that four had not been processed accurately:</p> <ul style="list-style-type: none"> <li>• <b>0000251049UN81E</b>: the daily unmetered kWh was recorded as 0.7 in SAP instead of 0.6 up to 27 January 2022 resulting in over submission of 0.1 kWh per day and was corrected during the audit,</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>0005984670RN14C</b>: no unmetered load settlement unit was created for the ICP, resulting in under submission of 0.162 kWh per day up to 28 March 2022 and 0.215 kWh per day from 29 March 2022; the ICP has been supplied since 2006,</li> <li>• <b>0005984688RN34F</b>: no unmetered load settlement unit was created for the ICP, resulting in under submission of 0.162 kWh per day up to 28 March 2022 and 0.215 kWh per day from 29 March 2022; the ICP has been supplied since 5 December 2021, and</li> <li>• <b>0007106018RNO8</b>: no unmetered load settlement unit was created for the ICP, resulting in under submission of 0.035 kWh per day up to 23 March 2022 and 103 kWh per day from 24 March 2022; the ICP has been supplied since 24 October 2017.</li> </ul>
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I found that missing or incorrect data is not consistently identified at the point of entry, such as missing loss factor information, incorrect unmetered load, NSP changes, or missing or incorrect settlement units. Issues that could affect meter accuracy including issues on full lists of meter events from MEPS, and bridged meters are also not consistently investigated and corrected promptly. A clear process for bridged meters needs to be confirmed and followed.

Responsibilities for identification, investigation and correction of issues can be split across multiple teams, and failure to communicate further work required can prevent issues from being resolved on time or at all. It was difficult for Veritek to confirm who was responsible for completing some validation and correction processes.

If these issues with static data or volumes are not resolved prior to submission, they will result in inaccurate submission data. The reconciliation team has some processes to identify corrections required, but these are not being completed as frequently as they were and there is sometimes insufficient time to resolve discrepancies prior to submission due to staffing changes, handover of responsibilities, and workloads. Some data has not been corrected at the next available opportunity for submission as discussed in detail in **section 12.7** including:

- some missing unmetered load settlement units, which prevented unmetered load being submitted; the missing settlement units were added during the audit and correct submission data will be washed up,
- some incorrect daily unmetered kWh applied for reconciliation,
- some unreported inactive consumption,
- some incorrect ICP days,
- I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed,
- the meter for 0000435644TP635 had stopped but a correction for consumption during the faulty period was not processed after the meter was removed until the missed correction was identified during the audit, and
- some corrections identified in the previous audit were not corrected and are now outside the revision cycle.

Description	Recommendation	Audited party comment	Remedial action
Validation of inputs to the submission process	<p><b>CTCT</b></p> <p>I recommend confirming processes and responsibilities to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity. Team members responsible for managing the data should be</p>	<p>Contact have initiated meetings with the responsible teams to further discuss and agree on definitive responsibilities and ownership for audit areas/items. This will include refresher and/or extra training where required.</p> <p><b>Aggregation of Data</b></p>	Identified



Description	Recommendation	Audited party comment	Remedial action
	<p>aware of the impact incorrect information has on reconciliation submissions, and the process steps required to resolve issues completely.</p> <p>As a minimum management of the following data should be considered:</p> <ul style="list-style-type: none"> <li>• aggregation factors including Network, NSP, dedicated NSP, loss factor (and pricing category which is linked to this), profile, submission type, and flow direction,</li> <li>• ICP metering and unmetered load, including ensuring that SAP's unmetered load settlement units are correct and that meters have the correct status and details recorded on switch in, replacement and new connection,</li> <li>• management of ICP status including ensuring that SAP's settlement units are accurate and consistent with the registry, and that inactive consumption is identified, investigated and reported as required, and</li> <li>• identification and correction of meter defects including bridged meters.</li> </ul>	<p>Registry Analyst to review existing Registry monthly discrepancy reporting to ensure all relevant Registry fields which hold an impact on submission data have discrepancy reporting built and actively monitored, which identified discrepancies being resolved in a timely manner.</p> <p><b>Grid\Settlement Unit Discrepancies</b> Reconciliation team to establish robust monitoring of these discrepancies ensuring that SAP and Registry data aligns before Submission occurs.</p> <p><b>Management of ICP Status</b> E_HHE Settlement Unit has a Manual Allocated flag in SAP which prevents Settlement flag updates from automatically updating the Settlement Unit when a Disconnection or Reconnection occurs, resulting in data between SAP and Registry being out of line.</p> <p>System enhancement needs to be developed to correct issue and the Reconciliation team establishing a more robust monitoring of these discrepancies</p> <p><b>Contact to identify responsibility of each team who has an active part in the end to end process</b></p> <p><b>Field Services:</b> Actioning the Service Orders to ensure all Bridged Meters are Unbridged within the required timeframes.</p> <p><b>Energy Wellbeing:</b> Applying the energy consumption correction in SAP for the Bridged period.</p> <p><b>Switching/IDM Team:</b> Provide technical support to the</p>	

Description	Recommendation	Audited party comment	Remedial action
		<p>Energy Wellbeing team for the more complex corrections required to be applied in SAP.</p> <p><b>Portfolio Reconciliation:</b> Complete a QA of the consumption adjustments applied in SAP.</p>	

Inaccurate submission data identified during the previous audit was re-checked to confirm whether corrections were processed. Some data is still incorrect and is discussed in detail in **section 12.7** including:

- the seven ICPs with incorrect active status dates listed in the registry section above, and
- generating ICPs without I flow metering installed.

### CTCX and CTCS

#### Registry and static data accuracy

Simply Energy manages information completeness and accuracy as an agent. The same processes are used for all trader codes managed by Simply Energy. Registry updates are processed directly on the registry using the web interface, and Salesforce is updated at the same time.

Registry acknowledgement files are run through an SQL (ETL) process and any errors are viewed and then resolved. I viewed the registry acknowledgement errors during the audit and found they had been cleared.

SalesForce's dashboards produce reports which are used to monitor workflows and identify exceptions which require investigation and correction. The last audit found that not all exceptions were being consistently reviewed and actioned. The operation team has been added to and management of the exceptions has improved overall.

The following checks are completed:

Exception	Findings
Don't know ANZSIC codes	The Salesforce Dashboard reports ICPs which have T9 series ANZSIC codes and these are checked monthly to confirm the correct code and updated.
ICPs with greater than category 1 meter with a residential ANZSIC code	A report is run from the registry monthly and monitored to identify ICPs with this combination and confirm if this is correct.
ICPs with estimated switch in reads with an AMI meter	<p>The Salesforce Dashboard reports ICPs with estimated switch in reads with an AMI meter.</p> <p>These ICPs are expected to be checked fortnightly to determine whether a read renegotiation is required. Due to resource constraints this check is not being done. The operations team focuses on determining whether RRs are required for ICPs with a gain read much lower or higher than the switch in read, which are identified through the read validation process.</p>
MADRAS workflow issues	The Salesforce Operations Registry Update screen alerts users when data maintained by another participant changes on the registry, including distributor and MEP populated data. The user then checks and updates Salesforce and DataHub as

Exception	Findings
	<p>necessary and ensures that changes flow through to MADRAS. This process identifies any changes to unmetered load, NSP, or distributed generation details.</p> <p>The Salesforce Dashboard produces a series of reports for ICPs which have missing MADRAS workflows, are not set up in MADRAS, or are end dated by a Simply Energy code is still responsible for the ICP.</p> <p>The exceptions are checked before the initial and revision submissions. These are being worked and there were exceptions recorded when I viewed the dashboard.</p>
Unmetered load on metered ICPs	<p>The Salesforce Dashboard reports unmetered load on metered ICPs.</p> <p>These ICPs are reviewed monthly to ensure that all unmetered load is recorded and reconciled. Data streams for unmetered load have been added for all ICPs with unmetered load.</p>
ICPs with inactive new connection in progress status	<p>The Salesforce Dashboard reports ICPs with inactive new connection in progress status.</p> <p>This report shows all ICPs at new connection in progress status and includes initial electrical connection dates and MEP details if populated on the registry. This report is reviewed daily, and any ICPs with initial electrical connection dates or meter certification details are checked and updated to active status once the correct connection date is confirmed. The report is also used to track MEP nominations.</p> <p>15 ICPs were on the report as of 27 October 2021 and none had a meter owner or initial electrical connection date. Management in this area has improved and ICPs are updated to active status as soon as possible.</p>
ICPs with inactive status	<p>The Salesforce Dashboard reports ICPs with inactive status.</p> <p>This report shows all ICPs with inactive status, this is checked twice monthly. There were four ICPs for CTCS recorded. Management in this area has improved.</p>
ICPs with an initial electrical connection date populated and inactive new connection in progress status	<p>A report is run from the registry monthly and monitored to identify ICPs which may have become active without having their status updated.</p>
Metering details changes	<p>Metering changes are identified through the daily read validation process. Where a ICP – meter – register match cannot be found for imported meter reading and volume information, an exception is generated for review. The operations team is advised by the Data Management Analyst where metering details need to be checked and updated.</p> <p>The Salesforce NHH meter registry dashboard detects changes to metering details on the registry and prompts users to check the data and process updates as necessary.</p>
Distributed generation	<p>The Salesforce Dashboard reports ICPs with a “B” or “G” installation type. The ICPs are checked daily to determine whether generation is present, compliant metering is installed, and profiles are correct.</p> <p>NT files default to RPS for NHH ICPs, and the profile is corrected to RPS PV1 or EG1 for ICPs with distributed generation as soon as possible after switching in.</p>

Analysis of the AC020 report and registry list found:

Issue	CTCS Apr 2022 Qty	CTCS Aug 2021 Qty	CTCS Jan 2021 Qty	CTCX Apr 2022 Qty	CTCX Aug 2021 Qty	CTCX Jan 2021 Qty	Comments
ICP at status "new connection in progress" (1,12)	13	14	3	0	0	0	Compliant.
Active date variance with Initial Electrical Connection Date and/or meter certification date	13	26	4	0	0	0	See <b>section 3.5.</b>
Active ICPs with metering category 3 or higher with NHH submission flag	0	0	0	0	0	0	Compliant.
Active ICPs with blank ANZSIC codes	0	0	0	1	1	1	One residual load ICP. See <b>section 3.6.</b>
Active ICPs with ANZSIC "T994" or "T994000" don't know	0	2	0	0	0	0	See <b>section 3.6.</b>
Active ICPs with ANZSIC "T997" "response unidentifiable"	0	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T998" "response outside of scope"	0	0	0	0	0	0	Compliant.
Active ICPs with ANZSIC "T99", "T999" or "T999999" not stated	0	0	0	0	0	0	Compliant.
Active ICPs with metering category 3 or above with a residential ANZSIC code	0	1	0	0	0	0	Compliant.
Active ICP with no MEP and unmetered flag set to N	2	3	0	0	0	0	See <b>section 2.9.</b>
Active ICP with meter category 9 or blank and unmetered flag set to N	5	0	0	0	0	0	See <b>section 2.9.</b>
ICPs with Distributor unmetered load populated but retail unmetered load is blank or 0	0	0	0	0	0	0	Compliant.
ICPs with unmetered load flag Y but load is recorded as zero, excluding SB ICPs	2	3	1	0	0	0	See <b>section 3.7.</b>
ICP with incorrect standard unmetered load	2	3	0	0	0	0	See <b>section 3.7.</b>
ICPs with incorrect shared unmetered load	0	0	0	0	0	0	Compliant.

Issue	CTCS Apr 2022 Qty	CTCS Aug 2021 Qty	CTCS Jan 2021 Qty	CTCX Apr 2022 Qty	CTCX Aug 2021 Qty	CTCX Jan 2021 Qty	Comments
Submission against the RPS profile where the registry has a controlled profile.	0	0	0	0	0	0	Compliant.
Active ICPs with invalid NHH and/or HHR profiles recorded on the registry.	0	0	0	0	0	0	Compliant.
Incorrect generation profiles recorded on the registry.	0	0	0	0	0	0	Compliant.
Arc category 2 meters submitted as HHR	0	0	0	0	0	1	Compliant.
Incorrect status recorded on the registry	0	11	2	0	1	0	See <b>section 3.5</b> .

The following registry and static data accuracy issues were identified during the audit and were not resolved as soon as practicable:

Code	Field	Discrepancy	Report section
CTCS	Unmetered load	The unmetered load for ICP 0000006552TECE0 was still recorded as 1.8 in the registry. This was corrected to 1.86 during the audit.  The load is calculated incorrectly for ICP 0000020933CE90E resulting in a very minor amount of over submission.	3.7

The previous audit exception relating to ICP 0000010073TE5D4 having the incorrect active date of 19 March 2021 was still present. This has been confirmed as active from 16 April 2021 and was corrected during the audit. This is now outside of the revision period so any inaccurate submissions will not be corrected. This is recorded as non-compliance in **section 12.7**.

#### Read and volume data accuracy

Read and volume accuracy issues are identified through Simply Energy's validation processes, which are described in detail in **sections 9.5** and **9.6**. I walked through the correction process for each correction type and viewed examples where available.

Defective meters	<p>There is no process to identify potentially bridged and faulty meters by validating zero consumption and a recommendation is made in <b>section 3.9</b>.</p> <p>Where a meter is found to be stopped or faulty it will be replaced. Estimated consumption during the stopped or faulty period will be calculated based on the consumption of the replacement meter, or historic consumption prior to the stopped or faulty period. The consumption is typically added as permanently estimated meter removal read and sent to EMS.</p> <p>Two examples of potential stopped or defective meters for CTCS were identified:</p> <ul style="list-style-type: none"> <li>0016097210ELOAA has a blank screen with the mains on; a field service order is in progress, and being monitored by Simply Energy, and</li> </ul>
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	<ul style="list-style-type: none"> <li>0007690127WAC92 had a blank display on removal and a permanent estimate read was appropriately calculated and entered into DataHub and MADRAS.</li> </ul>
Incorrect multipliers	<p>Meter multiplier discrepancies appear on Salesforce’s NHH Registry dashboard and are reviewed periodically when resource is available. Multiplier validation will occur more frequently once Simply Energy’s new data warehouse is implemented.</p> <p>Multipliers are stored in Salesforce and DataHub based on the metering information held on the registry. Raw readings and meter installation information including the multiplier are sent to EMS and loaded into MADRAS. MADRAS correctly applies the multiplier provided when calculating volumes.</p> <p>When a multiplier changes for an existing meter, the original meter is archived in MADRAS from the date of the change. A new meter is created with the correct multiplier, and readings during the affected period are transferred to the new meter.</p> <p>Where meter paperwork is received, the case instructions note that the multiplier on the paperwork should be checked against the registry record and queried with the MEP if inconsistent. This validation was added after some inconsistencies were found through ad hoc checks of meter multipliers.</p> <p>If a multiplier is changed without paperwork being received this validation is not possible</p> <p>One example of an incorrect meter multiplier was identified for CTCX. The MEP has incorrectly recorded the multiplier on the registry as 100 when it should have been 60. The ICP was HHR settled and DataHub was updated.</p>
Bridged meters	<p>Bridged meters are usually identified by contractors indicating that a meter is bridged, and further work is required to unbridge on work completion paperwork. There is no process to identify potentially bridged and faulty meters by validating zero consumption and a recommendation is made in <b>section 3.9</b>. No bridged meters were identified during the audit period.</p>
Consumption while inactive	<p>Data streams remain open in DataHub when an ICP is disconnected, which allow reads to continue to be imported if received after disconnection.</p> <p>There is no regular reporting on ICPs with inactive status with consumption, and most inactive ICPs have switched to CTCT. No inactive ICPs are supplied by CTCX and ten inactive ICPs are supplied by CTCS excluding inactive new connection in progress and inactive reconciled elsewhere ICPs. Six of the ICPs are inactive ready for decommissioning.</p> <p>A report of all inactive ICPs which had received readings during the audit period was provided. Three of the four ICPs had less than 1 kWh of movement between the readings. ICP 0007200667RN539 was disconnected on 28 April 2022 on reading 2611, which was consistent with the end of day reading on 28 April 2022 (2611.4). The registry was correctly updated to inactive effective from midnight on 29 April 2022. The ICP was reconnected on 30 April 2022 on reading 2625 which was consistent with the end of day reading on 29 April 2022 (2625.1). The end of day reading for 30 April 2022 was 2649.1. 14 kWh of consumption under reported for 29 April 2022, and the ICP should have had active status for that day because it was consuming energy.</p>
Unmetered load corrections	<p>Simply Energy normally records unmetered load by manually calculating and entering meter readings against an unmetered load register. The readings are calculated as previous reading + (daily unmetered kWh x number of days between reading dates). Where a correction is required, the reads are invalidated and recalculated and then resent to EMS using the read replacement process discussed in <b>section 12.3</b>.</p> <p>No unmetered daily kWh changes were identified during the audit period.</p>

Unmetered load threshold exceeded	The last audit found that the load associated with the Waka Kotahi ICPs 0016099060EL730 and 0110004920EL4F1 was recorded as standard unmetered load with a daily kWh figure of 1.19 and 0.6 respectively but a NZTA database extract provided found load associated with these is 51.98 and 59.98 kWh respectively. Further investigation has found more historic NZTA ICPs with a number of traders that were associated with this load, therefore it cannot be assumed that all of the load on the new ICPs relates to the two historic ICPs traded by CTCS. NZTA have confirmed that the load associated with these is expected to be reconciled against ICPs 0110013115EL2CA and 0110013116ELE0A.
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I did not identify any read or volume issues for CTCX that were not resolved as soon as practicable.

Four alleged breaches were recorded for CTCS for not providing accurate submission information, and these are discussed in detail in **section 12.7**.

In addition to the alleged breaches above, some data was not corrected at the next available opportunity for submission and are discussed in detail in **section 12.7**:

- some reads were omitted from the process to transfer readings from DataHub to MADRAS, and not used to calculate historic estimate,
- 0000037086WE32E did not have the agreed switch reading applied for reconciliation,
- 0005280129WA325 did not have its meter removal reading recorded in MADRAS or applied for reconciliation,
- 0007200667RN539 had 14 kWh of inactive consumption under reported for 29 April 2022, and the ICP should have had active status for that day because it was consuming energy,
- two ICPs had incorrect unmetered load readings calculated and applied for reconciliation,
- HHR ICP 0301589534LC9D5 had one day of consumption and ICP days omitted from submission,
- 0007173300RN6EB had a change of NSP, but no boundary reads were entered for the NSP change, which created small ICP days differences for BRY0661 and ISL0661 in July and August 2021, and
- six ICPs did not have the correct switch event reading issued due to an error in the SQL script being used to process bulk switch outs; the error started in January 2022 but was not identified and corrected until June 2022 and the number of ICPs sent with the incorrect estimated reads during the period where the SQL script was incorrect is unknown.

ICP	Switch Type	Read sent	Correct Read	Impact +=over submission -=under submission
0000045646HR5D5	TR	9120	9127	-7
0001521795PC22D	TR	190256	190192	+64
0000314406MP117	MI	5246	5237	+11
0007671629HB2B5	MI	78321	76437	+1,884
0011201017EL49B	MI	644205	644205	-946
		877077	873415	+3,662
		339354	334546	+4,808
0000387118TPA63	MI	231	239	-8

Submission accuracy issues identified during the previous audit were re-checked to confirm whether they were resolved, and found some issues remained relating to:

- incorrect active status dates, and

- inaccurate agreed switch reads.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: Clause 10.6, 11.2, 15.2  From: 01-Dec-21 To: 09-Aug-22	<p><b>CTCT</b></p> <p>Some inaccurate data is recorded and was not updated as soon as practicable. Some previous audit corrections not carried out.</p> <p><b>CTCS and CTCX</b></p> <p>Some inaccurate data is recorded and was not updated as soon as practicable. Some previous audit corrections not carried out.</p> <p>Potential impact: High Actual impact: High Audit history: Multiple times Controls: Moderate Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
<b>High</b>	<p>The controls are rated as moderate. Controls are moderate for the CTCT operation. CTCS and CTCX have made improvements and their controls are now rated as moderate. Areas of improvement have been identified in the report.</p> <p>The impact is high based on the volume differences identified, and that corrected data has not yet been prepared in some instances.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCT</u></b></p> <p><u>Active date variance with Initial Electrical Connection Date and/or meter certification date</u></p> <p>Contact is working with the MEPs, Networks, and third-party services providers to resolve exceptions identified during the audit.</p> <p>More users are trained to resolve the exceptions and to focus on audit compliance AC020Trader21 report.</p> <p>We continue to work with our field service providers and MEPs to improve the overall accuracy of the new connection paperwork.</p> <p><u>Active ICPs with metering category 3 or higher with NHH submission flag</u></p> <p>Contact (CTCT) is reviewing the process and has provided further training to the agents for meter upgrade jobs to ensure category 3 or higher are managed under CTCS code, which will improve the accuracy of the submission flag for these scenarios.</p>		Ongoing	Identified



ANZSIC code discrepancies

Contact has strong reporting in place to identify any ICPs with a “T9” series ANZSIC code applied in the registry. Corrections are made via a manual process on a regular basis. We continue to work with our staff to ensure the customer’s end use is validated on sign-up, and the appropriate ANZSIC code is populated from the contract start date. We continue to investigate the opportunity for additional system changes to remove the capability for selecting a ‘T9’ series ANZSIC code on customer sign-up.

Active ICP with no MEP and unmetered flag set to N

Contact has increased the priority in our Business Process Exception Management System for exceptions raised relating to active ICP with no MEP and unmetered flag is set to N, most of these exceptions are where MEP has accepted the nomination and metering details are still required to be uploaded into the registry. Contact working on providing additional training to back-office staff to pad gaps in their internal processes for cases where metering is physically removed from site due to a physical disconnection, where an inactive status has not been applied in SAP ISU or the Electricity Registry.

Active ICP with meter category 9 or blank and unmetered flag set to N

Contact has increased the priority in our Business Process Exception Management System for exceptions raised relating to active ICP with meter category 9 and unmetered flag is set to N, also we are working on providing additional training to back-office staff to pad gaps in their internal processes for cases where metering is physically removed from site due to a physical disconnection, where an inactive status has not been applied in SAP ISU or the Electricity Registry.

UNM Discrepancies

Contact continues to actively work with our customers and distributors to determine current UNM load details to resolve non-compliances identified.

Our SAP technical team are investigating further opportunities within SAP to create a new BPEM that identifies changes to UML data within the Electricity Registry, so variances in SAP can be updated in a timelier manner.

Contact continues to review the current reporting and processes to identify where any improvements can be made to increase accuracy and ensure corrections are made as soon as practicable.

These reviews have identified some gaps of knowledge internally around the UML space, which we will be filling by, ensuring more resources are trained on UML, and by implementing a QA framework to pick up any agent errors/trends to identify where further development/on-going training is required.

<p><u>Submission against the RPS profile where the registry has a controlled profile</u></p> <p>We continue our efforts to work with the MEPs as the cost to traders, such as Contact, of having to submit controlled load as RPS is significant and we believe also can distort the accurate application of UFE to all traders. Our focus is now moving to expired certified ICPs now that the population of the 'controlled device certified' flag on the registry is largely accurate.</p> <p><u>Incorrect profiles recorded on the registry</u></p> <p>Contact has strong reporting in place to seize any discrepancies. We are actively working with customers, distributors, and MEPs, to ensure the ICPs identified via our monthly reporting as having incorrect generation related data applied within SAP or the Registry is being investigated/corrected.</p> <p><u>Incorrect status recorded on the registry</u></p> <p>Contact is actively working through all status discrepancies identified via the last RP Audit to ensure the required corrections have been made. Our teams will also be completing a review to find where the data was inaccurate, and that the effected ICPs were picked up in our monthly reporting. Where the scenarios were not picked up, we will identify the reasons why and make the necessary fixes to our monthly mismatch reporting.</p> <p><b><u>CTCS/CTCX</u></b></p> <p>These issues are all replicated further down in the audit for their own individual section - Responses to each individual issue have been provided in Sections 2.9 3.5, 3.6, and 3.7. Each remedial action has a specific implementation date.</p>		
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b><u>CTCT</u></b></p> <p>Same as the non-compliance noted above.</p> <p>Responsibilities allocated to the correct teams.</p> <p><b><u>CTCS/CTCX</u></b></p> <p>These issues are all replicated further down in the audit for their own individual section - Responses to each individual issue have been provided in Sections 2.9 3.5, 3.6, and 3.7. Each remedial action has a specific implementation date.</p>	<p>Ongoing 22/08/2022</p>	

## 2.2. Provision of information (Clause 15.35)

### Code reference

Clause 15.35

### Code related audit information

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

#### **Audit observation**

Processes to provide information were reviewed and observed throughout the audit.

#### **Audit commentary**

This area is discussed in a number of sections in this report and compliance is confirmed.

#### **Audit outcome**

Compliant

### **2.3. Data transmission (Clause 20 Schedule 15.2)**

#### **Code reference**

*Clause 20 Schedule 15.2*

#### **Code related audit information**

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

#### **Audit observation**

I checked the data transfer process and traced a sample of readings and interval data from the source to Contact's systems.

CTCT receives NHH read and interval data from agents and MEPs via SFTP, and generation data using its MV90 system. CTCT supplied five ICPs with meter category 3 or higher during the audit period, and I checked the data provision process:

- ICPs 0000018218HRB13, 0000032431HR99C and 0000880392WEA92 are generation ICPs with meter category 5 and are read by CTCT using MV90,
- ICP 1001157629CK617 has metering category 3 and was split into three low voltage connections by Wellington Electricity; two of the connections have category 1 meters (ICPs 1001158552CK7FD and 1001156589CKCAB) and the load for the third connection is still metered through ICP 1001157629CK617 - CTCT intends to work with Wellington Electricity to create a new metered ICP for this load, then ICP 1001157629CK617 can be decommissioned, in the meantime, the HHR volumes are submitted under ICP 1001157629CK617 based on readings provided by AMS, and
- ICP 1099580899CN808 was upgraded from category 1 to category 3 metering on 22 February 2022 and should have been switched to CTCS and settled as HHR at that time., however the ICP remained with CTCT on RPS profile until a backdated switch to CTCS was completed effective from 28 February 2022 which is recorded as non-compliance in **section 12.9**.

CTCS and CTCX receive NHH and HHR information from agents and MEPs via SFTP.

## Audit commentary

### CTCT

#### NHH

NHH read data is transferred to CTCT from MEPs and agents via SFTP. NHH manual readings are imported directly into SAP. AMI data is first imported into IMDM which is a schema within the COLA oracle database. IMDM information is viewed, validated, and managed using the Smart Reads Console interface. Validated AMI interval and read data is transferred from IMDM to SAP.

If reads are not available for all the ICP's meters and registers on the scheduled read date, SAP searches for the most recent date with readings for all meters and registers in the last three days for ICPs with monthly scheduled reads, and the last day for ICPs with weekly or fortnightly scheduled reads in SAP's midnight reads table. If there are reads available for all registers they are uploaded with the correct date, if reads are not available for all registers the available readings are uploaded and the reads for the remaining registers are estimated. No exceptions are generated where reads are not obtained for all registers because SAP handles these automatically.

I checked a sample of readings received from AMS, Arc, BOPE, FCLM, Smartco, Metrix, IntelliHUB, and MRS, and confirmed the source data matched the data recorded in SAP.

#### Generation

Generation meters are interrogated by MV90 hourly, and the data is validated and exported to Oracle and SAP. I walked through the process and traced a sample of data from MV90 through to SAP and submission files.

Generation data is imported into SAP via MV90. I traced a sample of data from MV90/Oracle through to SAP and confirmed that it was recorded correctly.

### CTCX and CTCS

#### NHH

NHH read data is transferred via SFTP. AMI HHR interval data is imported directly into DataHub, and AMI and manual readings are loaded into the Datawarehouse and a daily read file is extracted and imported into DataHub.

Once validation is complete in DataHub, the validated (published) reads are exported back to the Datawarehouse, and then to AXOS billing engine and EMS' MADRAS for NHH settled ICPs. Changed reads are provided to EMS at least weekly, and switch event, meter change, and NSP change readings are all provided to EMS by Simply Energy.

Simply Energy recently discovered that the export transfer load (ETL) process which provides reads to MADRAS was deleting the last 30 days of readings, and then re-entering the last 29 days of readings, removing the read 30 days prior to the process being run. This issue is not visible in MADRAS' calculations or when tracing reads from the source files to MADRAS if the expected reads are present because they did not occur 30 days prior to the ETL process being run. Simply Energy is investigating revising the ETL process to prevent permanent deletion of earlier reads and also to use the read insert date, rather than the read date to ensure that all readings are captured where a backdated switch occurs. A material change audit will be completed before the changes become live.

I traced a sample of readings and AMI data received from MRS, Wells, and each MEP from the source files to DataHub, and to MADRAS for NHH settled ICPs. I found the readings were recorded correctly.

#### HHR

AMS and EDMI provide HHR data. I traced a sample of data from the raw meter data files provided by AMS and EDMI through to the submission files and confirmed that the data was recorded accurately.

## Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 2.3</p> <p>With: Clause 20 Schedule 15.2</p> <p>From: 01-Dec-21</p> <p>To: 09-Aug-22</p>	<p><b>CTCS and CTCX</b></p> <p>Some validated actual readings are not recorded in MADRAS because they are omitted during the data transfer process.</p> <p>Potential impact: Medium</p> <p>Actual impact: Unknown</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Medium</b></p>	<p>The controls are rated as moderate. In most cases readings are correctly recorded in MADRAS. The impact is unknown but assessed to be medium because:</p> <ul style="list-style-type: none"> <li>the issue affects all readings on days which are 30 days before the ETL process is run; because the ETL process is usually run weekly, reads are present in MADRAS for most days and the more frequently the process is completed, the higher the risk of missing reads,</li> <li>the issue will only affect historic estimate calculations if the first and/or last reads within each reconciliation period are missing, excluded reads will not be used to calculate historic estimate and could result in inaccurate apportionment of consumption between reconciliation periods and/or forward estimate which differs from actual consumption being submitted.</li> </ul>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCS/CTCX</u></b></p> <p>The root cause for most of the material issues identified were addressed via a code change effective 16 May 2022 to the SQL query extracting data from the Datawarehouse.</p> <p>It is expected that the code change detailed in the preventative solutions section will resolve additional issues with correct readings being used to calculate submission information.</p>		<p>Complete</p> <p>31/12/2022</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b><u>CTCS/CTCX</u></b></p> <p>A code change to ensure all readings inserted, removed (unvalidated) or updated, are sent to MADRAS regardless of the date on which the insertion or update was made is being tested and will undergo a material change audit before release.</p>		<p>31/12/2022</p>	

## 2.4. Audit trails (Clause 21 Schedule 15.2)

### Code reference

Clause 21 Schedule 15.2

### Code related audit information

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

*The audit trail must include details of information:*

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

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

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

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

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

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

### Audit observation

A complete audit trail was checked for all data gathering, validation and processing functions. I reviewed audit trails for a small sample of events. Large samples were not necessary because audit trail fields are expected to be the same for every transaction of the same type.

### Audit commentary

#### CTCT

Complete audit trails are available for all data gathering, validation and processing functions for NHH, HHR and generation data. The logs of these activities for CTCT and all agents include the activity identifier, date and time and an operator identifier.

#### CTCS and CTCX

An audit trail was reviewed for data gathering, validation and processing functions in DataHub. The logs of these activities include the activity identifier, date and time and an operator identifier. I confirmed the original data is retained during the estimation and correction processes.

A compliant manual permanent estimate log is used where permanent estimates are created. Due to a process error, some permanent estimates had the required audit trail information recorded in a spreadsheet but had not also been added to the permanent estimate log. The permanent estimate log and the permanent estimate procedure documentation were updated during the audit.

#### Agent systems

Compliance is recorded in the agent audit reports.

### Audit outcome

Compliant

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

### Code reference

Clause 10.4

### Code related audit information

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

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

### Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the CTCT, CTCS, or CTCX codes.

### Audit commentary

The terms and conditions include arrangements for meter access and shutdowns and these clauses extend to Contact's agents and are mirrored in agreements with MEPs.

### Audit outcome

Compliant

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

### Code reference

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

### Code related audit information

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

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

*The trader must use its best endeavours to provide access:*

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

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

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

### Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the CTCT, CTCS, or CTCX codes and discussed compliance with these clauses.

### Audit commentary

The terms and conditions include consent to access for authorised parties for the duration of the contract. Contact supports requests for access to metering by providing customer contact details on request.

#### CTCT

Processes are in place to arrange access to customer installations, where requested by other parties. Where requested, CTCT will email, write a letter, or phone the customer advising access is required at least ten days in advance; or provide customer contact details.

Occasionally a customer will decline access to the meter, and CTCT negotiates with the customer or escalates to the resolutions team. In some cases, this may also involve negotiation with the MEP.

CTCT provided two instances where access was requested but has been unable to be arranged to date but they are continuing to work with the customer to arrange this. Best endeavours were demonstrated in both instances.

#### CTCS and CTCX

Simply Energy confirmed that they have made best endeavours to arrange access for other parties when requested.

Simply Energy provided one example where despite best endeavours access has been unable to be arranged with the customer due to an upgrade taking place on site. They continue to work with the customer to arrange this.

### Audit outcome

Compliant

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

### Code reference

*Clause 10.35(1)&(2)*

### Code related audit information

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

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

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

### Audit observation

A discussion was held regarding knowledge of any ICPs with loss compensation present. The presence of loss compensation factors was also checked with the HHR data team.

### Audit commentary

Contact is not responsible for any metering installations with loss compensation factors.



## Audit outcome

Compliant

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

#### Code reference

Clause 11.15B

#### Code related audit information

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

- *the Authority to assign the rights and obligations of the trader under the contract to another trader if the trader commits an event of default under paragraph (a) or (b) or (f) or (h) of clause 14.41 (clause 11.15B(1)(a)); and*
- *the terms of the assigned contract to be amended on such an assignment to—*
- *the standard terms that the recipient trader would normally have offered to the customer immediately before the event of default occurred (clause 11.15B(1)(b)(i)); or*
- *such other terms that are more advantageous to the customer than the standard terms, as the recipient trader and the Authority agree (clause 11.15B(1)(b)(ii)); and*
- *the terms of the assigned contract to be amended on such an assignment to include a minimum term in respect of which the customer must pay an amount for cancelling the contract before the expiry of the minimum term (clause 11.15B(1)(c)); and*
- *the trader to provide information about the customer to the Authority and for the Authority to provide the information to another trader if required under Schedule 11.5 (clause 11.15B(1)(d)); and*
- *the trader to assign the rights and obligations of the trader to another trader (clause 11.15B(1)(e)).*

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

#### Audit observation

I reviewed the current terms and conditions for all brands supplying ICPs under the CTCT, CTCS, or CTCX codes.

#### Audit commentary

The terms and conditions contain the appropriate clauses to achieve compliance with this requirement.

## Audit outcome

Compliant

### 2.9. Connection of an ICP (Clause 10.32)

#### Code reference

Clause 10.32

#### Code related audit information

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

- *accept responsibility for their obligations in Parts 10, 11 and 15 for the point of connection; and*

- *have an arrangement with an MEP to provide one or more metering installations for the point of connection.*

**Audit observation**

The new connection processes were examined in detail to evaluate the strength of controls, and the registry list, audit compliance, and switch breach history reports were examined to confirm process compliance. Late updates to active for new connections are discussed in **section 3.5**.

**Audit commentary**

**CTCT**

The new connection process varies by network. The customer makes an application for new connection to the network and/or CTCT.

- Where ICPs are directly requested from the network by the customer or their agent, the network sends through a notification and CTCT accepts these nominations. Once notified, CTCT contacts the customer to arrange a customer supply agreement if it has not already been completed and raises a service order to complete the connection and install metering (if the ICP is to be metered).
- For ICPs requested by applying to CTCT, an application for a new ICP is raised with the network and a service order is raised to complete the connection and install metering (if the ICP is to be metered).

Once the work completion paperwork for the connection and meter installation is received, workflows update SAP and the registry to “active” status, and a trader update including MEP nomination is made.

CTCT do not generally use the “inactive - new connection in progress” status in the new connection process but instead claim the ICP from “ready” and make it “active”. This practice is compliant providing the ICP is made “active” within five business days of the event. For any ICPs updated late, the MEP nomination will also be late, as this is sent at the same time as the ICP is made “active”. The late MEP nominations are recorded as non-compliance in **section 3.5**. The “inactive - new connection in progress” status is only applied where a correction is required to make the ICP active from a later date.

CTCT runs their NEWREADYICPSREPORT daily to monitor new connections. The report includes ICPs at “new” or “ready” status, with either a service order raised, or an initial electrical connection date populated. A counter is included which identifies the days remaining before a breach for late registry information will occur. The report is restricted to ICPs at “new” or “ready” status which have work completion paperwork, or an initial electrical connection date populated indicating that they should be claimed on the registry.

ICPs which have been at “new” or “ready” status for more than 24 months, are being monitored on a regular basis. Contact approaches either the customer or the distributor as appropriate i.e., in the case of ICP deconsolidation projects being managed by the distributor, to confirm if the new connection is still required. This also is discussed in **section 3.10**.

HHR new connections are completed by CTCS. I checked 20 NHH ICPs and in all cases, CTCT had accepted responsibility.

The audit compliance report recorded 149 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. All were checked:

Count	Comment
75	Metering details were populated on the registry, or the status was updated to inactive or decommissioned after the report was run.

69	MEP accepted nomination, awaiting meter asset data.
3	<p>No MEP nomination was raised during the audit period. These were examined.</p> <ul style="list-style-type: none"> <li>Two (ICPs 0000925041TU31D and 0110012107EL942) are disconnected. Service requests confirmed that the sites were disconnected but the contractor has closed the job “could not complete”. The robot has auto completed these but as these were not disconnection requests the status was not updated. In these instances, CTCT has no visibility. They are aware of this issue and are investigating how such incidents can be identified and pulled through to be reviewed by a person. This is recorded as non-compliance in <b>sections 2.1 and 3.8</b>. Further examples are detailed in <b>section 6.1</b> in relation to I flow metering installations not having been completed. CTCT is aware of this issue and are reviewing procedures to improve this process. The incorrect status is recorded as non-compliance in <b>section 3.8</b>.</li> <li>ICP 0099555145CN863 had its meter removed and was decommissioned on 17/03/22. Paperwork was provided on 17/08/22 and CTCT has updated SAP and the registry, and will provide revision submissions.</li> </ul>
2	<p>MEP nominated, awaiting response. These were examined and found:</p> <ul style="list-style-type: none"> <li>0007195914RNFFB had “MNON” nominated but no unmetered load recorded. This was an unmetered builders temporary supply that should have been decommissioned but due to two disconnection jobs being created and the first failing this stopped the workflow. This has now been decommissioned. The incorrect status is recorded as non-compliance in <b>section 3.8</b>.</li> <li>A meter is recorded and is being read in SAP for ICP 0000205989DE103. The MEP removed the meter in error from the registry when a new relay was installed, and they confirmed on 17/08/22 that they will reinstate the meter.</li> </ul>

### CTCX and CTCS

Simply Energy manages new connections as an agent. Contact provides Simply Energy with the customer and ICP information required to complete the new connection. The ICP is then added to a workflow, and this raises a job for the new connection to be completed. The workflow is monitored to ensure that the job is completed, and Salesforce, DataHub, the registry, and MADRAS (if NHH settled) are updated.

The new connection process contains a step for Simply Energy to accept responsibility for CTCS and CTCX ICPs. Responsibility is accepted for each individual ICP and requires an MEP to be selected. Simply Energy completes MEP nominations when ICPs are moved to “inactive - new connection in progress status”.

The new connection job template states that certification is required and requests a load bank be taken if the site is not connected. Staff monitor this and contact the MEP if certification is not received promptly. Notifications are slow in being sent and sometimes the distributor’s population of the initial electrical connection date is the first notification that a site is electrically connected. I recommend that Simply Energy works with the MEPs to ensure that notifications, particularly for TOU sites are being sent and these should include data flows which indicate when consumption has commenced. This is normal practice, but Simply Energy are not receiving these. This is resulting in the majority of the new connections being notified to the registry late as detailed in **section 3.5**.

Description	Recommendation	Audited party comment	Remedial action
Connection of an ICP	<b>CTCS and CTCX</b> Ensure new connection notifications especially in relation to TOU sites are sent promptly from the MEPS.	Effective 09/08/2022, we are now receiving DQM screenshots from the MEP for all TOU New Connections and Meter Changes. We are also using this to update the registry active dates on registry for our TOU New Connections.	Identified

CTCX	No new connections were completed. The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.
CTCS	I checked 25 NHH ICPs and nine HHR new connections. In all cases, CTCS had accepted responsibility. The audit compliance report recorded five “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. Two had metering details populated on the registry after the report was run, and two had MEP nominations made (one was awaiting response and the other had been accepted). ICP 0110007670EL116 is an NZTA streetlight ICP relating to the building of Transmission Gully. The meter was removed by persons unknown in January 2021. This load is to be reconciled as unmetered load from 1 July 2022. The ICP is pending decommissioning. Volumes have been estimated to 30 June 2022. Estimation was thought to be based off the last reading from the meter but was found to be using the default value of 55kWh per day. This is different to the customer billed figure. I calculated from 1 December 2021 to 30 June 2022 that the customer has been billed 66,223 kWh but Simply Energy has only submitted 11,605 kWh. Simply Energy has determined a removal reading based on the average daily consumption provided by CTCT on switch in, and revised submission data will be provided within the 14 month period. . The audit compliance report did not identify any new connections where an MEP nomination was not accepted within 14 business days.

### Audit outcome

Compliant

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

### Code reference

Clause 10.33(1)

### Code related audit information

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

- *for a point of connection to the grid – the grid owner has approved the connection*

- *for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.*
- *for a point of connection that is an ICP, but is not as NSP:*
- *the reconciliation participant is recorded in the registry as the trader responsible for the ICP*
- *if the ICP has metered load, one or more certified metering installations are in place*
- *if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the temporary electrical connection.*

### Audit observation

The new connection process was examined in detail.

### Audit commentary

#### CTCT

CTCT has reporting and processes in place to investigate active date mismatches. Distributors have been more proactive in requesting that Contact amend their date to match the initial electrical connection date and CTCT have been doing this. It cannot be assumed that the distributor's initial electrical connection date is always correct. CTCT must review all information available to determine the correct active date. Two examples (ICPs 1000606028PCB29 and 1002148931LC582), are discussed below where the incorrect active date has been applied due to this.

The AC020 identified eight ICPs where the meter certification date was earlier than the first active date. These were examined and found:

- four ICPs where the first active date was correct and the either the MEP or distributor had recorded the incorrect meter certification date,
- two ICPs which switched to CTCT at the "inactive - new connection in progress" status and CTCT made these active from their gain date,
- ICP 1000606028PCB29 was temporarily electrically connected to certify the meter on 29 March 2022 but was not made active until 8 April 2022 based on a request received from the distributor to amend the date; this is recorded as non-compliance in **section 2.1** and **3.8**, and
- ICP 0110012731EL933 was certified on 9 December 2021 but was not made active until 21 January 2022; the meter certification paperwork was reviewed and found the ICP was certified using a load bank.

CTCT does not claim ICPs at 1,12 "inactive - new connection in progress" status but will use this status if correcting the active date. Examination of the late updates for this status identified two examples where the first active date has been changed to match the distributors initial electrical connection date, but the meter has been certified earlier indicating a possible temporary electrical connection:

- ICP 1002148931LC582 was certified on 29 November 2021 but the first active date was amended to 15 December 2021 to match the distributor's initial electrical connection date; this is recorded as non-compliance in **sections 2.1, 3.5** and **3.8**, and
- ICP 0000061642NT7B0 was certified on 8 December 2021 but the first active date was amended to 9 December 2021 to match the distributor's initial electrical connection date. CTCT provided meter data which confirmed the ICP was actually connected from 08/12/21. The incorrect status date is recorded as non-compliance in **sections 2.1, 3.5** and **3.8**.

ICP 0110012765EL031 appears to have been temporarily connected to allow the meter to be tested. The ICP became active on 26 November 2021, but the meter was tested on site on 12 November 2021. CTCT had an arrangement in place with the MEP at the time of temporary connection but was not recorded as the trader in the registry until 25 November 2021.

#### CTCX and CTCS

Simply Energy usually claims ICPs at 1,12 “inactive new connection in progress” status which helps to ensure that the trader is recorded on the registry if an ICP is temporarily electrically connected.

No new connections were completed for CTCX, and no temporary electrical connections occurred for CTCS.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.10 With: Clause 10.33  From: 12-Nov-21 To: 24-Nov-21	<b>CTCT</b> CTCT was not recorded as the trader on the registry at the time of temporary electrical connection for ICP 0110012765EL031. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong overall, as this appears to be an isolated occurrence and arrangements were in place with the MEP. The impact is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> Contact continues to review this process and including the process when requests from distributors are received for correct active dates to investigate the issues further. We are training more agents to focus on the accuracy of the active dates.		Nov 2023	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCT</b> Process review when active date change requests are received from distributors.		Nov 2023	

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

### Code reference

Clause 10.33A(1)

### Code related audit information

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

- for a point of connection to the grid – the grid owner has approved the connection
- for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.
- for a point of connection that is an ICP, but is not as NSP:
  - o the trader is recorded in the registry as the trader responsible for the ICP or has an arrangement with the customer and initiates a switch within 2 business days of electrical connection
  - o if the ICP has metered load, 1 or more certified metering installations are in place
  - o if the ICP has not previously been electrically connected, the relevant distributor has given written approval of the electrical connection.

### Audit observation

The new connection process was examined in detail to evaluate the strength of controls.

The AC020 reports were examined to confirm process compliance and that controls are functioning as expected.

### Audit commentary

#### CTCT

##### Active ICPs without metering

The audit compliance report recorded 149 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. All were checked:

Count	Comment
75	Metering details were populated on the registry, or the status was updated to inactive or decommissioned after the report was run.
69	MEP accepted nomination, awaiting meter asset data.
4	<p>No MEP nomination was raised during the audit period. These were examined and found:</p> <p>Two ICPs (0000925041TU31D and 0110012107EL942) are disconnected, and two are likely to be electrically disconnected.</p> <p>Service requests for ICPs 0000925041TU31D and 0110012107EL942 confirmed that the sites were disconnected but the contractor has closed the job “could not complete”. The robot has auto completed these but as these were not disconnection requests the status was not updated. In these instances, CTCT has no visibility. They are aware of this issue and are investigating how such incidents can be identified and pulled through to be reviewed by a person. This is recorded as non-compliance in <b>sections 2.1 and 3.8.</b></p> <p>ICP 0099555145CN863 had its meter removed and was decommissioned on 17/03/22. Paperwork was provided on 17/08/22 and CTCT has updated SAP and the registry, and will provide revision submissions.</p> <p>The MEP removed the meter for ICP 0000205989DE103 in error from the registry when a new relay was installed, and they confirmed on 17/08/22 that they will reinstate the meter.</p> <p>Reads continue to be estimated for these ICPs and submitted to the market based on previous read history. This will be corrected once the status is updated.</p>
1	ICP 0007195914RNFFB was an unmetered BTS supply. The disconnection request failed to progress due to two disconnection requests being raised but in the intervening time the unmetered load details were removed causing an MEP nomination for MNON to be sent to the registry. This has since

Count	Comment
	been decommissioned for the correct date. The incorrect status is recorded as non-compliance in <b>section 3.8</b> .

The audit compliance report identified 21 new connections where an MEP nomination was not accepted within 14 business days. None were genuinely late.

#### New connections

CTCT does not use the “inactive - new connection in progress” status. The “inactive - new connection in progress” status is only applied where a correction is required to make the ICP active from a later date.

CTCT had accepted responsibility for all newly electrically connected ICPs. The audit compliance report found 194 NHH ICPs that were not certified within five business days of electrical connection. Where certification details were available, these were confirmed to be NHH ICPs. 62 of these ICPs were unmetered load, and the remaining 132 ICPs were expected to be metered and certified.

126 of the ICPs expected to be metered and certified had no meter certification details. I checked the 15 ICPs with the oldest status event dates:

- 11 were timing differences and metering certification details matching the active date were added later,
- three were confirmed to have certified metering for the date of electrical connection but the MEP has yet to load this to the registry, and
- ICP 1002149316UN4A3 had a certified BTS meter for the date of electrical connection; this was never loaded to the registry and the permanent meter has since been loaded.

The previous audit identified that MEP nominations for 0000165066CK5F0 and 0000512104CEC8E were to be reissued, and these were reissued and accepted prior to the audit.

Six of the ICPs expected to be metered and certified had certification dates more than five business days after the initial electrical connection date:

- the meter certification paperwork was reviewed and confirmed for three ICPs that the meter was certified on the same date as the ICP was made active and the MEP record on the registry is incorrect,
- ICP 0000010882TE98B was incorrectly made active as an active unmetered BTS supply for 31 August 2021 but the site was not electrically connected until the meter was certified on 7 December 2021; this is recorded as non-compliance in **sections 2.1, 3.5 and 3.8**, and
- ICP 1002153939UNA83 is a CT site and was certified late; this is recorded as non-compliance below.

#### Reconnections

Between weekly and every three weeks as workloads allow, a report is run from SAS of reconnections with expired meter certification. ICPs which switch out between reconnection and the report being run are excluded from the report.

Contact advises the MEP that the reconnected meter(s) are uncertified because they have interim or expired certification. If the MEP is willing to recertify at its own cost, CTCT will ask the MEP to proceed with re-certification. If the MEP requires CTCT to issue a service order and pay for the recertification, CTCT does not ask the MEP to proceed with re-certification.

The process in place ensures that MEPs are advised of reconnected meters which are uncertified, but they will not be asked to proceed with re-certification unless this is at their own cost. The process is unlikely to be completed within five business days of reconnection.



The audit compliance report identified 253 reconnected ICPs where the meter has no current certification, two of which were unmetered. A diverse sample of 20 ICPs were checked and found:

- for ten ICPs the MEP was notified that the meter was uncertified as part of the reconnection process and asked to re-certify,
- for four ICPs the meter was not certified as part of the reconnection and is expected to be re-certified as part of statistical sampling or when Arc meters are displaced,
- two ICPs are compliant. The MEP has since updated the meter record on the registry,
- one ICP was certified late when the Arc meter was replaced,
- one ICP switched out before the MEP re-certified it, and
- one ICP had the incorrect meter certificate date recorded on the registry. The MEP has since corrected this.
- ICP 0000569678UNC82 was gained on 23 May 21 but the reconnection wasn't completed as the site needed a COC before this could be completed. An actual read was gained on 28 June 2021 indicating consumption, but no action was taken. The next actual was gained on 28 April 2022. The ICP was made active for the incorrect date of 27 April 2022. No notification has been sent to the MEP to get this meter recertified as it is an illegal self-reconnect. Service order 911533557 indicates that the has been disconnected for vacancy on 1 June 2022 but the status is still active on the registry. A correction was processed during the audit on the registry and in SAP, and revised submission information will be washed up.

Bridged meters

Meters are required to be certified on unbridging, and CTCT issues field services jobs to “unbridge and certify” to MEPS.

CTCT confirmed 112 ICPs had their meters bridged at some time between 1 December 2021 and 30 April 2022. 98 were unbridged and the other 14 remain bridged. The unbridged ICPs had their meters recertified on unbridging with the exception of two ICPs which were certified late due to metering issues or were recertified on meter replacement.

**CTCS and CTCX**

Active ICPs without metering

CTCX	The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. No new connections were completed.
CTCS	The audit compliance report recorded five “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. Two had metering details populated on the registry after the report was run, and two had MEP nominations made (one was awaiting response and the other had been accepted).  ICP 0110007670EL116 is an NZTA streetlight ICP relating to the building of Transmission Gulley. The meter was removed by persons unknown in January 2021. This load is to be reconciled as unmetered load from 1 July 2022. The ICP is pending decommissioning. Volumes have been estimated to 30 June 2022. Estimation was thought to be based off the last reading from the meter but was found to be using the default value of 55kWh per day. This is different to the customer billed figure. I calculated from 1 December 2021 to 30 June 2022 the customer has been billed 66,223 kWh but Simply Energy has only submitted 11,605 kWh. Simply Energy has determined a removal reading based on the average daily consumption provided by CTCT on switch in, and revised submission data will be provided within the 14 month period. .





### Code related audit information

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

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

### Audit observation

The process to ensure an arrangement is in place before trading commences on a network was examined and controls within each system were checked.

### Audit commentary

Contact demonstrated the existence of either a UoSA or other trading arrangement for all relevant networks. Contact did not begin trading on any new networks during the audit period.

### CTCT

The NSP is added to SAP once the UoSA is in place. SAP will not accept a new ICP or ICP switching from a network where there is no agreement.

### CTCX and CTCS

Networks must be recorded in SalesForce before ICPs can be assigned to them.

### Audit outcome

Compliant

## 2.13. Arrangements for metering equipment provision (Clause 10.36)

### Code reference

*Clause 10.36*

### Code related audit information

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

### Audit observation

The process to ensure an arrangement is in place with the metering equipment provider before an ICP can be created or switched in was checked, and the controls within each system were reviewed.

### Audit commentary

### CTCT

Contact has arrangements in place with all MEPs for their ICPs, with the exception of BOPE. There is no arrangement in place in relation to maintenance of these meters. ICPs with BOPE metering normally have their meters replaced but this is causing some issues when the meter replacement cannot be arranged. This was evident with ICP 1002135846LC488 (CTCT) which had a bridged meter, and BOPE claims they cannot find this to unbridge it and the customer is refusing access. CTCT are continuing to work with the customer to get this resolved. A check of the list file identified 105 active ICPs with BOPE metering present. This is recorded as non-compliance below.

The new connection process contains a step that requires nomination of a valid MEP. Rejected MEP nominations are identified and actioned using SAP's Business Process Exception Management (BPEM) process. The rejected nominations were reissued where required, as discussed in **section 3.4**.

The MEP is added to SAP once an agreement is in place. SAP will not accept a new ICP or ICP switching with an MEP where there is no agreement.

### CTCX and CTCS

MEPs must be recorded in Salesforce before ICPs can be assigned to them. MEP responses to MEP nominations are monitored manually as discussed in **section 3.4**.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.13 With: Clause 10.36  From: 01-Dec-21 To: 30-May-22	<b>CTCT</b> No arrangement in place for the maintenance of BOPE metering.  Potential impact: Low Actual impact: Low Audit history: Multiple times  Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	The controls are rated as strong overall. BOPE meters are displaced as soon as possible.  The audit risk rating is low as a small proportion of ICPs were affected.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> The audit highlighted that we did not have an efficient process when organizing an unbridged and recertify on this MEPs metering equipment.  The issue was discussed when intellihub, who supply a maintenance service on BOPE Meters. They have agreed that our "Unbridged" service order can be assigned to them to attend, and they will carry out the remedial action. Which is the same process for IHUB and MRTX metering.		18/08/2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCT</b> ORB service order assignment rules have now been updated		18/08/22	

## 2.14. Connecting ICPs then withdrawing switch (Clause 10.33A(5))

### Code reference

Clause 10.33B

### Code related audit information

*If a trader connects an ICP it is in the process of switching and the switch does not proceed or is withdrawn the trader must:*

- *restore the disconnection, including removing any bypass and disconnecting using the same method the losing trader used*
- *reimburse the losing trader for any direct costs incurred*

### Audit observation

The process for reconnecting ICPs in the process of switching in was examined, including review of reports used in the process.

Traders are only able to update ICP status for event dates where they are responsible for the ICP on the registry.

### Audit commentary

#### CTCT

CTCT has a SAS report to identify ICPs which have been reconnected as part of the switching process where the switch is withdrawn. The report is run but is not presently being worked due to resource constraints. If a withdrawal is completed for an ICP reconnected as part of the switch in process, CTCT's policy is to restore the status to disconnected and bear any associated costs if requested by the other trader.

#### CTCS and CTCX

If an ICP was reconnected as part of the switching process and the switch was later withdrawn, Simply Energy would restore the disconnection and reimburse the losing trader for any direct costs incurred if requested.

### Audit outcome

Compliant

## 2.15. Electrical disconnection of ICPs (Clause 10.33B)

### Code reference

Clause 10.33B

### Code related audit information

*Unless the trader is recorded in the registry or is meeting its obligation under 10.33A(5) it must not disconnect or electrically disconnect the ICP or authorise the metering equipment provider to disconnect or electrically disconnect the ICP.*

### Audit observation

The disconnection process was examined. Traders are only able to update ICP status for event dates where they are responsible for the ICP on the registry.

## Audit commentary

### CTCT

Contact cannot create a service order for disconnection if they are not listed as the current trader in SAP.

### CTCS and CTCX

Simply Energy checks that CTCS or CTCX is listed as the current trader in the registry before initiating a disconnection.

## Audit outcome

Compliant

## 2.16. Removal or breakage of seals (Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7)

### Code reference

*Clause 48(1C), 48 (1D), 48 (1E), 48 (1F) of Schedule 10.7*

### Code related audit information

*A trader can remove or break a seal without authorisation from the MEP to:*

- *reset a load control switch, bridge or unbridge a load control switch – if the load control switch does not control a tome block meter channel*
- *electrically connect load or generation, of the load or generation has been disconnected at the meter*
- *electrically disconnect load or generation, if the trader has exhausted all other appropriate methods of electrical disconnection*
- *bridge the meter*

*A trader that removes or breaks a seal in this way must:*

- *ensure personal are qualified to remove the seal and perform the permitted work and they replace the seal in accordance with the Code*
- *replace the seal with its own seal*
- *have a process for tracing the new seal to the personnel*
- *update the registry (if the profile code has changed)*
- *notify the metering equipment provider*

### Audit observation

Policies and processes for removal and breakage of seals were reviewed.

A sample of disconnections, reconnections, additions of export metering, and bridged meters were checked for compliance.

## Audit commentary

### CTCT

All activities which could result in seals being removed or broken are completed by Delta, the MEP, or subcontractors to Delta and/or the MEP.

CTCT liaises directly with Delta for legacy meters, and the MEP for AMI and HHR meters. Any field services jobs which could result in seals being removed or broken are raised in ORB, and rules apply to ensure that jobs are sent to the correct service provider. The only exception to this is where the MEP raises a field services job themselves and advises CTCT when work is completed. CTCT provided nine

examples of service orders raised for broken seals or unbridging meters and I confirmed that the requests included clear instructions on resealing and recertifying the metering.

CTCT has agreements in place with Delta and the MEPs, which include service levels. Delta and the MEPs are required to ensure that only qualified personnel perform work and manage and trace seals. Delta and the MEPs do not usually provide details of seals in their job completion paperwork.

CTCT receives work completion paperwork from Delta and the MEPs and uses this information to confirm the correct ICP attributes including status and profile, and update SAP and the registry. Service orders are monitored in ORB, and reports of overdue jobs are generated each Tuesday and automatically emailed to Delta or the MEP for action. This process is helping to reduce lost and late paperwork.

A sample of disconnections, reconnections, and additions of distributed generation were checked. I found that the MEP had completed the work where the seals were removed or broken.

### **CTCS and CTCX**

All activities which could result in seals being removed or broken are completed by Wells, the MEP, or subcontractors to the MEP.

Simply Energy has agreements in place with Wells and the MEPs, which include service levels. Wells and the MEPs are required to ensure that only qualified personnel perform work and manage and trace seals. Wells and the MEPs do not usually provide details of seals in their job completion paperwork.

Simply Energy receives work completion paperwork from Wells and the MEPs and uses this information to confirm the correct ICP attributes including status and profile, and update Salesforce, MADRAS and the registry. Service orders are monitored using cases in Salesforce, and overdue service orders are followed up.

Most disconnections and reconnections are completed remotely, and any metering changes or addition of distributed generation is completed by the MEP. Wells completes any on-site disconnections and reconnections. No meters were bridged at CTCS or CTCX's request during the audit period.

A sample of disconnections, reconnections, and additions of distributed generation were checked. I found that the MEP had completed the work where the seals were removed or broken.

### **Audit outcome**

Compliant

## **2.17. Meter bridging (Clause 10.33C and 2A of Schedule 15.2)**

### **Code reference**

*Clause 10.33C and 2A of Schedule 15.2*

### **Code related audit information**

*A trader, or a distributor or MEP which has been authorised by the trader, may only electrically connect an ICP in a way that bypasses a meter that is in place ("bridging") if, despite best endeavours:*

- *the MEP is unable to remotely electrically connect the ICP*
- *the MEP cannot repair a fault with the meter due to safety concerns*
- *the consumer will likely be without electricity for a period which would cause significant disadvantage to the consumer*

*If the trader bridges a meter, the trader must:*

- *determine the quantity of electricity conveyed through the ICP for the period of time the meter was bridged*



- *submit that estimated quantity of electricity to the reconciliation manager*
- *within one business day of being advised that the meter is bridged, notify the MEP that they are required to reinstate the meter so that all electricity flows through a certified metering installation.*

*The trader must determine meter readings as follows:*

- *by substituting data from an installed check meter or data storage device*
- *if a check meter or data storage device is not installed, by using half hour data from another period where the trader considers the pattern of consumption is materially similar to the period during which the meter was bridged*
- *if half hour data is not available, a non-half hour estimated reading that the trader considers is the best estimate during the bridging period must be used.*

### **Audit observation**

The process for bridging meters was discussed and a sample of bridged meters were reviewed.

### **Audit commentary**

#### **CTCT**

Bridged meters are identified through returned work completion paperwork, and the NHH meter reading validation process.

CTCT only allows meters to be bridged where an urgent reconnection is required, and it is not possible to reconnect without bridging the meter. When an onsite reconnection is requested for an AMI meter, Delta phones the MEP while on site to attempt a soft reconnection, and only bypasses the meter if that fails. CTCT requires the contractor to use the FWR (further work required) function on the returned paperwork, which ensures that a job to “unbridge and recertify” is raised with the MEP. Service orders to unbridge and recertify meters are issued to the MEPS.

CTCT confirmed 112 ICPs had their meters bridged at some time between 1 December 2021 and 30 April 2022. 98 were unbridged and the other 14 remain bridged. The unbridged meters have not been unbridged because:

- the ICP switched out,
- access to unbridge the meter has not been granted by the customer, or
- a job to unbridge the meter is in progress but has not been completed.

Corrections to capture and report consumption during bridged periods are not consistently processed. The field services team identify bridged meters on receipt of reconnection paperwork and arrange for the meters to be unbridged. The affected ICPs are not consistently passed to the revenue assurance team to calculate estimates of consumption during the bridged periods.

The reconciliation team uses the Databricks datawarehouse to search for ICPs with notes indicating that they have been bridged or unbridged. This report is currently being reviewed for the first time this year, but is intended to be reviewed at least every three months. The delay was caused because the staff member responsible for overseeing this left CTCT and it is being added into the processes of other staff. The report review process includes:

- bridged meters which have not been unbridged are referred to field services, so that a service order can be raised for unbridging, and
- if an ICP has been unbridged, it is checked to determine whether a correction to capture consumption during the bridged period has been made and if not, this will be followed up.

I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed. The affected ICPs are:

ICP	Bridge start date	Bridge end date
0103402284LC191	8 January 2022	1 February 2022
0000036865TR260	18 March 2022	6 May 2022
0000703580TE30C	6 February 2022	14 February 2022
0320324753LCFE8	15 February 2022	7 March 2022
0001462920PC6C2	21 January 2022	11 February 2022
0000164674TR6DB	11 March 2022	5 May 2022
0000957020TU951	8 March 2022	6 April 2022
0000008579TE7A1	5 December 2021	12 January 2022
0004501299TU924	unknown	22 February 2022
0000240577TP2F0	17 February 2022	9 March 2022
0000027926UN698	unknown	28 March 2022
0000804686NV74D	30 November 2021	6 December 2021
0110010716ELAEC	29 January 2022	9 February 2022
1001112550UN6D0	10 December 2021	9 February 2022
0006516939TU3C6	5 November 2021	24 January 2022

Recommendation	Description	Audited party comment	Remedial action
Bridged meter process	<p><b>CTCT</b></p> <p>Develop processes to:</p> <ul style="list-style-type: none"> <li>identify bridged meters where CTCT reconnects a meter and the contractor indicates that the meter was bridged to reconnect,</li> <li>identify bridged meters where no notification has been provided by a contractor, but the read validation process indicates the ICP is connected with zero consumption,</li> <li>arrange for the meter to physically be unbridged as soon as possible after the</li> </ul>	We are currently investigating the opportunities we have within our data and existing reporting to expand our validation checks to include the bridged metering monitoring recommended by Veritek.	Investigating

	bridging is detected through paperwork or read validation, <ul style="list-style-type: none"> <li>• estimate consumption during the bridged period and record the correction in SAP,</li> <li>• review the correction for accuracy and ensure that the volumes are correctly applied for submission, and</li> <li>• monitor to ensure that bridged meters are unbridged, and corrections are processed.</li> </ul>		
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### CTCS and CTCX

Simply Energy’s policy is to never bridge meters, and no meters were bridged during the audit period.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.17 With: Clause 10.33C and 2A of Schedule 15.2 From: 01-Dec-21 To: 09-Aug-22	<b>CTCT</b> I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed. Potential impact: Medium Actual impact: Unknown Audit history: None Controls: Weak Breach risk rating: 6		
Audit risk rating	Rationale for audit risk rating		
Medium	The controls are rated as weak, as they are not sufficient to ensure that bridged meter corrections are consistently processed. The audit risk rating is medium based on the number of ICPs with bridged meters identified.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> We are currently investigating the opportunities we have within our data and existing reporting to expand our validation checks to include the bridged meter monitoring that has been recommended by Veritek.		Ongoing	Investigating

Preventative actions taken to ensure no further issues will occur	Completion date	
<p><b>CTCT</b></p> <p>Please refer to Actions taken to resolve.</p>	Ongoing	

## 2.18. Use of ICP identifiers on invoices (Clause 11.30)

### Code reference

Clause 11.30

### Code related audit information

*Each trader must ensure the relevant ICP identifier is printed on every invoice or document relating to the sale of electricity.*

### Audit observation

A sample of invoices and letter templates relating to invoicing were reviewed to confirm that the ICP number is present.

### Audit commentary

#### CTCT

Invoices contain the ICP number, and ICP numbers are included in communications relating to the sale of electricity. Only the account number is included on correspondence relating to payments, as one account can have one or many ICPs attached.

#### CTCS and CTCX

CTCS customers are supplied under the Contact Energy brand, and CTCX customers are supplied under the Simply Energy or Plains Power brands.

The invoices for all three brands contain the ICP number, and ICP numbers are included in communications relating to the sale of electricity.

### Audit outcome

Compliant

## 2.19. Provision of information on dispute resolution scheme (Clause 11.30A)

### Code reference

Clause 11.30A

### Code related audit information

*A retailer must provide clear and prominent information about Utilities Disputes:*

- *on their website*
- *when responding to queries from consumers*
- *in directed outbound communications to consumers about electricity services and bills.*

*If there are a series of related communications between the retailer and consumer, the retailer needs to provide this information in at least one communication in that series.*

### Audit observation

The process to ensure that information on Utilities Disputes is provided to customers was discussed. A sample of invoices, letter templates, emails, messenger correspondence, and recorded greetings for inbound calls were reviewed to determine whether clear and prominent information on Utilities Disputes is provided.

### Audit commentary

#### CTCT

Clear and prominent information on Utilities Disputes is provided:

- on CTCT's website,
- on CTCT's invoices,
- in the text of letter templates including a generic template, and those related to pricing, invoicing, payments, complaints, outages, medically dependent customers, bonds, welcomes, transaction history,
- as part of the email footer for outbound emails,
- in all the social media channels, and
- in the recorded welcome message for inbound telephone calls.

In the initial checks of the IVR the Utilities Dispute message was played after the caller was able to select from menu options to direct their call. The IVR menu was provided, and this indicated that the message was expected to be played. Subsequent checks of the IVR confirmed the message is being played before the user selects a menu option to direct the call.

Most outbound communications to customers regarding their invoices are by letter.

#### CTCS and CTCX

CTCS customers are supplied under the Contact Energy brand, and CTCX customers are supplied under the Simply Energy or Plains Power brands.

All three brands have clear and prominent information on Utilities Disputes displayed on their websites, on their invoices, email footers, in letters and in their terms and conditions.

The Utilities Dispute service is promoted on all inbound phone calls for the Contact Energy and Simply Energy brands. Plains Power are working with their IVR provider to get this in place for all incoming calls. Currently this message is only played to callers whose call doesn't get answered and goes to a call back message.

Social media channels are not used.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.19 With: Clause 11.30A  From: 01-Dec-21 To: 30-May-22	<b>CTCS – Plains Power brand</b> Not in place for all inbound phone calls. 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	The controls are rated as strong overall. The audit risk rating is low as it is only phone calls to Plains Power where the Utilities Disputes message is not played to every caller, but this service is promoted on all other channels.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCS</b> Plains Power are in talks with Spark to move the UD information to the front of the IVR. Spark have come back with high costs for this to be achieved. Currently working with PP to see what can be achieved		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCS</b> When making any future changes to IVR/comms/invoices/emails/website etc will ensure that we review and confirm that the Utilities disputes and Powerswitch info is still relative and compliant		Ongoing	

## 2.20. Provision of information on electricity plan comparison site (Clause 11.30B)

### Code reference

Clause 11.30B

### Code related audit information

A retailer that trades at an ICP recorded on the registry must provide clear and prominent information about Powerswitch:

- on their website
- in outbound communications to residential consumers about price and service changes
- to residential consumers on an annual basis
- in directed outbound communications about the consumer's bill.

*If there are a series of related communications between the retailer and consumer, the retailer needs to provide this information in at least one communication in that series.*

#### **Audit observation**

The process to ensure that information on Powerswitch is provided to customers was discussed. A sample of invoices, letter templates and emails were reviewed to determine whether clear and prominent information on Powerswitch is provided.

#### **Audit commentary**

##### **CTCT**

Clear and prominent information on Powerswitch is provided:

- on CTCT's website,
- on CTCT's invoices,
- in the text of letter templates including a generic template, and those related to pricing, invoicing, payments, complaints, outages, medically dependent customers, bonds, welcomes, transaction history, and
- as part of the email footer for outbound emails.

Most outbound communications to customers regarding their invoices are by letter.

The annual notification requirement is met through issuing of invoices, which contain information on Powerswitch. Pre-pay customers who do not receive invoices but are schedule to be notified annually via text message each September. Having a mobile phone capable of receiving text messages is part of the terms and conditions of being a CTCT pre-pay customer.

##### **CTCS and CTCX**

Information on Powerswitch is required to be provided to any customers with a residential ANZSIC code. All three brands have clear and prominent information on Powerswitch displayed on their website and invoices.

The annual notification requirement is met through issuing of invoices, which contain information on Powerswitch.

#### **Audit outcome**

Compliant

### 3. MAINTAINING REGISTRY INFORMATION

#### 3.1. Obtaining ICP identifiers (Clause 11.3)

##### Code reference

Clause 11.3

##### Code related audit information

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

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

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

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

##### Audit observation

The “new connections” process was examined in detail to confirm compliance with the requirement to obtain ICP identifiers for points of connection to local or embedded networks.

##### Audit commentary

A walkthrough of the process confirmed that this requirement is well understood and managed for all Contact's participant codes. There were no connections to networks identified without ICPs.

##### Audit outcome

Compliant

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

##### Code reference

Clause 11.7(2)

##### Code related audit information

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



### Audit observation

The new connection processes were examined in detail to evaluate the strength of controls, and the registry list and audit compliance reports were examined to confirm process compliance. Late updates to active for new connections are discussed in **section 3.5**.

### Audit commentary

The new connection processes are detailed in **section 2.9** above. The processes in place ensure that the trader required information is populated as required by this clause.

### Audit outcome

Compliant

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

### Code reference

Clause 10 Schedule 11.1

### Code related audit information

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

### Audit observation

The process to manage status changes is discussed in detail in **sections 3.8** and **3.9** below. The process to manage MEP nominations and trader updates was discussed.

The AC020 reports for each code were reviewed. A sample of late status updates, trader updates and MEP nominations were checked as described in the audit commentary.

### Audit commentary

#### CTCT

##### Updates to active status

Status changes to “active” are completed automatically upon the closure of the field service request, providing all the relevant information is provided.

The timeliness of status updates to active (for reconnections) is set out on the table below.

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
Active	2015	1,991	81%	8.7
	2016	2,760	85%	7.6
	2017	3,578	91%	12.7
	2018	2,707	86%	10.2
	2019	3,762	90%	5.4
	2020	1,186	91.33%	4.17

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
	Jan 2021	928	91.01%	3.58
	Aug 2021	1,192	85.38%	3.87
	Apr 2022	1,019	85.86%	4.14

245 of the late updates were made more than 30 business days after the event date, and eight were more than 100 business days after the event date. The latest update was made 708 business days after the event date. I checked an extreme case sample of the 20 latest updates, which included all updates more than 66 business days after the event date. These were examined and found:

- nine were corrections to the first active date,
- six were backdated switch ins for the first active date, and
- five were due to late notification from the contractor.

#### Updates to inactive status

All status changes apart from moving an ICP to “inactive - ready for decommissioning” are completed automatically upon the closure of the field service request, providing all the relevant information is provided.

The “inactive - ready for decommissioning” updates are automated except for those that are notified by the network. CTCT will only create service orders for these ICPs once they have been confirmed to be ready for decommissioning. The information is then transferred from ORB to SAP in the same way as other updates.

The timeliness of status updates to inactive is set out on the table below.

Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
Inactive	2015	794	93%	3.9
	2016	462	96%	9.6
	2017	324	98%	1.2
	2018	461	94%	4.0
	2019	486	98%	2.0
	2020	860	94.44%	5.43
	Jan 2021	649	94.51%	3.29
	Aug 2021	491	94.24%	6.19
	Apr 2022	435	94.84%	2.60

92 of the late updates were made more than 30 business days after the event date, and 34 were made more than 100 business days after the event date. The latest update was made 1,426 business days

after the event date. 45 of the late updates over 30 days were to “inactive - ready for decommissioning” status.

I checked the six late updates to 1,12 (inactive new connection in progress) status and found two were not genuinely late, because the updates occurred prior to initial electrical connection. Examination of the remaining four found:

- three examples where the first active date has been changed to match the distributors initial electrical connection date, but the meter has been certified earlier indicating a potential temporary electrical connection:
  - ICP 1002148931LC582 was certified on 29 November 2021 but the first active date was amended to 15 December 2021 to match the distributor’s initial electrical connection date; this is recorded as non-compliance in **section 2.1** and **3.8**.
  - ICP 0000061642NT7B0 was certified on 8 December 2021 but the first active date was amended to 9 December 2021 to match the distributor’s initial electrical connection date. CTCT provided meter data which confirmed the ICP was actually connected from 08/12/21. The incorrect status date is recorded as non-compliance in **sections 2.1, 3.5** and **3.8**.
  - ICP 1000606028PCB29 was temporarily electrically connected to certify the meter on 29 March 2022 but was not made active until 8 April 2022 based on a request received from the distributor to amend the date.
- this status was used to correct the first active date for ICP 0000061694NTB7D.

I checked an extreme case sample of the five latest or all late updates per status reason code, and found:

- late notification from the network of safety disconnections,
- receipt of paperwork or confirmation of the correct status, or inconsistent paperwork which needed to be followed up before the correct attributes could be confirmed,
- corrections following inaccurate data being identified, where it had been entered incorrectly, incorrect information was provided by a contractor, or the ICP had switched in with an incorrect status recorded by the previous retailer, and
- some were a change to the inactive reason and not a status change as such.

The late updates were processed correctly.

#### Trader updates

The timeliness of trader updates is set out on the table below.

Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2020	16,591	90.63%	5.21
Jan 2021	1,912	94.90%	5.05
Aug 2021	2,498	89.18%	6.06
Apr 2022	1,431	89.19%	5.79

215 of the late updates were made more than 30 business days after the event date, and 95 updates were made more than 100 business days after the event date. The latest update was made 1,361 business days after the event date. I checked a sample of late updates recorded on the AC020 report for CTCT as described in the table below:

ANZSIC updates - changes	I checked a sample of the ten latest updates and confirmed that they were corrections.
ANZSIC updates – new connections and switch ins	79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. I checked a sample of the ten latest updates and found they were delayed by backdated switch ins.
Unmetered daily kWh and/or trader unmetered load details changes	I checked a sample of the ten latest updates and confirmed that they were corrections after updated information on the load connected was received.
Profile updates	I checked a sample of the ten latest updates and found that they were profile corrections to either moving ICPs to be HHR reconciled, or a generation profile being added.
Submission type updates	I checked a sample of the ten latest updates and confirmed that they were backdated upgrades or downgrades where information was received late.
MEP nominations	The MEP nomination process is discussed in <b>section 3.4</b> . I checked a sample of the ten latest updates and found: <ul style="list-style-type: none"> <li>• one was due a known issue where a meter event in SAP prevented the MEP nomination to be sent until it was cleared,</li> <li>• seven were changes to submission type backdated to start from the correct date and not an MEP nomination,</li> <li>• one was an ANZSIC code correction, and</li> <li>• one was due to a backdated switch</li> </ul>

The late updates contained the correct event date and attributes except shared unmetered load was removed on ICP 0006498230RN1E0 from 13 August 2021 but should have been removed from 4 January 2021.

The inaccurate data is recorded as non-compliance in **section 2.1**. Exceptions identified during the previous audit were found to be resolved.

### CTCX and CTCS

#### Updates to active status

ICP status is updated to “active” using the registry user interface once the correct status and status date are confirmed. The timeliness of status updates to “active” (for reconnections) is set out on the tables below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Active	Jan 2021	11	71.05%	6.00
		Aug 2021	18	75.00%	7.63
		Apr 2022	4	90.00%	5.40

Simply Energy have changed their organisation structure since the last audit and now have a dedicated resource to who liaises between the billing and field services team. This has improved the timeliness of updates to the registry in this area. The four late updates occurred during the bedding in of this change.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCX	Active	Jan 2021	-	-	-
		Aug 2021	-	-	-
		Apr 2022	-	-	-

#### Updates to inactive status

ICP status is updated to “inactive” using the registry user interface once the correct status and status date are confirmed. The timeliness of status updates to “inactive” is set out on the tables below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Inactive	Jan 2021	2	75.00%	12.13
		Aug 2021	37	49.32%	34.49
		Apr 2022	10	72.22%	13.56

Two of the late updates were made more than 30 business days after the event date, and the latest update was made 227 business days after the event date.

One of the two late updates to 1,12 “inactive new connection in progress” status was not genuine because the status was updated prior to the initial electrical connection date. A backdated status update was applied to ICP 0007206648RN272 to correct the first active date.

I checked all the late updates.

- The six late 1,6 “inactive - ready for decommissioning” status updates were due to the late notification from the network of decommissioned ICPs. Simply Energy raises the service order to the Network and then update the status on the registry once confirmation is received that this has been completed. If this is received late this causes them to be non-compliant. ICP 0000010575TE15E was never electrically connected but rather than reverse the claim off the registry the ICP was incorrectly made “inactive - ready for decommissioning”. This is now understood by the operations team.
- Two of the three late 1,4 “inactive - vacant” were corrections due to a status correction being missed in May 2021, this was picked up by the Reconciliation team and corrected in December 2021. ICP 0000009696TE066 was a change of inactive status reason as the ICP was scheduled for decommissioning but was changed to vacant as a new customer was moving in. ICP 0076470001HB982 was a backdated switch in. It was gained from 1 January 2022 on 1 February 2022 but was disconnected by the losing trader on 26 January 2022 and CTCS reconnected it on 27 January 2022. A backdated status update was added once the switch completed.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCX	Inactive	Jan 2021	-	-	-
		Aug 2021	-	-	-
		Apr 2022	-	-	-

### Trader updates

Trader updates including MEP nominations are updated using the registry user interface once the correct attributes and date are confirmed. The timeliness of trader updates is set out on the table below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Trader	Jan 2021	29	43.14%	8.76
		Aug 2021	113	26.14%	4.31
		Apr 2022	63	87.27%	8.04

For CTCS, 18 of the late updates were made more than 30 business days after the event date, and the latest update was made 292 business days after the event date. A sample of late updates were checked for CTCS:

ANZSIC updates	The one late update was a correction.
Profile updates	The three late profile updates were profile corrections.
Submission type updates	<p>I checked the five latest submission type and profile updates and found:</p> <ul style="list-style-type: none"> <li>four were backdated to align with the date that AMI data stopped being received, and</li> <li>ICP 0000930921NVE57 was due to a missed upgrade; this was notified in March 2021 from CTCT, but the notification was missed, and billing flagged an issue with reads not aligning in May 2021, but this was missed again, then it was flagged again by billing in November 2021 and corrected - this process is very manual, and I recommend below that Salesforce functions be reviewed to give better visibility to the field services team managing this.</li> </ul>
MEP nominations	<p>The MEP nomination process is discussed in <b>section 3.4</b>. I checked five late MEP nominations and found:</p> <ul style="list-style-type: none"> <li>two were late due to the MEP nomination not being sent at the same time as the service order was issued; Simply Energy have since changed the process so that it is issued at the same time,</li> <li>two were due to the incorrect MEP being nominated in the first instance, and</li> <li>ICP 0011201018ELB45 switched out which reversed the MEP nomination, the switch was then withdrawn, and the MEP nomination had to be resent.</li> </ul>

Description	Recommendation	Audited party comment	Remedial action
Management of upgrades/downgrades	<p><b>CTCS and CTCX</b></p> <p>Review Salesforce functions to give better visibility to the field services team managing this.</p>	We are currently working with our system administrator to improve our current process in Salesforce, where all our field service processes are broken down in stages to assist with timing, actions, and to provide the Operations Team Leader visibility to assist and/or add resource where required.	Investigating

For CTCS the AC020 report recorded three late updates to ANZSIC codes for new connections and switch ins. The ANZSIC codes were updated on the status changing to active for the backdated new connections.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCX	Trader	Jan 2021	1	50.00%	8.50
		Aug 2021	18	0.00%	15.61
		Apr 2022	5	70.59%	23.82

For CTCX, all five of the late updates were submission type changes, and one was made more than 30 business days after the event date (283 days). All were checked and found:

- four were backdated to align with the date that AMI data stopped being received, and
- ICP 0000012675EA374 was due to a multiplier issue notified by the MEP and submissions have been corrected (this was confirmed as one of the sample of ten checked in **section 2.1**).

The AC020 report did not record any late updates to ANZSIC codes for new connections and switch ins.

#### Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 3.3</p> <p>With: Clause 10 Schedule 11.1</p>	<p><b>CTCT</b></p> <p>1,019 late updates to active status.</p> <p>433 late updates to inactive status.</p> <p>1,431 late trader updates.</p> <p>79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p><b>CTCS</b></p> <p>Four late updates to active status.</p>

<p>From: 02-Dec-21 To: 04-May-22</p>	<p>Nine late updates to inactive status. 63 late trader updates. Three ANZSIC code updates were made more than 20 business days after CTCS began trading at the ICP.</p> <p><b>CTCX</b> Five late trader updates. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	<p>The controls are rated as moderate overall. Some process improvements have been identified above.</p> <p>Overall, the level of compliance is high with the majority of updates being completed within five business days of the event. The audit risk rating is low.</p>		
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>	
<p><b><u>CTCT</u></b> Contact acknowledges the non-compliances identified and the underlying factors that lead to incorrect or late notifications in the Registry. Where errors or delays are a result of the paperwork returned from the field, we will continue to utilise the contractor performance provisions within our respective agreements to address any concerns and improve the process moving forward.</p> <p><b><u>CTCS / CTCX</u></b> We acknowledge that we are unable to rectify the late updates which have already occurred. NB Meetings were held immediately after the Audit to ensure that Data Quality and timeliness was a daily priority. Process refreshers were also provided to all team members.</p>	<p>Ongoing</p> <p>N/A</p>	<p>Identified</p>	
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>		
<p><b><u>CTCT</u></b> Where errors or delays are a result of the paperwork returned from the field, we will continue to utilise the contractor performance provisions within our respective agreements to address any concerns and improve the process moving forward.</p>	<p>Ongoing</p>		



<p>Where necessary, continuous training is being provided to employees and the field service operators to assist in minimising the opportunity for late or incorrect notifications being sent to the Registry.</p> <p><b><u>CTCS/CTCX</u></b></p> <p>Two days each week for all staff members are now dedicated to managing our Field Service Processes. We also anticipate having an extra person in this space in the future.</p> <p>We have identified more resource is needed in this space and as a result, we are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control</p> <p>We are also working with our system administrator to improve our current process in Salesforce to assist with timing and actions and to provide the Operations Team Leader visibility to assist and/or add resource where required</p>	<p>30/11/2022</p> <p>30/11/2022</p> <p>31/1/2023</p>	
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### 3.4. Trader responsibility for an ICP (Clause 11.18)

#### Code reference

*Clause 11.18*

#### Code related audit information

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

*A trader ceases to be responsible for an ICP if:*

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

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

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

#### Audit observation

The new connection, MEP nomination and decommissioning processes were reviewed, and the registry list and audit compliance reports were examined to confirm process compliance.

A sample of MEP nomination rejections and decommissioned ICPs were examined.

#### Audit commentary

**CTCT**

Retailers Responsibility to Nominate and Record MEP in the Registry

The audit compliance report recorded 149 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. All were checked:

Count	Comment
75	Metering details were populated on the registry, or the status was updated to inactive or decommissioned after the report was run.
69	MEP accepted nomination, awaiting meter asset data.
4	<p>No MEP nomination was raised during the audit period.</p> <p>These were examined and found two (ICPs 0000925041TU31D and 0110012107EL942) are disconnected and two are likely to be electrically disconnected. Service requests for both ICPs confirmed that the sites were disconnected but the contractor has closed the job “could not complete”. The robot has auto completed these but as these were not disconnection requests the status was not updated. In these instances, CTCT has no visibility. They are aware of this issue and are investigating how such incidents can be identified and pulled through to be reviewed by a person. This is recorded as non-compliance in <b>sections 2.1 and 3.8.</b></p> <p>ICP 0099555145CN863 had its meter removed and was decommissioned on 17/03/22. Paperwork was provided on 17/08/22 and CTCT has updated SAP and the registry, and will provide revision submissions.</p> <p>The MEP removed the meter for ICP 0000205989DE103 in error from the registry when a new relay was installed, and they confirmed on 17/08/22 that they will reinstate the meter.</p> <p>Reads continue to be estimated for these ICPs and submitted to the market based on previous read history. This will be corrected once the status is updated.</p>
1	ICP 0007195914RNFFB was an unmetered BTS supply. The disconnection request failed to progress due to two disconnection requests being raised but in the intervening time the unmetered load details were removed causing an MEP nomination for MNON to be sent to the registry. This has since been decommissioned for the correct date. The incorrect status is recorded as non-compliance in <b>section 3.8.</b>

FCLM MEP nominations are rare and are processed manually using the registry interface at the time the service order is issued. For all other MEPs, the MEP details are transferred to SAP once completion paperwork is received, and SAP workflows will automatically process an MEP nomination.

MEP details are entered into ORB as part of the service order process, and valid MEPs are assigned by network. The MEP details are transferred to SAP once completion paperwork is received, and SAP workflows then automatically process an MEP nomination. If the information is incomplete or inconsistent with expected values for the fields (e.g., a relay owner is recorded in the MEP field) a BPEM is created, and a user will update the required information so that the MEP nomination can be created.

For new connections MEP nominations are sent when the ICP is moved to active status, therefore MEP nominations will be late for any backdated new connections.

Rejected MEP nominations are also managed through the BPEM process, and missed nominations are either identified through the BPEM process (where SAP information is incomplete) or by the MEP when they attempt to load metering details on the registry but are not listed as the proposed MEP. The switching team monitor these BPEMs.

Seven (0.11%) of the 6,251 MEP nominations identified on the event detail report were rejections:

- three MEP nominations were rejected as SAP issued it to the previous meter owner and these were rejected and then reissued and accepted,
- two MEP nominations were rejected because the contractor had listed an incorrect MEP on the service order paperwork, both were accepted on reissue to the correct MEP,
- one MEP nomination for ICP 0000982087LN77D was issued to the incorrect MEP due to user error, and
- the MEP nomination for 0000000818TCC20 was rejected by NGCM in error and was then reissued and accepted.

The previous audit identified that MEP nominations for 0000165066CK5F0 and 0000512104CEC8E were to be reissued, and these were reissued and accepted prior to the audit.

No active metered ICPs had a blank MEP.

ICP Decommissioning

CTCT continues with their obligations under this clause. ICPs that are vacant and active, or inactive are still maintained in SAP.

CTCT’s normal policy is to arrange for the meter(s) to be removed once decommissioning is confirmed and return the meter(s) to the MEP. The MEP is notified as part of the service order if they are to remove the meters, or through the registry status update and return of the meters if the service order is completed by Delta.

A diverse sample of ten ICPs was examined. An attempt to read the meter was made at the time of removal, and actual readings were obtained prior to decommissioning for all ten ICPs. Notification was provided to the MEP prior to decommissioning for five of the ten ICPs. The MEP advised CTCT that the meters had been removed for ICP 0000442220WPC18. The MEP was not notified until well after the decommissioning had been completed for the remaining four ICPs. I recommend that this process is reviewed to ensure that the MEP is notified at the same time as the service request is issued to the field, so they have adequate opportunity to retrieve their assets.

Description	Recommendation	Audited party comment	Remedial action
Notification to MEP of decommissioning	<b>CTCT</b> Review the MEP notification process when decommissioning ICPs to ensure that the MEP is notified at the same time as the service request is issued to the field, so they have adequate opportunity to retrieve their assets.	Contact Energy plan on reviewing the MEP notification process when decommissioning ICPs to ensure that the MEP is notified at the same time as the service request is issued to the field, so they have adequate opportunity to retrieve their assets.	Investigating

**CTCX and CTCS**

Retailers Responsibility to Nominate and Record MEP in the Registry

Simply Energy creates MEP nominations for all MEPs when the ICP moves to 1,12 “inactive - new connection in progress” status, or when a field services job is nominated. MN responses received from the registry are manually reviewed and actioned, and Salesforce cases are raised to monitor meter and MEP changes in progress.

CTCX	No active ICPs had a blank MEP.
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	<p>The audit compliance report recorded no active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.</p> <p>The two MEP nominations identified on the event detail report were accepted by the MEP.</p>
CTCS	<p>No active ICPs had a blank MEP.</p> <p>The audit compliance report recorded five active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. Two had metering details populated on the registry after the report was run, and two had MEP nominations made (one was awaiting response and the other had been accepted).</p> <p>ICP 0110007670EL116 is an NZTA streetlight ICP relating to the building of Transmission Gulley. The meter was removed by persons unknown in January 2021. This load is to be reconciled as unmetered load from 1 July 2022. The ICP is pending decommissioning. Volumes have been estimated to 30 June 2022. Estimation was thought to be based off the last reading from the meter but was found to be using the default value of 55kWh per day. This is different to the customer billed figure. I calculated from 1 December 2021-30 June 2022 the customer has been billed 66,223 kWh but Simply Energy has only submitted 11,605 kWh. Simply Energy has determined a removal reading based on the average daily consumption provided by CTCT on switch in, and revised submission data will be provided within the 14 month period. The audit compliance report did not identify any new connections where an MEP nomination was not accepted within 14 business days. All 26 MEP nominations identified on the event detail report were accepted by the MEP.</p>

The previous audit recommendation that ICPs where the metering category is 9 or blank and no unmetered load recorded should be checked, to ensure that any load is quantified has been adopted.

ICP Decommissioning

ICPs that are vacant and active, or inactive are be maintained in Simply Energy’s systems.

Simply Energy’s normal policy is to arrange for the meter(s) to be removed once decommissioning is confirmed and return the meter(s) to the MEP. The MEP is notified as part of the service order if they are to remove the meters, or through the registry status update and return of the meters if the service order is completed by Wells.

When an ICP is decommissioned, an attempt is made to read the meter at the time of removal. If this is not possible then the last actual meter reading will be used.

CTCX	No ICPs were decommissioned during the audit period.
CTCS	<p>11 CTCS ICPs were decommissioned during the audit period. A diverse sample of ten ICPs was examined to confirm an attempt to read the meter was made at the time of removal. An attempt to read was made for all ICPs. The MEP was notified in all but one instance. No notification was sent for ICP 0000145363UN60C. The accuracy of the decommissioning date is discussed in <b>section 3.9</b>.</p>

**Audit outcome**

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 3.4</p> <p>With: Clause 11.18</p> <p>From: 02-Dec-21</p> <p>To: 04-May-22</p>	<p><b>CTCT</b></p> <p>Notification was not provided to the MEP prior to decommissioning for four ICPs from a sample of ten.</p> <p><b>CTCS</b></p> <p>Notification was not provided to the MEP prior to decommissioning for one ICP from a sample of ten of a possible 11 ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>The controls are moderate overall but there is room for improvement as detailed above.</p> <p>The impact is low as the number of ICPs affected is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCT/CTCS</u></b></p> <p>We have implemented steps (noted in preventative actions below) to further reduce the opportunity for this non-compliance to re-occur in the future.</p>		<p>01/12/2022</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b><u>CTCT</u></b></p> <p>MEPs that we do not have a metering service contract with, we organize the decommission and remove meters process via our own field service providers (Currently Delta). They would perform the agreed task and removed meters are returned to the MEP. However, based on the auditor recommendation we will review how we can speed up the MEP removed meter notification process</p>		<p>1/12/2022</p>	
<p><b><u>CTCS</u></b></p> <p>Two days each week for all staff members are now dedicated to managing our Field Service Processes. We also anticipate having an extra person in this space in the future.</p> <p>We have identified more resource is needed in this space and as a result, we are proactively training another member of the team to assist in this space which will ensure better data quality - Operations Team Lead is also acting as Quality Control</p>		<p>30/11/2022</p> <p>30/11/2022</p>	

We are also working with our system administrator to improve our current process in Salesforce to assist with timing and actions and to provide the Operations Team Leader visibility to assist and/or add resource where required.	31/1/2023	
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### 3.5. Provision of information to the registry manager (Clause 9 Schedule 11.1)

#### Code reference

Clause 9 Schedule 11.1

#### Code related audit information

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

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

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

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

#### Audit observation

The new connection processes were examined in detail to evaluate the strength of controls, and the registry list and audit compliance reports were examined to confirm process compliance.

#### Audit commentary

##### CTCT

##### New connection timeliness

The timeliness of status updates to active (for new connections) is set out on the table below. The percentage of updates completed on time has increased with improved monitoring.

Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2015	1,077	68%	9.7
2016	985	79%	5.6

Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2017	1,138	89%	3.1
2018	1,239	84%	6.0
2019	784	77%	8.0
2020	1,083	82%	5.4
Jan 2021	306	92.64%	3.35
Aug 2021	195	94.22%	5.05
Apr 2022	131	94.64%	2.83

Contact claim ICPs from the “ready” status and change them to “active” once electrical connection has occurred. The “inactive - new connection in progress” status is not used as part of BAU, and the nomination of the MEP will be late for any ICPs not updated within the required timeframe.

Eight of the late updates were made more than 30 business days after the event date, and the latest update was made 75 business days after the event date. I checked an extreme case sample of all the late updates made more than 20 business days after the event date:

- eight late updates were corrections following validation of the active status date against the meter certification date and initial electrical connection date,
- six were due to the ICP switching in on the same day as the ICP was made active resulting in a backdated status update,
- five were due to late notification from the field to close the work order, and
- ICP 0110012514EL32E was updated late due to late notification of the correct connection date.

The late updates were processed correctly with the exception of ICP 0000010882TE98B. This was incorrectly recorded as an unmetered BTS but was not electrically connected until the meter was certified on 7 December 2021. This is recorded as non-compliance in below and in **section 2.1**.

#### New connection information accuracy

The status of an ICP is only changed to “active” once confirmation has been received by a contractor. Submission information is provided for all “active” ICPs. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A workflow will be generated for a user if SAP cannot find the correct service order number or information is missing, such as readings or dates. A user manually checks the paperwork and/or confirms the missing details with the contractor before updating SAP.

A robot compares the meter certification date and initial electrical connection date to CTCT’s active status date. If the dates are inconsistent, it creates a workflow exception which is directed to a user for investigation. If there is no initial electrical connection date, the robot process will not identify a discrepancy, so the IE Mismatch report is run monthly which compares the initial electrical connection date, active date, meter certification date and ORB service order completion date. Any discrepancies are investigated. The IE Mismatch report has not been run consistently for the entire audit period, which has resulted in some exceptions and late updates.

The AC020 report identified 32 ICPs with an initial electrical connection date populated which had not been made active. All were timing differences and the ICPs were moved to “active” before the audit

was completed. ICP 0007206306RN649 was made active for 21 April 2022, the network has recorded the initial electrical connection date as 22 April 2022, but review of the paperwork indicates that this was electrically connected on 25 April 2022. This is recorded as non-compliance below and in **section 2.1**.

Active dates for new connections were compared to the distributor’s initial electrical connection date, and MEP’s certification date using the AC020 report. The AC020 report identified 657 ICPs with date discrepancies:

Findings	Quantity	Sample size	Number in sample incorrect	Commentary
IECD <sup>1</sup> ≠ active date and MCD <sup>2</sup> ≠ active date	3	3	0	Two were due to ICPs switching in the “inactive - new connection in progress” status and CTCT made these active from their gain date.  The meter certification paperwork confirmed the MEP record in the registry is incorrect for ICP 1002151567UNE5C.
IECD = active date and MCD ≠ active date	8	5	1	Three were mismatched due to the MEP populating the incorrect certification date to the registry.  ICP 1000606028PCB29 was temporarily electrically connected to certify the meter on 29 March 2022 but was not made active until 8 April 2022 based on a request received from the distributor to amend the date.  ICP 0110012731EL933 was certified on 9 December 2021 but was not made active until 21 January 2022. The meter certification paperwork was reviewed and found the ICP was certified using a load bank. The connection date was correct.
IECD ≠ active date and MCD = active date	22	5	1	The distributor (Vector in all instances) has the incorrect date populated in four instances.  ICP 1002151440UN7C7 was confirmed as electrically connected on 8 December 2021 but not certified until 9 December 2021. This is being corrected.
IECD = active date and no MCD	104	5	0	All active dates were confirmed to correct.

<sup>1</sup> Initial electrical connection date

<sup>2</sup> Meter certification date



Findings	Quantity	Sample size	Number in sample incorrect	Commentary
IECD ≠ active date and no MCD	5	5	2	The meter details have all since been populated to the registry for the sample checked.  ICP 0000062050NT97E was incorrectly recorded as active from 22 April 2022 but has since been corrected to 21 April 2022.  ICP 0000051588HB466 was active from 27 January 2022 due to the incorrect date being recorded on the work order but has since been corrected to 26 January 2021.
IECD = active date and unmetered	45	0	0	Unmetered and active date matches the initial electrical connection date.
IECD ≠ active date and unmetered	3	3	3	The distributor made the ICP ready for the incorrect date preventing CTCT from making active from the correct date for two ICPs. These have been corrected.  ICP 0007206734RND35 was made active for 14 March 2022. This was identified and corrected via the BAU registry discrepancy process so is not reported in the table below.
No IECD and MCD = active date	393	5	0	All active dates were confirmed to correct.
No IECD and MCD ≠ active date	5	5	0	One of the sample was a reconnection incorrectly included in the sample.  ICP 1002144943UN1CE was active from the correct date 13 December 2022. Review of the meter paperwork confirmed that the meter certification of 12 December 2021 on the registry is incorrect.  ICPs 0110012514EL32E and 0110012723EL31B were certified using load banks and the active status dates were correct.  ICP 0110012765EL031 was temporarily electrically connected to test the meter, and the active status dates were correct.
No IECD and no MCD	55	5	0	All active dates were confirmed to correct.
No IECD and unmetered	14	5	0	All active dates were confirmed to correct.
Grand Total	657	46	7	

The following ICPs were confirmed to have incorrect active status dates, and two have been corrected:

ICP	Recorded Status Event Date	Correct Status Event Date	Exception type
1002148931LC582	15 December 2021	29 November 2021	New connection active date amended to match the distributor initial electrical connection date.
1000606028PCB29	29 March 2022	8 April 2022	New connection active date amended to match the distributor initial electrical connection date.
0000010882TE98B	31 August 2021	7 December 2021	Incorrectly recorded an unmetered BTS but was not electrically connected until the meter was certified on 7 December 2021.
0007206306RN649	21 April 2022	25 April 2022	Made active for 21 April 2022, the network has recorded the initial electrical connection date as 22 April 2022, but review of the paperwork indicates that this was electrically connected on 25 April 2022.
1002151440UN7C7	9 December 2021	8 December 2021	Confirmed as electrically connected on 8 December 2021 but not certified until 9 December 2021. This is being corrected.
0007205438RNFC8	13 December 2021	8 December 2021	Unmetered BTS supply made ready for the incorrect date. Now corrected.
0007205215RNBC0	13 December 2021	8 December 2021	Unmetered BTS supply made ready for the incorrect date. Now corrected.
0000062050NT97E	22 April 2022	21 April 2022	Now corrected.
0000051588HB466	27 January 2022	26 January 2022	Now corrected.
0000061642NT7B0	9 December 2021	8 December 2021	New connection active date amended to match the distributor initial electrical connection date.

Recommendation	Description	Audited party comment	Remedial action
Obtain certification and connection details to confirm correct active status dates	<b>CTCT</b> Confirm the correct connection date for ICP 1000606028PCB29 with Vector. The ICP is believed to be temporarily electrically connected to certify the meter on 29 March 2022 but was not made active until 8 April 2022 based on a request received from the distributor to amend the date.	<b>1000606028PCB29</b> Response from Vector Metering: At this stage we are unable to provide this information with Indeserve no longer being an ATH, we have a copy of their database, but the team here have not yet been able to extract the information as we do not have the GUI, we are working on it and I have just chased the team for an indicative timeframe as I have other certs I need for another audit	Investigating

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MEP nomination

As Contact does not use the “new connection in progress” status, the nomination of the MEP will be late for any ICPs not updated within the required timeframe. The 131 late new connections identified above have a late MEP nomination and are recorded as non-compliant.

ANZSIC code population

The code requires that the ANZSIC code is populated within 20 days of trading commencing. 79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP. I checked a sample of the ten latest updates and found they were delayed by backdated switch ins.

**CTCX and CTCS**

New connection timeliness

New connections are managed using workflows and Salesforce cases which remain open until the new connection is completed. Meters for new connections are imported into Salesforce and then through to DataHub from a meter change sheet which is processed twice per month.

The timeliness of status updates to active (for new connections) is set out on the tables below.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCS	Active	Jan 2021	5	16.67%	22.33
		Aug 2021	27	27.03%	16.49
		Apr 2022	19	26.92%	15.23

As detailed in **section 2.9**, notifications are slow in being sent and sometimes the distributor’s population of the initial electrical connection date is the first notification that a site is electrically connected. I recommend that Simply Energy works with the MEPs to ensure that notifications, particularly for TOU sites are being sent and these should include data flows which indicate when consumption has commenced. This is normal practice, but Simply Energy are not receiving these. This is resulting in the majority of the new connections being notified late to the registry.

Three of the late updates were made more than 30 business days after the event date, and the latest update was made 84 business days after the event date. I checked an extreme case sample of the ten latest updates and found:

- three were due to human error; the process is manual and therefore steps can be missed,
- two were due to late notification,
- three were due to corrections to the first active date, and
- two were due to the new connection starting with CTCT before being passed to Simply Energy to progress which caused some confusion and delay.

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
CTCX	Active	Jan 2021	-	-	-

Code	Status	Review period end	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
		Aug 2021	-	-	-
		Apr 2022	-	-	-

New connection information accuracy

The accuracy of active status dates was checked using the AC020 report:

CTCX	CTCX did not complete any new connections and no active status date discrepancies were identified.
CTCS	<p>The AC020 report did not identify any ICPs with missing updates to active status.</p> <p>Active dates for new connections were compared to the distributor’s initial electrical connection date, and MEP’s certification date using the AC020 report. The AC020 report identified 13 ICPs with date discrepancies:</p> <ul style="list-style-type: none"> <li>• three were timing differences and the dates are now consistent,</li> <li>• 1x IECD = active date and MCD ≠ active date - the first active date was confirmed to be correct for ICP 0000061583NTF19, but this was certified late and is one of the four ICPs noted in <b>section 2.11</b>,</li> <li>• 2x IECD ≠ active date and MCD = active date; the first active date was correct for both ICPs,</li> <li>• 1x IECD = active date and no MCD - the first active date was confirmed to be correct for ICP 0007202058RN859 and the metering has now been loaded to the registry and was certified late; this is one of the four ICPs noted in <b>section 2.11</b>,</li> <li>• 1x IECD ≠ active date and no MCD - the metering has now been loaded to the registry and I confirmed that the first active date was correct, and</li> <li>• 5x no IECD and MCD = active date - the metering has now been loaded to the registry for all five ICPs: <ul style="list-style-type: none"> <li>○ the active date was correct for four of the ICPs, and</li> <li>○ ICP 1002151782LC9BA has been returned to “inactive - new connection in progress” as the MEP advised that the site is not livened and the meter is not certified.</li> </ul> </li> </ul> <p>I rechecked discrepancies identified during the previous audit, which had not been corrected by the time the previous audit report was finalised and found they had been corrected.</p>

Recommendation	Description	Audited party comment	Remedial action
Obtain certification and connection details to confirm correct active status dates	<b>CTCS</b> Obtain meter certification paperwork to confirm the correct connection date and how the meter was tested for ICP 0110012926EL85F	We have attempted to request meter certification paperwork from the MEP, however the company that installed the meter (Indeserve) has since gone into liquidation.	Investigating

	for the initial meter installation on 28/04/22.	We expect to have the requested paperwork by the end of September 2022.	
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#### MEP nomination

The new connection process contains a step for Simply Energy to accept responsibility for CTCS and CTCX ICPs. Responsibility is accepted for each individual ICP and requires an MEP to be selected. Simply Energy completes MEP nominations when ICPs are moved to 1,12 “inactive new connection in progress” status.

I found that ICPs 0000061583NTF19 and 0000034385CH62F had late MEP nominations because the ICP was not claimed until it after they became active for CTCS.

#### ANZSIC code population

The code requires that the ANZSIC code is populated within 20 days of trading commencing.

CTCX	The AC020 report did not record any late updates to ANZSIC codes for new connections and switch ins.
CTCS	The AC020 report recorded three late updates to ANZSIC codes for new connections and switch ins. The ANZSIC codes were updated on the status changing to active for the backdated new connections.

#### **Audit outcome**

Non-compliant

<b>Non-compliance</b>	<b>Description</b>
Audit Ref: 3.5 With: Clause 9 Schedule 11.1  From: 02-Dec-21 To: 04-May-22	<p><b>CTCT</b></p> <p>131 late updates to active status and MEP nominations for new connections.</p> <p>79 ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p>Eight ICPs have incorrect active status dates.</p> <p><b>CTCS</b></p> <p>19 late updates to active status for new connections.</p> <p>Three ANZSIC code updates were made more than 20 business days after CTCT began trading at the ICP.</p> <p>Two late MEP nominations for new connections.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>

Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>The controls are rated as moderate overall. The rating is strong for CTCT but weak for Simply Energy due to the lack of notification from agents.</p> <p>The audit risk rating is low because the number of ICPs affected overall is small. Late changes to active can result in delays in providing submission information and billing the customer, and incorrect active dates can have an impact on submission data.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCT</u></b></p> <p><b><u>New Connection:</u></b></p> <p>Contact is working through correcting the data inaccuracies identified during the audit.</p> <p>We currently have robust processes and daily reporting in place to monitor new connections and its associated data and continue to work collaboratively with our field service providers to ensure accurate information is returned to Contact Energy in a timely manner.</p> <p>We have made an excellent improvement to the timeliness of new connection related Registry data (94.64% for this audit period) and are making steady progress to improve the accuracy of this data, however, we do acknowledge there is still room for further improvements to be made, and we will continue to explore these as the opportunity arises.</p> <p><b><u>ANZSIC Code:</u></b></p> <p>Contact has monthly reporting in place to identify ICPs with an incorrect ANZSIC code applied in the Registry. This reporting is utilised to identify and correct ANZSIC code inaccuracies where they exist, as well as being used to help identify the underlying factors causing the data inaccuracies to arise.</p> <p>The late updates identified by the Auditors were a result of correcting data inaccuracies identified via the above-mentioned reporting.</p> <p>As the root cause of the data inaccuracies are identified, we are actively working to implement further training and or process changes for our front office teams to further assist with decreasing the opportunity for incorrect ANZSIC code related issues from arising.</p> <p><b><u>CTCS</u></b></p> <p><b><u>New Connection:</u></b></p> <p>Unfortunately, we are unable to resolve the late updates which have already occurred, however, we have implemented steps (noted in preventative actions below) to further reduce the opportunity for these non-compliances from re-occurring in the future.</p>		<p>Ongoing</p>	<p>Identified</p>

<p><b>ANZSIC Code:</b></p> <p>We continue to review the ANZSIC codes of ICPs that switch-in from other traders to ensure they are complete and accurate, as well as complete periodic reviews of all ICPs and their allocated ANZSIC codes.</p> <p>Some ANZSIC code updates may occur weeks after switching has completed if a more appropriate ANZSIC code is identified during the above-mentioned reviews. As discussed with the auditors we are prioritizing the accuracy of this data over the timeliness.</p>		
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b><u>CTCT</u></b></p> <p><b><u>New Connection:</u></b></p> <p>We currently have robust processes and daily reporting in place to monitor new connections and its associated data and continue to work collaboratively with our field service providers to ensure accurate information is returned to Contact Energy in a timely manner.</p> <p><b><u>ANZSIC Code:</u></b></p> <p>We currently have robust processes and daily reporting in place to monitor ANZSIC codes applied within our system and the Electricity Registry.</p> <p>As the root cause of ANZSIC code inaccuracies are identified, we will continue to implement and improve reporting, training, and or process changes for our front office teams to further decrease an opportunity for incorrect ANZSIC code related issues from arising.</p> <p><b><u>CTCS</u></b></p> <p><b><u>New Connection:</u></b></p> <p>We have identified more resources are required in this space and as a result, we are proactively training another member of the team which will help increase data quality and timeliness. The Operations Team Lead is also acting as Quality Control in this space.</p> <p><b><u>ANZSIC Code:</u></b></p> <p>Monthly reports are sent to Operations where the ANZSIC code requires further investigation for existing ICP's - Operations works closely with our customer care team to provide the correct codes and we update Registry as soon as we have an improved code confirmed.</p>	<p>Ongoing</p> <p>30/11/2022</p> <p>Ongoing</p>	

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

#### Code reference

Clause 9 (1(k) of Schedule 11.1

#### Code related audit information

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

#### Audit observation

The process to capture and manage ANZSIC codes was examined. The registry list and AC020 reports were reviewed and ANZSIC codes were checked for a sample of ICPs to determine compliance.

#### Audit commentary

##### CTCT

Contact captures an ANZSIC code for all new connections. For customers switching in, the CSR is required to verify the ANZSIC code.

As discussed in **section 2.1**, ANZSIC code mismatches between SAP and the registry, meter category 2 ICPs with residential ANZSIC codes and ICPs with unknown ANZSIC codes are checked and corrected at least monthly. The AC020 report was reviewed to identify ANZSIC code exceptions:

Issue	Apr 2022	Aug 2021	Jan 2021	2020	2019	2018	2017
Active ICPs with blank ANZSIC codes	-	-	-	-	-	-	-
Active ICPs with ANZSIC "T994" or "T994000" don't know	2	3	43	1	140	183	524
Active ICPs with ANZSIC "T997" response unidentifiable	-	-	-	-	-	-	-
Active ICPs with ANZSIC "T998" response outside of scope	-	-	-	-	-	-	1
Active ICPs with ANZSIC "T999" or "T999999" not stated	-	-	4	-	28	30	161
Active ICPs with metering category 2 or above with a residential ANZSIC code	26	22	16	-	69	-	1

All exceptions were checked:

- both ICPs with T994 ANZSIC codes were updated to residential ANZSIC codes as part of BAU, and
- all 26 ICPs with meter category 2 and residential ANZSIC codes were checked:
  - 23 were confirmed to be residential,
  - two were corrected to other codes during the audit, and
  - ICP 0000030271TR60D is still to be corrected and google checks indicate it is associated with a CKHK site which is due to be disconnected for vacancy but there has been difficulty in locating the supply; CTCT are going to liaise with the distributor to resolve this.

I checked a sample of 100 ICPs with the ten most frequently applied codes to confirm they were correct. I compared the codes applied to google street view and registry property name information and



checked customer industry information for any ICPs I could not verify using registry and google street view information. 93 ANZSIC codes were correct and the other seven were updated to the correct code during the audit. I checked ANZSIC codes for few remaining DUMML ICPs still with CTCT and confirmed they were correct.

### CTCX and CTCS

ANZSIC codes are provided as part of the application process. The Salesforce Dashboard reports ICPs which have T9 series ANZSIC codes. Checks for T9 series ANZSIC codes have decreased from fortnightly to monthly. ICPs with T9 series ANZSIC codes are checked to confirm the correct code and updated. The previous audit recommendation to use the AC020 report to identify and investigate any ICPs greater than category 1 with a residential ANZSIC code applied has been adopted.

The AC020 report found:

Issue	CTCX Apr 22	CTCX Aug 21	CTCX Jan 21	Comment
Active ICPs with blank ANZSIC codes	1	1	1	ICP 0000001000R970 is a residual load ICP for an embedded network and is not expected to have an ANZSIC code.
Active ICPs with ANZSIC "T994" or "T994000" don't know	-	-	-	
Active ICPs with metering category 2 or above with a residential ANZSIC code	-	-	-	

Issue	CTCS Apr 22	CTCS Aug 21	CTCS Jan 21
Active ICPs with blank ANZSIC codes	-	-	-
Active ICPs with ANZSIC "T994" or "T994000" don't know	-	2	-
Active ICPs with metering category 2 with a residential ANZSIC code	-	2	1
Active ICPs with metering category 3 with a residential ANZSIC code	-	1	-

A sample of ANZSIC codes were checked:

CTCX	I checked a sample of 20 ICPs with the five most frequently applied codes to confirm they were correct. I compared the codes applied to google street view and registry property name information and checked customer industry information for any ICPs I could not verify using registry and google street view information. 19 were confirmed to be correct, and ICP 0000032926EA17E has been corrected.
CTCS	I checked a sample of 30 ICPs with the ten most frequently applied codes to confirm they were correct. I compared the codes applied to google street view and registry property

	name information and checked customer Industry information for any ICPs I could not verify using registry and google street view information. 19 ICPs were confirmed to be correct. The remaining 11 ICPs were confirmed to be incorrect and were corrected during the audit. These all related to incorrect ANZSIC codes inherited from a previous trader for a group of Council ICPs.
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Active ICPs with the incorrect ANZSIC code are recorded as non-compliance below.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.6 With: Clause 9 (1(k) of Schedule 11.1  From: 01-Dec-21 To: 30-May-22	<b>CTCT</b> Seven (7%) of the 100 ICPs sampled were confirmed to have the incorrect ANZSIC codes applied. These were corrected during the audit period.  <b>CTCX</b> One of the 20 ICPs sampled had an incorrect ANZSIC code applied. This was corrected during the audit.  <b>CTCS</b> 11 (37%) of the 30 ICPs sampled had an incorrect ANZSIC code applied. All related to a group of council ICPs. These were corrected during the audit.  Potential impact: Low  Actual impact: Low  Audit history: Multiple times  Controls: Moderate  Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as moderate overall but there is room for improvement for CTCS codes.  The audit risk rating is low because there is no impact on settlement outcomes and a low impact on the Electricity Authority's reporting accuracy.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> Contact is working through correcting the ANZSIC code inaccuracies identified during the audit.  We have steadily been reducing ANZSIC code discrepancies through a variety of clean-up projects as we further refine our onboarding process to reduce the likelihood of future errors occurring. Contact has monthly reporting in place to identify ICPs with an incorrect ANZSIC code applied in the Registry. This reporting is utilised to identify and correct ANZSIC code inaccuracies where they exist, as well as being used to help		Complete	Cleared

<p>identify the underlying factors causing the data inaccuracies to arise. As the root cause of the data inaccuracies are identified, we will continue to actively work to implement further training and or process changes for our front office teams to assist in further decreasing the opportunity for incorrect ANZSIC code related issues from arising.</p> <p><b><u>CTCS/CTCX</u></b></p> <p>All ICPs identified in the audit with an incorrect ANZSIC code applied in the Registry have been corrected.</p>		
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b><u>CTCT</u></b></p> <p>As the root cause of the data inaccuracies are identified via our monthly reporting or clean-up projects, we will continue to actively work to implement further training and or refine processes for our front office teams to assist in further decreasing the opportunity for incorrect ANZSIC code related issues from arising.</p> <p><b><u>CTCS/ CTCX</u></b></p> <p>Monthly reports are sent to Operations where the ANZSIC code requires further investigation for existing ICP's - Operations works closely with our customer care team to provide the correct codes and we update Registry as soon as we have an improved code confirmed.</p>	<p>Ongoing</p> <p>30/11/2022</p>	

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

#### Code reference

Clause 9(1)(f) of Schedule 11.1

#### Code related audit information

If a settlement type of UNM is assigned to that ICP, the trader must populate:

- the code ENG - if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or
- the daily average kWh of unmetered load at the ICP - in all other cases (clause 9(1)(f)(ii)).

#### Audit observation

The processes to manage unmetered load were examined.

The audit compliance reports were examined to identify any ICPs where:

- unmetered load is identified by the distributor, but none is recorded by Contact; and
- Contact's unmetered load figure does not match with the distributor's figure where it was possible to calculate this if the distributor is using the recommended format and the variance is greater than 0.1 kWh per day (0.1 kWh per day was chosen as a sample only; this does not indicate compliance is achieved if an error is found that is less than 0.1 kWh per day).

## Audit commentary

### CTCT

CTCT supplies 984 active ICPs with the unmetered flag set to “yes”. 303 ICPs are indicated to have shared unmetered load, and three ICPs have distributed unmetered load. The remainder have standard unmetered load.

SAP holds two fields for the unmetered daily kWh, one for reconciliation and one for billing, which are independent. This enables settlement corrections to be processed without reversing and rebilling invoices. It is the reconciliation value that is validated against the registry. Standard unmetered load corrections can be processed in SAP and will flow through to reconciliation submissions. The correction process is discussed in **sections 2.1** and **8.1**.

#### New connections of unmetered load

CTCT received one request for connection of unmetered load, apart from the unmetered builder’s temporary supplies during the audit period. ICP 0000167432CK3B3 was a backdated new connection as it started with TODD, but they do not accept unmetered new connections, so CTCT were not asked to accept this ICP until after electrical connection had occurred. This is recorded as non-compliance as part of the late updates to registry in **section 3.5**.

All unmetered load new connections or capacity changes require an application to CTCT, which then follows the “new connections” process. The process includes checks of whether the ICP can be metered and the daily unmetered kWh. If an application is received for an ICP with unmetered load over the 3,000 kWh threshold, it is checked with the operations team member responsible for unmetered load before being accepted.

#### Monitoring of unmetered load

A BPEM is generated when an ICP switches in with unmetered load details, so that they can be checked and updated as necessary.

Changes to distributor unmetered load are also monitored through the BPEM process:

- an IE11 BPEM is created when a distributor adds new unmetered load details,
- an IE22 BPEM is created when a distributor changes unmetered load details, and
- an IE19 BPEM is created when a distributor changes their pricing category information (because some distributors have separate codes for unmetered load, these changes can coincide with addition or removal of unmetered load).

As recorded in the previous two audits, I found that BPEMs were not consistently being generated where unmetered load details were removed. CTCT tried to modify the IE22 BPEM to include this scenario, but this hasn’t worked, and they are now working to create a new BPEM. I have repeated the previous audit recommendation to maintain visibility.

Description	Recommendation	Audited party comment	Remedial action
BPEMs for changes to distributor unmetered load	<b>CTCT</b> Create a new BPEM to identify removal of unmetered loads.	Our SAP technical team are investigating further opportunities within SAP to create a new BPEM that identifies changes to UML data within the Electricity Registry, so variances in SAP can be updated in a timelier manner.  As these investigations can take some time to complete, we are also looking into what opportunities we have within our existing monthly discrepancy reporting to identify when the removal of UML has not carried across into SAP.	Investigating

The following queries are run at the beginning and middle of each month to check unmetered load details. The queries were not routinely run at the time of the previous audit and began to be completed regularly during this audit period.

Query name	Description
UNMETERED_REPORTING_1	This report shows: <ul style="list-style-type: none"> <li>discrepancies between the trader unmetered load details, unmetered flag, and daily unmetered kWh in SAP and the registry, and</li> <li>ICPs with at least one unmetered load field populated, which do not have the other corresponding fields populated.</li> </ul> The correct details are confirmed, and the registry and SAP are updated as required.
UNMETERED_REPORTING_1	This report shows active ICPs with meter category 9 or null and the unmetered flag set to no. The ICPs are checked to determine whether action or correction is required.

#### Accuracy of unmetered load

Distributor and trader unmetered load details for the standard unmetered load ICPs were compared using the audit compliance report. The table below lists the discrepancies found.

Issue	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	2020 ICPs	Comments
Daily kWh difference more than 1.0 kWh per day from the distributor unmetered load details	-	1	1	11	Compliant.

Issue	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	2020 ICPs	Comments
Daily kWh difference more than 0.1 kWh per day from the distributor unmetered load details	3	3	2	20	<p>Review of the three ICPs found:</p> <p>0000366530MP79D's variance is due to the different burn hours recorded by the distributor. CTCT values are correct.</p> <p>0006792090RN10C's shared unmetered load value has been calculated incorrectly. This was corrected during the audit.</p> <p>0000251049UN81E was recorded with the incorrect unmetered load of 0.468 kWh on the registry rather than the correct load of 0.6 from 10 December 2021 to 28 January 2022 and was corrected during the audit.</p>
CTCT's load value is different to that of their load description by more than 0.1 kWh	10	11	22	52	<p>CTCT's load values detailed were confirmed to be correct for four ICPs including two from the previous audit detailed below.</p> <p>The remaining six ICPs were confirmed to have the correct load value but the load description is incorrect.</p>
Trader's unmetered load field is populated but the Distributor has none	46	50	53	72	<p>I checked all 46 ICPs:</p> <ul style="list-style-type: none"> <li>• 23 ICPs had the correct trader unmetered load details recorded,</li> <li>• 11 ICPs have since had the unmetered load details removed; these were missed due to the known issue that there is no BPEM in place to identify when unmetered load is removed as detailed in the recommendation above,</li> <li>• a further ten ICPs are currently being checked with the network and/or customer to confirm the correct unmetered load details; once confirmed SAP and the registry will be updated as required,</li> <li>• the remaining two ICPs are detailed below in the findings for previous audit exceptions.</li> </ul>
Distributor's unmetered field is populated but the retailer field is not populated	6	8	3	1	<p>For five ICPs CTCT's details were confirmed to be correct.</p> <p>ICP 0007195914RNFFB was an unmetered BTS supply. The disconnection request failed to progress due to two disconnection requests being raised but in the intervening time the unmetered load details were removed causing an MEP nomination for MNON to be sent to the registry. This has since been decommissioned for the correct date. The incorrect status is recorded as non-compliance in <b>section 3.8</b>.</p>
Unmetered flag = Y but daily unmetered kWh = 0	-	2	-	1	Compliant.

As detailed in **section 12.7**, a further two ICPs with the incorrect unmetered load were identified which were corrected during the audit:

- 0000010023CP301 - the daily unmetered kWh was recorded as 0.1 in SAP instead of 0.08 resulting in over submission of 0.02 kWh per day; the ICP has been supplied since 30 April 2021, and
- 0000018574NT4DD - the daily unmetered kWh was recorded as 0.3 in SAP instead of 0.345 resulting in under submission of 0.045 kWh per day; the ICP has been supplied since 25 February 2021.

A recommendation was raised in the previous audit to decommission three unmetered load ICPs which are no longer required, and this has been adopted.

I re-checked previous audit exceptions:

*CTCT's load value is different to that of their load description by more than 0.1 kWh*

ICP	Registry UNM	Correct UNM	Exception type
0005301922TU192	2.973	3.39	This was corrected during the audit.
0005000186HBD7A	1.48	1.48	As recorded in the last audit, this has been corrected from the incorrect date of 28 September 2021 but should have been corrected from the switch in date 14 April 2021. This is now outside the revision period.
0000553257NR3D0	1.20	1.20	The calculation is correct, but the trader unmetered load details need updating.
0015822016EL2B1	3.57	3.45	As recorded in the last audit the registry value should be updated to 3.45 kWh; the correct details are recorded in SAP.

*Trader's unmetered load field is populated but the distributor has none*

12 of these ICPs were present in the last audit. All were examined and found:

- five ICPs (0000509542DEABF, 0007196812RN590, 0007197259RN24B, 0000480506CE0E2 and 0000020052CPB35) should have had the unmetered load details removed but due to a known issue these were not updated until this audit (these are included in the 11 ICPs detailed above with the unmetered load removed),
- five ICPs have had their load confirmed as correct (these are included in the 23 ICPs detailed above with the correct unmetered load),
- ICP 0000507374DE20E is still in the process of being disconnected for vacancy but the supply has been unable to be located despite multiple field visits; I recommend that CTCT approach Aurora to see if they can assist with the location of this supply (this is included in the ten ICPs being investigated detailed above), and
- ICP 0020909000WR49A has now been decommissioned from the date that the unmetered streetlight load commenced being reconciled in the NZTA Lower North Island load; submission data is being washed up.

Description	Recommendation	Audited party comment	Remedial action
Unmetered vacant ICP	<b>CTCT</b> Request assistance from Aurora to locate the point of connection for ICP 0000507374DE20E.	Location verified using rating & QV information shows no new structures are on site. This is described as vacant lifestyle has a high probability that the temp supply is being used for something other than for building purposes – this would be seen as an abandoned temp connection and once we have verified the connection point will begin the process of issuing disconnection / decommission process - currently being reconciled as a temp supply.	Investigating

#### Unmetered BTS

Long term active unmetered BTS ICPs are being reviewed. The customer is contacted by letter and given the option of having metering installed if the ICP is still required, or the ICP being disconnected and decommissioned. The customer is given at least 60 days to respond before a second letter is issued advising the customer that the ICP will be disconnected and decommissioned in seven days. The process is actioned as workload allows.

Quantities of active unmetered BTS ICPs are listed by year below:

Year commissioned	Currently active unmetered BTS supplies	Previous audit active unmetered BTS supplies	Decrease in active unmetered BTS this audit period
2004	-	1	1
2011	1	1	-
2015	1	1	-
2016	-	1	1
2017	1	-	+1
2018	-	1	1
2019	3	6	3
2020	9	16	7
2021	74	96	22
2022	38	-	+38
Total	127	123	+4

I checked all 15 BTS ICPs commissioned prior to 2021:

- six ICPs are confirmed to be still in the process of being built, and will be metered once complete,
- six ICPs have had decommissioning requests sent after the report was run,



- ICPs 0007195872RN880 and 0007197259RN24B appear to be completed buildings based on Google satellite images, and are to be followed up with the customer, account manager and/or network to arrange metering, and
- ICP 0007145674RN355 was recorded in the last audit; this ICP is subject to an EQC claim which has delayed installation of a permanent supply, the network has confirmed that they will accept the long term BTS and are monitoring the ICP every six months.

### CTCX and CTCS

The process in place remains unchanged and is unlikely to change for the next year at least. There is a monthly validation check to ensure any changes to the distributor’s, or trader’s unmetered load fields will be identified. This validation process has a check sheet with the business day, process, date completed, person completing the check and any relevant notes. Using this process, Simply Energy calculate and enter meter readings each month.

The standard and shared unmetered load processes have been reviewed making them more efficient and accurate. There are a small number still to be updated.

Any changes to distributor unmetered load details generate a case in Salesforce, all cases are reviewed by the Senior Market Specialist at the end of the month.

A month end report of new ICPs with unmetered load is reviewed to ensure that the ICPs have an unmetered register created in Salesforce which has been transferred to DataHub and MADRAS.

CTCS supplies 150 active ICPs with the unmetered flag set to “yes”. Ten ICPs are indicated to have shared unmetered load, and 28 ICPs have distributed unmetered load. The remainder have standard unmetered load.

Issue	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	Comments
Daily kWh difference more than 0.1 kWh per day	11	11	1	<p>Nine are DUML ICPs.</p> <p>The decimal place issue has been fixed but the unmetered load for ICP 0000006552TECEO was still recorded as 1.8 in the registry. This was corrected to 1.86 during the audit. This is recorded as non-compliance below and in <b>section 2.1</b>.</p> <p>The distributor unmetered load details for ICP 0016010001WA33C are incorrect. CTCS’ load is confirmed to be correct.</p>
Daily kWh difference more than 1.0 kWh per day	11	11	1	As above

Issue	Apr 2022 ICPs	Aug 2021 ICPs	Jan 2021 ICPs	Comments
Trader's unmetered load field is populated but the distributor has none	36	31	28	<p>One is a residual load ICPs and 33 are DUMML ICPs. I checked the other two ICPs and found:</p> <ul style="list-style-type: none"> <li>ICP 0000298513MPF38 is also identified as a DUMML ICP but a meter has been installed in December 2021; it is unclear if the metered load is in addition to the unmetered load or the same as, as AMI reads are being gained and both volumes are being reconciled, so I recommend that Simply Energy liaise with CCC and the MEP to determine what load is to be reconciled to this ICP,</li> <li>the load is calculated incorrectly for ICP 0000020933CE90E resulting in a very minor amount of over submission; this is recorded as non-compliance below and in <b>section 2.1</b>.</li> </ul>
CTCS' load value is different to that of their load description by more than 0.1 kWh	-	-	4	
Distributor's unmetered field is populated but the retailer field is not populated	-	-	-	
Unmetered flag = Y but daily unmetered kWh = 0	8	4	5	<p>Six of these are DUMML ICPs which are reconciled via a database therefore the registry kWh figure is not used.</p> <p>One is a residual load ICP.</p> <p>ICP 0001982631TG4C3 is a DUMML ICP. Simply Energy is adding a load description to the trader unmetered load details to identify this.</p>
Unmetered BTS	1	2	1	The ICP was examined and confirmed to still being constructed.

Description	Recommendation	Audited party comment	Remedial action
Confirm unmetered load	<p><b>CTCS</b></p> <p>Liaise with CCC and the MEP to determine what load is to be reconciled to ICP 0000298513MPF38.</p>	Currently in progress; we identified the location of the meter in early August and CCC are working with Mainpower and NZTA to determine what assets are being recorded by the meter (it is on NZTA land).	Identified

CTCX supplies two ICPs with unmetered load, both are residual load ICPs.

#### Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 3.7</p> <p>With: Clause 9(1)(f) of Schedule 11.1</p> <p>From: 02-Dec-21</p> <p>To: 04-May-22</p>	<p><b>CTCT</b></p> <p>Some incorrect unmetered load information was identified.</p> <p><b>CTCS</b></p> <p>Two ICPs with the incorrect unmetered load recorded. This will be resulting in a very minor amount of incorrect submission.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>The controls are currently rated as moderate. Opportunities for improvement have been detailed above.</p> <p>The audit risk rating is low because the impact on settlement is minor.</p>		
Actions taken to resolve the issue	Completion date	Remedial action status	
<p><b><u>CTCT</u></b></p> <p>Contact is working through the exceptions identified during the audit.</p> <p>Contact’s SAP technical team are investigating further opportunities within SAP to create a new BPEM that identifies changes to UML data within the Electricity Registry.</p> <p>As these investigations can take some time to complete, we are also looking into what opportunities we have within our existing monthly Registry discrepancy reporting to identify when the removal of UML data from the Registry has not carried across into SAP.</p> <p>We have also provided further training to the users for rounding and decimal related issues which caused some incorrect UML data in SAP.</p> <p><b><u>CTCS</u></b></p> <p>These two ICPs were corrected (both historic volumes and forward unmetered load estimates) on the Registry and in our DA system in early August 2022. Submissions volumes will be corrected via the usual revision process.</p>	<p>Dec 2022</p> <p>Complete</p>	<p>Investigating</p>	

Preventative actions taken to ensure no further issues will occur	Completion date	
<p><b><u>CTCI</u></b></p> <p>Contact are further investigating opportunities we have within our existing reporting and SAP (BPEMs) to improve the identification of UML related discrepancies.</p> <p>Contact will also be putting a priority (more resources, further training, QA reports) towards resolving UNM mismatches identified to ensure these are corrected in a timely manner, as well as increasing the frequency of our UNM mismatch reporting being run to ensure UNM mismatches are identified earlier on in the process.</p>	Dec 2022	
<p><b><u>CTCS</u></b></p> <p>A review of all unmetered ICPs Trader Unmetered details against daily kWh values will be finalised by 31/8/2022 and any material updates will be backdated to the 14th revision month and all others will be updated from 1/9/2022.</p>	31/8/2022	

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

#### Code reference

Clause 17 Schedule 11.1

#### Code related audit information

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

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

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

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

#### Audit observation

The new connection processes were examined in detail as discussed in **sections 2.9** and **3.5**.

The reconnection process was examined using the AC020 and event detail reports.

- The timeliness and accuracy of data for new connections is assessed in **section 3.5**.
- The timeliness of data for reconnections is assessed in **section 3.3**, and a sample of 20 updates were checked for accuracy.

For new connections which had been electrically connected during the audit period, the initial electrical connection date, earliest active date, and meter certification date were compared to determine the accuracy of the connection dates.

## Audit commentary

### CTCT

The status of an ICP is only changed to “active” once confirmation has been received by a contractor. Submission information is provided for all “active” ICPs. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A workflow will be generated for a user if SAP cannot find the correct service order number or information is missing, such as readings or dates. A user manually checks the paperwork and/or confirms the missing details with the contractor before updating SAP.

Before being given an “active” status the trader is required to ensure that the ICP has only one customer, embedded generator, or direct purchaser; and that the electricity consumed is quantified by a metering installation(s) or other Authority approved method of calculation. SAP will not allow more than one party per ICP, nor will it allow an ICP to be set up without either a meter or if it is unmetered, the daily kWh.

#### Accuracy of status updates

A robot compares the meter certification date and initial electrical connection date to CTCT’s active status date. If the dates are inconsistent, it creates a workflow exception which is directed to a user for investigation. If there is no initial electrical connection date the robot process will not identify a discrepancy, so the IE Mismatch report is run monthly to compare the initial electrical connection date, active date, meter certification date and ORB service order completion date. Any discrepancies are investigated.

I checked a sample of 20 reconnections and confirmed that the status event date and status was correct.

As discussed in **section 3.5**, the AC020 report identified 657 ICPs with date discrepancies. All were examined and a sample of 46 ICPs were checked. Eight new ICPs had incorrect active dates recorded:

ICP	Recorded Status Event Date	Correct Status Event Date	Exception type
1002148931LC582	15 December 2021	29 November 2021	New connection active date amended to match the distributor initial electrical connection date.
1000606028PCB29	29 March 2022	8 April 2022	New connection active date amended to match the distributor initial electrical connection date.
0000010882TE98B	31 August 2021	7 December 2021	Incorrectly recorded an unmetered BTS but was not electrically connected until the meter was certified on 7 December 2021.
0007206306RN649	21 April 2022	25 April 2022	Made active for 21 April 2022, the network has recorded the initial electrical connection date as 22 April 2022, but review of the paperwork indicates that this was electrically connected on 25 April 2022.
1002151440UN7C7	9 December 2021	8 December 2021	Confirmed as electrically connected on 8 December 2021 but not certified until 9 December 2021. This is being corrected.
0007205438RNFC8	13 December 2021	8 December 2021	Unmetered BTS supply made ready for the incorrect date. Now corrected.

ICP	Recorded Status Event Date	Correct Status Event Date	Exception type
0007205215RNBCO	13 December 2021	8 December 2021	Unmetered BTS supply made ready for the incorrect date. Now corrected.
0000061642NT7B0	9 December 2021	8 December 2021	New connection active date amended to match the distributor initial electrical connection date.

As detailed in **section 2.9**, ICP 0007195914RNFFB was an unmetered BTS supply. The disconnection request failed to progress due to two disconnection requests being raised but in the intervening time the unmetered load details were removed causing an MEP nomination for MNON to be sent to the registry. This has since been decommissioned for the correct date.

As detailed in **sections 2.9** and **2.11**, two ICPs (ICPs 0000925041TU31D and 0110012107EL942) with no MEP nomination were raised during the audit period, with no metering and no unmetered load recorded. Service requests were issued and confirmed that the sites were disconnected but the contractor has closed the job “could not complete”. The robot has auto completed these but as these were not disconnection requests the status was not updated. In these instances, CTCT has no visibility. They are aware of this issue and are investigating how such incidents can be identified and pulled through to be reviewed by a person. This is recorded as non-compliance in below and in **section 2.1**.

As detailed in **section 2.11**, ICP 0000010882TE98B was incorrectly recorded as an active unmetered BTS but was not electrically connected until the meter was certified on 7 December 2021. This is recorded as non-compliance in below and in **sections 2.1** and **3.5**.

I rechecked new connection exceptions identified during the previous audit, and the following exceptions still remain:

ICP	Recorded Status Event Date	Correct Status Event Date	Exception type
0000049481HB6D2	12 March 2021	10 March 2021	IECD ≠ active date and MCD = active date
0000572629NR17A	2 March 2021	1 March 2021	IECD ≠ active date and MCD = active date
0000060622NT9E0	21 July 2020	20 July 2020	IECD ≠ active date and MCD ≠ active date
0007203165RN85E	22 July 2021	21 July 2021	IECD ≠ active date and no MCD
0007202111RNDA9	25 June 2021	24 June 2021	IECD ≠ active date and no MCD
0007201591RN602	21 May 2021	20 May 2021	IECD ≠ active date and no MCD
0007199964RN126	9 March 2021	10 March 2021	No IECD and no MCD (now decommissioned)

These were not corrected due to the impact on customer billing. Reconciliation is required to be complete and accurate. This is recorded as non-compliance in **section 2.1**.

### CTCX and CTCS

Simply Energy manage “active” statuses as an agent, using the same processes as the existing trader codes that they manage. Simply Energy changes the status of an ICP to “active” once confirmation has been received from a contractor. The status is then updated on the registry using the web interface.

Before being given an “active” status the trader is required to ensure that the ICP has only one customer, embedded generator, or direct purchaser; and that the electricity consumed is quantified by a metering installation(s) or other Authority approved method of calculation. All CTCS and CTCX ICPs have one customer, and Salesforce will not allow an ICP to become “active” without either a meter or a dummy meter (for unmetred load).

The accuracy of active status dates for was checked:

CTCX	CTCX did not complete any new connections or reconnections, and no active status date discrepancies were identified.
CTCS	<p>The AC020 report did not identify any ICPs with missing updates to active status.</p> <p>Active dates for new connections were compared to the distributor’s initial electrical connection date, and MEP’s certification date using the AC020 report. The AC020 report identified 13 ICPs with date discrepancies:</p> <ul style="list-style-type: none"> <li>• three were timing differences and the dates are now consistent,</li> <li>• 1x IECD = active date and MCD ≠ active date - the first active date was confirmed to be correct for ICP 0000061583NTF19, but this was certified late (this is one of the four ICPs noted in <b>section 2.11</b>),</li> <li>• 2x IECD ≠ active date and MCD = active date - the first active date was correct for both ICPs,</li> <li>• 1x IECD = active date and no MCD - the first active date was confirmed to be correct for ICP 0007202058RN859; the metering has now been loaded to the registry and was certified late (this is one of the four ICPs noted in <b>section 2.11</b>),</li> <li>• 1x IECD ≠ active date and no MCD - the metering has now been loaded to the registry and the first active date was correct, and</li> <li>• 5x no IECD and MCD = active date - the metering has now been loaded to the registry for all five ICPs: <ul style="list-style-type: none"> <li>○ the active date was correct for four of the ICPs, and</li> <li>○ ICP 1002151782LC9BA has been returned to “inactive - new connection in progress” as the MEP advised that the site is not livened and the meter is not certified.</li> </ul> </li> </ul> <p>I rechecked discrepancies identified during the previous audit, which had not been corrected by the time the previous audit report was finalised and found they had been corrected.</p> <p>I checked a sample of five reconnections and confirmed that the correct active date was applied to all ICPs.</p> <p>The previous audit exception relating to ICP 0000010073TE5D4 having the incorrect active date of 19 March 2021 was still present. This has been confirmed as active from 16 April 2021 and was corrected during the audit. This is now outside of the revision period so any inaccurate submissions will not be corrected. This is recorded as non-compliance in <b>sections 2.1</b> and <b>12.7</b>.</p>

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.8 With: Clause 17 Schedule 11.1 From: 02-Dec-21 To: 04-May-22	<b>CTCT</b> Eight new ICPs have incorrect active status dates recorded. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong with robust checks in place to apply the correct active dates. The audit risk rating is low, as the number of ICPs affected is small.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> Contact is working through correcting the data inaccuracies identified during the audit. We currently have robust daily reporting in place to monitor new connections and the accompanying compliance obligations we have. We acknowledge there is still some improvements required in this space, so we have committed to allocating further resources to our new connection reporting to further assist with reducing the non-compliances from arising and the time taken to resolve any non-compliances identified. As the cause of delayed or inaccurate data becomes apparent or frequent, these instances will continue to be addressed via the contractor performance provisions within the respective agreements.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCT</b> Contact will be committing further resources to the current new connection reporting which is in place. We will continue to utilize the contractor performance provisions within the respective agreements to address late or incorrect data being returned on paperwork from the field.		<u>Ongoing</u>	

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

#### Code reference

Clause 19 Schedule 11.1

#### Code related audit information



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

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

### Audit observation

The disconnection process was examined using the AC020 and event detail reports. The timeliness of data for disconnections is assessed in **section 3.3**, and a sample of updates were checked for accuracy.

The registry list file was examined to identify any ICPs that had been at the “inactive - new connection in progress” for more than 24 months.

The timeliness of updates to inactive statuses is detailed in **section 3.3**.

### Audit commentary

#### CTCT

##### Management of inactive status

The status of “inactive” is only used once a CTCT approved contractor has confirmed that the ICP has been disconnected, except for some ICPs at “inactive - ready for decommissioning” status which are confirmed to be ready for decommissioning by the network. Workflows are used to transfer work completion paperwork details from ORB to SAP, including readings if available. A workflow will be generated for a user if SAP cannot find the correct service order number or information is missing, such as readings or dates. A user manually checks the paperwork and/or confirms the missing details with the contractor before updating SAP. CTCT continues to read all disconnected ICPs to identify unauthorised reconnections and incorrect statuses.

ICPs are not automatically updated to active status if they switch in with an inactive status. Their existing status is applied when they switch in, and if reconnected their status is changed once paperwork is received.

CTCT does not use the “inactive - new connection in progress” status for the new connections unless a correction to the active status date is required. Two ICPs had “inactive - new connection in progress” status on the registry list and both had been at the status for less than one year. 0110012672ELE52 remains at the status, and 0110012749ELE7A became active after the report was run.

##### Inactive status accuracy

Review of a sample of 37 updates to inactive status confirmed that the correct statuses and dates were applied.

The AC020 report identified 547 ICPs that have been recorded as AMI-remote disconnection, but AMI is not indicated. A typical sample of 130 ICPs were checked and found that all were updated to AMI non-communicating post the disconnection date.

The previous audit found Ohoka Downs DUMML ICP 0000366150MP46C was to be decommissioned as the connected lights are metered. The ICP became inactive on 4 June 2021, but the registry recorded the inactive status from 7 October 2020. This has been corrected and the last active date is correctly recorded as 3 June 2021. The network is still to decommission the ICP.

##### Monitoring of consumption on ICPs with inactive status

BP EMs are generated for the revenue assurance team when consumption occurs on an inactive ICP. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is

possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.

CTCT provided examples of ICPs where these BPEMs are generated. I found that most did not have genuine consumption because the consumption was estimated, not actual. For ICP 0000202347UN912 the ICP was disconnected on 21 December 2020, but the disconnection read was not entered until 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago and a reconciliation volume correction will not be processed as the change would result in a small negative adjustment. The reconciliation team also maintains a spreadsheet of inactive ICPs with consumption which is refreshed approximately every three months. This report is used to identify any ICPs with consumption during periods with inactive status which have not already been corrected through the BPEM process. The process was completed for the first time this year in July, the delay was caused because the staff member responsible for overseeing this left Contact and it is being added into the processes of other staff.

Consumption for active vacant ICPs is included in the relevant submission files, as discussed in **section 12.2**.

**CTCX and CTCS**

Management of inactive status

Simply Energy manage “inactive” statuses as an agent, using the same processes as the existing trader codes that they manage. Simply Energy changes the status of an ICP to “inactive” once confirmation has been received from a contractor. The status is then updated on the registry using the web interface.

CTCX	<p>CTCX did not complete any inactive status updates during the period reviewed.</p> <p>The AC020 report did not identify any ICPs that that have been recorded as AMI-remote disconnection, but AMI is not indicated.</p>
CTCS	<p>Review of a sample of ten updates to “inactive” confirmed that the correct statuses and dates were processed correctly.</p> <p>The AC020 report identified one ICP that that had been recorded as AMI-remote disconnection, but AMI is not indicated. It was updated to AMI non-communicating post the disconnection date.</p> <p>The previous audit exception relating to ICP 0000010073TE5D4 having the incorrect active date of 19 March 2021 was still present. This has been confirmed as active from 16 April 2021 and was corrected during the audit. This is now outside of the revision period so any inaccurate submissions will not be corrected. This is recorded as non-compliance in <b>sections 2.1 and 12.7</b>.</p>

Inactive - new connection in progress

Simply Energy uses the 1,12 “inactive - new connection in progress” status; and sends the MEP nomination when the ICP is claimed.

CTCX	<p>CTCX did not complete any inactive status updates during the period reviewed, and no ICPs currently have “inactive - new connection in progress” status.</p>
CTCS	<p>CTCS completed seven updates to “inactive - new connection in progress” status for new connections. All were updated to the correct status prior to the initial electrical connection date.</p>

	13 ICPs currently have “inactive - new connection in progress” status; and none have had this status for more than 24 months, and none have initial electrical connection dates populated.
--	--

Monitoring of consumption on ICPs with inactive status

Data streams remain open in DataHub when an ICP is disconnected, which allows reads to continue to be imported if received after disconnection. There is no regular reporting on ICPs with inactive status with consumption, and most inactive ICPs have switched to CTCT.

CTCX	No ICPs with inactive status are currently supplied and no inactive consumption was identified.
CTCS	<p>Ten inactive ICPs are supplied by CTCS excluding inactive new connection in progress and inactive reconciled elsewhere ICPs. Six of the ICPs are inactive ready for decommissioning.</p> <p>A report of all inactive ICPs which had received readings during the audit period was provided. Three of the four ICPs had less than 1 kWh of movement between the readings. ICP 0007200667RN539 was consuming energy on 29 April 2022 but has inactive status recorded for that day, resulting in under submission of 14 kWh because:</p> <ul style="list-style-type: none"> <li>• the ICP was disconnected on 28 April 2022 on reading 2611, consistent with the end of day reading on 28 April 2022 2611.4,</li> <li>• the registry was updated to “inactive” effective from midnight on 29 April 2022 as expected,</li> <li>• the end of day reading for 29 April 2022 was 2625.1 showing 14 kWh were consumed between the end of 28 April 2022 and 29 April 2022,</li> <li>• the ICP was reconnected on 30 April 2022 on reading 2625, consistent with the end of day reading on 29 April 2022 2625.1, and</li> <li>• the end of day reading for 30 April 2022 was 2649.1 showing another 16.8 kWh were consumed that day.</li> </ul>

Description	Recommendation	Audited party comment	Remedial action
Monitoring of inactive consumption	<b>CTCS and CTCX</b> Monitor for consumption on ICPs during inactive periods and take corrective action to update the status and re-disconnect as necessary.	This is now implemented into our Business Day schedule and will be monitored monthly.	Identified

**Audit outcome**

Non-compliant

Non-compliance	Description
Audit Ref: 3.9 With: Clause 19 of schedule 11.1	<b>CTCT</b> ICP 0000202347UN912 the ICP was disconnected on 21 December 2020, but the disconnection read was not entered until 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago



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

#### Code reference

Clause 15 Schedule 11.1

#### Code related audit information

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

#### Audit observation

Whilst this is a distributor's code obligation, I investigated whether any queries had been received from distributors in relation to ICPs at the "new" or "ready" status for more than 24 months and the process in place to manage and respond to such requests.

I analysed a registry list of ICPs with "new" or "ready" status and Contact as the proposed trader, and reviewed processes to monitor new connections.

#### Audit commentary

##### CTCT

Any requests received from distributors regarding ICPs at "new" and "ready" status are actioned, and I saw evidence that ICPs are investigated, and responses are provided.

As detailed in **section 2.9**, CTCT runs their NEWREADYICPSREPORT daily to monitor new connections. The report includes ICPs at "new" or "ready" status, with either a service order raised, or an initial electrical connection date populated. A counter is included which identifies the days remaining before a breach for late registry information will occur. The report is restricted to ICPs at "new" or "ready" status which have work completion paperwork, or an initial electrical connection date populated indicating that they should be claimed on the registry.

ICPs which have been at "new" or "ready" status for more than 24 months, are being monitored on a regular basis. Contact approaches either the customer or the network to confirm if the new connection is still required.

Analysis of the registry list found 104 ICPs at the "new" and "ready" statuses for two years or more:

Count of ICPs at new or ready status for two years or more			
Apr 2022	Aug 2021	Jan 2021	2020
104	82	114	211

I checked the 20 oldest ICPs with "new" or "ready" status, which were created between 2014 and 2017:

- 14 were confirmed as still required but are not ready for connection,
- Counties network has been asked to confirm for four ICPs if these are still required as they are part of the deconsolidation project still in progress on this network,
- ICP 0001501657ALFAC has since been made active as part of BAU, and
- a service order has been issued for the electrical connection of ICP 0000506505DECB0.

##### CTCX and CTCS

New connections in progress are monitored using Salesforce workflows, and cases remain open until the connection is complete. New connections were also monitored using Salesforce dashboard reports and are being monitored daily.

Exception	Findings
ICPs with inactive new connection in progress status	<p>The Salesforce Dashboard reports ICPs with “inactive - new connection in progress” status.</p> <p>This report shows all ICPs at “new connection in progress status” and includes initial electrical connection dates and MEP details if populated on the registry. This report is reviewed daily, and any ICPs with initial electrical connection dates or meter certification details should be checked and updated to “active” status once the correct connection date is confirmed. The report is also used to track MEP nominations.</p> <p>15 ICPs were on the report as of 27 October 2021 and none had a meter owner or initial electrical connection date. Management in this area has improved and ICPs are updated to “active” as soon as possible.</p>
ICPs with an initial electrical connection date populated and inactive new connection in progress status	<p>A report is run from the registry monthly and monitored to identify ICPs which may have become active without having their status updated.</p>

Requests for information on ICPs at “new” or “ready” status for more than two years will be responded to as they are received. The recommendation in the last audit that ICPs at “new” and “ready” status be monitored regularly has been adopted. This is monitored monthly and there were no ICPs identified.

CTCX	No new connections have been initiated and no ICPs are at “new” or “ready” status.
CTCS	No ICPs have been at “new” or “ready” status for more than 24 months.

#### Audit outcome

Compliant

## 4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

#### Code reference

*Clause 2 Schedule 11.3*

#### Code related audit information

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

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

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

#### Audit observation

The switch gain process was examined to determine when Contact deem all conditions to be met. A typical sample of NTs were checked for each trader code to confirm that these were notified to the registry within two business days, and that the correct switch type was selected.

#### Audit commentary

##### CTCT

CTCT's processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

Robots process applications made via the website. The values the customer enters into the application determine whether the customer is moving into the address or transferring between retailers at an existing address, which in turn determines the switch type. If the robot does not complete the action within 12 hours, an email is raised for a CSR to process the application and issue the NT. Applications received through other channels, such as customer's phoning in, are handled by CSRs.

Transfer switch type is applied where a customer is transferring between retailers at an address. Switch move is sometimes applied for transfer switches with the other trader's agreement if a certain switch event date is required, but this has not occurred during this audit period.

The five NT files checked were sent within two business days of pre-conditions being cleared. The correct switch type was selected for all ICPs.

I checked the metering category for the 7,470 transfer switch ICPs where this information was available on the PR255 report and found none had metering categories of three or above.

##### CTCX and CTCS

CTCX and CTCS processes are compliant with the requirements of the Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

A material change audit was completed during the audit period for automation of this part of the switching process.

Customer, ICP, billing, pricing, and switch information, including whether the customer is transferring between retailers at an address or moving into the address continues to be loaded into Emersion on application.

The information is checked in Emersion to ensure that the correct trader code is selected and then “initiate switch” is selected to transfer the information to Salesforce (including the metering category, multiplier flag, unmetered flag, and submission type flag which were previously excluded and are required to help to determine the switch type and profile). The proposed ANZSIC code is populated manually in Salesforce. Where large groups of ICPs are required to be switched at one time, Simply Energy loads the batch of ICPs directly into Salesforce and arranges for Emersion to load the ICPs over the next two to three days to prevent late initiation of NT files.

Once the data is transferred from Emersion to Salesforce it is validated to check that the switch date, switch type, metering category, trader code and profile are consistent, and an NT is generated if validation is passed. Switch type is selected based on the metering category and the proposed switch type set in Emersion. ICPs with a metering category of 3, 4 or 5 are set to HH, and ICPs with metering category of 1 or 2 are set to switch move if the customer is moving in, or TR if the customer is transferring between retailers at their existing address. Salesforce will automatically hold future dated NTs until they are within three days of the proposed switch event date, and exceptions are generated for unmetered load switches so that they can be checked and processed manually.

NT files generated in Salesforce are pushed to the registry using a SQL script each hour during business hours. Once the NT is generated the Salesforce workflow will be updated to “switch requested”. Switch gain exceptions are generated for review by the Operations Team where an NT failure is notified by the registry, or the transfer switch gain date is earlier than the NT sent date.

CTCX	No transfer NT files were issued during the audit period.
CTCS	<p>I checked the metering category for all 19 transfer switch ICPs, and found none had metering categories of three or above.</p> <p>The five NT files checked found the correct switch type was selected and all were sent within two business days of pre-conditions being cleared.</p>

#### Audit outcome

Compliant

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

##### Code reference

*Clauses 3 and 4 Schedule 11.3*

##### Code related audit information

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

- *provide acknowledgement of the switch request by (clause 3(a) of Schedule 11.3):*



- providing the proposed event date to the registry manager and a valid switch response code (clause 3(a)(i) and (ii) of Schedule 11.3); or
- providing a request for withdrawal of the switch in accordance with clause 17 (clause 3(c) of Schedule 11.3).

When establishing an event date for clause 4, the losing trader may disregard every event date established by the losing trader for an ICP for which when the losing trader received notice from the registry manager under clause 22(a) the losing trader had been responsible for less than 2 months.

#### Audit observation

The event detail report was reviewed to:

- identify AN files issued by Contact during the audit period,
- assess compliance with the requirement to meet the setting of event dates requirement, and
- a diverse sample ANs were checked for each trader code to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

#### Audit commentary

##### CTCT

##### AN content

SAP generates AN files automatically and the codes are based on a hierarchy. BPEMs are created where the AN cannot be automatically generated, including for pre-pay ICPs with non-settled meter registers and ICPs which have not received a meter reading for more than 365 days. A user manually reviews the BPEM and creates the AN file directly on the registry.

The switching process was examined in relation to CTCT as the “losing trader”, and AN response codes were checked:

- 597 ANs had the AA (acknowledge and accept) code applied - I checked the 587 ICPs where metering information was available on the registry list and found all had AA correctly applied,
- 5,202 ANs had the AD (advanced metering) code applied - I checked the 5,119 ICPs where metering information was available on the registry list and found all had AD correctly applied,
- 92 ANs had the PD (premises electrically disconnected) code applied; 38 had PD correctly applied and 54 had a last status record that was active on the registry list report - I checked a sample of ten of these and confirmed that the PD code was sent correctly although the status change had yet to flow to the registry, and
- ten ANs had the MU (unmetered supply) code correctly applied.

The event detail report was reviewed for all 5,901 transfer ANs to assess compliance with the setting of event dates requirements:

- 5,861 (99.3%) had a proposed event date within five business days of the NT receipt date, and
- all had proposed event dates within ten business days of the NT receipt date.

##### AN timeliness

The AN responses are automated, and the switch breach report is checked each morning and afternoon to ensure that all ANs have been sent as expected. Any exceptions are manually processed.

The switch breach history report did not record any late AN files for transfer switches.

## CTCX and CTCS

### AN content

AN files are generated by Salesforce automatically once an NT is received provided that the ICP has a switch loss in progress, the proposed switch date is in the future, and a valid response code can be determined by Salesforce. If any of these conditions are not met, an exception is generated for resolution by the Operations Team.

The response codes are selected based on a hierarchy which achieves compliance.

For transfer switches, the gaining trader's requested date is applied if it is within five business days of the NT receipt date, otherwise the NT receipt date + five business days is applied.

CTCX	No transfer AN files were issued during the audit period.
CTCS	<p>The switching process was examined in relation to CTCS as the "losing trader", and AN response codes were checked:</p> <ul style="list-style-type: none"><li>• 14 ANs had the AA (acknowledge and accept) code correctly applied,</li><li>• 45 ANs had the AD (advanced metering) code correctly applied, and</li><li>• two ANs had the MU (unmetered supply) code correctly applied.</li></ul> <p>The event detail report was reviewed for all 61 transfer ANs to assess compliance with the setting of event dates requirements. All had a proposed event date within five business days of the NT receipt date.</p>

### AN timeliness

Incoming NT files are retrieved from the registry and loaded into Salesforce every hour during business hours. Once an NT is received, an outgoing AN file is generated in Salesforce and then pushed to the registry using a SQL script each hour during business hours.

Exceptions are generated and viewed in Salesforce where an outgoing AN file cannot be automatically created and sent. Users check these exceptions daily and resolve any issues. The switch breach history report is monitored twice daily to identify AN files which are close to falling due.

No AN breaches were recorded in the switch breach history report for CTCS or CTCX.

### **Audit outcome**

Compliant

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

### **Code reference**

*Clause 5 Schedule 11.3*

### **Code related audit information**

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

- *providing event date to the registry manager (clause 5(a)); and*
- *provide to the gaining trader a switch event meter reading as at the event date, for each meter or data storage device that is recorded in the registry with accumulator of C and a settlement indicator of Y (clause 5(b)); and*

- *if a switch event meter reading is not a validated reading, provide the date of the last meter reading (clause 5(c)).*

### Audit observation

The event detail report was reviewed to identify CS files issued by Contact during the audit period. The accuracy of the content of CS files was confirmed by checking a sample of records per trader code. The content checked included:

- correct identification of meter readings and correct date of last meter reading,
- accuracy of meter readings, and
- accuracy of average daily consumption.

CS files with average daily kWh that was negative, zero, or over 200 kWh were identified. A sample of these CS files were checked to determine whether the average daily consumption was correct.

The process to manage the sending of the CS file within five business days of the event date was examined, and the switch breach history report for the audit period was reviewed to identify late CS files.

### Audit commentary

#### CTCT

##### CS timeliness

CS generation is automated. If a CS fails to generate a BPEM is created. Failures most commonly occur because no reading is received in the last 365 days, or the event reading is not plausible. CS BPEMs are actioned by the switching team, and the switch breach history report is reviewed in parallel to ensure that all switch files expected are received by the registry.

In addition, a single user reviews the switching breach history report each morning and afternoon and escalates any ICPs which are close to falling due with the individual team member responsible for processing that file type that day.

The switch breach history report was reviewed for transfer CS files and found:

- nine CS breaches for transfer switches where the CS was not sent within five business days of the actual transfer date, in each case this was caused by the switch event date being changed to ensure that an actual read could be gained but this caused it to appear on the internal switch breach report as having one day more before it would breach resulting in these being sent late, and,
- one E2 breach where the CS actual transfer date is more than ten business days after the receipt of the NT, due to the same issue detailed above.

The team is aware of this issue, and the switches have been sent on time since this was realised in April 2022.

##### CS content

CTCT calculates the average daily kWh based on the last two actual readings received, which is compliant with the registry functional specification. As reported in the last audit, under certain circumstances invalid average daily kWh is/was calculated for ICPs where the customer is on the Good Nights plan at the time they switch out. They have an average daily kWh of zero calculated, because they are billed and settled as HHR and the NHH registers have the settlement indicator set to "N". The resolution of this issue was thought to have been resolved but testing identified some further complexity before a fix can be put in place.

Analysis of the average daily kWh on the event detail report identified:

Average daily kWh	Count of transfer CS files	Comment
Negative	-	
Zero	594	A sample of five CS files were checked. One was correct and four were affected by the issue raised above and should have had between 2 and 10 kWh recorded.
More than 200 kWh	20	The five files with the largest average daily kWh were checked. Four were correct. ICP 0000039457NT421 was sent with an average daily consumption of 50,011 due to an implausible read in SAP due to human error.

I checked for discrepancies between the last actual read date and switch event reading type for transfer switch CS files:

- nine of the 5,834 transfer CS files had a last actual read date the day before the event date and an estimated switch event read type - I checked a sample of five ICPs and found for four of the five examples have the last actual read date incorrectly recorded (which is a known issue that IT are working to resolve) and ICP 0079119228TU7B8 has the correct last event reading date, but the switch read type was recorded as estimated when it should have been actual (this issue was present in the previous two audits and is still under investigation),
- one of the 5,834 transfer CS files had a last actual read date more than one day before the event date and an actual switch event read type, the last actual read date was incorrectly recorded because SAP had applied the last actual read date for an earlier instance of the meter, which had been renamed; there was no impact because the switch was later withdrawn, and
- no transfer CS files had last actual read dates on the switch event date.

One transfer CS file had no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL row, and was unmetered.

I checked the content of a further five CS files and confirmed that all details were accurately recorded with the exception of ICP 0000121243UN685. The last read was incorrectly labelled as an actual for the incorrect last read date due to human error.

### **CTCX and CTCS**

The automation of this area is planned as part of phase two which is not expected until sometime in 2023 at the earliest.

#### CS timeliness

The timeliness of CS files is monitored using the switch breach history report, which is checked twice daily, and Salesforce dashboard.

No late CS files were recorded on the switch breach history report for CTCS or CTCX.

#### CS content

CS files are created using an ETL (extract, transform, load process) from information contained in Salesforce and DataHub. Read data is manually copied into Salesforce.

The registry functional specification requires estimated daily kWh to be based on the average daily consumption for the last read to read period. This continues to be calculated outside of DataHub and Salesforce as the figures being presented in DataHub are not calculating correctly and the data feed

from DataHub to Salesforce is not functioning correctly. The bulk switch out process is used to manage this when there are more than ten ICPs switching. For less than this the formatted excel spreadsheet is used to create this. The figure is entered into the CS file and once all expected data is present the CS file is sent to the registry. The processes used are manual with the risk that checks are missed.

I have repeated the last audit’s recommendation for consideration as part of the automation to maintain visibility.

Description	Recommendation	Audited party comment	Remedial action
CS estimated daily kWh	<b>CTCS and CTCX</b> Consider reviewing the estimated daily consumption calculation to ensure compliance with the registry functional specification.	Our Mass Switch Out Process has been reviewed and subsequently updated/improved. This has included adding an audit layer to the model for future management. The Operations Team Lead will run regular tests to ensure data quality.	Identified

CTCX	No transfer CS files were issued.
CTCS	<p>I checked for discrepancies between the last actual read date and switch event reading type for transfer switch CS files:</p> <ul style="list-style-type: none"> <li>• one of the 59 transfer switch CS files had a last actual read date the day before the event date and an estimated switch event read type; the default read type is “E”, and the operator failed to select the “A” read type which is recorded as non-compliance below and in <b>sections 4.16, 6.7 and 9.1,</b></li> <li>• one (ICP 0000045646HR5D5) of the 59 transfer switch CS files had a last actual read date more than one day before the event date and an actual switch event read type - I checked the ICP and found: <ul style="list-style-type: none"> <li>○ the incorrect last read date was recorded due to human error, and</li> <li>○ the read was incorrect due to an error in the SQL script being used to process bulk switch outs (this error started in January 2022 but was not identified and corrected until June 2022); the switch out read should have been 9127 but 9120 was sent resulting in 7 kWh being pushed to the gaining trader which is recorded as non-compliance below and in <b>sections 2.1, 4.16, and 12.7,</b> and</li> </ul> </li> <li>• two transfer switch CS files had a CS premises line only and were unmetered.</li> </ul> <p>I checked the content of a further five CS files and found the content was correct except for ICP 0001521795PC22D. The incorrect event date was entered in to the excel spreadsheet resulting in the incorrect estimated switch out read being sent. It should have been 190192 but 190256 was sent resulting in 64 kWh being over submitted. The average daily consumption figure was calculated incorrectly and the last read date was incorrect. This is recorded as non-compliance below and in <b>sections 2.1, 4.16, 6.7, 9.1 and 12.7.</b></p> <p>CS average daily consumption was checked for transfer CS files:</p> <ul style="list-style-type: none"> <li>• four CS files had average daily consumption over 200 kWh; three were correct but ICP 0000201964CTCD3 was calculated incorrectly due to human error,</li> <li>• four CS files had average daily consumption of zero kWh; three were correct but ICP 0320681548LCD8D was calculated incorrectly due to human error, and</li> </ul>

- no CS files had negative average daily consumption.

### Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.3</p> <p>With: Clause 5 Schedule 11.3</p> <p>From: 21-Dec-21</p> <p>To: 21-Apr-22</p>	<p><b>CTCT</b></p> <p>Nine CS breaches.</p> <p>One E2 breach.</p> <p>Four of a sample of five of a possible 594 ICPs were incorrectly sent with an average daily consumption of zero kWh.</p> <p>One of a sample of five ICPs was sent with an incorrect very high average daily consumption of 50,011 kWh.</p> <p>Four transfer switches had an incorrect last read date.</p> <p>One transfer switch had an estimated read type recorded but should have had actual.</p> <p>One transfer switch had an incorrect last actual read date and was later withdrawn.</p> <p>One ICP of a sample of five sent with the incorrect last read type and date.</p> <p><b>CTCS</b></p> <p>One transfer switch had an estimated read type recorded but should have had actual.</p> <p>One transferred ICP sent with the incorrect last read of 9120 but should have been 9127, resulting in 7 kWh being pushed to the gaining trader. This was due to an error in the SQL script being used to process bulk switch outs. This error started in January 2022 but was not identified and corrected until June 2022.</p> <p>One of the five transferred ICPs sampled sent with the incorrect last read of 190256 but should have been 190192, resulting in 64 kWh of over submission. The average daily consumption figure was calculated incorrectly and the last read date was incorrect.</p> <p>Two switch moves sent with an incorrect average daily consumption figure.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>
Audit risk rating	Rationale for audit risk rating
<p><b>Low</b></p>	<p>The controls are recorded as moderate overall. Accuracy has improved since the last audit but Simply Energy's work around processes to produce CS files is manual and the SQL script had an error which was not identified for six months.</p> <p>The audit risk rating is assessed to be low based on the impact on settlement discrepancies detailed above but this could be higher as the number of ICPs sent with the incorrect estimated reads during the period where the SQL script was incorrect is unknown.</p>



<p>Our Mass Switch Out Process has been reviewed and subsequently updated/improved. This has included adding an audit layer to the model for future management.</p> <p>Our Mass switch process will be automated in Phase 2 of the switching automation, currently scheduled for 2023. Operations Team Lead will run regular tests to review data quality in the interim.</p>	<p>Complete</p> <p>30/9/2023</p>	
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#### 4.4. Retailers must use same reading - standard switch (Clause 6(1) and 6A Schedule 11.3)

##### Code reference

*Clause 6(1) and 6A Schedule 11.3*

##### Code related audit information

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

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

*If the gaining trader disputes a switch meter reading because the switch event meter reading provided by the losing trader differs by 200 kWh or more, the gaining trader must, within 4 calendar months of the registry manager giving the gaining trader written notice of having received information about the switch completion, provide to the losing trader a changed switch event meter reading supported by two validated meter readings.*

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

##### Audit observation

The process for the management of read change requests was examined.

The event detail report was analysed to identify all read change requests and acknowledgements during the audit period. A sample of RR and AC files issued for transfer switches were checked to confirm that the content was correct, and that Contact's systems reflected the outcome of the RR process.

I also checked for CS files with estimated readings provided by other traders where no RR was issued, to determine whether the correct readings were recorded in Contact's systems.

The switch breach history report for the audit period was reviewed.

##### Audit commentary

##### CTCT

##### RR

Inaccurate switch event reads are normally identified through the read validation process, or the customer querying their first bill. When a potential discrepancy is identified, CTCT gains a second actual



reading as soon as possible. If the two actual readings confirm an RR is required, the billing team emails the other retailer using the switching inbox (so the switching team has a copy of the correspondence) and issues the RR. The switching team provides process support where requested, including for complex cases. CTCT attempts to issue RRs within four months as required by this clause.

Separate BPEMs are generated for accepted and rejected AC files returned by other traders. These BPEMs are processed by the switching team daily.

CTCT issued 56 RR files for transfer switches. 50 were accepted and six were rejected. For the sample of five acceptances and five rejections checked there was a genuine reason for CTCT's RR, the RR was supported by at least two validated readings. The reads recorded in SAP reflected the outcome of the RR process for nine ICPs. One ICP had an incorrect event reading recorded resulting in a difference of 2 kWh which was corrected during the audit.

The switch breach history report recorded no late RRs for transfer switches.

### AC

A BPEM is generated when an RR file is received. These are worked through manually and accepted or rejected, then the BPEM is closed by the user. Another user is responsible for reviewing the switch breach report each morning and afternoon and checking any ICPs close to breaching, which are followed up with the user responsible.

CTCT issued 76 AC files for transfer switches. 26 accepted the other trader's RR and 50 rejected the other trader's RR. The sample of five acceptances and five rejections checked confirmed the RRs were correctly accepted or rejected. The reads recorded in SAP reflected the outcome of the RR process for nine of the ten ICPs. One ICP had an incorrect event reading recorded resulting in a difference of 2 kWh which was corrected during the audit.

The switch breach history report did not record any late AC files.

### CS files with estimated readings where no RR is issued

Review of five transfer CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in SAP.

## **CTCX and CTCS**

### RR

Incoming switch event readings are imported into Salesforce using the SQL (ETL) process and are transferred via SFTP to DataHub nightly. Once validated, the readings are transferred to MADRAS.

In cases where CTCS or CTCX is the gaining trader and they dispute the switch meter reading because the validated meter reading or permanent estimate provided by the losing trader differs by 200 kWh or more, Simply Energy attempt to negotiate a changed switch meter reading which is supported by validated meter readings. As reported in the last audit, advanced meters which have switched in on an estimate reading were previously being checked against AMI data to determine whether a read change is required, but due to resource constraints this hasn't been able to be done. This is now being reviewed to reintroduce this into BAU. Other read changes are identified through the read validation processes discussed in **section 9.5**.

Rrs are issued as soon as Simply Energy confirms that they are required and has received supporting readings.

Read changes are processed manually in Salesforce and then the reads are transferred to DataHub. Validated reads are transferred from DataHub to MADRAS for HHR settled ICPs.

CTCX	No RR files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	Two transfer RR files were issued by CTCS for the same switch event and readings, the first was rejected and the second was accepted. There was a genuine reason for CTCT's RR, the RR was supported by at least two validated readings, and the reads recorded in DataHub and MADRAS reflected the outcome of the RR process.  No breaches were recorded in the switch breach history report.

AC

Read change workflows are managed using the Salesforce dashboard, and the timeliness of AC files is also monitored using the switch breach report.

CTCX	No AC files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	CTCS issued two AC files for transfer switches, both correctly rejected the other trader's RR.  I followed up the previous audit issues where the readings recorded were not consistent with the outcome of the RR process and found all had been corrected post the last audit.  No AC breaches were recorded.

CS files with estimated readings where no RR is issued

There were no incoming transfer CS files with estimated reads where no RR was issued for CTCS or CTCX.

**Audit outcome**

Non-compliant

Non-compliance	Description
Audit Ref: 4.4 With: Clause 6(1) and 6A Schedule 11.3  From: 02-Dec-21 To: 04-May-22	<b>CTCT</b> The reading in SAP for one ICP did not reflect the outcome of the RR process and was corrected during the audit. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1
Audit risk rating	Rationale for audit risk rating
<b>Low</b>	The controls are rated as strong and will mitigate risk to an acceptable level. The impact assessed to be low as only one ICP was affected.

Actions taken to resolve the issue	Completion date	Remedial action status
<p><b>CTCT</b></p> <p>ICP was corrected during the audit.</p> <p>Further training has been provided to our staff to reduce the opportunity for this non-compliance to re-occur in future.</p>	Aug 2022	Cleared
Preventative actions taken to ensure no further issues will occur	Completion date	
<p><b>CTCT</b></p> <p>Further training has been provided to our staff to reduce the opportunity for this non-compliance to re-occur in future.</p>	Aug 2022	

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

##### Code reference

Clause 6(2) and (3) Schedule 11.3

##### Code related audit information

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

- *the gaining trader will trade electricity from a meter with a half hour submission type in the registry (clause 6(2)(b));*
- *the gaining trader within five business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading.*

##### Audit observation

The process for the management of read requests was examined. The event detail report was analysed to identify read change requests issued and received under Clause 6(2) and (3) Schedule 11.3 and determine compliance.

##### Audit commentary

###### CTCT

These RR requests are processed in the same way as those received for greater than 200 kWh. Each request is evaluated and validated against the ICP information. If the request is within validation requirements these are expected to be accepted.

Contact did not issue any read change requests where clause 6(2) and (3) of schedule 11.3 applied. All acknowledgements where clause 6(2) and (3) of schedule 11.3 applied were accepted.

###### CTCX and CTCS

Simply Energy is aware of the requirements of Clause 6(2) and (3) of Schedule 11.3 and has processes in place to ensure compliance.

No RR or AC files were issued by CTCS or CTCX under Clause 6(2) and (3) of Schedule 11.3.

##### Audit outcome

Compliant

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

##### Code reference

Clause 7 Schedule 11.3

##### Code related audit information

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

##### Audit observation

I confirmed with Contact whether any disputes have needed to be resolved in accordance with this clause.

##### Audit commentary

Contact confirmed that no disputes have needed to be resolved in accordance with this clause for any of the participant codes.

##### Audit outcome

Compliant

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

##### Code reference

Clause 9 Schedule 11.3

##### Code related audit information

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

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

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

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

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

##### Audit observation

The switch gain process was examined to determine when Contact deem all conditions to be met. A typical sample of NTs were checked for each trader code to confirm that these were notified to the registry within two business days, and that the correct switch type was selected.

##### Audit commentary

## **CTCT**

CTCT's processes are compliant with the requirements of Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

Robots process applications made via the website. The values the customer enters into the application determine whether the customer is moving into the address or transferring between retailers at an existing address, which in turn determines the switch type. If the robot does not complete the action within 12 hours, an email is raised for a CSR to process the application and issue the NT. Applications received through other channels, such as customer's phoning in, are handled by CSRs.

Transfer switch type is applied where a customer is transferring between retailers at an address. Switch move is sometimes applied for transfer switches with the other trader's agreement if a certain switch event date is required, but this has not occurred during this audit period.

Switch move is applied where a new customer is moving into an address, and with the other trader's agreement if a certain switch event date is required. This usually only occurs where groups of ICPs, such as a council.

CTCT's customer help tool used by CSRs who process customer applications clearly states that MI should be applied where the customer is moving into a property, and PA (the internal code applied for transfer switches) should be applied where the customer is not moving. The robots are programmed to ensure that correct switch types are applied.

The 15 most backdated NT files were checked. 14 had the correct switch type applied. ICP 1000505440PC498 is a contracted customer and the correct ICP start date was required to align with the contract start date, so it was requested as a move switch. This is technically non-compliant.

All were requested within two business days of the pre-conditions were cleared.

I checked the metering category for the 25,166 switch move ICPs where this information was available on the PR255 report and found none had metering categories of three or above.

## **CTCX and CTCS**

CTCX and CTCS processes are compliant with the requirements of the Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

A material change audit was completed during the audit period for automation of this part of the switching process.

Customer, ICP, billing, pricing, and switch information, including whether the customer is transferring between retailers at an address or moving into the address continues to be loaded into Emersion on application.

The information is checked in Emersion to ensure that the correct trader code is selected and then "initiate switch" is selected to transfer the information to Salesforce (including the metering category, multiplier flag, unmetered flag, and submission type flag which were previously excluded and are required to help to determine the switch type and profile). The proposed ANZSIC code is populated manually in Salesforce. Where large groups of ICPs are required to be switched at one time, Simply Energy loads the batch of ICPs directly into Salesforce and arranges for Emersion to load the ICPs over the next two to three days to prevent late initiation of NT files.

Once the data is transferred from Emersion to Salesforce it is validated to check that the switch date, switch type, metering category, trader code and profile are consistent, and an NT is generated if validation is passed. Switch type is selected based on the metering category and the proposed switch type set in Emersion. ICPs with a metering category of 3, 4 or 5 are set to HH, and ICPs with metering category of 1

or 2 are set to switch move if the customer is moving in, or TR if the customer is transferring between retailers at their existing address. Salesforce will automatically hold future dated NTs until they are within three days of the proposed switch event date, and exceptions are generated for unmetered load switches so that they can be checked and processed manually.

NT files generated in Salesforce are pushed to the registry using a SQL script each hour during business hours. Once the NT is generated the Salesforce workflow will be updated to “switch requested”. Switch gain exceptions are generated for review by the Operations Team where an NT failure is notified by the registry, or the transfer switch gain date is earlier than the NT sent date.

CTCX	Two NT files were issued for switch moves, both had metering category two. Both were sent within two business days of the pre-conditions being met and were the correct switch type.
CTCS	<p>334 NT files were issued for switch moves. I checked the metering category for the 278 switch move ICPs where this information was available on the PR255 report and found none had metering categories of three or above.</p> <p>The five NTs checked found that the correct switch type had been used for two of these Three were technically transfer moves, but were part of a contract so were requested as switch moves so they could be gained for the correct start date. This is recorded as non-compliance below.</p>

#### Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.7</p> <p>With: Clause 9 of Schedule 11.3</p> <p>From: 21-Dec-21</p> <p>To: 21-Apr-22</p>	<p><b>CTCT</b></p> <p>One of a sample of 15 switch move ICPs incorrectly sent with the wrong switch type.</p> <p><b>CTCS</b></p> <p>Three of the sample of five switch move ICPs incorrectly sent with the wrong switch type.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
<p><b>Low</b></p>	<p>The controls are rated as strong and mitigate risk to an acceptable level.</p> <p>The impact is assessed to be low as this would have a greater customer and reconciliation impact if a switch move was not issued in these situations.</p>



- *is not earlier than the gaining trader's proposed event date, and*
- *is no later than 10 business days after the date the losing trader receives notice, or*
- *10(1)(c) request that the switch be withdrawn in accordance with clause 17.*

### Audit observation

The event detail report was reviewed to:

- identify AN files issued by Contact during the audit period,
- assess compliance with the requirement to meet the setting of event dates requirement, and
- check a diverse sample ANs for each trader code to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

### Audit commentary

#### CTCT

##### AN content

SAP generates AN files automatically and the codes are based on a hierarchy. BPEMs are created where the AN cannot be automatically generated, including for pre-pay ICPs with non-settled meter registers and ICPs which have not received a meter reading for more than 365 days. A user manually reviews the BPEM and creates the AN file directly on the registry.

The switching process was examined in relation to CTCT as the “losing trader”, and AN response codes were checked:

- 290 ANs had the AA (acknowledge and accept) code applied - I checked the 287 ICPs where metering information was available on the registry list and found 286 had AA correctly applied and one had advanced metering and was expected to have the AD (advanced metering) code applied,
- 10,192 ANs had the AD (advanced metering) code applied - I checked the 10,198 ICPs where metering information was available on the registry list and found 10,023 had AD correctly applied and 175 did not have advanced metering and were expected to have the AA (acknowledge and accept) code applied; I checked a sample of five ICPs and found all were sent correctly at the time of the switch, and the AMI flag has subsequently been changed to “N” post the AN file being sent and as I found no errors with the application of AN codes applied in **section 4.2** either I am confident that these apparent exceptions are compliant,
- nine ANs had the MU (unmetered supply) code applied (six had unmetered load connected and three did not), all three were reviewed and found that these were sent incorrectly due to the metering not being set up in SAP at the time the AN was sent and all were due to timing as the ICPs had switched in and then out quickly which is recorded as non-compliance below,
- 3,219 ANs had the PD (premises electrically disconnected) code applied (of the 3,698 which appeared on the registry list report, 2,694 had PD correctly applied, and 1,004 had a last status record that was active on the registry list report) - I checked a sample of nine of these and found all were correctly sent as the disconnection status was yet to be applied, and ICP 0005408164RN7EE was reconnected on 14 April 2021 but this status was not updated until 21 April 2021 (within five business days) but the AN was sent on 19 April 2021 as premise disconnected so it was correct at the time it was sent, and
- 6,261 ANs had the OC (occupied premises) code applied. I checked a sample of five and confirmed they were correct.

The event detail report was reviewed for all 20,293 switch move ANs to assess compliance with the setting of event dates requirements:



- 20,286 (99.97%) had proposed event dates within ten business days of the NT receipt date,
- seven ICPs had event dates more than ten business days after the NT receipt date; Contact had applied the gaining trader’s requested date and all the affected switches were later withdrawn (CTCT are still working with IT to get this issue resolved), and
- no ANs had a proposed event date before the gaining trader’s requested date.

The switch breach history report recorded five ET breaches for ANs with expected transfer dates more than ten business days after NT receipt, these are included in the seven ICPs with event date exceptions above.

AN and CS timeliness

AN and CS generation is automated. If a CS fails to generate a BPEM is created. Failures most commonly occur because no reading is received in the last 365 days, or the event reading is not plausible. CS BPEMs are actioned by the switching team, and the switch breach history report is reviewed in parallel to ensure that all switch files expected are received by the registry.

In addition, a single user reviews the switching breach history report each morning and afternoon and escalates any ICPs which are close to falling due with the individual team member responsible for processing that file type that day.

The switch breach history report recorded the five E2 breaches discussed above, and no other AN or CS related breaches.

**CTCX and CTCS**

AN content

AN files are generated by Salesforce automatically once an NT is received provided that the ICP has a switch loss in progress, the proposed switch date is in the future, and a valid response code can be determined by Salesforce. If any of these conditions are not met, an exception is generated for resolution by the Operations Team.

The response codes are selected based on a hierarchy which achieves compliance.

For switch moves, proposed event dates are recorded as the gaining trader’s proposed event date unless it is in the future, or more than 90 days in the past. NTs with event dates more than 90 days in the past or future event dates do not have an AN file created and are moved to a workflow for manual intervention by the Operations Team. This intervention may include negotiating a different date with the other trader, and/or issuing a withdrawal request.

CTCX	<p>Four AN files were issued for switch moves, and the AN response codes were correctly applied.</p> <p>Both ANs had proposed event dates which matched the gaining trader’s proposed event date and were within ten business days of NT receipt.</p>
CTCS	<p>The switching process was examined in relation to CTCS as the “losing trader”, and AN response codes were checked:</p> <ul style="list-style-type: none"> <li>• 704 ANs had the AA (acknowledge and accept) code applied - I checked the 645 ICPs where metering information was available on the registry list and found all had AA correctly applied,</li> <li>• 867 ANs had the AD (advanced metering) code correctly applied - I checked the 752 ICPs where metering information was available on the registry list and found all had AD correctly applied,</li> <li>• 16 ANs had the MU (unmetered supply) code correctly applied, and</li> </ul>

	<ul style="list-style-type: none"> <li>• six ANs had the PD (premises electrically disconnected) code correctly applied.</li> </ul> <p>The event detail report was reviewed for all 1,593 switch move ANs to assess compliance with the setting of event dates requirements. All had a proposed event date within five business days of the NT receipt date, and the gaining trader’s proposed date was applied in all cases.</p>
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AN and CS timeliness

Incoming NT files are retrieved from the registry and loaded into Salesforce every hour during business hours. Once an NT is received, an outgoing AN file is generated in Salesforce and then pushed to the registry using a SQL script each hour during business hours.

Exceptions are generated and viewed in Salesforce where an outgoing AN file cannot be automatically created and sent. Users check these exceptions daily and resolve any issues. The switch breach history report is monitored twice daily to identify AN files which are close to falling due.

No AN or CS breaches were recorded on the switch breach history report for CTCS or CTCX.

**Audit outcome**

Non-compliant

Non-compliance	Description	
Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3  From: 14-Dec-21 To: 26-Apr-22	<b>CTCT</b> Seven ICPs had event dates more than ten business days after the NT receipt date, including five ET breaches.  Three AN files sent with the incorrect AN code of MU “unmetered supply”.  Potential impact: Low Actual impact: Low Audit history: Once previously  Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
<b>Low</b>	The controls are recorded as strong as they will mitigate risk to an acceptable level. The audit risk rating is low because impact on settlement and participants is minor.	
Actions taken to resolve the issue	Completion date	Remedial action status
<b>CTCT</b> <b>Seven ICPs had event dates more than ten business days after the NT receipt date, including five ET breaches:</b>  Contact applied the same proposed switch date, which was in the NT file from alternate retailer, however the NT files proposed date was more than 10 business days in the future. All the concerned switches were withdrawn.	April 2023	Investigating

<p>We are working with our ICT team to improve our system logic to strengthen this control.</p> <p><b>Three AN files sent with the incorrect AN code of MU “unmetered supply”:</b></p> <p>Contact has robust hierarchy processes in place to assign the AN codes. Incorrect codes “MU” were sent due to a timing issue. The ICP’s had just switched-in to Contact, then were switching back-out, without there being enough time for metering to be setup in our system.</p>		
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b>CTCT</b></p> <p>Contact's SAP technical team are working to identify/develop a solution.</p>	<p>April 2023</p>	

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

##### Code reference

Clause 10(2) Schedule 11.3

##### Code related audit information

*If the losing trader determines a different date, then within 10 business days of receiving notice the losing trader must also complete the switch by providing to the registry manager as described in subclause (1)(a):*

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

##### Audit observation

The event detail report was reviewed to identify AN files issued by Contact during the audit period, and assess compliance with the requirement to meet the setting of event dates requirement.

##### Audit commentary

###### CTCT

Analysis found all switch move ANs had a valid switch response code, and switches were completed as required by this clause.

Event dates were compliant apart from seven ICPs which had event dates more than ten business days after the NT receipt date. Contact had applied the gaining trader’s requested date and all of the affected switches were later withdrawn.

###### CTCS and CTCX

Analysis found all switch move ANs had a valid switch response code, and event dates were compliant and matched the gaining trader’s requested date. Switches were completed as required by this clause.

##### Audit outcome

Compliant

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

##### Code reference

Clause 11 Schedule 11.3

##### Code related audit information

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

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

##### Audit observation

The event detail report was reviewed to identify CS files issued by Contact during the audit period. The accuracy of the content of CS files was confirmed by checking a sample of records per trader code. The content checked included:

- correct identification of meter readings and correct date of last meter reading,
- accuracy of meter readings, and
- accuracy of average daily consumption.

CS files with average daily kWh that was negative, zero, or over 200 kWh were identified. A sample of these CS files were checked to determine whether the average daily consumption was correct.

##### Audit commentary

###### CTCT

###### CS content

CTCT calculates the average daily kWh based on the last two actual readings received, which is compliant with the registry functional specification. As reported in the last audit, under certain circumstances invalid average daily kWh is/was calculated for ICPs where the customer is on the Good Nights plan at the time they switch out. They have an average daily kWh of zero calculated, because they are billed and settled as HHR and the NHH registers have the settlement indicator set to "N". The resolution of this issue was thought to have been resolved but testing identified some further complexity before a fix can be put in place.

Analysis of the average daily kWh on the event detail report identified:

Average daily kWh	Count of switch move CS files	Comment
Negative	-	
Zero	5,307	A sample of five CS files were checked. Three were correct and two were affected by the issue raised above and should have had between 2 and 10 kWh recorded.

Average daily kWh	Count of switch move CS files	Comment
More than 200 kWh	42	The eight files with the largest average daily kWh were checked and found two were due to the register changes for the Lines Company line billing causing registers to appear to be clocking over. This is a known issue and has been passed to IT to resolve. The remaining six were affected due to an implausible read in SAP due to human error. A BPEM is raised in these instances and the read locked, but the BPEM was closed without being worked due to human error.

I checked for discrepancies between the last actual read date and switch event reading type for switch move CS files:

- 14 of the 21,086 switch move CS files had a last actual read date the day before the event date and an estimated switch event read type - I checked a sample of five ICPs and found for four ICPs that the last actual read date and event reading were correct, but the switch read type was recorded as estimated and should have been actual (this issue was present in the previous two audits and is still under investigation) and ICP 0000671543UNFF8 had the last actual read date incorrectly recorded (as detailed in **section 4.3**, this is a known issue which IT is working to resolve but the number of switches affected is small),
- seven of the 21,086 switch move CS files had a last actual read date more than one day before the event date and an actual switch event read type - I checked a sample of five and found:
  - for four of these that the last actual read was correct but the last read date was for an earlier instance of the meter, which had been renamed,
  - a special read was issued for ICP 0000601029WE164, but no read was gained as the BPEM was missed due to human error and the CS file was sent with no reads and a label of actual (this has been corrected via the RR process and was the only example of no reads being sent), and
- two switch move CS files had a last actual read date on the switch event date, both were due to the contract not being closed in SAP causing the last read date to be incorrect.

Three switch move CS files had no CSMETERINSTALL, CSMETERCOMP or CSMETERCHANNEL rows. All were unmetered.

I checked the content of a further five CS files and confirmed that all details were accurately recorded.

### **CTCX and CTCS**

The automation of this area is planned as part of phase two which is not expected until sometime in 2023 at the earliest.

### CS content

CS files are created using an ETL (extract, transform, load process) from information contained in Salesforce and DataHub. Read data is manually copied into Salesforce.

The registry functional specification requires estimated daily kWh to be based on the average daily consumption for the last read to read period. This continues to be calculated outside of DataHub and Salesforce as the figures being presented in DataHub are not calculating correctly and the data feed from DataHub to Salesforce is not functioning correctly. The bulk switch out process is used to manage this when there are more than ten ICPs switching. For less than this the formatted excel spreadsheet is used to create this. The figure is entered into the CS file and once all expected data is present the CS file is sent to the registry. The processes used are manual with the risk that checks are missed.

I have repeated the last audit's recommendation in **section 4.3**, for consideration as part of the automation to maintain visibility.

CTCX	<p>Four switch move CS files were issued, and there were no discrepancies with the exception of ICP 0000032694EAC46. The second register read was labelled as an estimate but was an actual due to human error.</p> <p>One switch move CS file had average daily consumption over 200 kWh and was confirmed as correct.</p>																														
CTCS	<p>I checked for discrepancies between the last actual read date and switch event reading type for switch move CS files:</p> <ul style="list-style-type: none"> <li>• 15 of the 1,547 switch move CS files had a last actual read date the day before the event date and an estimated switch event read type - I checked a typical sample of five ICPs and found errors in all five: <ul style="list-style-type: none"> <li>○ two (0000187085HB3C5 and 0000536816NR242) with the reads incorrectly recorded as estimates,</li> <li>○ three (0001041360PCCFF, 0000314406MP117 and 0007671629HB2B5) with the incorrect last read date due to human error,</li> <li>○ two ICPs with the last read incorrectly calculated; the reads were incorrect due to an error in the SQL script being used to process bulk switch outs (this error started in January 2022 but was not identified and corrected until June 2022); the impact on submission is detailed below:</li> </ul> <table border="1" data-bbox="435 982 1360 1213"> <thead> <tr> <th>ICP</th> <th>Read sent</th> <th>Correct Read</th> <th>Impact +=over submission -=under submission</th> </tr> </thead> <tbody> <tr> <td>0000314406MP117</td> <td>5246</td> <td>5237</td> <td>+11</td> </tr> <tr> <td>0007671629HB2B5</td> <td>78321</td> <td>76437</td> <td>+1,884</td> </tr> </tbody> </table> </li> </ul> <p>This is recorded as non-compliance below and in <b>sections 4.16, 6.7 and 9.1</b>,</p> <ul style="list-style-type: none"> <li>• four of the 1,547 switch move CS files had a last actual read date more than one day before the event date and an actual switch event read type - I checked all exceptions and found: <ul style="list-style-type: none"> <li>○ two (0011201017EL49B and 0000387118TPA63) with the reads incorrectly recorded as actuals but should have sent as estimates,</li> <li>○ three (0000387118TPA63, 0000103091TR110 and 0000045646HR5D5) with the incorrect last read date due to an error in the SQL script,</li> <li>○ three ICPs with the incorrect average daily consumption recorded and the last read incorrectly calculated due to an error in the SQL script (this error started in January 2022 but was not identified and corrected until June 2022); the impact on submission is detailed below:</li> </ul> <table border="1" data-bbox="435 1633 1360 1927"> <thead> <tr> <th>ICP</th> <th>Read sent</th> <th>Correct Read</th> <th>Impact +=over submission -=under submission</th> </tr> </thead> <tbody> <tr> <td rowspan="3">0011201017EL49B</td> <td>644205</td> <td>644205</td> <td>-946</td> </tr> <tr> <td>877077</td> <td>873415</td> <td>+3,662</td> </tr> <tr> <td>339354</td> <td>334546</td> <td>+4,808</td> </tr> <tr> <td>0000387118TPA63</td> <td>231</td> <td>239</td> <td>-8</td> </tr> </tbody> </table> </li> </ul>	ICP	Read sent	Correct Read	Impact +=over submission -=under submission	0000314406MP117	5246	5237	+11	0007671629HB2B5	78321	76437	+1,884	ICP	Read sent	Correct Read	Impact +=over submission -=under submission	0011201017EL49B	644205	644205	-946	877077	873415	+3,662	339354	334546	+4,808	0000387118TPA63	231	239	-8
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	0000045646HR5D5	9120	9127	-7
<p>This is recorded as non-compliance below and in <b>sections 4.16, 6.7 and 9.1</b>,</p> <ul style="list-style-type: none"> <li>• one switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error, and</li> <li>• 233 switch move CS files had a CS premises line only, all were unmetered or had HHR metering installed.</li> </ul> <p>I checked the content of a further five CS files and found the content was correct except for ICP 0000032694EAC46 where an actual read was sent as an estimate instead of an actual due to human error.</p> <p>CS average daily consumption was checked for switch move CS files:</p> <ul style="list-style-type: none"> <li>• 143 CS files had average daily consumption over 200 kWh - I checked the five files with the largest values and found two were correct and three were incorrect as these were calculated incorrectly due to an error in the SQL script (this error started in January 2022 but was not identified and corrected until June 2022),</li> <li>• 200 CS files had average daily consumption of zero kWh - I checked five files and all were correctly calculated, and</li> <li>• one CS file had negative average daily consumption due to human error.</li> </ul>				

**Audit outcome**

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.10</p> <p>With: Clause 11 Schedule 11.3</p>	<p><b>CTCT</b></p> <p>Two of a sample of five of a possible 5,307 ICPs were sent with an incorrect average daily kWh of zero.</p> <p>All eight sampled of a possible 42 ICPs sent with a very high average daily kWh figure.</p> <p>Four of a sample of five switch moves of a possible 14 had an estimated read type recorded but should have had actual.</p> <p>Seven ICPs had an incorrect last actual read date.</p> <p>One switch move had no reads sent.</p> <p><b>CTCX</b></p> <p>One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p><b>CTCS</b></p> <p>All five ICPs sampled of a possible 15 where the last actual read date is the day before the event date and estimated switch read type was sent found multiple errors. Some were due to human error and two incorrect final estimated reads were sent due to an error in the SQL query.</p> <p>Four ICPs where the last actual read date is more than one day before the switch event date sent with an actual read were checked and found multiple errors. Some were due to human error and three incorrect final estimated reads were sent due to an error in the SQL query.</p> <p>One ICP sent with a last read date on the day of the switch event.</p>

<p>From: 01-Dec-21 To: 22-May-22</p>	<p>Three of a sample of a possible 143 ICPs sent with an incorrect high average daily consumption value. One ICP sent with a negative average daily consumption figure. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<p><b>Low</b></p>	<p>The controls are recorded as moderate overall. Accuracy has improved since the last audit but Simply Energy's work around processes to produce CS files is manual and the SQL script had an error which was not identified for six months.  The audit risk rating is assessed to be low based on the impact on settlement discrepancies detailed above but this could be higher as the number of ICPs sent with the incorrect estimated reads during the period where the SQL script was incorrect is unknown.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p><b><u>CTCT</u></b> <b>Two of a sample of five of a possible 5,307 ICPs were sent with an incorrect average daily kWh of zero:</b>  Contacts SAP technical team is working through to implement the solution. System change was implemented in April 2021 but there is one pending complex issue team is still working through.  The solution is in the testing phase and expected to be implemented by November 2022.  All eight sampled of a possible 42 ICPs sent with a very high average daily kWh figure:  Contact has provided further training to the agents to ensure correct action has been taken to resolve the implausible reads and will be working with our SAP technical team to investigate and develop the solution for register clock-over issue in some specific cases.  Four of a sample of five switch moves of a possible 14 had an estimated read type recorded but should have had actual.  Seven ICPs had an incorrect last actual read date.  One switch move had no reads sent:  Once average daily consumption change is implemented in the system, ICT resources are going to be allocated to these non-</p>	<p>April 2023</p>	<p>Investigating</p>





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

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

#### **Audit observation**

The process for the management of read change requests was examined.

The event detail report was analysed to identify all read change requests and acknowledgements during the audit period. A sample of RR and AC files issued for transfer switches were checked to confirm that the content was correct, and that Contact's systems reflected the outcome of the RR process.

I also checked for CS files with estimated readings provided by other traders where no RR was issued, to determine whether the correct readings were recorded in Contact's systems.

The switch breach history report for the audit period was reviewed.

#### **Audit commentary**

##### **CTCT**

###### RR

Inaccurate switch event reads are normally identified through the read validation process, or the customer querying their first bill. When a potential discrepancy is identified, CTCT gains a second actual reading as soon as possible. If the two actual readings confirm an RR is required, the billing team emails the other retailer using the switching inbox (so the switching team has a copy of the correspondence) and issues the RR. The switching team provides process support where requested, including for complex cases. CTCT attempts to issue RRs within four months as required by this clause.

Separate BPEMs are generated for accepted and rejected AC files returned by other traders. These BPEMs are processed by the switching team daily.

CTCT issued 354 RR files for switch moves. 269 were accepted and 85 were rejected. For the sample of five acceptances and five rejections checked there was a genuine reason for Contact's RR, the RR was supported by at least two validated readings. The reads recorded in SAP reflected the outcome of the RR process for the ten ICPs.

The switch breach history report recorded two late RRs for switch moves where there was a delay in receiving two actual readings to support the RR.

###### AC files

A BPEM is generated when an RR file is received. These are worked through manually and accepted or rejected, then the BPEM is closed by the user. Another user is responsible for reviewing the switch breach report each morning and afternoon and checking any ICPs close to breaching which are followed up with the user responsible.

CTCT issued 900 AC files for switch moves. 153 were rejected and 747 were accepted. I checked a sample of five rejections and five acceptances. All were rejected for valid reasons, and a revised read on a subsequent RR was accepted. The reads recorded in SAP reflected the outcome of the RR process for ICPs.

The switch breach history report did not record any late AC files.

CS files with estimated readings where no RR is issued

Review of five switch move CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded in SAP.

**CTCX and CTCS**

RR

Incoming switch event readings are imported into Salesforce using the SQL (ETL) process and are transferred via SFTP to DataHub nightly. Once validated, the readings are transferred to MADRAS.

In cases where CTCS or CTCX is the gaining trader and they dispute the switch meter reading because the validated meter reading or permanent estimate provided by the losing trader differs by 200 kWh or more, Simply Energy attempt to negotiate a changed switch meter reading which is supported by validated meter readings. As reported in the last audit, advanced meters which have switched in on an estimate reading were previously being checked against AMI data to determine whether a read change is required, but due to resource constraints this hasn't been able to be done. This is now being reviewed to reintroduce this into BAU. Other read changes are identified through the read validation processes discussed in **section 9.5**.

RRs are issued as soon as Simply Energy confirms that they are required and has received supporting readings.

Read changes are processed manually in Salesforce and then the reads are transferred to DataHub. Validated reads are transferred from DataHub to MADRAS for HHR settled ICPs.

CTCX	No RR files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	CTCS issued five RR files for switch moves. Four were accepted and one was rejected and then accepted on reissue with a different reading. There was a genuine reason for CTCS' RR, the RR was supported by at least two validated readings, or a reconnection read, and the reads recorded in DataHub and MADRAS reflected the outcome of the RR process.

AC

Read change workflows are managed using the Salesforce dashboard, and the timeliness of AC files is also monitored using the switch breach report.

CTCX	No AC files were issued by CTCX, and no breaches were recorded in the switch breach history report.
CTCS	CTCS issued 97 AC files for switch moves. 25 were rejected and 92 were accepted. I checked a sample of five accepted and five rejected files and confirm they were correctly responded to.  I followed up the previous audit issues where the readings recorded were not consistent with the outcome of the RR process and found all had been corrected post the last audit.  No AC breaches were recorded on the switch breach history report.

CS files with estimated readings where no RR is issued

CTCX	There were no incoming switch move CS files with estimated reads where no RR was issued.
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CTCS	Review of five switch move CS files with estimated reads where no RR was issued confirmed that the correct readings were recorded.
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### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.11 With: Clause 12 of Schedule 11.3  From: 01-Dec-21 To: 22-May-22	<b>CTCT</b> Two late RR files for switch moves. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong and will mitigate risk to an acceptable level. The impact assessed to be low as only two RR files were sent late.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> Contact has strong controls in place around the RR process. RRs were late due to a delay in obtaining the two actual reads. Late RRs were required to ensure accuracy and correct billing to the customers. Some of these delays are unfortunately unavoidable due to access issues to the meter.		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCT</b> Please refer to 'Actions taken to resolve the issue'.		Ongoing	

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

#### Code reference

Clause 14 Schedule 11.3

#### Code related audit information

The gaining trader switch process applies when a trader has an arrangement with a customer or embedded generator to trade electricity at an ICP at which the losing trader trades electricity with the customer or embedded generator, and one of the following applies at the ICP:

- the gaining trader will trade electricity through a half hour metering installation that is a category 3 or higher metering installation; or
- the gaining trader will trade electricity through a non-AMI half hour metering installation and the losing trader trades electricity through a non-AMI non half hour metering installation; or
- the gaining trader will trade electricity through a non-AMI non half hour metering installation and the losing trader trades electricity through a non-AMI half hour metering installation

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

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

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

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

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

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

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

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

#### **Audit observation**

The switch gain process was examined to determine when Contact deem all conditions to be met. A typical sample of HH NTs were checked to confirm whether they were notified to the registry within three business days.

HH NTs on the event detail report were matched to the metering information on the meter event details report to confirm whether the correct switch type was selected.

#### **Audit commentary**

##### **CTCT**

CTCT did not request any HH switches during the audit period. All HH ICPs switch in to the CTCSC participant code.

I checked the metering category for the 7,470 transfer switch ICPs and 25,166 switch move ICPs and found none had metering categories of three or above.

##### **CTCX and CTCSC**

CTCX and CTCSC processes are compliant with the requirements of the Section 36M of the Fair Trading Act 1986. NT files are sent as soon as all pre-conditions are met, and the withdrawal process is used if the customer changes their mind.

Customer, ICP, billing, pricing, and switch information, including whether the customer is transferring between retailers at an address or moving into the address will continue to be loaded into Emersion on application.

The information is checked in Emersion to ensure that the correct trader code is selected and then “initiate switch” is selected to transfer the information to Salesforce (including the metering category, multiplier flag, unmetered flag, and submission type flag which were previously excluded and are required to help to determine the switch type and profile). The proposed ANZSIC code is populated manually in Salesforce. Where large groups of ICPs are required to be switched at one time, Simply Energy loads the batch of ICPs directly into Salesforce and arranges for Emersion to load the ICPs over the next two to three days to prevent late initiation of NT files.

Once the data is transferred from Emersion to Salesforce it is validated to check that the switch date, switch type, metering category, trader code and profile are consistent, and an NT is generated if validation is passed. Switch type is selected based on the metering category and the proposed switch type set in Emersion. ICPs with a metering category of 3, 4 or 5 are set to HH, and ICPs with a metering category of 1 or 2 are set to switch move if the customer is moving in, or TR if the customer is transferring between retailers at their existing address. Salesforce will automatically hold future dated NTs until they are within three days of the proposed switch event date, and exceptions are generated for unmetered load switches so that they can be checked and processed manually.

NT files generated in Salesforce will be pushed to the registry using a SQL script each hour during business hours. Once the NT is generated the Salesforce workflow will be updated to “switch requested”. Switch gain exceptions are generated for review by the Operations Team where an NT failure is notified by the registry, or the transfer switch gain date is earlier than the NT sent date.

CTCX	No HH NT files were issued during the audit period. Two NT files were issued for switch moves, both had metering category two.
CTCS	<p>The NT files for HH switches contained the information required by this clause.</p> <p>154 NTs were issued for gaining trader switches, all had metering category 3, 4 or 5 and the correct switch type was selected.</p> <p>I checked the five most backdated NT files, three were within 90 days and were issued within three days of the pre-conditions being met. Two ICPs (1000577742PCEE7 and 0000030942CP070) were backdated more than 90 days. Agreement to backdate these was not gained from the losing trader. The switch was accepted by the losing trader, but this is recorded as non-compliance below.</p> <p>I checked the metering category for the 278 switch move ICPs and 19 transfer switch ICPs where this information was available, and found none had metering categories of three or above.</p> <p>The switch breach history report recorded three PT breaches. One was within 90 days and was compliant. The other two backdated switches are discussed above.</p>

**Audit outcome**

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.12</p> <p>With: Clause 14 Schedule 11.3</p>	<p><b>CTCS</b></p> <p>Two gaining trader switches backdated more than 90 days without the losing trader’s agreement.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p>

From: 01-Jan-22 To: 24-Apr-22	Audit history: None Controls: Moderate Breach risk rating: 2		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	The controls are rated as moderate but there is room for improvement. The audit risk rating is low, as backdated switches were accepted by the losing trader so there was no impact to any other participants.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>
<u>CTCS</u> We feel the issues identified were not deemed material enough to require any correction, as switches were accepted.		N/a	Identified
<b>Preventative actions taken to ensure no further issues will occur</b>		<b>Completion date</b>	
<u>CTCS</u> We have added a step in our switching process that will allow team members to identify all backdated switches that are greater than 90 days, where they receive a prompt to proactively email the losing retailer to gain acceptance. This process will be included in our phase 2 switching automation, currently scheduled for 2023		Complete  30/9/2023	

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

##### Code reference

Clause 15 Schedule 11.3

##### Code related audit information

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

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

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

##### Audit observation

An event detail report was reviewed to identify AN files issued by Contact during the audit period, and a sample of ANs were reviewed to determine whether the codes had been correctly applied.

The switch breach history report was examined for the audit period.

## Audit commentary

### CTCT

No HH AN files were issued by CTCT during the audit period, and no breaches were recorded for HH AN files.

### CTCX and CTCS

Incoming AN files are retrieved from the registry and loaded into Salesforce every hour during business hours. Outgoing CS files are generated in Salesforce and then pushed to the registry using a SQL script each hour during business hours.

A new view in Salesforce shows all ICPs with switches due to complete for the current day, so that the Operations Team can request metering pricing from the MEP and ensure that the switch completes.

CTCX	No HH AN files were issued by CTCX during the audit period, and no breaches were recorded for HH AN files.
CTCS	157 HH AN files were issued during the audit period. 156 had the AA (acknowledge and accept) response code correctly applied, and one had the AD (advanced metering) response code correctly applied.  The switch breach history report did not record any breaches for HH switches.

## Audit outcome

Compliant

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

#### Code reference

Clause 16 Schedule 11.3

#### Code related audit information

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

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

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

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

#### Audit observation

The HH switching process was examined. The switch breach history report for the audit period was reviewed to identify late CS files.



## Audit commentary

### CTCT

CTCT did not request any HH switches during the audit period, and the switch breach history report did not record any late HH CS files.

### CTCX and CTCS

Incoming AN files are retrieved from the registry and loaded into Salesforce every hour during business hours. Outgoing CS files are generated in Salesforce and then pushed to the registry using a SQL script each hour during business hours.

A new view in Salesforce shows all ICPs with switches due to complete for the current day, so that the Operations Team can request metering pricing from the MEP and ensure that the switch completes.

CTCX	CTCX did not request any HH switches during the audit period, and the switch breach history report did not record any late HH CS files.
CTCS	The CS file content was as expected for all 153 HH CS files issued during the audit period. The switch breach history report did not record any late HH CS files, and CS content was as expected for all HH CS files.

## Audit outcome

Compliant

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

### Code reference

*Clauses 17 and 18 Schedule 11.3*

### Code related audit information

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

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

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):
  - o *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
  - and*
  - o *the withdrawal advisory code published by the Authority (clause 18(c)(ii))**
- *within five business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal (clause 18(d))*
- *on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c). All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request (clause 18(e))*
- *if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within two business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply*

with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16 (clause 18(f)).

#### Audit observation

The event detail reports were reviewed to:

- identify all switch withdrawal requests issued by Contact, and check a sample for accuracy,
- identify all switch withdrawal acknowledgements issued by Contact, and check a sample of rejections, and
- confirm timeliness of switch withdrawal requests.

The switch breach history reports were checked for any late switch withdrawal requests or acknowledgements.

#### Audit commentary

##### CTCT

##### NW

Switch withdrawals are sent as soon as they are discovered, which in some instances may be more than two months after the event date.

NWs are created in SAP by users or robots. The robots generate NWs and emails to the other trader for unauthorised account and customer requested withdrawals each morning, based on user created service orders. The service orders specify a service order type and category which is used to determine the NW reason code. Validation is in place to prevent the robots from creating NWs for any ICPs which have been supplied for over two months, and CTCT initiated withdrawals for reasons which are not related to the customer's error, authority, or preference are initiated by users. Any responses to the emails generated by the robots are returned to users for review.

Daily exception reports are generated which show all service orders for NWs and whether they were processed successfully by the robots, or an exception was generated. All exceptions are reviewed and actioned daily.

CTCT issued 3,387 NW files, and 392 of those files were rejected. The content of 22 NW files (including at least three for each NW advisory code, and 19 rejected requests) was compared to details in SAP. Four were sent in error due to operators not understanding the process. The following NWs did not have the withdrawal advisory code with the best fit applied:

ICP	Event date	Applied code	Code with best fit
0000370034TUCF2	5 January 2022	Customer cancellation	Wrong switch
0000001825NT1D9	19 April 2022	Date failed	Customer error
0000024156NTFA0	29 December 2021	Date failed	Customer error

The switch breach history report recorded:

- 21 SR breaches where the NW arrival date is more than 10 business days after the initial NW for the same trader requesting the withdrawal, and
- 60 NA breaches where the NW arrival date is more than two calendar months after the CS actual transfer date.

I checked the ten latest SR and 15 latest NA breaches and found the delays were caused by:

- late notification that the withdrawal was required from the customer, field technicians or other traders,
- double withdrawals,
- delays while CTCT investigated whether the NW was required,
- delays in actioning emails regarding withdrawals due to workloads, and
- timing issues where a customer has requested a withdrawal be issued before an existing NW response has been dealt with.

AW

A BPEM is generated when an NW file is received. These are worked through manually and accepted or rejected, then the BPEM is closed by the user. Another user is responsible for reviewing the switch breach report each morning and afternoon and checking any ICPs close to breaching which are followed up with the user responsible.

270 (7.9%) of the 3,379 AWs issued by CTCT were rejections. I reviewed a diverse sample of 14 rejections by CTCT (including at least two for each NW advisory code), and confirmed they were rejected based the information available at the time the response was issued.

The switch breach history report did not record any AW breaches.

**CTCX and CTCS**

NW

NWs are issued as soon as possible after Simply Energy has confirmed that a withdrawal is required. Confirmation is normally received via the operations email inbox, and outgoing NWs are monitored using Salesforce workflows to make sure a response is received and actioned.

NWs are created from Salesforce using the SQL (ETL) process. Withdrawal and response codes will be applied based on the best information available.

CTCX	CTCX did not issue any NWs, and the switch breach history report did not record any NW breaches.
CTCS	<p>CTCS issued 117 NW files, and three of those files were rejected. The content of 16 NW files (including at least three or all for each NW advisory code, and all rejected requests) was compared to details in Salesforce and found:</p> <ul style="list-style-type: none"> <li>• ten were issued correctly (including three of the rejected NWs),</li> <li>• three were issued using the incorrect reason code of “Date failed” DF where “Customer error” CE would have been the more appropriate code,</li> </ul> <p>The switch breach history report recorded:</p> <ul style="list-style-type: none"> <li>• one SR breach where the NW arrival date was more than 10 business days after the initial NW for the same trader requesting the withdrawal due to this being a double withdrawal, and</li> <li>• five NA breaches where the NW arrival date is more than two calendar months after the CS actual transfer date and found: <ul style="list-style-type: none"> <li>○ four were delayed by the investigation to confirm that the NW was required, and</li> <li>○ ICP 0001428995HRC26 was pending decommissioning when it switched and was subsequently found to have been decommissioned so CTCS requested it be withdrawn; I recommend below that a check be added to except any ICPs at the 1,12 or 1,6 statuses so these do not switch without investigation.</li> </ul> </li> </ul>

Description	Recommendation	Audited party comment	Remedial action
Withdrawal of switch requests	<b>CTCS</b> Status check for all switch requests to except any ICPs at the 1,12 or 1,6 statuses so these do not switch without investigation.	In our individual switch-out process, we have completed refresher training with staff and the (manual) process does actively look for these statuses. Effective 08/08/2022, our bulk switch out Workbook Spreadsheet now includes a status check.	Identified

#### AW

AWs are created from Salesforce using the SQL (ETL) process. AWs are managed through Salesforce workflows and the switch breach report is also monitored twice daily.

CTCX	No AW files were issued by CTCX, and the switch breach history report did not record any breaches.
CTCS	Six (4.8%) of the 91 AWs issued by CTCS were rejections. I reviewed all rejections by CTCS, and confirmed they were rejected based the information available at the time the response was issued.  The switch breach history report did not record any AW breaches.

#### Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 4.15</p> <p>With: Clauses 17 and 18 Schedule 11.3</p> <p>From: 15-Dec-21</p> <p>To: 28-Apr-22</p>	<p><b>CTCT</b></p> <p>Three NWs did not have the code with the best fit applied.</p> <p>21 SR breaches.</p> <p>60 NA breaches.</p> <p><b>CTCS</b></p> <p>One SR breach.</p> <p>Five NA breaches.</p> <p>Three NWs did not have the code with the best fit applied.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>

Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>The controls are moderate overall, a small number of NW files did not have the NW code with the best fit applied and a small number of files were late.</p> <p>The audit risk rating is low because impact on settlement and participants is minor. Revised reconciliation data will be provided through the revision process.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCT</u></b> Contact will provide ongoing training for the operators involved in our switching processes to ensure correct NW code is applied in all instances.</p> <p>We do feel that late NWs often involve a lengthy and complex investigation, which can also result in delays that are inevitable.</p> <p><b><u>CTCS</u></b> These historic issues cannot be corrected</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b><u>CTCT</u></b> Contact will provide ongoing training for the operators involved in our switching processes to ensure correct NW code is applied in all instances</p> <p><b><u>CTCS</u></b> Our Mass switch process will be automated in Phase 2 of the switching automation, currently scheduled for 2023. Operations Team Lead will run regular tests to review data quality in the interim.</p>		<p>Ongoing</p> <p>30/9/2023</p>	

#### 4.16. Metering information (Clause 21 Schedule 11.3)

##### Code reference

Clause 21 Schedule 11.3

##### Code related audit information

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

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

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

### Audit observation

The meter reading process in relation to meter reads for switching purposes was examined.

### Audit commentary

Contact's policy regarding the management of meter reading expenses is compliant for all participant codes.

The reads applied in switching files were examined in **section 4.3** for standard switches, **section 4.10** for switch moves, and **sections 4.4** and **4.11** for read changes.

### CTCT

The meter readings used in the switching process are validated meter readings or permanent estimates. All CS and RR readings checked were confirmed to be correct.

### CTCX

One of the four CS files sent with an estimated read instead of an actual due to human error.

### CTCS

The meter readings used in the switching process are validated meter readings or permanent estimates.

As detailed in **section 4.3** and **4.10** for CTCS:

- one transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error, and
- two transferred ICP and four switch move ICPs sent with the incorrect last read as detailed in the table below:

ICP	Switch Type	Read sent	Correct Read	Impact +=over submission -=under submission
0000045646HR5D5	TR	9120	9127	-7
0001521795PC22D	TR	190256	190192	+64
0000314406MP117	MI	5246	5237	+11
0007671629HB2B5	MI	78321	76437	+1,884
0011201017EL49B	MI	644205	644205	-946
		877077	873415	+3,662
		339354	334546	+4,808
0000387118TPA63	MI	231	239	-8

This was due to an error in the SQL script being used to process bulk switch outs (the error started in January 2022 but was not identified and corrected until June 2022), and

- one switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error.

### Audit outcome

Non-compliant

Non-compliance	Description	
<p>Audit Ref: 4.16</p> <p>With: Clause 21 Schedule 11.3</p> <p>From: 02-Dec-21</p> <p>To: 04-May-22</p>	<p><b>CTCX</b></p> <p>One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p><b>CTCS</b></p> <p>One transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error.</p> <p>Two transferred ICP and five switch move ICPs sent with the incorrect last read.</p> <p>One switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Three times previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<p><b>Low</b></p>	<p>The controls are recorded as moderate overall. Accuracy has improved since the last audit but Simply Energy's work around processes to produce CS files is manual and the SQL script had an error which was not identified for six months.</p> <p>The audit risk rating is assessed to be low based on the impact on settlement discrepancies detailed above but this could be higher as the number of ICPs sent with the incorrect estimated reads during the period where the SQL script was incorrect is unknown.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p><u><b>CTCX/CTCS</b></u></p> <p>We feel the issues identified were not deemed material enough to require correcting.</p>	<p>n/a</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur	Completion date	
<p><u><b>CTCX/CTCS</b></u></p> <p>Our Mass Switch Out Process has been reviewed and subsequently updated/improved. This has included adding an audit layer to the model for future management.</p> <p>Our Mass switch process will be automated in Phase 2 of the switching automation, currently scheduled for 2023. Operations Team Lead will run regular tests to review data quality in the interim.</p>	<p>Complete</p> <p>30/9/2023</p>	

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

##### Code reference

Clause 11.15AA to 11.15AC

##### Code related audit information

*A losing retailer (including any party acting on behalf of the retailer) must not initiate contact to save or win back any customer who is switching away or has switched away for 180 days from the date of the switch.*

*The losing retailer may contact the customer for certain administrative reasons and may make a counteroffer only if the customer initiated contact with the losing retailer and invited the losing retailer to make a counteroffer.*

*The losing retailer must not use the customer contact details to enable any other retailer (other than the gaining retailer) to contact the customer.*

##### Audit observation

Win-back processes were discussed. The event detail report was analysed to identify all withdrawn switches with a CX code applied within 180 days of switch completion. A sample were checked to determine compliance.

##### Audit commentary

###### **CTCT**

CTCT does not carry out any win-back activity. Customers who are switching out are not contacted to confirm they wish to switch or attempt a win-back.

Review of the event detail report identified 46 NWs issued for switch losses where CTCT was the losing trader within 180 days of switch completion with a CX withdrawal code. I checked a sample of ten of these withdrawals including the three rejected requests, and confirmed they were initiated by the customer, and no win back activity occurred.

###### **CTCX and CTCS**

No win-back activity is undertaken for the CTCX and CTCS codes, and no NW CX files were issued by CTCS or CTCX.

##### Audit outcome

Compliant



## 5. MAINTENANCE OF UNMETERED LOAD

### 5.1. Maintaining shared unmetered load (Clause 11.14)

#### Code reference

Clause 11.14

#### Code related audit information

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

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

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

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

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

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

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

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

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

#### Audit observation

The processes to identify and monitor shared unmetered load were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with shared unmetered load and assess compliance.

#### Audit commentary

##### CTCT

Additions and changes to shared unmetered load are monitored as part of CTCT's validation processes discussed in **section 3.7**. 303 ICPs had shared unmetered load indicated by the distributor. The loads were confirmed to be correct within 0.1 kWh of the distributors value apart from:

ICP	Expected value	Registry value
0006792090RN10C	0.64	0.22
0000020043CPDDD	0	0.1
0000020052CPB35	0	0.1

ICP	Expected value	Registry value
0000020057CP67A	0	0.09
0000020063CP088	0	0.09

All were corrected during the audit.

### CTCX and CTCS

Additions and changes to shared unmetered load are monitored as part of Simply Energy's validation processes discussed in **section 3.7**.

CTCX	CTCX does not supply any ICPs with shared unmetered load.
CTCS	Ten CTCS ICPs had shared unmetered load indicated by the distributor. The loads were confirmed to be correct.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 5.1 With: Clause 11.4  From: 02-Dec-21 To: 04-May-22	<p><b>CTCT</b></p> <p>Five ICPs with the incorrect shared unmetered load value recorded.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>The controls are currently rated as moderate. These will move to strong when CTCT is able to identify when unmetered load is removed in a timelier way.</p> <p>The audit risk rating is low because the impact on settlement is very minor.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b>CTCT</b></p> <p>Contact continues to actively work with our customers and distributors to determine current UML details (including shared UML) to resolve non-compliances identified.</p> <p>Our SAP technical team are investigating further opportunities within SAP to create a new BPEM that identifies changes to UML data within the Electricity Registry, so variances in SAP can be updated in a timelier manner.</p>		Dec 2022	Investigating

<p>Contact continues to review the current reporting and processes to identify where any improvements can be made to increase accuracy and ensure corrections are made as soon as practicable.</p> <p>These reviews have identified some gaps of knowledge internally around the UML space, which we will be filling by, ensuring more resources are trained on UML, and by implementing a QA framework to pick up any agent errors/trends to identify where further development/on-going training is required.</p>		
<p style="text-align: center;"><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p style="text-align: center;"><b>Completion date</b></p>	
<p><b><u>CTCI</u></b></p> <p>Contact are further investigating opportunities we have within our existing reporting and SAP (BPEMs) to improve the identification of UML (including shared UML) related discrepancies.</p> <p>Contact will also be putting a priority (more resources, further training, QA reports) towards resolving UML (including shared UML) mismatches identified to ensure these are corrected in a timely manner, as well as increasing the frequency of our UML mismatch reporting being run to ensure UML mismatches are identified earlier on in the process.</p>	<p>Dec 2022</p>	

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

### Code reference

*Clause 10.14 (2)(b)*

### Code related audit information

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

### Audit observation

The processes to manage ICPs over the unmetered thresholds were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with unmetered load over 3,000 kWh per annum and assess compliance.

### Audit commentary

#### **CTCT**

16 ICPs had a load between 3,000 and 6,000 kWh. All were confirmed to be of a predictable load type or DUML ICPs.

All ICPs with unmetered loads over 6,000 kWh are DUML ICPs.

#### **CTCX and CTCS**

CTCX and CTCS customer applications are approved by Contact Energy before being requested by Simply Energy. As part of this process, CTCX and CTCS considers whether there is unmetered load over the thresholds.

CTCX	CTCX does not supply any unmetered ICPs with loads over 3,000 kWh.
CTCS	CTCS supplies two non-DUML unmetered ICP with a load over 3,000 kWh but under 6,000. These loads are an approved type.

#### Audit outcome

Compliant

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

#### Code reference

Clause 10.14 (5)

#### Code related audit information

If the unmetered load limit is exceeded the retailer must:

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

#### Audit observation

The processes to manage ICPs over the unmetered thresholds were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with unmetered load over 6,000 kWh per annum and assess compliance.

#### Audit commentary

##### CTCT

All ICPs with unmetered loads over 6,000 kWh are DUML ICPs.

##### CTCX and CTCS

Simply Energy is aware of the unmetered load threshold and will install metering where an ICP breaches or is likely to breach the threshold.

CTCX	CTCX does not supply any unmetered ICPs with loads over 6,000 kWh.
CTCS	CTCS does not supply any non-DUML unmetered ICPs with load over 6,000 kWh.

#### Audit outcome

Compliant

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

### Code reference

Clause 11 Schedule 15.3, Clause 15.37B

### Code related audit information

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

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

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

### Audit observation

#### CTCT

CTCT has responsibility for three distributed unmetered load databases. The audit findings are detailed in the table at the end of this section.

#### CTCX

The CTCX code does not have any DUML ICPs. The list file was examined, and no distributed unmetered load databases were identified.

#### CTCS

The processes to manage distributed unmetered load were reviewed. CTCS now manages 12 DUML databases. The audit findings are detailed in the table below.

### Audit commentary

#### CTCT and CTCS

The following exemptions are in place for DUML:

**Exemption No. 177:** Exemption to clause 8(g) of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of providing half-hour (“HHR”) submission information instead of non-half-hour (“NHH”) submission information for distributed unmetered load (“DUML”). This exemption expires at the close of 31 October 2023.

**Exemption No. 185:** Exemption to clause 11 of schedule 15.3 of the Electricity Industry Participation Code 2010 in respect of creating DUML databases for the following ICPs. This exemption expires on the date on which Contact no longer has responsibility as the trader for these ICPs on the registry. One of the affected ICPs is still supplied by Contact, therefore the exemption is still valid.

ICP identifier	Comments
0001183605HB0B0	Contact still has responsibility for this ICP; under veranda lights with load of 3.7 kWh per day are connected.

DUML audits for databases were conducted by Veritek.

The Electricity Authority issued a memo on 18 June 2019 confirming that the code requirement to calculate the correct monthly load must:

- take into account when each item of load was physically installed or removed, and

- wash up volumes must take into account where historical corrections have been made to the DUML load and volumes.

Some DUML customers are providing changes tracked at a daily level and revisions are completed where required. Contact is working with those customers who are still providing a snapshot of the DUML database to derive submission from to get reporting which tracks changes at a daily level.

Those shaded blue are with CTCS, those shaded grey are still with CTCT. The Kapiti Retirement Trust audit highlighted in red is overdue.

The last audit found that the load associated with the Waka Kotahi ICPs 0016099060EL730 and 0110004920EL4F1 was recorded as standard unmetered load with a daily kWh figure of 1.19 and 0.6 respectively but a NZTA database extract provided found load associated with these is 51.98 and 59.98 kWh respectively. Further investigation has found more historic NZTA ICPs with a number of traders that were associated with this load, therefore it cannot be assumed that all of the load on the new ICPs relates to the two historic ICPs traded by CTCS. NZTA have confirmed that the load associated with these is expected to be reconciled against ICPs 0110013115EL2CA and 0110013116ELE0A.

Database	DUML Audit completed or to be completed by 16A.26	Deriving submission information 11(1) of schedule 15.3	ICP identifier 11(2)(a) of schedule 15.3	Location of items of load 11(2)(b) of schedule 15.3	Description of load 11(2)(c)&(d) of schedule 15.3	All load recorded in database 11(2A) of schedule 15.3	Tracking of load changes 11(3) of schedule 15.3	Audit trail 11(4) of schedule 15.3	Database accuracy 15.2 and 15.37B(b)	Volume information accuracy 15.2 and 15.37B(c)	Database indicative kWh +=over -=under Variance PA
Tasman NZTA	1 September 2021	No	Yes	Yes	No	Yes	Yes	Yes	No	No	+9,300
Dunedin CC	1 December 2021	No	Yes	Yes	No	No	Yes	No	No	No	-41,957
Waimea Village	1 December 2021	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Accurate
Far North Holdings	31 March 21	No	Yes	Yes	No	No	No	No	No	No	+9,900
Kapiti Retirement Trust	20 April 2021	No	No	Yes	Yes	Yes	No	No	No	No	Very minor
Christchurch CC- Orion	8 April 2022	No	Yes	Yes	Yes	No	Yes	Yes	No	No	+792,000
Christchurch CC- Mainpower	28 April 2022	No	Yes	Yes	Yes	No	Yes	Yes	No	No	+5,950
Christchurch CC Traffic Lights	18 April 2022	No	Yes	Yes	No	Yes	Yes	No	No	No	Minor
New Plymouth DC	1 December 2021	No	Yes	Yes	Yes	No	Yes	No	No	No	+20,800
NZTA Wairarapa & Masterton – <b>NB in process of being decommissioned</b>	1 June 2021	No	Yes	Yes	Yes	Yes	Yes	No	No	No	N/A

Database	DUML Audit completed or to be completed by 16A.26	Deriving submission information 11(1) of schedule 15.3	ICP identifier 11(2)(a) of schedule 15.3	Location of items of load 11(2)(b) of schedule 15.3	Description of load 11(2)(c)&(d) of schedule 15.3	All load recorded in database 11(2A) of schedule 15.3	Tracking of load changes 11(3) of schedule 15.3	Audit trail 11(4) of schedule 15.3	Database accuracy 15.2 and 15.37B(b)	Volume information accuracy 15.2 and 15.37B(c)	Database indicative kWh +=over -=under Variance PA
Central Otago DC	1 September 2021	No	No	Yes	Yes	No	Yes	Yes	No	No	+25,000
Horowhenua DC	18 September 2021	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Accurate
NZTA Mainpower (Waimakariri)	1 April 2022	No	Yes	No	No	No	Yes	Yes	No	No	-25,500
Horowhenua DC	18 March 23	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	-10,000
Waimakariri DC	12 August 2022	No	Yes	Yes	No	No	Yes	Yes	No	No	-78,894



## Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 5.4</p> <p>With: Clause 11 of schedule 15.3</p> <p>From: 02-Dec-21</p> <p>To: 04-May-22</p>	<p><b>CTCT and CTCS</b></p> <p>The monthly database extracts used to derive submission from are provided as a snapshot and do not track changes at a daily basis as required by the code.</p> <p>Inaccurate submission information for ten of the databases managed.</p> <p>Some streetlight audits were not submitted by the due date.</p> <p>One streetlight audit overdue.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 6</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>High</b></p>	<p>The controls in place mitigate risk most of the time, therefore the control rating is moderate.</p> <p>There is a major impact on settlement outcomes because there are examples of over submission and under submission; therefore, the audit risk rating is high.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b>CTCT</b></p> <p>Contact are in the process of switching the remaining DUML sites across to CTCS to ensure all DUML ICPs are managed in one system.</p> <p><b>CTCS</b></p> <p>Discrepancies found in audits are discussed with clients promptly and work plans created to resolve discrepancies. We are also in the progress of migrating the CTCT DUML ICPs to CTCS to have all Contact's DUML ICPs managed in one system</p>		<p>Proposed or actual date</p> <p>Ongoing</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b>CTCT</b></p> <p>Please refer to the 'Actions taken to resolve the issue'.</p> <p><b>CTCS</b></p> <p>We continue to work with clients to improve the accuracy of their databases and reporting that will flow through into improved submission accuracy. This includes transitioning to the new dimming profile(s) where appropriate, which is the most material issue affecting submission.</p>		<p>Proposed or actual date</p> <p>Ongoing</p>	

## 6. GATHERING RAW METER DATA

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

#### Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

#### Code related audit information

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

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

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

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

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

#### Audit observation

Processes for metering, submission, and distributed generation were reviewed. The registry list and AC020 were examined to determine compliance.

#### Audit commentary

##### CTCT

##### Metering installations installed

Contact's new connection process includes a check that metering is installed before energisation occurs, or that any unmetered load is quantified.

Subtraction has been used to determine submission information for 0000880392WEA92, 0000032431HR99C and 0000018218HRB13. I walked through the submission process for each of the affected ICPs and checked a sample of data to confirm that the submissions were calculated correctly.

The following exemptions are in place to allow submission by subtraction:

- **Exemption No. 203:** Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000880392WEA92, and
- **Exemption No. 191:** Exemption to clause 10.24(c) of the Electricity Industry Participation Code 2010 to allow subtraction to determine submission information for ICP 0000032431HR99C.

The audit compliance report recorded 149 active ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. All were checked:

Count	Comment
75	Metering details were populated on the registry, or the status was updated to inactive or decommissioned after the report was run.

Count	Comment
69	MEP accepted nomination, awaiting meter asset data.
1	ICP 0007195914RNFFB was an unmetered BTS supply. The disconnection request failed to progress due two disconnection requests being raised but in the intervening time the unmetered load details were removed causing an MEP nomination for MNON to be sent to the registry. This has since been decommissioned for the correct date. The incorrect status is recorded as non-compliance in <b>section 3.8</b> .
4	<p>No MEP nomination was raised during the audit period.</p> <p>These were examined and found two (ICPs 0000925041TU31D and 0110012107EL942) are disconnected and two are likely to be electrically disconnected. Service requests for ICPs 0000925041TU31D and 0110012107EL942 confirmed that the sites were disconnected but the contractor has closed the job "could not complete". The robot has auto completed these but as these were not disconnection requests the status was not updated. In these instances, CTCT has no visibility. They are aware of this issue and are investigating how such incidents can be identified and pulled through to be reviewed by a person. This is recorded as non-compliance in <b>sections 2.1 and 3.8</b>.</p> <p>ICP 0099555145CN863 had its meter removed and was decommissioned on 17/03/22. Paperwork was provided on 17/08/22 and CTCT has updated SAP and the registry, and will provide revision submissions.</p> <p>The MEP removed the meter for ICP 0000205989DE103 in error from the registry when a new relay was installed, and they confirmed on 17/08/22 that they will reinstate the meter.</p> <p>Reads continue to be estimated for these ICPs and submitted to the market based on previous read history. This will be corrected once the status is updated.</p>

The audit compliance report identified 21 new connections where an MEP nomination was not accepted within 14 business days. None were genuinely late.

#### Distributed Generation

Contact has a process in place to identify ICPs where distributed generation possibly exists. As discussed in **section 2.1**, a monthly report shows installation type discrepancies between SAP and the registry, and instances where the profile is inconsistent with the installation type. Where a job for import/export metering has been raised, no action is taken. Where no job has been raised, the exception is passed to the distributed generation team to arrange meter installation. The operations team manages profiles on the registry, and periodically updates the registry profiles.

I confirmed that CTCT's NHH reconciliation process automatically changes the profile for injection registers to PV1 for submission if there is an open trading notification for PV1 profile at the GXP and the registry shows RPS. Because the registry management and reconciliation processes for generation profiles are not synchronised, the profiles recorded on the registry for generating ICPs may differ from the profiles used for submission. This is recorded as non-compliance in **section 2.1**.

6,840 active ICPs with generation listed by the distributor were identified on the registry list. The AC020, event detail, registry list and meter installation details reports were reviewed to determine compliance:

Generation recorded by the distributor and an I flow register with	Review of the AC020 report confirmed that there were 32 NHH ICPs with generation recorded by the distributor and an I flow register where CTCT did not record a generation compatible profile on the registry. This generally occurs when an ICP switches in and the RPS profile is automatically applied. These are then identified via the registry discrepancy process and corrected. I recommend below that the profile
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no generation compatible profile	<p>application at switch in be reviewed to ensure that the correct profile is assigned at switch in.</p> <p>The 32 ICPs were examined and found:</p> <ul style="list-style-type: none"> <li>• 22 ICPs were updated to include PV1 or HHR profile as part of registry discrepancy process,</li> <li>• eight ICPs were missed in the first instance and were updated as part of this audit, and</li> <li>• the other two ICPs have since been withdrawn.</li> </ul> <p>The delay in correcting the eight ICPs which required profile changes identified as part of the audit is recorded as non-compliance in <b>section 2.1</b>.</p>
Generation recorded by the distributor with no I flow register or generation compatible profile	<p>2,378 ICPs with generation indicated by the distributor had HHR profile. I checked the 2,369 ICPs on the HHR aggregates file for April 2021 and found 2,309 had I flows reported on the HHR aggregates report, and 60 did not. Ten of the 60 had I flow registers recorded on the registry and the other 50 did not have injection registers. These were reviewed and found:</p> <ul style="list-style-type: none"> <li>• CTCT confirmed that they were not aware of any generation for 31 ICPs,</li> <li>• 16 of these have either had I flow metering installed or are in the process of being installed,</li> <li>• ICP 0000248388UN4F6 has had distributed generation installed on 31 August 2021; the service order was not completed but there was evidence of any follow up to progress this, and</li> <li>• the Gas and Electricity high risk database indicates that distributed generation is installed on ICPs 0000041994HB938 and 0000158386UN338; CTCT are following up with the distributor and the customer to confirm distributed generation is present.</li> </ul> <p>55 ICPs with generation indicated by the distributor had NHH submission type without a generation profile, and no I flow metering. These were reviewed and found:</p> <ul style="list-style-type: none"> <li>• CTCT confirmed that they were not aware of any generation for eight ICPs,</li> <li>• 12 of these have had I flow metering installed,</li> <li>• 16 are in the process of being installed including seven that were present in the last audit: <ul style="list-style-type: none"> <li>○ 0419595066LC60F, 0000029673CH073, 0328364045LC58B, 0000712396HB728 and 0000936754TU1FC,</li> <li>○ 0000932060TE629 has had a fire on site and CTCT is investigating if generation is still present or not, and</li> <li>○ 0221906002LC12A distributed generation was removed when the meter was relocated on 14 July 2021; CTCT has confirmed that generation is still present and is waiting for the paperwork to be returned.</li> </ul> </li> <li>• CTCT have asked the customer to confirm if distributed generation is installed for 17 ICPs, and</li> <li>• the service orders for ICPs 0000034267CH514 and 0000034351CHA67 were closed as incomplete but no further steps have been taken to progress these due to the known issue when work orders are closed as incomplete, but the contractor does not indicate any further work is required as discussed in <b>section 3.4</b>.</li> </ul>
Generation profile recorded but no generation details	<p>155 active ICPs had profiles indicating generation was present, but no generation was recorded by the distributor.</p> <ul style="list-style-type: none"> <li>• 154 had settled I flow registers, and CTCT's profiles appear to be correct, and</li> </ul>

recorded by the distributor	<ul style="list-style-type: none"> <li>one was due to timing differences and the profile was corrected to RPS.</li> </ul>
Generation profiles inconsistent with the distributor fuel type	<p>Where generation profiles were recorded, they were consistent with the generation fuel type apart from:</p> <ul style="list-style-type: none"> <li>76 ICPs with PV1 profile where the distributor had recorded a generation fuel type other - I checked a sample of 30 ICPs and found all were correct as they are solar installations with batteries,</li> <li>ICP 0000053221CP0F6 switched in with PV1 profile but the distributor had recorded a generation fuel type wind; as reported in the last audit the generation checks being carried out do not confirm fuel type and this ICP should be recorded with an EG profile, so I recommend below that this is added to the registry discrepancy checks (this is recorded as non-compliance in <b>section 2.1</b>), and</li> <li>ICP 0001409185UNC41 switched in with PV1 profile but the distributor had recorded a generation fuel type fresh water; this should be recorded with an EG profile.</li> </ul>

Description	Recommendation	Audited party comment	Remedial action
ICPs with generation profile management	<p><b>CTCT</b></p> <p>Profile application should be reviewed to ensure that the correct profile is assigned at switch in.</p>	We have provided further training to the users to ensure correct profile is assigned.	Identified
Profile application aligns with fuel type	<p><b>CTCT</b></p> <p>Check that profiles are consistent with fuel types as part of the registry discrepancy checks.</p>	A new report has been implemented to verify the profile code applied aligns with the fuel type, where fuel type is not solar.	Identified

I followed up the previous audit recommendations found all have been resolved with the exception of:

- ICP 0221906002LC12A which is detailed above, and
- ICPs 0011006802PCDFA and 0007006355HBE4D which have both switched away but the profile for the CTCT period of supply was not corrected to EG1 from PV1. This is recorded as non-compliance in **section 2.1**.

#### Bridged meters

Meters are only bridged where an urgent reconnection is required, and a soft reconnection cannot be arranged. CTCT confirmed 112 ICPs had their meters bridged at some time between 1 December 2021 and 30 April 2022. 98 were unbridged and the other 14 remain bridged. The bridged meters have not been unbridged because:

- the ICP switched out,
- access to unbridge the meter has not been granted by the customer, or
- a job to unbridge the meter is in progress but has not been completed.

I re-checked the ICPs whose meters had not been unbridged at the time of the previous audit and found they had been unbridged and had corrections processed apart from 0007301114NVEE8 which remains vacant.

The existence of bridged meters is recorded as non-compliance below. Corrections to capture and report consumption during bridged periods are not consistently processed as discussed in **section 2.17**.

### CTCX and CTCX

#### Metering installations installed

Simply Energy creates MEP nominations for all MEPs when the ICP moves to 1,12 “inactive - new connection in progress” status, or when a field services job is nominated.

No submission information is determined by subtraction.

CTCX	The audit compliance report recorded no “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no.
CTCS	<p>The audit compliance report recorded five “active” ICPs where the metering category was 9 or blank, indicating that no meters were present, and the unmetered flag was set to no. Two had metering details populated on the registry after the report was run, and two had MEP nominations made (one was awaiting response and the other had been accepted).</p> <p>ICP 0110007670EL116 is an NZTA streetlight ICP relating to the building of Transmission Gully. The meter was removed by persons unknown in January 2021. This load is to be reconciled as unmetered load from 1 July 2022. The ICP is pending decommissioning. Volumes have been estimated to 30 June 2022. Estimation was thought to be based off the last reading from the meter but was found to be using the default value of 55kWh per day. This is different to the customer billed figure. I calculated from 1 December 2021-30 June 2022 the customer has been billed 66,223 kWh but Simply Energy has only submitted 11,605 kWh. Simply Energy has determined a removal reading based on the average daily consumption provided by CTCT on switch in, and revised submission data will be provided within the 14 month period.</p> <p>The audit compliance report did not identify any new connections where an MEP nomination was not accepted within 14 business days.</p>

#### Distributed Generation

CTCX	<p>Two active ICPs with generation listed by the distributor were identified on the registry list. The AC020, event detail, registry list and meter installation details reports were reviewed to determine compliance:</p> <ul style="list-style-type: none"> <li>• both ICPs have generation metering installed and the NHH ICP has PV1 profile assigned,</li> <li>• no ICPs had a generation profile recorded but no generation details recorded by the distributor, and</li> <li>• there were no generation profiles inconsistent with the distributor fuel type.</li> </ul>
CTCS	<p>55 active ICPs with generation listed by the distributor were identified on the registry list. The AC020, event detail, registry list and meter installation details reports were reviewed to determine compliance:</p> <ul style="list-style-type: none"> <li>• no ICPs have generation recorded by the distributor and an I flow register with no generation compatible profile,</li> <li>• seven ICPs have generation recorded by the distributor with metering that does not indicate distributed generation is present: <ul style="list-style-type: none"> <li>○ generation is confirmed as being submitted for five ICPs; the meter record on the registry is incorrect, and</li> </ul> </li> </ul>







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

### Code reference

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

### Code related audit information

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

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

The participant responsible for the metering installation must:

- advise the reconciliation manager of the certification expiry date not later than 10 business days after certification of the metering installation
- become the MEP or contract with a person to be the MEP
- advise the reconciliation manager of the MEP identifier no later than 20 days after entering into a contract or assuming responsibility to be the MEP.

### Audit observation

The NSP table was reviewed to confirm the GIPs which Contact is responsible for, and the certification expiry date for those GIPs. Changes to the NSP table were reviewed to determine whether they had been processed accurately.

### Audit commentary

CTCS and CTCX are not responsible for any GIPs. CTCT is responsible for the GIPs shown in the table below and has not connected any new GIPs during the audit period.

Responsible party	Description	NSP	MEP	Previous certification expiry date (if different)	Certification expiry date
CTCT	CLYDE	CYD2201CTCTG	ACCM		16 September 2022
CTCT	OHAAKI	OKI2201CTCTG	ACCM		10 March 2023
CTCT	POIHIPI	PPI2201CTCTG	ACCM		11 June 2023
CTCT	ROXBURGH	ROX1101CTCTG	ACCM	22 May 2022	12 May 2025
CTCT	ROXBURGH	ROX2201CTCTG	ACCM	21 May 2022	22 July 2024
CTCT	STRATFORD	SFD2201CTCTG	ACCM		17 December 2022
CTCT	TE MIHI	THI2201CTCTG	ACCM		22 October 2023
CTCT	WHIRINAKI	WHI2201CTCTG	ACCM		17 October 2022
CTCT	WAIRAKEI	WRK2201CTCTG	ACCM		14 October 2022

Accucal updates meter certification changes directly, and the timeliness of meter recertifications is closely monitored by the generation operations team.

All grid connection points Contact is responsible for had current certification recorded on the network supply point (NSP) table, on the date that the table was reviewed.

Certification expiry dates for ROX1101CTCTG and ROX2201CTCTGG were updated on time during the audit period.

#### Audit outcome

Compliant

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

#### Code reference

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

#### Code related audit information

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

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

#### Audit observation

The AC020 reports and registry lists were reviewed to confirm the profiles used.

All active ICPs with profiles requiring control device certification were checked to determine whether AMI or HHR metering was installed, and/or the control device was appropriately certified.

#### Audit commentary

##### CTCT

Review of the registry list with history showed that CTCT has used profiles requiring certified control devices including E08, E11, E13, E24, TOC TON, T07 T23, and T08 T24.

The AC020 report identified 2,831 ICPs with profiles which require AMI or HHR metering, or a certified control device, where the control device was not certified. 2,585 of those had HHR certification, leaving 246 genuine exceptions which either had expired HHR certification or NHH non-AMI metering with no control device certification.

CTCT's reconciliation process applies RPS (using the force RPS process) if the ICP metering does not meet the requirements of the profile. CTCT elects not to update the profile to RPS in SAP and the registry, so that if/when the MEP updates their control device certification records the force RPS process will be disabled, and the correct profile will be applied. The affected ICPs are highly visible, so they can be tracked and followed up with the MEPs.

Compliance is recorded in this section, because where the controlled profiles are used for submission, the ICPs met the requirements of the profiles. Non-compliance is recorded in **section 2.1** for the 246 ICPs submitted as RPS which have controlled profiles recorded on the registry.

##### CTCX and CTCX

CTCX	Review of the registry list with history showed that CTCX has not used any profiles requiring certified control devices, and the AC020 report did not record any ICPs with profiles requiring certified control devices where control devices were not certified.
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CTCS	<p>Review of the registry list with history showed that CTCS has used profiles requiring certified control devices including E08, and T07 T23.</p> <p>The AC020 report did not record any ICPs with profiles requiring certified control devices where control devices were not certified.</p>
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**Audit outcome**

Compliant

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

**Code reference**

*Clause 10.43(2) and (3)*

**Code related audit information**

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

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

**Audit observation**

Processes relating to defective metering were examined. A sample of defective meters were reviewed, to determine whether the MEP was advised, and if appropriate action was taken.

**Audit commentary**

Defective meters are typically identified through the meter reading validation process, or from information provided by the meter reader, agent, the MEP, or the customer. Upon identifying a possible defective meter, a field services job is raised to investigate and resolve the defect and a consumption correction is processed if necessary. Corrections are discussed in **sections 2.1, 8.1 and 8.2.**

**CTCT**

I reviewed 54 examples of potential defective meters, including 44 bridged meters and ten stopped meters. Notification was provided to the MEPs in the form of service orders to unbridge, replace or check the affected meters. All jobs to unbridge meters are issued directly to the MEPs.

**CTCX and CTCX**

CTCX	No meter defects were identified during the audit period.
CTCS	<p>Two examples of potential stopped or defective meters for CTCS were identified, and in both cases the MEP was notified:</p> <ul style="list-style-type: none"> <li>• 0016097210EL0AA has a blank screen with the mains on; a field service order is in progress with the MEP, and being monitored by Simply Energy, and</li> <li>• 0007690127WAC92 has a blank screen with the mains on, and the meter was replaced by the MEP.</li> </ul>

**Audit outcome**

Compliant

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

### Code reference

Clause 2 Schedule 15.2

### Code related audit information

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

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

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

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

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

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

2(6) – The interrogation systems must record:

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

### Audit observation

The data collection and clock synchronisation processes were examined.

Contact's agents and MEPs are responsible for the collection of HHR and AMI data. Collection of data and clock synchronisation were reviewed as part of their agent and MEP audits. A sample of clock synchronisation events received by Contact were reviewed.

Contact's own data collection processes for generation data were reviewed.

### Audit commentary

All information used to determine volume is collected by Contact, one of their agents, or the MEP.

### CTCT

#### HHR

CTCT supplied five ICPs with meter category 3 or higher during the audit period:

- three are generation ICPs with meter category 5 and are read by CTCT using MV90,
- ICP 1099580899CN808 was upgraded from category 1 to category 3 on 22 February 2022 and should have been switched to CTCS and settled as HHR; the ICP remained with CTCT on the RPS

profile until a backdated switch to CTCS was completed effective from 28 February 2022, which is recorded as non-compliance in **section 12.9** - no HHR data was received, and

- ICP 1001157629CK617 has readings are provided by AMS, and compliance is recorded in their agent audit report; no clock synchronisation issues were identified during the audit period.

#### AMI

MEPs monitor clock synchronisation, and this is covered as part of their audits. Each of the MEPs advise CTCT of clock synchronisation events, but these are not currently being checked or actioned. Emailed events are reviewed and actioned as required, but there are other events that are sent and not actioned. These two issues are not relevant to this clause because this clause relates to data collection by Contact, not by MEPs. Non-compliance is recorded in **section 9.6**.

#### Generation

The MV90 server is synchronised every two hours, and prior to the commencement of any interrogation.

During each hourly interrogation, a comparison occurs between data logger and MV90 clocks. MV90 is set to automatically synchronise all data logger clocks where time errors are less than or equal to five seconds. Where time errors exist, which are greater than five seconds, but less than or equal to 60 seconds, the error is recorded in the events log and this event is noted as a failed task. A time synchronisation is still performed automatically, and the data is accepted as it is considered by CTCT that the data has not been affected by the time error. If the time error is greater than 60 seconds, then the data is downloaded; however, the time is not synchronised, and the data is deemed invalid. An investigation then occurs which may result in data correction. No clock errors outside the threshold occurred during the audit period.

#### **CTCX and CTCS**

Information used to determine volume information is provided to Simply Energy by MEPs and agents, and compliance has been demonstrated as part of their MEP and agent audits.

Information on clock synchronisation events is provided when events occur and is manually reviewed by Simply Energy. There were no examples of clock synchronisation events requiring action during the audit period.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clauses 3(1), 3(2) and 5 Schedule 15.2*

#### **Code related audit information**

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

*All validated meter readings must be derived from meter readings.*

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

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

- a) obtain the meter register*

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

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

#### **Audit observation**

The data collection process was examined.

Processes to provide meter condition information were reviewed as part of the agent audits. Contact's processes to manage meter condition information were reviewed, including viewing a sample of meter condition events.

Processes for customer and photo reads were reviewed, including review of process documentation.

#### **Audit commentary**

##### **CTCT**

##### Derivation of volume and labelling of readings

I reviewed a diverse sample of meter readings to confirm they were appropriately labelled, and validated readings were derived from meter readings.

The previous audit recorded that IntelliHUB estimates were labelled as actual readings. CTCT arranged for IntelliHUB to cease providing estimates from 14 March 2022. I checked a sample of six estimates provided by other MEPs and confirmed that they were correctly classified.

##### MRS readings

MRS and Wells data collection processes were reviewed as part of their agent audits and found to be compliant.

MRS and Wells provide meter condition information with their read files. The meter condition information is imported into SAP and used to create BPEM events, which are directed to work queues in SAP for investigation and action.

I requested information on meter condition events during the audit period and found events had been identified and actioned, including stopped meters, meter register differences, safety hazards, possible tampering, and damage.

##### Customer reads

MRS does not record customer readings. Customers are advised to provide any customer readings directly to Contact.

Customer reads are entered through Contact's app or provided to a customer services representative (CSR) by email or phone and are recorded as customer readings in SAP. Reads entered into the app are loaded directly into SAP and validated. If the read fails validation a high priority BPEM is created and directed to a user, who will check the read and reconfirm it with the customer. Readings entered by CSRs are manually validated on entry and pass through the SAP read validations.

If an actual reading is received after a customer reading is entered it will be loaded in SAP as an actual but unbillable read and create a "MRO (meter read order) not found" exception. The reading will be used to generate historic estimate and future invoice estimates but will not be used for billing.

I checked a sample of ten customer readings and found all had the customer read type correctly recorded. Customer reads are not used in the historic estimate process, and there is no impact on settlement.

##### **CTCS and CTCX**

### Derivation of volume and labelling of readings

Review of a diverse sample of meter readings confirmed validated readings are derived from meter readings. Estimates provided by MEPs are now recorded against a non-billing data stream and are not validated or used for submission. I checked an example of an estimate provided by IntelliHUB to confirm this.

### MRS and Wells readings

MRS provided readings for CTCS up to 30 June 2022, and Wells has provided readings for CTCS from 1 July 2022 and for CTCX. MRS and Wells' data collection processes were reviewed as part of their agent audits and found to be compliant.

Wells and MRS provide meter condition events via SFTP, which are imported into Salesforce and reported on using a Power BI report. These reports are reviewed when sufficient resource is available. MRS and Wells also provide a monthly report of ICPs with missing and broken seals.

### Customer reads

MRS and Wells only record reads that their meter readers have taken directly as actual readings.

Customers may provide customer and photo readings directly to Simply Energy, which are entered into DataHub as "customer actual" if they have been validated against a set of readings from another source, and "customer estimate" if they have not been validated against a set of actual readings from another source. Simply Energy found that these customer reads are not always correctly classified and stopped sending "customer actual" reads to MADRAS to calculate historic estimate. "Customer estimate" reads were never sent to MADRAS. Once DataHub allows "customer estimate" reads to be taken into account when calculating the average daily consumption used for read validation, Simply Energy will provide further training on application of the customer read types and resume sending "customer actual" reads to MADRAS.

### **Audit outcome**

Non-compliant

<b>Non-compliance</b>	<b>Description</b>		
Audit Ref: 6.6 With: Clauses 3(1), 3(2) and 5 Schedule 15.2  From: 01-Mar-21 To: 26-Jul-22	<b>CTCS and CTCX</b> Meter condition information is not routinely reviewed to identify issues with seals, tampering, phase failure or safety.  Potential impact: Medium  Actual impact: Low  Audit history: Twice previously  Controls: Weak  Breach risk rating: 3		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	The controls are recorded as weak because they are unlikely to mitigate risk most of the time.  The impact on settlement and participants is minor; therefore, the audit risk rating is low.		
<b>Actions taken to resolve the issue</b>		<b>Completion date</b>	<b>Remedial action status</b>

<p><b><u>CTCS/CTCX</u></b></p> <p>Historically we did not receive Meter condition information from our meter read provider.</p>		Identified
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b><u>CTCS/CTCX</u></b></p> <p>We changed meter read providers to Wells effective 1/7/22. We now receive a monthly report from Wells containing the Meter condition information which is reviewed and actioned by the Ops team.</p>	Ongoing	

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

### Code reference

Clause 6 Schedule 15.2

### Code related audit information

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

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

### Audit observation

The process of the application of meter readings was examined.

### Audit commentary

NHH readings apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation except in the case of a switch event meter reading which applies to the end of the day prior to the event date for the losing trader and the start of the event date for the gaining trader as required by this clause.

All AMI systems have a clock synchronisation function, which ensures correct time stamping. Manual readings taken by Wells are applied correctly.

### CTCT

Application of reads was reviewed as part of the historic estimate checks in **section 12.11** and found to be compliant.

The content of CS and RR files was examined in **sections 4.3, 4.4, 4.10** and **4.11**. This found some examples of reads being incorrectly labelled as estimates when they were actuals and vice versa as detailed in the relevant sections.

I walked through the process for NHH to HHR and HHR to NHH profile changes, including reviewing five examples of each. If the profile change coincides with a meter change, the process achieves accuracy for submission information and ICP days. For upgrades, the process is to “remove” the NHH meter from the registry and SAP on the day before the meter change, and then the ICP becomes HHR all day on the day of the meter change, with the trading periods up until the meter change being populated with zeros. The



reverse applies for a downgrade, with the ICP treated as HHR all day on the date of the removal, with zeros populated until the end of the day and the NHH meter installed the following day.

No examples were found where the profile change and meter change occurred at the same time, because CTCT usually downgrades the submission type before meter changes for category one and two meters. Reports are used to identify ICPs which may require meter changes such as non-communicating AMI meters, meters with open service orders for meter changes, and Arc category two meters. All of the profile changes occurred correctly and accurately, and validated readings were available in all cases.

**CTCS and CTCX**

Application of reads was reviewed as part of the historic estimate checks in **section 12.11** and found to be compliant. The content of CS and RR files was examined in **sections 4.3, 4.4, 4.10** and **4.11**.

I walked through the process for NHH to HHR and HHR to NHH profile changes. If the profile change coincides with a meter change, the process achieves accuracy for submission information and ICP days. For upgrades, the process is to “remove” the NHH meter from the registry and DataHub on the day before the meter change, and then the ICP becomes HHR all day on the day of the meter change, with AMI data on the day of the meter change recorded against the HHR register and the removal reading reflecting the midnight reading. The reverse applies for a downgrade, with the ICP treated as HHR all day on the date of the removal, and the NHH meter installed the following day.

<p>CTCX</p>	<p>One of the four CS files sent with an estimated read instead of an actual due to human error.</p> <p>No RRs were sent or received during the audit period.</p> <p>Review of the event detail report identified three upgrades which did not coincide with a meter change and were processed correctly.</p>
<p>CTCS</p>	<p>This found some examples of reads being incorrectly labelled as estimates when they were actuals:</p> <ul style="list-style-type: none"> <li>• one transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of “E” due to human error,</li> <li>• two transferred ICP and five switch move ICPs sent with the incorrect last read, and</li> <li>• one switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error.</li> </ul> <p>I checked one upgrade and three downgrades which did not coincide with a meter change and they were processed correctly, with the change taking effect at midnight and readings correctly applied.</p> <p>Two upgrades which coincided with meter changes were checked. I found that the day of the meter change was treated as HHR, and the NHH meter was removed effective from the day before the change.</p> <ul style="list-style-type: none"> <li>• For ICP 0000151826WA0E5, an error was made when processing the change. The AMI interval data on the day of the change was recorded against the HHR register, and the NHH meter removal reading applied at midnight on the day before the change matched the reading on the removal paperwork. This resulted in the consumption between midnight the day before the meter change and the meter change on the AMI meter being counted twice. A correction was processed during the audit.</li> </ul>

	<ul style="list-style-type: none"> <li>Simply Energy will check the meter change for 0000009599NT87D to determine whether it was correct and process a correction if necessary.</li> </ul>
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**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 6.7 With: Clause 6 Schedule 15.2  From: 02-Dec-21 To: 04-May-22	<b>CTCX</b> One of the four CS files sent with an estimated read instead of an actual due to human error.  <b>CTCS</b> One transferred ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date is for the date before the switch event date were sent with the incorrect read type of "E" due to human error. Two transferred ICP and five switch move ICPs sent with the incorrect last read. One switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error. The meter upgrade for 0000151826WA0E5 was incorrectly processed, and corrected during the audit. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are recorded as moderate overall. Accuracy has improved since the last audit but Simply Energy's work around processes to produce CS files is manual and the SQL script had an error which was not identified for six months.  The audit risk rating is assessed to be low based on the impact on settlement discrepancies.		
Actions taken to resolve the issue		Completion date	Remedial action status
<u><b>CTCX/CTCS</b></u> The meter upgrade for 0000151826WA0E5 was corrected during the audit. We feel the remaining issues identified were not deemed material enough to require correcting.		Complete  N/a	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

<p><b><u>CTCX/CTCS</u></b></p> <p>Our Mass Switch Out Process has been reviewed and subsequently updated/improved. This has included adding an audit layer to the model for future management.</p> <p>Our Mass switch process will be automated in Phase 2 of the switching automation, currently scheduled for 2023. Operations Team Lead will run regular tests to review data quality in the interim.</p>	<p>Complete</p> <p>30/9/2023</p>	
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## 6.8. Interrogate meters once (Clause 7(1) and (2) Schedule 15.2)

### Code reference

*Clause 7(1) and (2) Schedule 15.2*

### Code related audit information

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

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

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

### Audit observation

The process to manage missed reads was examined, including review of reports used in the process and individual unread ICPs.

Contact provided lists of ICPs not read during the period of supply, where the period of supply had ended during the audit period. A sample of ICPs unread during the period of supply were reviewed.

### Audit commentary

#### CTCT

Missing AMI data is monitored using the Smart Reads Dashboard by the field services team, and IMDM by the operations team. AMI files are held for seven days, or until 100% of reads are obtained before import and estimation of missing data. If a whole file is missing, the field services team receives an email notification so that it can be followed up.

When a manually read meter is unable to be read, the meter reader leaves a card in the letterbox explaining that a read was unable to be obtained and asking the customer to contact Contact Energy. Cards are unable to be left where the meter reader cannot locate the property at all.

For non-AMI meters, the Automated Meter Reading Compliance (MRC) process applies. The process begins 130 days after an estimated read is entered, so ICPs supplied for shorter periods do not usually have any action taken, and the best endeavours requirement is unlikely to be achieved. The MRC process has the following steps:

- process initiation occurs on the day an estimated reading is entered,
- letter 1 is sent if the process is still active after 130 days,
- letter 2 is sent if the process is still active 70 days after letter 1 was issued,

- letter 3 is sent to advise that there are charges if a high priority read is requested,
- a high priority (out of cycle) meter reading is requested if the process is still active 70 days after letter 2 is issued, and
- a BPEM is raised if the process is still active 60 days after the high priority read is requested; the user attempts to gain a read and enters a permanent estimate if an actual reading cannot be obtained.

The letter content varies depending on which no read reason code is provided by the meter reader. If the meter is unread due to an access issue the letter asks for this to be resolved, and if the meter is unread due to a resourcing issue or Covid isolation rules preventing access the letter asks the customer to provide their own reading so CTCT can confirm whether the readings are in line.

The MRC process is terminated when the customer switches out, is disconnected, an actual reading is received, or they are added to a meter reader exclusion list (due to a health and safety issue or not being allocated to an active meter reading route). The MRC process continues after customer reads are received.

CTCT provided a list of 155 ICPs not read during the period of supply, where the period of supply ended between 1 December 2021 and 9 May 2022. 84 of the ICPs had periods of supply less than 60 days and 61 had periods of supply less than 30 days. I checked ten ICPs with a period of supply longer than 60 days. All met the best endeavours requirements because CTCT attempted to contact the customer at least three times using two different methods of communication to resolve the access issues.

## **CTCX and CTCS**

### ICPs read manually

The read attainment process for manually read ICPs changed in January-February 2022, prior to that Simply Energy were not actively contacting customers where reads could not be obtained.

All manual meter readings are now obtained by Wells. Up to 30 June 2022 CTCS manual readings were obtained by MRS.

When meter readers cannot access a meter, a meter reader card is not left at the address. The card process would be too complex for Simply Energy because multiple brands are supplied.

Wells provide monthly reporting on unread ICPs including the no read code, no read reason and last actual read date. Simply Energy adds customer account and contact information to the report and reviews the ICPs focussing on those which have never been read and the oldest last read dates. MRS also provided similar no read reports since January 2022.

The support team and/or business specialists contact the customer to attempt to resolve the issues preventing readings from being obtained. Communication is usually by email in the first instance, but the method of communication is at the staff member's discretion. Because many customers are account managed, contacting one customer may cover a large number of unread ICPs. Communications are expected to be customised based on the no read reason provided by the meter reader, but I found where customers were contacted about groups of ICPs a generic message asking for location information was sometimes provided when some of the customer's ICPs were unread for other reasons such as a locked gate, or access being obstructed.

<b>Recommendation</b>	<b>Description</b>	<b>Audited party comment</b>	<b>Remedial action</b>
Communication with customers on the reasons ICPs are unread	<b>CTCS and CTCX</b> Ensure that the reasons each ICP is unread is provided to the customer	Historically we were getting generic reasons for no reads that were not accurate. We have recently changed meter provider	Identified

Recommendation	Description	Audited party comment	Remedial action
	so that issues can be appropriately resolved.	(effective 1/7/22) and expect the information we receive to improve. This will translate to better communication with clients where reads are not being attained.	
Develop clear guidance to ensure the best endeavours requirements for read attainment are met	<b>CTCS and CTCX</b> Currently communication methods and content are determined by the staff member. I recommend providing guidance to ensure that the requirement to make at least three attempts to contact the customer using two different communication methods are met where the issue cannot be resolved promptly.	Where we have a no read issue, the team will first send an email. If an email has already been sent then they will call the customer to resolve the no read or access issue and if unable to make contact, will leave a phone message and follow that up with a second email.	Identified

#### AMI ICPs read by MEPs

SalesForce's Read KPI report shows NHH settled meters which have not been read for more than 40 days including AMI and manually read meters. The report is reviewed approximately weekly, and service orders are raised to attempt to resolve communication issues for AMI meters. If the issue cannot be resolved promptly the ICP will be moved to a Wells reading route.

SalesForce's HHR recon no reads report shows ICPs with HHR profile where the AMI flag has been changed to no. The ICPs are investigated weekly and moved to NHH profile and a manual reading route if necessary.

#### Read attainment during the period of supply

CTCX	No ICPs were unread during the period of supply.
CTCS	CTCS provided a list of 58 ICPs not read during the period of supply, where the period of supply ended between 1 December 2021 and 9 April 2022. Six of the ICPs had periods of supply less than 60 days and four had periods of supply less than 30 days. I checked ten ICPs with a period of supply longer than 60 days and found the best endeavours requirements were not met. A large portion of the periods of supply fell before the read attainment process change in January-February 2022.

#### **Audit outcome**

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: 01-Oct-20</p> <p>To: 05-Apr-22</p>	<p><b>CTCS</b></p> <p>For at least ten ICPs unread during the period of supply, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>The meter read compliance process begins after 130 days with no readings so it is unlikely compliance will be achieved where the period of supply is less than 130 days.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>Controls are rated as moderate as they have improved during the audit period, and all unread ICPs are now reviewed monthly, and contact with the customer or MEP is initiated.</p> <p>The impact on settlement and participants is expected to be minor therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b>CTCS</b></p> <p>This is a historical issue where no process was in place, which has since been resolved.</p> <p>We have since created a process (started in Feb 22) where any unread meter &gt;3 months is sent and actioned by our Support team. This involves them contacting the customer via email on the first attempt and a phone call if a 2nd attempt is required to gain and update access details to assist the meter readers in successfully obtaining an accurate meter read.</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b>CTCS</b></p> <p>Monthly reports are received from Wells and actioned by the support team using this process. We also have reports in Salesforce that highlight unread meters which we use. We are also in the process of setting up the ability for us to raise a "Special meter read". This will speed up the process of us being able to send a meter read back to a site to gain an actual read when we receive access information from a customer.</p>		<p>Date</p> <p>Ongoing</p>	

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

### Code reference

Clause 8(1) and (2) Schedule 15.2

### Code related audit information

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

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

### Audit observation

The meter reading process was examined. Monthly reports were provided and reviewed to determine whether they met the requirements of clauses 8 and 9 of schedule 15.2.

A sample of ICPs not read in the previous 12 months were reviewed to determine whether reasonable endeavours were used to attain reads, and if exceptional circumstances existed.

### Audit commentary

As discussed in **section 6.8**, there are processes in place monitor read attainment, and attempt to resolve issues preventing read attainment.

### CTCT

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Dec 2021	329	77	1,682	99.19%
Jan 2022	330	76	1,721	99.19%
Feb 2022	330	75	1,861	99.13%
Mar 2022	331	82	2,027	99.06%

Read attainment percentages have improved since the last audit.

I reviewed 20 ICPs not read in the previous 12 months to determine whether exceptional circumstances exist, and if CTCT had used their best endeavours to obtain readings. In all cases, appropriate communication had occurred to attempt to get access for meter reading. In some cases, the properties were vacant, but were still being read.

Copies of the meter reading frequency reports to the Electricity Authority for December 2021 to March 2022 were provided, and the reports were sent within 20 business days after the end of the month and met the reporting requirements.

### CTCX

The monthly meter reading reports provided were reviewed, and all ICPs were read within the previous 12 months.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Dec 2021	1	-	-	100.00%
Jan 2022	1	-	-	100.00%
Feb 2022	1	-	-	100.00%
Mar 2022	1	-	-	100.00%

Copies of the meter reading frequency reports to the Electricity Authority for December 2021 to March 2022 were provided, and the reports were sent within 20 business days after the end of the month and met the reporting requirements.

### CTCS

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Dec 2021	55	12	40	86.01%
Jan 2022	55	9	27	90.53%
Feb 2022	51	8	34	87.22%
Mar 2022	49	9	25	90.53%

I reviewed 20 ICPs not read in the 12 months ending March 2022 determine whether exceptional circumstances exist, and if CTCS had used their best endeavours to obtain readings. In all cases Simply Energy had either made no attempt or one attempt to resolve the issues preventing read attainment, mainly because most of the unread period fell before the change to monthly monitoring and action in January-February 2022.

Copies of the meter reading frequency reports to the Electricity Authority for December 2021 to March 2022 were provided, and the reports were sent within 20 business days after the end of the month and met the reporting requirements.

The previous audit found that if a switch event reading was higher than subsequent actual reads it would be ignored until the reads “catch up”. Now, if two actual reads lower than the switch event reads are obtained CTCS will consistently issue a RR request.

### Audit outcome

Non-compliant



Non-compliance	Description		
<p>Audit Ref: 6.9</p> <p>With: clause 8(1) and (2) Schedule 15.2.</p> <p>From: 01-Apr-21</p> <p>To: 31-Mar-22</p>	<p><b>CTCS</b></p> <p>For at least 20 ICPs unread in the 12 months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>Controls are rated as moderate as they have improved during the audit period, and all unread ICPs are now reviewed monthly, and contact with the customer or MEP is initiated.</p> <p>The impact on settlement and participants is expected to be minor therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b>CTCS</b></p> <p>This is a historical issue where no process was in place, which has since resolved.</p> <p>We have since created a process (started in Feb 22) where any unread meter &gt;3 months is sent and actioned by our Support team. This involves them contacting the customer via email on the first attempt and a phone call if a 2nd attempt is required to gain and update access details to assist the meter readers in successfully obtaining an accurate meter read. As the new process came in place Feb 22 some of these ICPs only had 1 attempt via email to gain access.</p>		<p>Ongoing</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b>CTCS</b></p> <p>Monthly reports are received from Wells and actioned by the support team using this process. We also have reports in Salesforce that highlight unread meters which we use. We are also in the process of setting up the ability for us to raise a "Special meter read". This will speed up the process of us being able to send a meter read back to a site to gain an actual read when we receive access information from a customer.</p>		<p>Ongoing</p>	

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

### Code reference

Clause 9(1) and (2) Schedule 15.2

### Code related audit information

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

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

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

### Audit observation

The meter reading process was examined. Monthly reports were provided and reviewed.

A sample of ICPs not read in the previous four months at NSPs where less than 90% of ICPs were read were reviewed to determine whether exceptional circumstances existed and if Contact had used their best endeavours to obtain readings.

### Audit commentary

As discussed in **section 6.8**, there are processes in place monitor read attainment, and attempt to resolve issues preventing read attainment.

### CTCT

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Dec 2021	339	43	6,485	97.35%
Jan 2022	341	40	6,108	97.55%
Feb 2022	341	42	6,557	97.38%
Mar 2022	343	49	7,872	96.87%

Read attainment percentages are similar to the last audit.

I reviewed 22 ICPs not read in the previous four months determine whether exceptional circumstances exist, and if CTCT had used their best endeavours to obtain readings. In 20 cases, appropriate communication had occurred to attempt to get access for meter reading, and the other two ICPs were vacant and exceptional circumstances existed.

### CTCX

The monthly meter reading reports provided were reviewed, and all ICPs were read within the previous four months.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Dec 2021	1	-	-	100.00%
Jan 2022	1	-	-	100.00%
Feb 2022	1	-	-	100.00%
Mar 2022	1	-	-	100.00%

### CTCS

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	ICPs unread for 4 months	Overall percentage read
Dec 2021	56	17	49	83.33%
Jan 2022	56	14	40	86.39%
Feb 2022	51	10	41	84.64%
Mar 2022	49	10	34	87.17%

I reviewed ten ICPs not read in the previous four months determine whether exceptional circumstances exist, and if CTCS had used their best endeavours to obtain readings. In all cases Simply Energy had either made no attempt or one attempt to resolve the issues preventing read attainment, mainly because most of the unread period fell before the change to monthly monitoring and action in January-February 2022.

### Audit outcome

Non-compliant

Non-compliance	Description
<p>Audit Ref: 6.10</p> <p>With: Clause 9(1) and (2) Schedule 15.2</p> <p>From: 01-Dec-21</p> <p>To: 31-Mar-22</p>	<p><b>CTCS</b></p> <p>For at least ten ICPs unread in the four months ending 31 March 2022, exceptional circumstances did not exist, and the best endeavours requirement was not met.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>

Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>Controls are rated as moderate as they have improved during the audit period, and all unread ICPs are now reviewed monthly, and contact with the customer or MEP is initiated.</p> <p>The impact on settlement and participants is expected to be minor therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCS</u></b></p> <p>This is a historical issue where no process was in place, which has since been resolved.</p> <p>We have since created a process (started in Feb 22) where any unread meter &gt;3 months is sent and actioned by our Support team. This involves them contacting the customer via email on the first attempt and a phone call if a 2nd attempt is required to gain and update access details to assist the meter readers in successfully obtaining an accurate meter read. As the new process came in place Feb 22 some of these ICPs only had 1 attempt via email to gain access.</p>		Ongoing	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b><u>CTCS</u></b></p> <p>Monthly reports are received and we also have a monthly meeting with Wells to discuss HSE, reading limitations (I.e. sickness/vacancies) and attainment rate. This will provide us with greater visibility of potential unread sites and enable us to monitor and drive performance/attainment upward.</p>		Ongoing	

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

##### Code reference

Clause 10 Schedule 15.2

##### Code related audit information

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

- 10(a) - the means to establish the identity of the individual meter reader
- 10(b) - the ICP identifier of the ICP, and the meter and register identification
- 10(c) - the method being used for the interrogation and the device ID of equipment being used for interrogation of the meter.
- 10(d) - the date and time of the meter interrogation.

### Audit observation

NHH data is collected by MEPs and agents. The data interrogation log requirements were reviewed as part of their agent and MEP audits.

### Audit commentary

Compliance with this clause has been demonstrated by Contact's agents and MEPs as part of their own audits.

### Audit outcome

Compliant

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

### Code reference

*Clause 11(1) Schedule 15.2*

### Code related audit information

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

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

### Audit observation

HHR data is collected by agents, and generation data is collected by Contact. Data collection processes were reviewed for generation, and as part of the agent audits.

### Audit commentary

#### **CTCT**

#### Generation

Contact collects generation data via the services access interface. Back-up meters are installed at every generation installation, which eliminates the requirement for manual data interrogation, and processes have therefore not been established for this activity. The backup meters are off the same measuring transformers. There are also backup SCADA installations with separate CTs, VTs and meters.

#### HHR

Of the five ICPs with meter category three or higher, only ICP 1001157629CK617 had HHR data supplied to CTCT and compliance with this clause has been demonstrated by AMS.

#### **CTCS and CTCX**

Compliance is recorded in the AMS and EDMI agent audit reports.

### Audit outcome

Compliant

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

### Code reference

*Clause 11(2) Schedule 15.2*

## Code related audit information

The following information is collected during each interrogation:

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

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

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

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

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

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

## Audit observation

### CTCT

HHR data is collected by agents, and generation data is collected by Contact. Data collection processes were reviewed for generation, and as part of the agent audits.

## Audit commentary

### CTCT

#### Generation

The following information is collected during each automated interrogation of HHR generation metering:

- the unique identifier (serial no) of the meter or data logger,
- the connection time, disconnection time and recorder time,
- the half-hour metering information for each trading period, and
- the events log.

Event log information is provided to the appropriate generation station for review. If any actions are required, the instruction will be provided by generation engineers as required.

#### HHR

Of the five ICPs with meter category three or higher, only ICP 1001157629CK617 had HHR data supplied to CTCT and compliance with this clause has been demonstrated by AMS.

### CTCS and CTCX

Compliance is recorded in the AMS and EDM I agent audit reports.

## Audit outcome

Compliant

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

### Code reference

Clause 11(3) Schedule 15.2

### Code related audit information

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

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

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

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

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

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

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

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

### Audit observation

HHR data is collected by agents, and generation data is collected by Contact. Data collection processes were reviewed for generation, and as part of the agent audits.

### Audit commentary

#### CTCT

##### Generation

For generation metering an interrogation log is generated to record details of all interrogations and the audit confirmed that appropriate action is taken where problems are apparent.

The interrogation log contains the following information:

- the date of interrogation,
- the time of commencement of interrogation,
- the operator identification (for non-scheduled data collection),
- the unique identifier of the meter or data logger,
- the clock errors outside the range specified in clause 12, and
- the method of interrogation.

##### HHR

Of the five ICPs with meter category three or higher, only ICP 1001157629CK617 had HHR data supplied to CTCT and compliance with this clause has been demonstrated by AMS.

#### CTCS and CTCX

Compliance is recorded in the AMS and EDMI agent audit reports.

### Audit outcome

Compliant

## 7. STORING RAW METER DATA

### 7.1. Trading period duration (Clause 13 Schedule 15.2)

#### Code reference

*Clause 13 Schedule 15.2*

#### Code related audit information

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

#### Audit observation

Trading period duration was reviewed as part of the MEP audits and agent audits.

Contact's clock synchronisation process ensures that trading period duration for generation meters is normally 30 minutes within  $\pm 2$  seconds.

#### Audit commentary

Compliance with this clause has been demonstrated by the agents and MEPs and is discussed in their audit reports.

Contact's clock synchronisation process for generation meters is discussed in **section 6.5**.

#### Audit outcome

Compliant

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

#### Code reference

*Clause 18 Schedule 15.2*

#### Code related audit information

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

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

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

#### Audit observation

Processes to archive and store raw meter data were reviewed.

#### Audit commentary

Compliance with this clause has been demonstrated by Contact's MEPs and agents.

#### CTCT

Contact's IT team confirmed that raw meter read data is retained for more than 48 months, and I viewed reading data that had been retained for over 48 months during the audit.

I viewed audit trails in SAP, IMDM, HDM, and MV90 and confirmed that read and volume data cannot be modified without an audit trail being created. Access to CTCT's systems is restricted using logins and passwords.



## **CTCX and CTCS**

Simply Energy intends to retain raw meter data indefinitely, and I confirmed that the first data supplied for CTCX and CTCX ICPs was retained.

Access to systems is restricted using logins and passwords and I confirmed that read and volume data cannot be modified without an audit trail being created.

### **Audit outcome**

Compliant

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

### **Code reference**

*Clause 21(5) Schedule 15.2*

### **Code related audit information**

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

### **Audit observation**

Processes to archive and store non-metering data were reviewed.

### **Audit commentary**

#### **CTCT**

The main non-metering information is on/off time logs for distributed unmetered load and SCADA records supporting on/off times for NHH profiles. This data is received in a password protected email and loaded into SAP to create interval profiles.

The data is stored securely and retained indefinitely.

#### **CTCX**

CTCX will not deal with any non-metering information.

#### **CTCS**

CTCS deals with some non-metering information for DUMML ICPs. EMS retains the data logger files, and compliance is recorded in their agent audit report.

Simply Energy will retain DUMML information provided by database owners indefinitely.

### **Audit outcome**

Compliant

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

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

#### Code reference

Clause 19(1) Schedule 15.2

#### Code related audit information

*If a reconciliation participant detects errors while validating non-half hour meter readings, the reconciliation participant must:*

*19(1)(a) - confirm the original meter reading by carrying out another meter reading*

*19(1)(b) - replace the original meter reading the second meter reading (even if the second meter reading is at a different date)*

*19(1A) if a reconciliation participant detects errors while validating non half hour meter readings, but the reconciliation participant cannot confirm the original meter reading or replace it with a meter reading from another interrogation, the reconciliation participant must:*

- *substitute the original meter reading with an estimated reading that is marked as an estimate; and*
- *subsequently replace the estimated reading in accordance with clause 4(2).*

#### Audit observation

Processes for correction of NHH meter readings were reviewed, including checking examples of corrections where available. Corrections to volumes where meter readings match the value recorded by the meter, such as where a multiplier is incorrect, a meter is defective or bridged, or inactive consumption is identified were reviewed in **section 2.1**.

#### Audit commentary

##### CTCT

Where errors are detected during validation of non-half hour meter readings, a check reading is performed, or AMI data is checked. If an original meter reading cannot be confirmed, then an estimated reading is used and is labelled as an estimate in SAP.

Transposed meters are identified through the implausible read validations. These are typically reviewed by a robot, which will request a control read. The control read is returned to a user for validation. Once the correct reads are confirmed, a device modification is carried out to ensure that reads are recorded against the correct register.

##### CTCS and CTCX

Simply Energy manages NHH corrections as an agent.

Where errors are detected during validation of non-half hour meter readings, a check reading is performed, or AMI data is checked. If an original meter reading cannot be confirmed it is invalidated and an estimated reading is applied for billing. Estimated readings are ignored by the historic estimate calculation process; if no validated actual readings are available, forward estimates are created.

If a reading is invalidated before being sent to MADRAS, the read will not be sent. If the reading is invalidated after being sent to MADRAS it will be updated using the read replacement process discussed in **section 12.3**.

If transposed meters are identified through the validation process, they are corrected using the read renegotiation process if switch reads are affected, or by moving the readings to the correct registers.

## Audit outcome

Compliant

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

#### Code reference

Clause 19(2) Schedule 15.2

#### Code related audit information

*If a reconciliation participant detects errors while validating half hour meter readings, the reconciliation participant must correct the meter readings as follows:*

*19(2)(a) - if the relevant metering installation has a check meter or data storage device, substitute the original meter reading with data from the check meter or data storage device; or*

*19(2)(b) - if the relevant metering installation does not have a check meter or data storage device, substitute the original meter reading with data from another period provided:*

- (i) The total of all substituted intervals matches the total consumption recorded on a meter, if available; and*
- (ii) The reconciliation participant considers the pattern of consumption to be materially similar to the period in error*

#### Audit observation

Processes for correction of HHR meter readings were reviewed. Three HHR corrections were reviewed, including a check that updated consumption data flowed through to revision reconciliation submissions.

Processes for the correction of generation data were reviewed, including walking through a correction.

#### Audit commentary

##### CTCT

##### HHR meter data

No corrections were conducted for meters with category 3 or higher.

I checked ten examples of corrections for category 1 ICPs settled as HHR and confirmed that they were reasonable and based on the best information available.

##### HHR DUML data

The previous audit recorded that DUML submissions were calculated in SAP based on a monthly snapshot of wattage information provided by the database owner and logger hours (where available). The logger hours were checked for completeness and reasonableness, and the dataset was validated through the HHR validation process.

There are no longer any DUML HHR submissions occurring. Most DUML ICPs have moved to the CTCS code. Three DUML ICPs are still with CTCT, and they are all submitted using the RPS profile.

##### Generation data

Where errors are detected during validation of half-hour generation metering information the first course of action is to use data from back-up metering that is installed at all metering installations. In the unlikely event that back-up data is not available, estimation is performed using SCADA data. Corrections are made based on instructions from generation engineers.

There were no corrections during the audit period, but the process was checked, and it remains compliant.

## CTCS and CTCX

EDMI and AMS supply HHR data directly to Simply Energy. Simply Energy creates HHR submissions, including temporary estimates, permanent estimates, and corrections.

Corrections are calculated manually and imported into DataHub in an EIEP3 file. A compliant audit trail entry is added into the permanent estimate log.

CTCX	No corrections were required for CTCX during the audit period.
CTCS	I reviewed ten corrections made for CTCS. All were for meter changes, and they all had appropriate calculations and audit trails.

### Audit outcome

Compliant

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

### Code reference

*Clause 19(3) Schedule 15.2*

### Code related audit information

*A reconciliation participant may use error compensation and loss compensation as part of the process of determining accurate data. Whichever methodology is used, the reconciliation participant must document the compensation process and comply with audit trail requirements set out in the Code.*

### Audit observation

Error and loss compensation was discussed, and the processes in place reviewed.

### Audit commentary

Contact does not deal with any loss and compensation arrangements. If a compensation arrangement was in place, this would be identified through the load check process employed at the time of certification or recertification.

### Audit outcome

Compliant

## 8.4. Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)

### Code reference

*Clause 19(4) and (5) Schedule 15.2*

### Code related audit information

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

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

*19(5)(a)- the date of the correction or alteration*

*19(5)(b)- the time of the correction or alteration*

*19(5)(c)- the operator identifier for the person within the reconciliation participant who made the correction or alteration*

*19(5)(d)- the half-hour metering data or the non-half hour metering data corrected or altered, and the total difference in volume of such corrected or altered data*

*19(5)(e)- the technique used to arrive at the corrected data*

*19(5)(f)- the reason for the correction or alteration.*

#### **Audit observation**

Corrections are discussed in **sections 8.1** and **8.2**, which confirmed that raw meter data is not overwritten as part of the correction process. Audit trails are discussed in **section 2.4**.

Raw meter data retention for MEPs and agents was reviewed as part of their own audits.

#### **Audit commentary**

Compliance with this clause has been demonstrated by Contact's MEPs and agents.

I reviewed journals for NHH, HHR, and generation data corrections for all codes and noted that they were compliant with the requirements of this clause.

#### **Audit outcome**

Compliant

## 9. ESTIMATING AND VALIDATING VOLUME INFORMATION

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

#### Code reference

Clause 3(3) Schedule 15.2

#### Code related audit information

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

#### Audit observation

A sample of reads and volumes were traced from the source files to Contact's systems in **section 2.3**.

Provision of estimated reads to other participants during switching was reviewed in **sections 4.3, 4.4, 4.10** and **4.11**. Correct identification of estimated reads, and review of the estimation process was completed in **sections 2.1, 8.1** and **8.2**.

#### Audit commentary

##### CTCT

CTCT arranged for IntelliHUB to cease providing estimates from 14 March 2022. I checked a sample of six estimates provided by other MEPs and confirmed that they were correctly classified.

All readings checked during the audit were correctly classified.

##### CTCX and CTCS

Estimated AMI register readings are provided by IntelliHUB when they cannot obtain a reading. I confirmed that these estimates are recorded against a non billable register and not used for billing or reconciliation. Previously these estimated readings had been recorded as actual (final) in DataHub, which prevented them from being replaced with actual readings if the actual readings were provided after the estimates were imported.

CTCX	All readings checked during the audit were correctly classified.
CTCS	<p>As detailed in <b>section 4.3</b> and <b>4.10</b> for CTCS:</p> <ul style="list-style-type: none"><li>• one transfer switch ICP and all five ICPs sampled of a possible 15 switch moves where the last actual read date was the day before the switch event date were sent with the incorrect read type of "E" due to human error, and</li><li>• one switch move CS file (0370679563LCE37) had a last actual read date on the event date and an estimated switch event read type due to human error.</li></ul> <p>All other readings checked during the audit were correctly classified.</p>

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 9.1 With: Clause 3(3) Schedule 15.2  From: 02-Dec-21 To: 04-May-22	<b>CTCS</b> Two transfer switch ICPs and all five ICPs sampled of a possible 15 switch move ICPs, had incorrectly labelled switch event meter readings.  Potential impact: Low  Actual impact: Low  Audit history: Multiple times  Controls: Moderate  Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are recorded as moderate overall as a small number of switch event readings were incorrectly labelled for CTCS.  The impact on settlement and participants is low. Applying the read type "E" does not impact on other traders' ability to issue read renegotiation requests under clause 6(2) and (3) Schedule 11.3, and the read values were correct so there is no impact on settlement or the customer.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCS</b> These historic issues are unable to be corrected.			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCS</b> Our Mass Switch Out Process has been reviewed and subsequently updated/improved. This has included adding an audit layer to the model for future management.  Our Mass switch process will be automated in Phase 2 of the switching automation, currently scheduled for 2023. Operations Team Lead will run regular tests to review data quality in the interim.		Complete  30/9/2023	

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

### Code reference

Clause 3(4) Schedule 15.2

### Code related audit information

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

3(4)(a) - validated meter readings

3(4)(b) - estimated readings

3(4)(c) - permanent estimates.

### Audit observation

A sample of submission data was reviewed in **sections 11** and **12**, to confirm that volume was based on readings as required.

### Audit commentary

Review of submission data confirmed that it is based on readings as required by this clause.

### Audit outcome

Compliant

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

### Code reference

*Clause 3(5) Schedule 15.2*

### Code related audit information

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

### Audit observation

A sample of submission data was reviewed in **sections 11** and **12**, to confirm that volume was based on readings as required.

NHH data is collected by MEPs and agents, and HHR data is collected by agents, and generation data is collected by Contact.

EMS reports generation data to the reconciliation manager as CTCT's agent. Their processes for HHR data were reviewed as part of their agent audit.

### Audit commentary

The MEPs and agents retain the raw, unrounded data.

### CTCT

NHH reads and HHR interval data is not rounded or truncated on import into SAP. The number of decimal places recorded in SAP matched the source files for the sample of data checked.

CTCT supplied five ICPs with meter category 3 or higher during the audit period:

- three are generation ICPs with meter category 5 and are read by CTCT using MV90; the generation meter data is not rounded or truncated on import,
- ICP 1099580899CN808 was upgraded from category 1 to category 3 on 22 February 2022 and should have been switched to CTCS and settled as HHR; as it had a backdated switch no HHR data was received, and
- ICP 1001157629CK617 has meter category 3 and is to be decommissioned once a new ICP is created for the load still metered through this ICP; AMS provides HHR data and compliance was demonstrated during their agent audit.

For generation data I traced a sample of reads from MV90 to SAP and confirmed that generation meter data is not rounded or truncated on import.

### CTCX and CTCS

AMS and EDMI's EIEP3 file format may round the trading period data to two decimal places if the meter does not have a multiplier and the volume for that hour has a non-zero value in the third decimal place. Data is not rounded on import into DataHub.



NHH readings are imported into DataHub with decimal places included, and MADRAS now accepts readings with decimal places.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 9.3 With: Clause 3(5) of schedule 15.2  From: 01-Mar-21 To: 09-Aug-22	<b>CTCS and CTCX</b> AMS and EDMl's EIEP3 file format may round the trading period data to two decimal places if the meter does not have a multiplier and the volume for that hour has a non-zero value in the third decimal place. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	For HHR data, the controls are rated as moderate because data includes all decimal places provided for most ICPs. The impact is assessed to be low for the EIEP3 format, because a small number of ICPs are expected to be affected and the issue only affects the third decimal place under certain circumstances.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCS/CTCX</b> AMS and EDMl effective 1/7/2022 are now sending EIEP3 files with 3 dp.		Complete	Cleared
Preventative actions taken to ensure no further issues will occur		Completion date	

#### 9.4. Half hour estimates (Clause 15 Schedule 15.2)

##### Code reference

Clause 15 Schedule 15.2

##### Code related audit information

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

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

### **Audit observation**

The HHR estimate processes was examined, and a sample of estimates were reviewed.

Estimates for generation stations are rare due to the high degree of metering accuracy and use of check metering as described in **section 9.6**. No examples of generation data estimates were identified during the audit period.

### **Audit commentary**

#### **CTCT**

##### HHR data

No estimates were created for meters with category 3 or higher.

AMI estimates for missing data are created in IMDM using a gap filling process to fill missing intervals. The estimates require boundary readings (which may be actual or estimated) in order to calculate the interval consumption. I reviewed a sample of ten AMI estimates for missing data and found that the reasonable endeavours requirement was met.

If no estimated or actual data is provided to SAP by IMDM, SAP will estimate based on 0.5 kWh per trading period per meter register, unless a meter register and profile are not set up in SAP. If no meter register or profile are set up in SAP, no estimation will occur.

There is sometimes a delay in setting up meter registers in SAP for new connections, switch ins, and meter replacements. A SM02 BPEM is created when HHR interval data is received for a meter register which is not set up in SAP, and staff check ORB and/or the registry for metering information and update SAP so that the data can be imported from SAP's staging table. Where no estimated or actual data is received, this BPEM will not be created, and missing data may not be detected unless it is discovered and addressed through the reconciliation submission validation process. A recommendation is made in **section 2.1** to ensure that inputs into the reconciliation process are correct, and missing and incorrect information is resolved at the first opportunity.

##### Generation data

Estimates are fairly rare for generation metering. The generation engineers provide compensated data from the secondary metering at the station when estimates are required. No estimates occurred during the audit period.

#### **CTCS and CTCX**

EDMI and AMS supply HHR data directly to Simply Energy. Simply Energy creates HHR submissions, including temporary estimates, permanent estimates, and corrections.

Temporary estimates are created by DataHub, and a job is run to create temporary estimates for each ICP with missing data. Estimates are based on historic information for an equivalent day and trading period of the last week with actual volume data, unless other data such as check metering is available to confirm the correct values. The estimation methodology sets out how equivalent days are determined, and accounts for working days, non-working days, daylight savings beginning and ending, and public holidays for days that are estimated. Where insufficient metering history is available for DataHub to calculate estimates, estimates are manually calculated and then imported into DataHub in EIEP3 format.

Volumes are identified as F (final actual), E (estimated) or D (deleted) in DataHub at trading period level. Permanent estimates are created in DataHub by importing a new file with the permanent estimate data marked as F (final). Permanent estimates can be identified at trading period level using the permanent

estimate log, which is updated manually when permanent estimates are created as described in **section 8.4**. Temporary estimates are marked as E (estimated) at trading period level.

When trading period data has been estimated and actual data is received later, the actual data is imported and validated against the estimates. HHR replacement data can now be loaded without a register reading. Where an MEP has provided a part day of data, they may later provide a replacement file which contains nulls for the trading periods already provided and HHR volumes for the part of the day that was originally missing. I found that where this occurs, DataHub imports the whole replacement file, which replaces the actual data originally provided with the null values. DataHub then creates estimates for the missing periods. This is recorded as non-compliance in **section 12.7**. When data is replaced, compliant audit trails are created within DataHub’s job log.

Recommendation	Description	Audited party comment	Remedial action
Replacement of actual data with actual data	<b>CTCS and CTCX</b> If partial replacement data is provided, ensure that only the periods with valid replacement data are updated in DataHub.	This requires a software change and we are currently liaising with our software provider on how this can be achieved. Prior to any changes made a Material Change Audit will be conducted.	Investigating

Estimates provided by MEPs are now recorded against a non-billing data steam and are not validated or used for submission. I checked an example of an estimate provided by IntelliHUB to confirm this.

CTCX	I reviewed two estimates for missing data for CTCX. In all cases the reasonable endeavours requirement was met.
CTCS	I reviewed eight estimates for missing data for CTCS. In all cases the reasonable endeavours requirement was met.

#### Audit outcome

Compliant

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

#### Code reference

Clause 16 Schedule 15.2

#### Code related audit information

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

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

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

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

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

## Audit observation

I reviewed and observed the NHH data validation process, including checking a sample of data validations. I reviewed system and process documentation, to confirm validation settings and procedures for readings which have failed validation.

## Audit commentary

### CTCT

Data validation for NHH metering information occurs at multiple levels.

#### Meter reader validation

For meters manually interrogated by MRS and Wells, a validation within their hand-held device identifies readings outside specified high/low parameters and prompts the reader to check the reading. This process is discussed further in their agent audit reports.

MRS and Wells also check the condition of the meters, to identify issues that could affect meter accuracy or safety. If an issue is identified, the appropriate condition code is entered into the hand-held device and provided to CTCT. This process is discussed further in **section 6.6**.

#### AMI validation

For AMI meters, the MEPs have access to meter event and clock synchronisation information that may identify issues with meter accuracy. The process to receive and review this information is discussed in **section 9.6**.

#### Read import and billing validation

Contact's file import process identifies any file errors or corruption and creates an exception.

Once successfully imported, the billing validations identify any consumption outside prescribed limits and creates an exception. There are different limits for AMI and standard meters. A summary of the validations is set out below:

Validation type	Description
Implausible reads	High consumption Extra high consumption
Negative consumption	Negative consumption
Zero consumption	Zero consumption for the previous month
Vacant and disconnected consumption	Vacant consumption >0 units Disconnected consumption >2 units
Billing period	Short or long bill period
Bill value	Billed dollar value outside of tolerance

When exceptions are created, they are assigned to users or robots as BPEMs. Robots primarily process implausible read, zero consumption and bill value exceptions, and approve them based on a set of rules or request a control read. For instance, if an implausible read is the first reading after a switch gain read the robot will issue a request for a control (out of cycle) meter reading.

Exceptions not validated by the robots and returned control readings are directed to work queues. Users investigate each exception, starting with the oldest and highest priority exceptions. If an exception is not

resolved on the first day because it requires further investigation, the BPEM will remain until it is resolved. If a BPEM will require later follow up (such as when a control read is requested), the user can set the BPEM status to pending and specify a number of days, after which time the BPEM will reappear in the user's main queue. This process helps to prevent double handling.

Each type of exception is assigned to several primary users, to ensure that several team members are familiar with the process to cover absences. The Operations Team Leader (Billing) monitors overdue service orders and BPEMs and the total number of service orders and requests daily, and takes action to follow up and redistribute tasks, if required. Summary reporting of open service orders, performance and workloads is reviewed weekly. Similar monitoring is in place for field services BPEMs.

BPEMs are generated for the revenue assurance team when consumption occurs on an inactive ICP. A robot initially validates the consumption to determine whether it is likely to be genuine, then it is reviewed by a user who will correct the status, add disconnection and reconnection reads and/or invalidate misreads as necessary. Where the inactive consumption occurs over a long period, it is possible to make an adjustment to the volumes for the affected reconciliation periods independent of billing in SAP.

Legacy meters with zero consumption for more than 90 days and AMI meters with zero consumption for more than 120 days are monitored by the revenue assurance team using BPEMs.

Contact has phased out its legacy pre-pay meters, therefore the pre-pay no vend reports are not required. There are now three active ICPs with the prepay flag set to yes. These ICPs are moved to post pay mode and are read manually every two months to monitor for consumption.

### **CTCS and CTCX**

Data validation for NHH metering information occurs at multiple levels and is managed by Simply Energy.

#### Meter reader validation

As discussed in **section 6.6**, MRS and Wells validate readings and check meter condition when readings are obtained but this information is not consistently reviewed.

For AMI meters, the MEPs have access to meter event and clock synchronisation information that may identify issues with meter accuracy. The process to receive and review this information is discussed in **sections 6.5** and **9.6**.

#### Read import and billing validation

Simply Energy's NHH validation process includes the following checks:

- the reading relates to a valid ICP meter and register, and
- the content of each field is valid and not corrupted, including dates and times.

The meter reading validations check:

- the reading is consistent with the number of dials recorded,
- whether the reading is higher than previous reads, which identifies negative consumption,
- whether the meter has rolled over, and
- consumption between reads against the estimated forward daily kWh to identify high or low consumption.

Any ICPs which fail the validation are individually reviewed. The user can manually force a read to pass validation so that it is published and available for reconciliation and billing or leave the read as unvalidated.

Billing validation is also completed:

- prior to billing a report is run of differences of more than 20% from the previous invoice for non-AMI meters, which are investigated, and
- billing validations in Power BI check ICP level billing information against the ICP’s history and large variances are investigated.

NHH reads sent to EMS for reconciliation are also validated by EMS, and exceptions are sent to Simply Energy for investigation and resolution. Simply Energy also validates EMS’ records against their own and reviews reconciliation submissions. These validation checks are discussed in **section 12.3**.

There is no specific validation of zero consumption, and Simply Energy intends to implement this once their new datawarehouse is built.

Recommendation	Description	Audited party comment	Remedial action
Zero consumption reporting	<b>CTCS and CTCX</b> Establish a validation process for meters with zero consumption.	We will commence a process to identify Meters with 0 consumption and have this confirmed by the customer. We will start with meters with 0 consumption in the current month, but > 0 consumption in previous months, then extend to encompass all ICPs over time.	Identified

Consumption on inactive ICPs

Data streams remain open in DataHub when an ICP is disconnected, which allow reads to continue to be imported if received after disconnection. There is no regular reporting on ICPs with inactive status with consumption, and most inactive ICPs have switched to CTCT. A recommendation is made in **section 3.9** to monitor inactive consumption and update statuses as necessary to ensure it is included in submission information.

**Audit outcome**

Compliant

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

**Code reference**

*Clause 17 Schedule 15.2*

**Code related audit information**

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

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

- 17(4)(a) - checks for missing data*
- 17(4)(b) - checks for invalid dates and times*
- 17(4)(c) - checks of unexpected zero values*
- 17(4)(d) - comparison with expected or previous flow patterns*

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

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

17(4)(g) – a review of the relevant metering data where there is an event that could have affected the integrity of the metering data

*If there is an event that could affect the integrity of the metering data (including events reported by MEPs but excluding where the MEP is responsible for investigating and remediating the event) the reconciliation must investigate and remediate any events.*

*If the event may affect the integrity or operation of the metering installation the reconciliation participant must notify the metering equipment provider.*

#### **Audit observation**

I reviewed and observed the HHR, generation, and AMI data validation processes, including checking a sample of data validations and validation setting documentation.

#### **Audit commentary**

Electronic data used to determine volume information is provided by MEPs, AMS, EDM I and EMS as agents, and by Contact for CTCT generation information. This function was examined as part of the MEP and agent audits and found to be compliant.

#### **CTCT**

##### AMI

AMI information is viewed, validated, and managed using the Smart Reads Console interface to IMDM.

- HHR ICPs with missing trading period data are put “on hold” in IMDM and the data is not transferred to SAP. The exceptions are suppressed for seven business days to allow time for the MEPs to provide the data. The exceptions are worked through daily, and estimation of the missing trading period data is completed in IMDM. Without intervention, data remains “on hold” and will not be transferred to SAP until 55 days after the latest missing period, then the import will restart. Users can manually adjust the dates for individual ICPs so that the missing records are ignored by the process and data transfer to SAP can resume (e.g., where reads are missing during a disconnected period).
- Check-sum validation identifies ICPs where the sum of the volumes for the trading periods between midnight readings does not match the difference between midnight readings, or midnight readings are missing. These exceptions are individually reviewed and corrected by processing an adjustment in IMDM so that the data is consistent. IMDM requires actual or estimated boundary readings to be entered so that estimates can be generated.
- Meters with negative consumption are put “on hold” in IMDM. Where the consumption is at least -1000 kWh it is treated as a meter rollover and automatically corrected. Differences between -1 and -999 kWh are individually checked and corrected as necessary by replacing invalid or high estimated reading where required.
- When data for a new meter at an ICP is provided, IMDM will automatically create the meter and register against the ICP with an effective start date of the first day data is provided for. If it replaces another meter, the ICP will be identified through the missing data validation and the user will end date the removed registers, confirm the correct start date for the new registers and check the readings provided against ORB field services paperwork. SAP will not accept data outside the meter install and removal dates, so date exceptions are sometimes identified in SAP and referred back to the IMDM team.

MEPs monitor meter events which could affect accuracy and clock synchronisation, and this is covered as part of their audits. Each of the MEPs advise CTCT of clock synchronisation and meter events, but these are not all currently being checked or actioned. Any meter events requiring action emailed to CTCT by MEPs are reviewed and actioned.

Validated AMI interval and read data is transferred from IMDM to SAP, and the reads also undergo the SAP NHH read validations described in **section 9.5**.

#### Generation

The installed data loggers have a data storage capacity of at least 30 days, and MV90 attempts to retrieve data hourly from each meter. If data cannot be retrieved by the system, a user will investigate and then reattempt to retrieve the data.

Each morning, MV90 is checked to ensure that meter data has been collected including meter event log information. Any missing data or issues (including failed data validations, and meter events which could affect data accuracy) are highlighted in the front end in blue text. I confirmed that no meter events which could affect accuracy occurred during the audit period.

Each metering installation contains primary metering and back-up metering, plus SCADA data. The SCADA system generally uses a separate set of CTs and its own VT.

Contact conducts a comparison between the primary data in MV90, the data in MDM, the AV130 file and SAP.

#### HHR

CTCT supplied five ICPs with meter category 3 or higher during the audit period:

- three are generation ICPs with meter category 5 and are read by CTCT using MV90,
- ICP 1099580899CN808 was upgraded from category 1 to category 3 on 22 February 2022 and should have been switched to CTCS and settled as HHR; the ICP remained with CTCT on the RPS profile until a backdated switch to CTCS was completed effective from 28 February 2022, which is recorded as non-compliance in **section 12.9** - no HHR data was received, and
- ICP 1001157629CK617 has meter category 3 and is to be decommissioned once a new ICP is created for the load still metered through this ICP; AMS provides HHR data, compliance was demonstrated during their agent audit and no meter events affecting accuracy were identified during the audit period.

#### **CTCS and CTCX**

#### HHR

EDMI and AMS supply HHR data directly to Simply Energy, and Simply Energy validates the data and creates HHR submissions. Validation includes:

- reporting to identify missing trading period data, which is followed up with AMS and EDM; any missing data which is unable to be obtained is estimated, and replaced with actual data if it becomes available at a later date,
- a sum check, and
- comparison of ICP and flow direction level submission data to the previous submission(s) for the month for revisions, and previous month for revisions; any combinations with differences of more than  $\pm 80\%$  or  $\pm 50,000$  kWh are checked unless the ANZSIC code indicates that they are an irrigation ICP.

AMS and EDM provide any meter events requiring action to Simply Energy, and I saw evidence that these are reviewed and actioned appropriately.



## AMI

For HHR AMI ICPs Simply Energy carries out the same billing validation as used for NHH ICPs. This includes high and low consumption to achieve compliance with 17(4)(d). Reporting is in place for missing data. Files with incorrect dates or times will be identified at the time of loading and two identical files cannot be loaded.

Meter event log information is received via SFTP but is not reviewed as required by the Code. Simply Energy is building a datawarehouse and it is intended that reporting will be developed to review meter events as part of this. In the meantime, any meter events requiring action emailed to the operations team by MEPs are reviewed and actioned.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 9.6 With: Clause 17(4)(f)&(g) of schedule 15.2  From: 01-Mar-21 To: 09-Aug-22	<b>CTCT, CTCS and CTCX</b> Full AMI meter event logs provided by MEPs are not routinely reviewed. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are recorded as weak because event information is only dealt with if the MEP sends additional correspondence. The impact is low, because any events requiring action identified by the MEPs and sent to Contact are reviewed and actioned.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b><u>CTCT</u></b> Contact is investigating opportunities within our systems to build/implement a new process to review full AMI meter event logs provided by the MEPs, and flag all events which require investigation and a corrective action.  We already have a process in place where MEP event logs which require actions are reviewed and resolved accordingly.		April 2023	Investigating
<b><u>CTCS/CTCX</u></b> This is on our roadmap to be addressed this financial year.		31/3/2023	

Preventative actions taken to ensure no further issues will occur	Completion date	
<p><b><u>CTCI</u></b> System/process build in progress to start reviewing full AMI meter event logs.</p> <p><b><u>CTCS/CTCX</u></b> A solution will be built in our new Data Warehouse in this current Financial year</p>	<p>April 2023</p> <p>31/3/2023</p>	

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

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

#### Code reference

Clause 13.136

#### Code related audit information

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

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

#### Audit observation

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

#### Audit commentary

Generation data is sent to EMS directly from SAP, according to a system schedule. EMS monitors to ensure that the data is received on time and Contact staff also complete monitoring to ensure that all data is released prior to leaving for the day. Review of the EMS audit report confirmed that this process is managed in a compliant manner.

#### Audit outcome

Compliant

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

#### Code reference

Clause 13.137

#### Code related audit information

*Each generator must provide the relevant grid owner half-hour metering information for:*

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

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

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

#### Audit observation

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

### **Audit commentary**

This process is managed by EMS on behalf of Contact. Review of the EMS audit report confirmed that this process is managed in a compliant manner.

### **Audit outcome**

Compliant

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

### **Code reference**

*Clause 13.138*

### **Code related audit information**

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

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

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

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

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

### **Audit observation**

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

### **Audit commentary**

This process is managed by EMS on behalf of Contact. Review of the EMS audit report confirmed that this process is managed in a compliant manner.

In most instances, EMS collects the data as an agent for generators. Interrogation begins at midnight and is complete before 0500 on each day. If actual data is not available, an estimate is automatically generated and sent to EMS, and the users will check for actual data and send an update later that morning.

Any loss adjustment relative to the grid injection point is normally made within the metering installation at the time of installation and commissioning.

### **Audit outcome**

Compliant

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

##### **Code reference**

*Clause 13.140*

##### **Code related audit information**

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

##### **Audit observation**

This process is managed by EMS for CTCT and was assessed as part of their agent audit.

##### **Audit commentary**

EMS is the agent to the grid owner and conducts this notification. Compliance is confirmed in the EMS audit report.

Contact receives an email when data sent to EMS has failed or needs to be estimated, and these are acted upon by Contact.

##### **Audit outcome**

Compliant

## 11. PROVISION OF SUBMISSION INFORMATION FOR RECONCILIATION

### 11.1. Buying and selling notifications (Clause 15.3)

#### Code reference

Clause 15.3

#### Code related audit information

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

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

#### Audit observation

Processes to create buying and selling notifications were reviewed. I checked examples of notifications provided and whether any breach allegations had been made.

#### Audit commentary

##### CTCT

If a new combination of network and NSP requires set up in SAP, the reconciliation team is notified by the network, the switching team, or the new connections team, and a trading notification is created as part of the set-up process.

Checks that valid trading notifications are in place are part of the reconciliation report validation checks, discussed in **section 12.3**. I observed this process and noted that it matched the submission data with open trading notifications. All mismatches are reviewed by the reconciliation team, and notifications are provided via the reconciliation portal as needed. The reconciliation portal will not accept any submission where a valid trader notification is not in place, and notifications are created as required if a file fails validation.

No breach allegations were made in relation to trading notifications.

##### CTCX and CTCS

Some existing ICPs use profiles that require trading notifications, but all new ICPs use RPS, PV1 or HHR profile and trading notifications are not required.

No breach allegations were made in relation to trading notifications.

#### Audit outcome

Compliant

## 11.2. Calculation of ICP days (Clause 15.6)

### Code reference

Clause 15.6

### Code related audit information

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

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

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

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

### Audit observation

The process for the calculation of ICP days was examined by checking NSPs with a small number of ICPs to confirm the AV110 ICP days calculation was correct. I reviewed variances for the GR100 reports.

Alleged breaches were reviewed to determine whether any submissions were made late.

### Audit commentary

There were no alleged breaches for late provision of ICP days information.

### CTCT

HHR and NHH ICPs are recorded on a single report. ICP days are reviewed by the end of the month after the submission period, by comparing the ICP days reported to a registry list with history. Any exceptions are investigated and corrected, most commonly issues occur due to incorrect settlement unit information in SAP.

The process for the calculation of ICP days was examined by checking 50 NSPs with a small number of HHR ICPs and 50 NSPs with a small number of NHH ICPs on the March 2022 r1 submission. Two differences were found, and both related to incomplete or incorrect ICP information recorded in SAP. This is recorded as non-compliance in **section 12.7**. The process to create ICP days submissions is compliant.

Network-NSP	Submission type	AV110 active days	Correct active days	Findings
TENC-TML0011	HHR	31	6	An inactive settlement unit had not been entered for the inactive period for 0000003029TC570. This was corrected during the audit and revised submission information will be washed up.

Network-NSP	Submission type	AV110 active days	Correct active days	Findings
TENC-TNP0011	NHH	20	85	<p>Pricing events were not correctly populated for three ICPs in SAP. Because pricing is linked to the loss factor, the loss factor was not populated resulting in the ICP being omitted.</p> <p>The issue was identified as part of the pre submission validation checks but was not resolved prior to the revision 1 submission due to workloads. The data has now been corrected in SAP and revised submission information will be washed up.</p> <p>CTCT intends to improve registry validation reporting to promptly identify ICPs with missing loss factors.</p>

The following table shows the ICP days difference between CTCT files and the RM return file (GR100) for all available revisions for 13 months. Negative percentage figures indicate that the CTCT ICP days figures are higher than those contained on the registry. The discrepancies are small.

Month	Initial	R1	R3	R7
Sep 2020	0.54%	0.70%	0.61%	0.61%
Oct 2020	0.58%	0.58%	0.65%	0.63%
Nov 2020	100.00%	0.21%	0.68%	0.66%
Dec 2020	0.66%	0.67%	0.67%	0.66%
Jul 2021	-0.79%	-0.80%	-0.69%	-0.68%
Aug 2021	-0.75%	-0.75%	-0.68%	-0.68%
Sep 2021	-0.71%	-0.65%	-0.65%	-0.62%
Oct 2021	-0.65%	-0.65%	-0.65%	-
Nov 2021	-0.66%	-0.66%	-0.64%	-
Dec 2021	-0.67%	-0.67%	-0.67%	-
Jan 2022	-0.77%	-0.79%	-0.77%	-
Feb 2022	-0.84%	-0.86%	-	-
Mar 2022	-0.85%	-0.87%	-	-



I checked a sample of 25 differences remaining at revision seven. I found that the differences remained because the SAP settlement units were incorrect.

SAP’s settlement units specify the submission parameters (e.g., active HHR, inactive NHH) for each time slice. These settlement units determine which reports the ICP appears on, and whether they are included or excluded. CTCT has found some intermittent issues with the creation of settlement units, including the auto triggers not working correctly for some disconnections and reconnections, and the grid settlement unit flag preventing some disconnection settlement unit updates.

It is believed that the issues could be caused by clashes between the triggers and other scheduled overnight processes. Submission is correct once the settlement units have been updated, and the reconciliation team’s validation processes help to identify and resolve individual settlement unit errors. All of the settlement unit errors causing the sample of 25 differences remaining at revision 7 were corrected by the time that the audit was complete except for ICP 1001153745CK57D which was disconnected on 21 September 2021 and reconnected on 22 September 2021. The registry reflects the correct disconnection and reconnection dates, but the SAP settlement unit is active for the whole period.

CTCT plans to work with the SAP Architects and Solutions Analyst to identify the causes of the defects and a solution. Because this issue has been present for several audits in a row, I have raised a recommendation to improve visibility. Some unmetered load has also not been reported for reconciliation due to settlement unit issues and is discussed in more detail in **sections 12.2 and 12.7**.

Recommendation	Description	Audited party comment	Remedial action
SAP settlement unit issues	<p><b>CTCT</b></p> <p>Investigate the issues preventing SAP settlement units being updated correctly for unmetered load, reconnections and disconnections and determine a solution.</p>	<p><b>TML0011</b></p> <p>Manual Settlement Unit flag preventing SAP automatically updating the Settlement Unit causing ICP Days errors. A ticket will be raised for the issues to be investigated by SAP analysts. The Reconciliation team will continue picking up the ICPs in error through their validation processes.</p> <p><b>TNP0011</b></p> <p>Registry Analyst will review current monthly reporting to identify where improvements can be made. TNP0011 will be used as an example during this review to identify possible improvements/discrepancies that are detrimental to the settlement processes, i.e. increase frequency to ensure discrepancies are identified and resolved in a timelier fashion.</p>	Identified

**CTCX**

HHR and NHH ICPs are recorded on separate reports. The process for the calculation of ICP days was examined by checking all NSPs on the March 2022 r1 submissions. The ICP days calculation was confirmed to be correct.

ICP days submissions are validated by Simply Energy:

- NHH ICP days are validated using BI reporting, which compares NHH registry list information to the MADRAS submission information and identifies ICPs missing from submission, or the registry, or where the calculated days for the ICP and NSP combination do not match,
- HHR ICP days are validated by comparing detailed submission information from DataHub against HHR registry list information; it identifies ICPs missing from submission, or the registry, or where the calculated days for the ICP and NSP combination do not match, and
- the GR100 ICP days comparison reports are also reviewed monthly, with focus on investigating and resolving the oldest differences first.

The following table shows the ICP days difference between CTCX files and the RM return file (GR100) for all available revisions for 13 months. Negative percentage figures indicate that the CTCX ICP days figures are higher than those contained on the registry. I checked all differences at revision seven and confirmed that they related to residual load ICPs where the registry recorded active ICP days, but ICP days are not required to be submitted because no load is submitted.

Month	Initial	R1	R3	R7
Sep 2020	-2.81%	-2.81%	-2.81%	-2.81%
Oct 2020	-2.85%	-2.85%	-2.85%	-2.85%
Nov 2020	-2.86%	-2.86%	-2.86%	-2.86%
Dec 2020	-2.86%	-2.86%	-2.86%	-2.86%
Jul 2021	2.56%	2.56%	2.56%	-
Aug 2021	2.53%	2.53%	2.53%	-
Sep 2021	2.53%	2.53%	2.53%	-
Oct 2021	2.50%	2.50%	-	-
Nov 2021	2.33%	2.33%	-	-
Dec 2021	2.30%	2.27%	-	-
Jan 2022	2.30%	2.27%	-	-
Feb 2022	2.25%	-	-	-
Mar 2022	2.25%	-	-	-

### CTCS

HHR and NHH ICPs are recorded on separate reports. The process for the calculation of ICP days was examined by checking 50 NSPs with a small number of HHR ICPs and 50 NSPs with a small number of NHH ICPs on the March 2022 r1 submissions. The ICP days calculation was confirmed to be correct.

NHH and HHR ICP days submissions are validated using the same process as for CTCX.

The following table shows the ICP days difference between CTCS files and the RM return file (GR100) for all available revisions for 13 months. Negative percentage figures indicate that the CTCS ICP days figures are higher than those contained on the registry.

Month	Initial	R1	R3	R7
Sep 2020	-0.26%	-0.16%	-0.13%	-0.26%
Oct 2020	-1.82%	-0.42%	-0.40%	-1.82%
Nov 2020	-0.73%	-0.45%	-0.33%	-0.73%
Dec 2020	-0.35%	-0.31%	-0.29%	-0.35%
Jul 2021	0.23%	0.03%	-0.01%	-
Aug 2021	0.01%	0.00%	0.00%	-
Sep 2021	0.03%	-0.01%	0.02%	-
Oct 2021	0.50%	-0.02%	-	-
Nov 2021	0.03%	0.02%	-	-
Dec 2021	0.01%	-0.05%	-	-
Jan 2022	0.05%	-0.09%	-	-
Feb 2022	0.06%	-	-	-
Mar 2022	0.00%	-	-	-

I checked all differences remaining at revision 7 and found they were caused by:

- residual load ICPs, which do not have ICP days reported because no volumes are reported,
- an ICP with load and generation, but the distributor has only recorded generation,
- ICP 0007173300RN6EB which had a change of NSP, but no boundary reads were entered for the NSP change, which created small ICP days differences for BRY0661 and ISL0661 in July and August 2021 (there is a process to enter boundary readings but no read history was available to create the permanent estimates; the ICP was made ready for decommissioning on 11 March 2022 and was decommissioned on 11 June 2022, and permanent estimate reads will be created now that decommissioning readings are available), and
- HHR ICP 0301589534LC9D5 had an estimated reading for 30 August 2021 replaced by an actual reading imported on 15 March 2022; the reading was an incorrectly classified estimate reading, imported when Simply Energy was still accepting MEP estimates and classifying them as actual and because the reading was higher than subsequent actual readings, it failed validation - due to

timing the error was not resolved, and the data was not estimated prior to revision submissions being produced.

The previous audit found an ICP days difference of 31 days for July 2021 for NSP WFL0011 because ICP 0005025150WF90A switched away but did not have its record closed in MADRAS. I confirmed that the issue was resolved prior to r7.

**Audit outcome**

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 11.2 With: Clause 15.6</p> <p>From: 01-Jul-21 To: 09-Augr-22</p>	<p><b>CTCT</b></p> <p>TENC-TML0011 and TENC-TNP0011 had incorrect ICP days reported for March 2022 revision 1.</p> <p>25 revision differences were caused by inaccurate ICP days submission data because incorrect settlement unit information was recorded in SAP. The errors were corrected by the time that the audit was complete except for ICP 1001153745CK57D which was disconnected on 21 September 2021 and reconnected on 22 September 2021. The registry reflects the correct disconnection and reconnection dates, but SAP is active for the whole period resulting in over reporting of one day.</p> <p><b>CTCS</b></p> <p>Incorrect ICP days were reported for BRY0661 and ISL0661 in July and August 2021 because an NSP change for ICP 0007173300RN6EB did not have boundary readings entered. The net difference for the balancing area was zero.</p> <p>HHR ICP days were under reported for one day in August 2021 for MNG0331 for ICP 0301589534LC9D5 because one HHR read was not validated and an estimated reading was not inserted.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>The controls are rated as moderate overall. For CTCT workarounds are in place to identify and correct ICPs with missing or incorrect settlement units and submission types, but they are not always resolved prior to submission.</p> <p>The impact is assessed to be low because corrected data will be washed up.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b>CTCT</b></p> <p>Contact will continue with submission data validation to identify and fix the discrepancy to mitigate the risk of incorrect submission.</p>		<p>Pre-submission.</p>	<p>Identified</p>

<p><b><u>CTCS</u></b></p> <p>The absence of reads on ICP 0007173300RN6EB contributed to the incorrect ICP days reporting as we chose not to create estimate boundary reads for a change that has no effect on NSP; a read has now been received and this is now resolved.</p> <p>A historical read file was imported late in the submission file process that unvalidated the HHR data for ICP 0301589534LC9D5. To ensure timeliness for RM deadlines, we agreed to resolve in the next submission. This issue has been resolved in our system and will be reflected in the R14 submission due in two months time.</p>	<p>Complete</p> <p>Complete</p>	
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b><u>CTCT</u></b></p> <p>A ticket will be raised for the issues to be investigated by SAP analysts. The Reconciliation team will continue picking up the ICPs in error through their validation processes.</p> <p>Registry Analyst will liaise with the Energy Reconciliation Analysts to review current monthly Registry reporting to identify where improvements can be made. TNP0011 will be used as an example during this review to identify possible improvements/discrepancies that are detrimental to the settlement processes flowing as smoothly as possible, i.e. increase frequency to ensure discrepancies are identified and resolved in a timelier fashion.</p> <p><b><u>CTCS</u></b></p> <p>The work on obtaining reads for all ICPs within 12 months will reduce the risk of ICP Days mis reporting due to NSP Changes.</p> <p>Revision files are run multiple times including the start of BD13, people action any issues asap so that we are submitting as accurate as possible on washup submissions. We now have a much earlier cut off for resolving issues than previously to ensure we meet the strict 4pm deadline.</p>	<p>Ongoing</p> <p>Ongoing</p>	

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

#### Code reference

Clause 15.7

#### Code related audit information

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

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

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

### Audit observation

The process for the calculation of as billed volumes was examined by checking a sample of NSPs with a small number of ICPs to confirm the AV120 calculation was correct.

GR130 reports were reviewed to confirm whether the relationship between billed and submitted data appears reasonable.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

### Audit commentary

There were no alleged breaches for late provision of billed information.

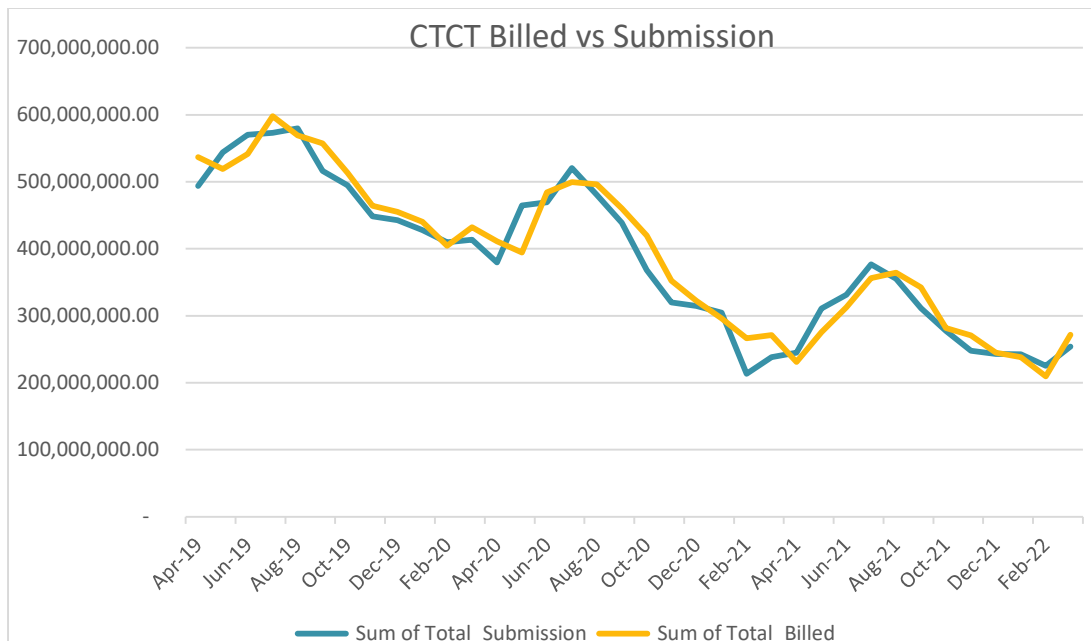
### CTCT

The accuracy of the electricity supplied information was checked by examining five NSPs with a small volume and against the invoices. Compliance is confirmed.

Contact monitors billed data against submission data on a rolling 12-month basis. A one-month offset is applied so that the billing and reconciliation periods are aligned, and any large discrepancies are investigated. AV120 data is also compared to previous AV120 submissions when the reports are created.

### Comparison between submitted and billed kWh

The chart below shows a comparison between submissions and electricity supplied information. At an aggregate level, submitted data is 0.6% higher than billed data for the 12-month period ending March 2022. Billed data is 1.7% higher than submitted data for the 24-month period ending March 2022 due to large numbers of ICPs switching from CTCT to CTCS.



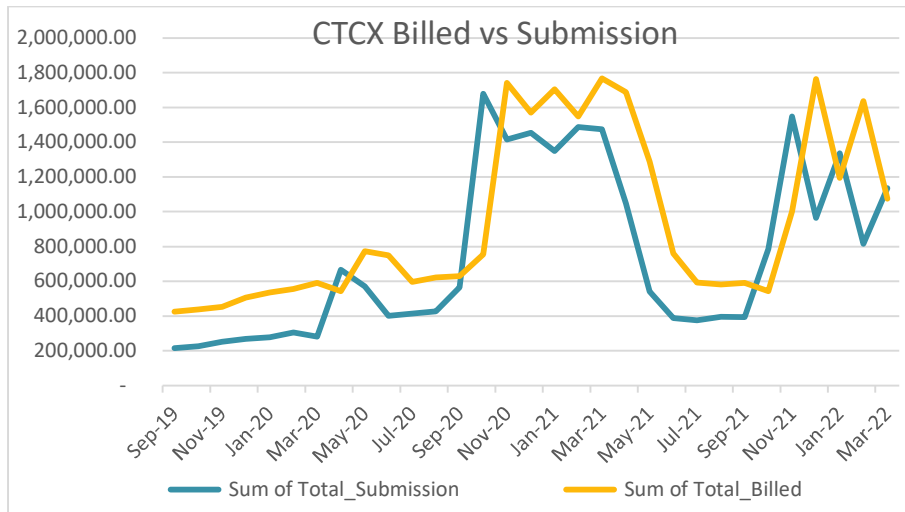
## CTCX

The accuracy of the electricity supplied information was checked by examining five NSPs with a small volume and against the invoices. Compliance is confirmed.

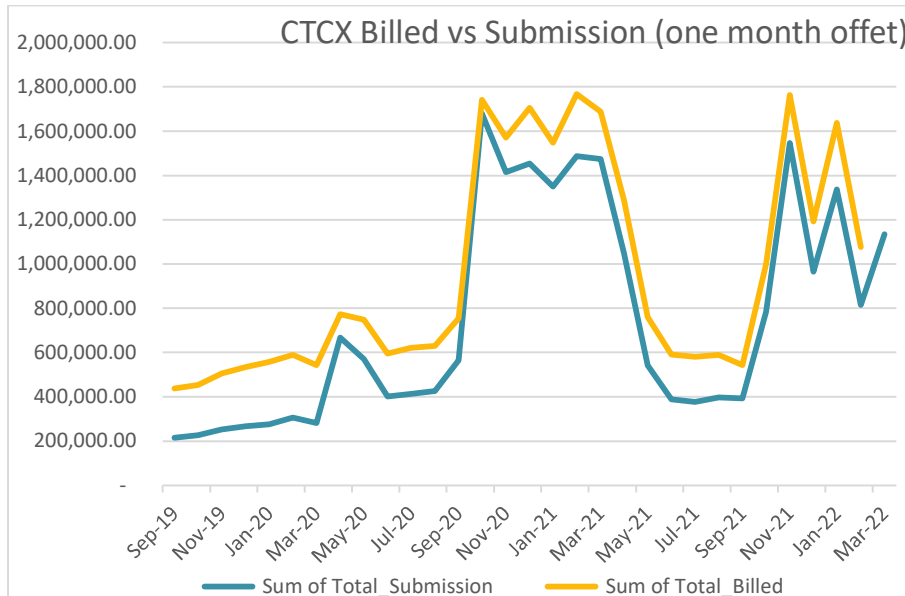
At the beginning of each month, Simply Energy validates billed information from AXOS against NHH and HHR submission information at ICP and flow direction level and investigates any differences over  $\pm 100,000$  kWh. AV120 submissions are also validated for negative consumption.

### Comparison between submitted and billed kWh

The chart below shows there is a significant difference between billed and submitted data. Analysis during the audit found CTCX billed volumes were 30.7% greater than submitted volumes for the year ended March 2022. The large differences are caused by residual load ICPs, which are included in the billed volumes but not the submitted volumes because the residual load is calculated by the reconciliation manager. The previous audit issue relating to incorrect submission in the HHR volumes and aggregates files for some FCLM meters with day/night registers have been resolved by clearing the data and reimporting the correct files.



When billed and submitted data is aligned, the SB ICP volumes are clearly visible.



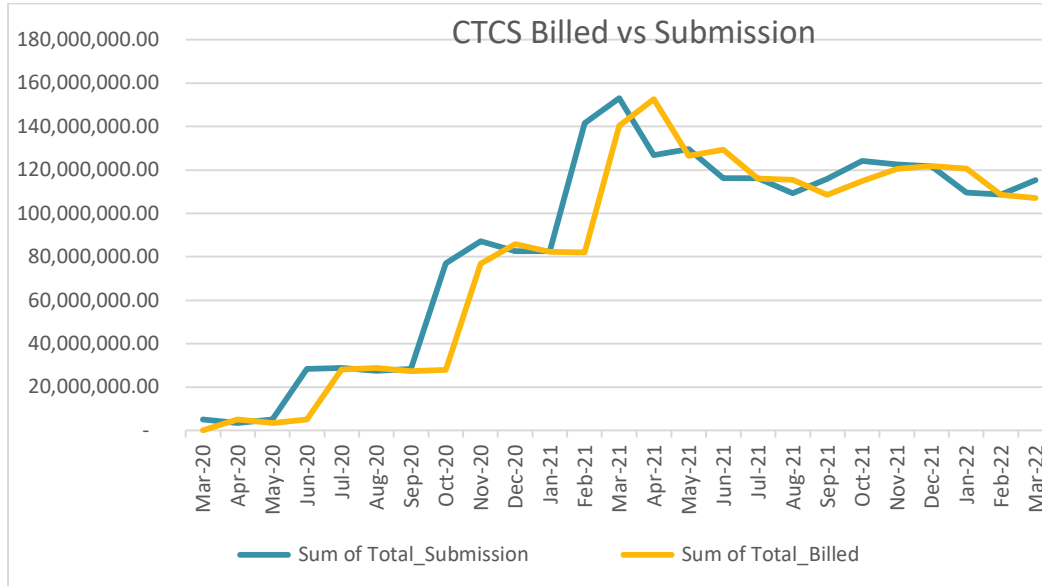
**CTCS**

The accuracy of the electricity supplied information was checked by examining five NSPs with a small volume and against the invoices. Compliance is confirmed.

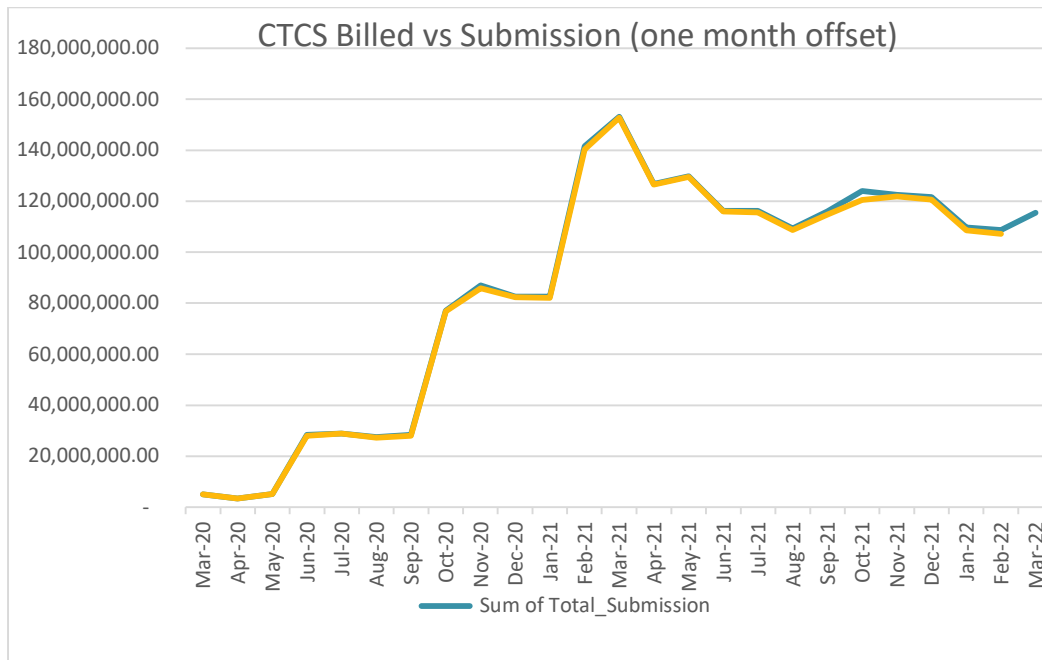
At the beginning of each month, Simply Energy validates billed information from AXOS against NHH and HHR submission information at ICP and flow direction level and investigates any differences over  $\pm 100,000$  kWh. AV120 submissions are also validated for negative consumption.

Comparison between submitted and billed kWh

The chart below shows a comparison between submissions and electricity supplied information.



When billed and submitted data is aligned, there is a very small difference between the billed and submitted data.





## Audit outcome

Compliant

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

#### Code reference

Clause 15.8

#### Code related audit information

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

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

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

#### Audit observation

I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for a sample of submissions.

The GR090 ICP Missing files were examined. An extreme case sample of ICPs missing were checked.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

#### Audit commentary

There were no alleged breaches for late provision of information.

#### CTCT

I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for 11 submissions. There were only small rounding differences between the volumes and aggregates. I traced a sample of interval data received from AMS, Arc, BOPE, FCLM, Smartco, Metrix, and IntelliHUB to SAP and submission data and confirmed that it was correctly recorded and reported.

CTCT monitors ICPs missing from submissions approximately every two months by using a pivot table to calculate the number of times each ICP has been missing from the registry or most recent aggregates files over the last 13 months. CTCT's reconciliation team prioritises investigating and correcting the ICPs missing from the most aggregates files first, and then ICPs missing from the registry. Most commonly ICPs are missing from submission due to settlement units being incorrect, and missing from the registry due to status issues, or for NHH trader updates which are unnecessarily triggered by SAP when Arc meters are replaced. CTCT is investigating how to resolve this trigger issue.

GR090 ICP Missing files were examined for all revisions for December 2020 to March 2022. An extreme case sample of the 30 ICPs missing for the most months were reviewed:

- 13 were inactive with zero consumption reported,
- 13 were inactive with non-zero consumption reported; the ICPs were confirmed to be genuinely inactive with no consumption, and the settlement units were updated to correctly exclude them from submission,
- two had backdated profile and submission type or status changes, and

- ICP 0314801030LCF84 had its volume submitted against PEN0221 instead of PEN0331; CTCT has supplied the ICP since 7 July 2010 but the change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team’s GR090 validation.

**CTCX and CTCS**

HHR aggregates and volumes submissions are produced by Simply Energy from DataHub. ICP missing files are reviewed by Simply Energy, and data corrections are completed as necessary.

CTCX	<p>I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for eight submissions, and found the totals matched to two decimal places. I traced a sample of data from the raw meter data files provided by AMS and EDMI through to the submission files and confirmed that the data was recorded accurately.</p> <p>GR090 ICP Missing files were examined for all revisions for December 2020 to March 2022. Seven ICPs were missing due to backdated withdrawals and submission type changes.</p>
CTCS	<p>I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for eight submissions, and found the totals matched to two decimal places. I traced a sample of data from the raw meter data files provided by AMS and EDMI through to the submission files and confirmed that the data was recorded accurately.</p> <p>GR090 ICP Missing files were examined for all revisions for December 2020 to March 2022. An extreme case sample of the 30 ICPs missing for the most months were reviewed and found to be missing because of backdated profile and submission type changes, and backdated switches.</p>

**Audit outcome**

Non-compliant

Non-compliance	Description
<p>Audit Ref: 11.4</p> <p>With: Clause 15.8</p> <p>From: 15-Oct-20</p> <p>To: 24-Mar-22</p>	<p><b>CTCT</b></p> <p>ICP 0314801030LCF84 had its volume submitted against PEN0221 instead of PEN0331. The change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team’s GR090 validation.</p> <p>Potential impact: Medium</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>

Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are moderate, as the ICP missing reports are reviewed every two months. The impact is low, because both NSPs are within the same balancing area and revised submission information will be washed up.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> Contact is reviewing the current reporting to identify where any improvement can be made to increase accuracy and ensure correction are made as soon as practicable.		Ongoing	Investigating
Preventative actions taken to ensure no further issues will occur		Completion date	
<b>CTCT</b> The Registry Analyst and Reconciliation team will review their current monthly reporting to identify opportunities for improvement.		Ongoing	

## 12. SUBMISSION COMPUTATION

### 12.1. Daylight saving adjustment (Clause 15.36)

#### Code reference

Clause 15.36

#### Code related audit information

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

#### Audit observation

Daylight savings processes for MEPs and agents were reviewed as part of their audits. Daylight savings processes for generation occur automatically.

#### Audit commentary

##### CTCT

Compliance with this clause has been demonstrated by Contact's agents and MEPs as part of their audits.

All HHR data provided to Contact is daylight savings adjusted using the "trading period run on" technique. This was confirmed by checking a sample of four files for the files for the start and end of daylight saving. The correct number of trading periods were recorded in all cases.

MV90 applies NZST. SAP has daylight savings dates and times recorded and re-labels the interval times during daylight savings to correct to NZDT. I checked a sample of data for dates with changes to and from daylight savings in MV90, SAP and submission data and confirmed that they were processed as expected and the correct number of trading periods were reported for each day.

##### CTCX and CTCS

AMS and EDMI provide daylight savings adjusted data and the daylight-saving adjustment process is compliant.

#### Audit outcome

Compliant

### 12.2. Creation of submission information (Clause 15.4)

#### Code reference

Clause 15.4

#### Code related audit information

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

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

## Audit observation

Processes to ensure that HHR, NHH and generation submissions are accurate were reviewed. A list of breaches was obtained from the Electricity Authority.

## Audit commentary

No breaches had been recorded for late provision of submission information.

### CTCT

#### Generation

Generation submissions are completed by CTCT, and these are discussed in **section 12.6**.

#### HHR

HHR submissions were checked in **section 11.4** and HHR corrections are discussed in **section 8.2**. HHR volumes are reviewed prior to submission according to the process documented in **section 12.3**.

#### NHH

Contact prepares NHH reconciliation submissions using reconciliation consumption generated by SAP. NHH submission scenarios were checked to determine whether they were handled correctly, including:

- five ICPs with vacant consumption,
- four ICPs with inactive consumption,
- five ICPs with injection/export registers,
- ten ICPs with unmetered volumes, including standard and shared unmetered load, and
- ICPs 0000397349TPCC8 and 0003973495TPE09 which have 1,5 (reconciled elsewhere) status as they are supplied by a combination of diesel generators and solar power because the network found it was uneconomical to rebuild the line for the connections since the land it was on was coastal and eroding; the correct status is applied because the ICPs do not need to be reconciled and this is the status of best fit.

Compliance is recorded in this section because the processes to calculate and report consumption are correct. For three of the ten unmetered ICPs, the inputs into the calculation were incorrect resulting in inaccurate submission data, which is recorded as non-compliance in **sections 2.1** and **12.7**.

A sample of corrections were reviewed to ensure that they flowed through to revision submissions in **sections 2.1** and **8.1**. NHH volumes are reviewed prior to submission, these checks are discussed in **section 12.3**.

The following data was still missing from submissions, and was not corrected at the first available opportunity:

Issue	Issue description
Missing UNM settlement units	Four ICPs had missing unmetered load settlement units, which prevented unmetered load being submitted. A system defect has been raised to determine why the SAP unmetered load settlement unit was not automatically created by SAP when the unmetered load was added, and additional monitoring will be implemented to identify missing unmetered load settlement units. The missing settlement units were added during the audit and correct submission data will be washed up. The ICPs affected were:  <b>0000006939TE1C8</b> : 1 kWh per day.  <b>0005984670RN14C</b> : 0.162 kWh up to 28 March 2022 and 0.215 kWh from 29 March 2022.

Issue	Issue description
	<p><b>0005984688RN34F:</b> 0.162 kWh per day 28 March 2022 and 0.215 kWh from 29 March 2022.</p> <p><b>0007106018RNO8:</b> 0.035 kWh per day 23 March 2022 and 0.103 kWh from 24 March 2022.</p> <p>The cause of the issue is under investigation and additional monitoring should prevent recurrence.</p>
Unreported inactive consumption	<p><b>0000202347UN912:</b> The ICP was disconnected on 21 December 2020, but the disconnection read was entered against 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago and a reconciliation volume correction will not be processed as the change would result in a small negative adjustment.</p> <p><b>0000569678UNC82:</b> The ICP was gained on 23 May 2021, but the reconnection was delayed because the site needed a COC before this could be completed. An actual read was gained on 28 June 2021 indicating consumption, but no action was taken. The next actual was gained on 28 April 2022. The ICP was made active for the incorrect date of 27 April 2022 resulting in under submission of 6,906 kWh between the gain date and the next active date. A correction was processed during the audit on the registry and in SAP, and revised submission information will be washed up.</p>
Corrections for consumption during bridged periods	<p>I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed. The affected ICPs are listed in <b>section 2.17</b>.</p> <p>CTCT intends to review and update their bridged meter processes and a recommendation is made in <b>section 2.17</b>.</p>
Correction for a stopped meter	<p>The meter for 0000435644TP635 had stopped but a correction for consumption during the faulty period was not processed after the meter was removed, because the team responsible for processing corrections was not notified. A correction was processed during the audit.</p>

Missing submission data identified during the previous audit was re-checked to confirm whether corrections were processed. The following data is still missing from submissions, and non-compliance is recorded in **section 2.1** for not correcting the submission data as soon as practicable:

Issue	Description	Report section
Incorrect active status dates	<p>The seven ICPs identified with the incorrect correct active status dates recorded on the registry were not corrected due to the customer impact. The code requires that submission is complete and accurate regardless of customer invoicing and such corrections are required to be completed. The affected ICPs are detailed below for reference:</p> <ul style="list-style-type: none"> <li>• 0000049481HB6D2 registry date 12 March 2021 correct date 10 March 2021,</li> <li>• 0000572629NR17A registry date 2 March 2021 correct date 1 March 2021,</li> <li>• 000060622NT9E0 registry date 21 July 2020 correct date 20 July 2020,</li> <li>• 0007203165RN85E registry date 22 July 2020 correct date 21 July 2020,</li> <li>• 0007201591RN602 registry date 21 May 2021 correct date 20 May 2021,</li> <li>• 0007202111RNDA9 registry date 25 June 2021 correct date 24 June 2021, and</li> <li>• 0007199964RN126 registry date 9 March 2021 correct date 10 March 2021.</li> </ul>	3.5, 3.8

Issue	Description	Report section
Incorrect inactive status dates	Ohoka Downs DUML ICP 0000366150MP46C is to be decommissioned as the connected lights are metered. The ICP became inactive on 4 June 2021, but the registry has recorded inactive status from 7 October 2020, and SAP recorded in active status from 26 May 2021 due to data processing errors. The status dates were corrected in SAP and on the registry, but the user did not update the installation fact end date in SAP resulting in zero consumption being submitted in error from 27 May 2021 to 03 June 2021. Correct consumption was submitted from 4 June 2021 onwards. SAP's installation facts have now been updated and the correction for 27 May 2021 to 3 June 2021 will be captured in the June 2021 r14 submission.	3.9
Generating ICPs without I flow metering	ICP 0221906002LC12A's distributed generation was removed when the meter was relocated on 14 July 2021. CTCT has confirmed that generation is still present and is waiting for the paperwork to be returned.  ICP 0000932060TE629 has had a fire on site and CTCT is investigating if generation is still present or not.	6.1

#### CTCX

HHR submissions were checked in **section 11.4** and HHR corrections are discussed in **section 8.2**. HHR volumes are reviewed prior to submission according to the process documented in **section 12.3**.

EMS prepares NHH submissions as an agent, and NHH submission scenarios were reviewed:

- no vacant ICPs are supplied, and vacant consumption is expected to be submitted,
- no inactive ICPs with consumption were supplied, and
- no unmetered ICPs requiring NHH submission were identified.

The one NHH ICP with distributed generation was checked and I flow volumes were correctly submitted using the PV1 profile.

#### CTCS

HHR submissions were checked in **section 11.4** and HHR corrections are discussed in **section 8.2**. HHR volumes are reviewed prior to submission according to the process documented in **section 12.3**.

EMS prepares NHH submissions as an agent, and NHH submission scenarios were reviewed:

- two vacant ICPs are supplied, and vacant consumption was submitted,
- ICP 0007200667RN539 had 14 kWh of inactive consumption under reported for 29 April 2022, and the ICP should have had active status for that day because it was consuming energy,
- five ICPs with standard unmetered load and five ICPs with shared unmetered load were checked; the submission methodology was correct, but incorrect readings were entered for ICP 0000151826WA0E5 in error resulting in under submission of 1.54 kWh for April 2022 - the readings were corrected during the audit, and
- all four NHH ICPs with NHH distributed generation were checked and I flow volumes were correctly submitted using the PV1 profile.

All five ICPs with the reconciled elsewhere statuses are for DUML ICPs, with aggregated capacity reported under another ICP.

The following data was missing from submissions, and was not corrected at the first available opportunity:

Issue	Issue description
Unreported inactive consumption	<b>0007200667RN539</b> had 14 kWh of inactive consumption under reported for 29 April 2022, and the ICP should have had active status for that day because it was consuming energy.
Incorrect unmetered load	<b>0000151826WA0E5</b> had incorrect unmetered load readings calculated resulting in under submission of 1.54 kWh for April 2022. <b>0015750376EL9C1</b> had an incorrect unmetered load reading calculated in September 2021 because it failed to take into account the switch in date. Under submission of 3.45 kWh occurred for September 2021. The readings were corrected during the audit.
Missing HHR volume and ICP days	<b>0301589534LC9D5</b> had an estimated reading for 30 August 2021 replaced by an actual reading imported on 15 March 2022. The reading was an incorrectly classified estimate reading, imported when Simply Energy was still accepting MEP estimates and classifying them as actual. Because the reading was higher than subsequent actual readings, it failed validation and due to timing, the error was not resolved, and the data was not estimated prior to revision submissions being produced.

Missing submission data identified during the previous audit was re-checked to confirm whether corrections were processed. The following data is still missing from submissions, and non-compliance is recorded in **section 2.1** for not correcting the submission data as soon as practicable:

Issue	Description
Incorrect active status dates	The previous audit exception relating to ICP 0000010073TE5D4 having the incorrect active date of 19 March 2021 was still present. This has been confirmed as active from 16 April 2021 and was corrected during the audit. This is now outside of the revision period so any inaccurate submissions will not be corrected.  0000122591TRC78 (May 2021) had inaccurate historic estimate results in the previous audit, due to incorrect inputs into the process. 0000122591TRC78 (May 2021) switched in with active status on 5 May 2021, was inactive on 6 May 2021 and active on 7 May 2021. No consumption was recorded against the switch in date.

### Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.2 With: Clause 15.4	<b>CTCT</b> Four ICPs had missing unmetered load settlement units, which prevented unmetered load being submitted. The missing settlement units were added during the audit and correct submission data will be washed up.  Some ICPs were missing from submissions due to data inaccuracies.  Some corrections identified in the previous audit not corrected and are now outside the revision cycle.  I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed.



<p>From: 07-Oct-20 To: 09-Aug-22</p>	<p>The meter for 0000435644TP635 had stopped but a correction for consumption during the faulty period was not processed after the meter was removed. A correction was processed during the audit.</p> <p><b>CTCS</b></p> <p>One ICP did not have consumption during an inactive period reported.</p> <p>Two ICPs had missing unmetered load information.</p> <p>One HHR ICP had its estimate removed and not replaced with a validated reading resulting in under submission of one day of consumption and one ICP day.</p> <p>Some corrections identified in the previous audit not corrected and are now outside the revision cycle.</p> <p>Potential impact: Medium</p> <p>Actual impact: Medium</p> <p>Audit history: Three times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Medium</b>	<p>The controls are rated as moderate overall. Improvements are required to some of the controls.</p> <p>The impact is medium based on the volume differences identified, and corrected data will be provided through the revision process.</p>		
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>	
<p><b>CTCT :</b></p> <p>Contact will continue to provide ongoing training for the operators and continuous discussion with MEPs and field contractors to improve the quality of the paperwork.</p> <p><b>CTCS</b></p> <p>ICP 0007200667RN539 had 14 kWh of inactive consumption under reported for 29 April 2022. The Registry has been updated now and the disconnection event has been reversed. This ICP is now active from original switch in date and all consumption billed and reconciled.</p> <p>Both unmetered issues were resolved in the audit.</p> <p>A historical read file was imported late in the submission file process that unvalidated the HHR data for ICP 0301589534LC9D5 and due to time constraints at the time we chose to prioritise meeting the 4pm deadline over attempting to resolve (due to recent activity and breach notices, timeliness unfortunately now takes precedence over Accuracy if we have any late issues that require resolution). This issue has been resolved in our system and will be reflected in the R14 submission due in two months time.</p>	<p>Ongoing</p> <p>Complete</p> <p>Complete</p> <p>Complete</p>	<p>Identified</p>	

Preventative actions taken to ensure no further issues will occur	Completion date	
<p><b>CTCT</b></p> <p>Contact will continue to provide ongoing training for the operators and continuous discussion with MEPs and field contractors to improve the quality of the paperwork.</p>	Ongoing	
<p><b>CTCS</b></p> <p>A task has been added to the regular monthly compliance schedule to ensure all inactive ICPs are reviewed to ensure there is no reported consumption; and where an ICP has been inactive for longer than 12 months without a reading, a special manual reading will be requested.</p>	Ongoing	
<p>A review of all unmetered ICPs Trader Unmetered details against daily kWh values will be finalised by 31/8/2022 and any material updates will be backdated to the 14th revision month and all others will be updated from 1/9/2022.</p>	31/8/2022	
<p>Revision files are run multiple times including the start of BD13, people action any issues asap so that we are submitting as accurate as possible on washup submissions. We now have a much earlier cut off for resolving issues than previously to ensure we meet the strict 4pm deadline.</p>	Ongoing	

### 12.3. Allocation of submission information (Clause 15.5)

#### Code reference

Clause 15.5

#### Code related audit information

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

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

#### Audit observation

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**.

Processes to ensure that HHR, NHH, and generation submissions are accurate were reviewed. A sample of GR170 and AV080 files were compared, to confirm zeroing occurs.

## Audit commentary

### CTCT

#### NHH submissions

The process for aggregating the AV080 was examined by checking the aggregated submission data for five aggregation rows against detailed ICP data. Compliance is confirmed.

SAP automatically creates a zero line where a trading notification is open, but no aggregation line is present. GR170 and AV080 files for eight revisions were compared. All NSPs in the GR170 were included in the AV080 confirming that zeroing is occurring as required for AV080 submissions.

CTCT runs the submission through an Access database for review prior to submission. In some cases, consumption errors are found during the high consumption and forward estimate checks that cannot be corrected in time for submission. CTCT manually estimates the consumption and creates an exclusion list. The submission file is generated from the reviewed Access database information and adjusted for the exclusions, then the before and after data is compared to ensure the corrections were processed accurately.

The pre-submission checks are as follows:

- missing profile shapes, which are added,
- NSPs with no current contract in place, which are resolved by issuing trading notifications,
- invalid profiles for the AV080 (such as HHR) which are corrected,
- loss factor codes which are inconsistent with the network code or missing, which are corrected,
- inconsistent distributed generation information including invalid flow direction, inconsistencies between profiles and flow directions, and no contracts in place, which are investigated and corrected,
- historic estimate > total estimate is checked and corrected,
- ICPs using over 6,000 kWh per month are checked against a list of known high consuming ICPs, and any high consuming ICPs not on the list are investigated; all ICPs consuming over 2,500 kWh per day are also individually investigated and the number of exceptions identified by this check has been decreasing over time - these checks also identify ICPs with high forward estimate, and
- ICPs with potential consumption data defects, transposed reads, or read errors are investigated and their consumption is manually estimated to ensure the issues do not affect submission accuracy thresholds.

Previously a forward estimate robot process reviewed any ICPs with forward estimate over 10,000 kWh and checked whether the reads applied for forward estimate were aligned with the consumption history; if they were aligned, the case is closed, if they were not aligned, the forward estimate was zeroed out, and an exception was generated and logged. This robot is no longer operating as it could not be maintained, and high forward estimates are identified through the manual high consumption checks.

Once reviewed and any data issues resolved, a revised AV080 is produced from the database. This is entered into an Excel based AV080 check worksheet for further review. For initial submissions volumes for each NSP are compared to the previous month and any variances greater than  $\pm 500,000$  kWh and  $\pm 50\%$  are reviewed. For revision submissions volumes for each NSP are compared to the previous submissions for the month, and any variances  $\pm 50,000$  kWh and  $\pm 5\%$  are reviewed. Once all checks are complete, the file is saved as csv, run through the file checker and submitted.

I checked the process for NHH to HHR upgrades, and HHR to NHH downgrades, and found all consumption was captured and reported for the ten ICPs checked.

The previous audit issue which prevented backdated NSP changes where the ICP had been billed beyond the effective date of the change has been resolved. A change was deployed on 2 February 2022, which removes the billing lock for the NSP field allowing it to be changed.

## HHR Submissions

Most of the ICPs submitted as HHR have category 1 or 2 AMI metering. CTCT supplied five ICPs with meter category 3 or higher during the audit period, and I checked the data provision process:

- ICPs 0000018218HRB13, 0000032431HR99C and 0000880392WEA92 are generation ICPs with meter category 5 and are subject to the generation data validation process discussed in **section 9.6**,
- ICP 1001157629CK617 has metering category 3 and was split into three low voltage connections by Wellington Electricity; two of the connections have category 1 meters (ICPs 1001158552CK7FD and 1001156589CKCAB) and the load for the third connection is still metered through ICP 1001157629CK617 (CTCT intends to work with Wellington Electricity to create a new metered ICP for this load, then ICP 1001157629CK617 can be decommissioned), in the meantime, the HHR volumes are submitted under ICP 1001157629CK617 based on readings provided by AMS, and
- ICP 1099580899CN808 was upgraded from category 1 to category 3 on 22 February 2022 and should have been switched to CTCS and settled as HHR; the ICP remained with CTCT on the RPS profile until a backdated switch to CTCS was completed effective from 28 February 2022, which is recorded as non-compliance in **section 12.9**.

Submissions are validated by loading submission and registry list information into an Access Database and using a suite of queries to:

- compare volume kWh and percentage changes at NSP level to the previous month or revision, drilling down to review pivot charts and detailed information where necessary; generally, differences over 10% are reviewed, but the volumes of ICPs switching from CTCT to CTCS has made validation more difficult as there is a high degree of change,
- check that the expected number of trading periods are present and investigating any discrepancies,
- check that the expected number of days are present for each aggregation factor combination,
- check for aggregation factor combinations without an open trading notification, and open trading notifications without an aggregation factor row,
- check that all rows have a valid loss factor, and update as necessary,
- check that all rows have a valid profile, and move to the correct profile as necessary,
- check against aggregation rows in the previous month and insert zero records as necessary,
- check that the final data ready to be submitted matches the original where corrections have been processed, and
- match the AV090 and AV140 totals for consistency.

Once the checks are complete, the check file is independently reviewed. Prior to submission, the submission files are also run through the file checker on the RM portal.

## Generation

Generation submissions are reviewed as discussed in **section 9.6**.

### **CTCX and CTCS NHH submission**

Checks to confirm that Simply Energy's data is complete and accurate are discussed in **section 2.1**.

### Simply Energy to EMS consistency checks

SalesForce is checked twice daily for new ICPs, and staff check that all information is populated so that the ICP can be transferred to MADRAS. ICPs remain on the screen until all information required is populated.

Data consistency checks between Salesforce, MADRAS and registry list file records are completed prior to business days 4 and 13 using the MADRAS dashboard in Salesforce, including checking:

- all accepted RRs which are checked to ensure that EMS and DataHub have the correct reads recorded,
- ICPs with an unexpected profile for the NSP or configuration,
- ICPs that are end dated but still have CTCX or CTCS recorded as the retailer,
- ICPs where the start read is inconsistent with the start date,
- ICPs supplied by an alternate reader with no MADRAS end date,
- missing workflows where status changes have occurred, and the data has not yet been sent to MADRAS; this includes ICPs that are end dated but do not have a final reading, and
- profile GXP checks, which detect unexpected use of the GXP profile.

EMS provides a file with ICP and meter details to support its volume submission files. These are compared to a registry list at ICP level in Power BI prior to business days four and 13, and any exceptions are reviewed.

#### Read validation

Validated reads are sent to EMS at least weekly, including actual readings which have replaced estimates. Simply Energy recently discovered that the export transfer load (ETL) process which provides reads to MADRAS was deleting the last 30 days of readings, and then re-entering the last 29 days of readings, resulting in the read for 30 days prior being removed. This issue is not visible in MADRAS' calculations unless one or more of the reads expected to be used in the calculations occurred on the 30<sup>th</sup> day before the read upload. Non-compliance is recorded in **sections 2.1** and **12.7** for ICPs affected by this issue. Simply Energy is investigating revising the ETL process to prevent permanent deletion of earlier reads and also to use the read insert date, rather than the read date to ensure that all readings are captured where a backdated switch occurs.

The previous audit found that one reading per day is sent to MADRAS and the ETL process would send the latest read. If an ICP switched in, and then received a later AMI read on the switch in date, the process would send the AMI read instead of the agreed switch reading. This issue has been resolved and I confirmed that reads are sent in order of preference with agreed switch readings and then permanent estimates taking precedence. Where there are multiple readings on the same day with the same read type the most recently entered read is sent.

MADRAS validates the received readings, and any exceptions are queried with Simply Energy.

#### Review of NHH submission data created by EMS

Simply Energy validates the NHH submission information calculated by MADRAS prior to submission using their NHH volume check spreadsheet. This compares ICP and flow direction level submission data to the previous submission(s) for the month for revisions, and previous month for initial submissions. Any combinations with differences of more than  $\pm 80\%$  or  $\pm 30,000$  kWhs are checked, unless the ANZSIC code indicates that they are an irrigation ICP. Differences are also checked at balancing area level, and large differences are investigated if there is time prior to submission. The reconciliation manager is also notified of any material changes.

Simply Energy tracks any investigations and corrections in a sharepoint file.

#### Aggregation of submission data

The process for aggregating the AV080 was checked by reviewing five NSPs with a small number of ICPs, and compliance is confirmed.

Aggregation row combinations which have appeared in the previous submission but not the current revision, are identified through the submission validation process. The missing rows are entered into the

current revision with a zero value. Once the row has been zeroed once, it is not added to subsequent revisions because the row has already been zeroed in the reconciliation manager's database. The zeroing of submission data was reviewed by comparing GR170 files to AV080 files for eight revisions each for CTCX and CTCX and I confirmed that zeroing is occurring as required.

This process has been in place since September 2021, when an alleged breach occurred because a zero line was not entered when a dedicated NSP value changed.

#### **CTCX and CTCX HHR submission**

HHR aggregates and volumes submissions are produced by Simply Energy from DataHub. ICP missing files are reviewed by Simply Energy, and data corrections are completed as necessary.

Simply Energy validates the HHR submission information calculated by DataHub prior to submission using their HHR volume check spreadsheet. This compares ICP and flow direction level submission data to the previous submission(s) for the month for revisions, and previous month for initial submissions. Any combinations with differences of more than  $\pm 80\%$  or  $\pm 50,000$  kWhs are checked unless the ANZSIC code indicates that they are an irrigation ICP. Differences are also checked at balancing area level, and large differences are investigated if there is time prior to submission. The reconciliation manager is also notified of any material changes.

Simply Energy tracks any investigations and corrections in a sharepoint file.

#### **Audit outcome**

Compliant

### 12.4. Grid owner volumes information (Clause 15.9)

#### **Code reference**

*Clause 15.9*

#### **Code related audit information**

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

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

#### **Audit observation**

The registry list and NSP table were reviewed.

#### **Audit commentary**

Contact is not a grid owner; compliance was not assessed.

#### **Audit outcome**

Not applicable

### 12.5. Provision of NSP submission information (Clause 15.10)

#### **Code reference**

*Clause 15.10*

#### **Code related audit information**

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

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

#### **Audit observation**

The registry list and NSP table were reviewed.

Processes to provide NSP volumes submissions as an agent were reviewed.

#### **Audit commentary**

Contact Energy is not an embedded network owner but acts as an agent for some embedded networks and provides NSP volume submissions on their behalf.

#### **CTCT**

CTCT provides NSP volumes for the FND0012 interconnection point between the TASM and NELS networks. The interconnection point is rarely open, and zero is usually reported. The interconnection point is seldom used and all months in the audit period had zeros submitted. When the interconnection point is used NELS advise CTCT and provide SCADA data which is used to prepare the AV130. There were no estimations, corrections, or revisions for this point of connection.

No late submissions were identified.

#### **CTCS and CTCX**

EMS produces the submissions as an agent and the submissions are uploaded to the RM portal by Simply Energy. There have been no corrections, estimates, or issues affecting accuracy.

No late submissions were identified.

#### **Audit outcome**

Compliant

## **12.6. Grid connected generation (Clause 15.11)**

#### **Code reference**

*Clause 15.11*

#### **Code related audit information**

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

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

#### **Audit observation**

Generation submissions are produced by CTCT. Data is no longer required to be sent to the Pricing Manager, only the Grid Owner.

#### **Audit commentary**

I walked through the submission process.

The NSP volumes submission is produced from SAP, using the same process as is applied for embedded network submissions.

The generation team closely monitors generation data and will advise the reconciliation team if the metered data is not in line with expected values. The trading team also complete modelling and will advise the reconciliation team if they believe there is an error.

MV90 interrogates the meters hourly. Generation metering data is retrieved and validated using MV90. The validation process including checks for missing data and meter events which could affect accuracy, and any missing data is estimated if it cannot be retrieved. The data is transferred to Oracle and then SAP hourly.

The SAP data is validated against MV90/Oracle data in a spreadsheet to confirm that there are only very small rounding differences. The AV130 file is manually created from this SAP information and run through the RM portal file checker to ensure that the file format is correct.

I walked through the validation process and compared a sample of data from the NSP volumes submission to the source data in MV90/Oracle. There were no clock errors, meter events affecting accuracy, estimates or corrections during the audit period. Compliance is confirmed.

#### Audit outcome

Compliant

### 12.7. Accuracy of submission information (Clause 15.12)

#### Code reference

Clause 15.12

#### Code related audit information

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

#### Audit observation

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late. Corrections were reviewed in **sections 2.1, 8.1 and 8.2**.

#### Audit commentary

##### CTCT

Processes are in place to validate submission data, and correct errors prior to submission which are discussed in **sections 2.1, 8.1 and 8.2**. Some data has not been corrected at the next available opportunity for submission:

Issue	Issue description
Missing UNM settlement units	Four ICPs had missing unmetered load settlement units, which prevented unmetered load being submitted. A system defect has been raised to determine why the SAP unmetered load settlement unit was not automatically created by SAP when the unmetered load was added, and additional monitoring will be implemented to identify missing unmetered load settlement units. The missing settlement units were added during the audit and correct submission data will be washed up. The ICPs affected were:



Issue	Issue description
	<p><b>000006939TE1C8:</b> 1 kWh per day,</p> <p><b>0005984670RN14C:</b> 0.162 kWh up to 28 March 2022 and 0.215 kWh from 29 March 2022,</p> <p><b>0005984688RN34F:</b> 0.162 kWh per day 28 March 2022 and 0.215 kWh from 29 March 2022, and</p> <p><b>0007106018RN0C8:</b> 0.035 kWh per day 23 March 2022 and 0.103 kWh from 24 March 2022.</p>
Incorrect daily unmetered kWh applied for reconciliation	<p><b>000010023CP301:</b> The daily unmetered kWh was recorded as 0.1 in SAP instead of 0.08 resulting in over submission of 0.02 kWh per day.</p> <p><b>000018574NT4DD:</b> The daily unmetered kWh was recorded as 0.3 in SAP instead of 0.345 resulting in under submission of 0.045 kWh per day.</p> <p><b>000251049UN81E:</b> The daily unmetered kWh was recorded as 0.7 in SAP instead of 0.6 up to 27 January 2022 resulting in over submission of 0.1 kWh per day.</p> <p>The issues were corrected during the audit, and the reconciliation team will work with other teams to ensure that unmetered load is validated against the registry at least monthly.</p>
Unreported inactive consumption	<p><b>000202347UN912:</b> The ICP was disconnected on 21 December 2020, but the disconnection read was entered against 23 December 2020, resulting in a small amount of volume being over reported. The period was more than 14 months ago and a reconciliation volume correction will not be processed as the change would result in a small negative adjustment.</p> <p><b>0000569678UNC82:</b> The ICP was gained on 23 May 2021, but the reconnection was delayed because the site needed a COC before this could be completed. An actual read was gained on 28 June 2021 indicating consumption, but no action was taken. The next actual was gained on 28 April 2022. The ICP was made active for the incorrect date of 27 April 2022 resulting in under submission of 6,906 kWh between the gain date and the next active date. . A correction was processed during the audit on the registry and in SAP, and revised submission information will be washed up.</p>
Incorrect ICP days	<p>As described in <b>section 11.2</b>, ICP days were not reported correctly where settlement unit information was incorrect in SAP, or aggregation factor information is not correctly loaded. Two differences between reported and expected ICP days for March 2022 r1 were found, and both related to incomplete or incorrect ICP information recorded in SAP.</p> <p><b>TENC-TML0011 (HHR)</b> 25 days were over reported for the NSP because an inactive settlement unit had not been entered for the inactive period for 0000003029TC570. This was corrected during the audit and revised submission information will be washed up.</p> <p><b>TENC-TNP0011 (NHH)</b> 65 days were under reported for the NSP because pricing events were not correctly populated for three ICPs in SAP. Because pricing is linked to the loss factor, the loss factor was not populated resulting in the ICP being omitted. The issue was identified as part of the pre submission validation checks but was not resolved prior to the revision 1 submission due to workloads. The data has now been corrected in SAP and revised submission information will be washed up. CTCT intends to improve registry validation reporting to promptly identify ICPs with missing loss factors.</p> <p><b>EDCL-ERF0011 (HHR):</b> ICP 1001153745CK57D which was disconnected on 21 September 2021 and reconnected on 22 September 2021. The registry reflects the correct disconnection and reconnection dates, but the SAP settlement unit is active for the whole period resulting in one day being over reported for September 2021.</p>
Corrections for consumption	I tried to check corrections for 15 of the 98 ICPs which had their meters unbridged during the audit period and was unable to confirm that corrections had been accurately processed. The affected ICPs are listed in <b>section 2.17</b> .

Issue	Issue description
during bridged periods	CTCT intends to review and update their bridged meter processes and a recommendation is made in <b>section 2.17</b> .
Correction for a stopped meter	The meter for 0000435644TP635 had stopped but a correction for consumption during the faulty period was not processed after the meter was removed, because the team responsible for processing corrections was not notified. A correction was processed during the audit.

Inaccurate submission data identified during the previous audit was re-checked to confirm whether corrections were processed. The following data is still incorrect, and non-compliance is recorded in **section 2.1** for not correcting the submission data as soon as practicable:

Issue	Description
Incorrect active status dates	The seven ICPs identified with the incorrect correct active status dates recorded on the registry were not corrected due to the customer impact. The code requires that submission is complete and accurate regardless of customer invoicing and such corrections are required to be completed. The affected ICPs are detailed below for reference: <ul style="list-style-type: none"> <li>• 0000049481HB6D2 registry date 12 March 2021 correct date 10 March 2021,</li> <li>• 0000572629NR17A registry date 2 March 2021 correct date 1 March 2021,</li> <li>• 000060622NT9E0 registry date 21 July 2020 correct date 20 July 2020,</li> <li>• 0007203165RN85E registry date 22 July 2020 correct date 21 July 2020,</li> <li>• 0007201591RN602 registry date 21 May 2021 correct date 20 May 2021,</li> <li>• 0007202111RNDA9 registry date 25 June 2021 correct date 24 June 2021, and</li> <li>• 0007199964RN126 registry date 9 March 2021 correct date 10 March 2021.</li> </ul>
Incorrect inactive status dates	Ohoka Downs DUML ICP 0000366150MP46C is to be decommissioned as the connected lights are metered. The ICP became inactive on 4 June 2021, but the registry has recorded inactive status from 7 October 2020, and SAP recorded in active status from 26 May 2021 due to data processing errors. The status dates were corrected in SAP and on the registry, but the user did not update the installation fact end date in SAP resulting in zero consumption being submitted in error from 27 May 2021 to 3 June 2021. Correct consumption was submitted from 4 June 2021 onwards. SAP's installation facts have now been updated and the correction for 27 May 2021 to 3 June 2021 will be captured in the June 2021 r14 submission.
Generating ICPs without I flow metering	ICP 0221906002LC12A's distributed generation was removed when the meter was relocated on 14 July 2021. CTCT has confirmed that generation is still present and is waiting for the paperwork to be returned.  ICP 0000932060TE629 has had a fire on site and CTCT is investigating if generation is still present or not.

#### CTCX

The previous audit issue relating to incorrect submission in the HHR volumes and aggregates files for some FCLM meters with day/night registers have been resolved by clearing the data and reimporting the correct files, and corrected data has been washed up.

#### CTCS

Four alleged breaches were recorded for not providing accurate submission information:

Reference	Code section	Description	Outcome
2203CTCT1	Part 15 clause 15.2 (1) (a)	<p>Part one: There was under submission of 2,132,678.09 kWh for the January 2022 initial submission due to an error updating meter start dates during a meter change. The data was corrected and washed up by revision one.</p> <p>Part two: There was under submission of 2,822,041 kWh for the October 2021 revision three submission due to an error applying a multiplier when processing a meter change from AMI to TOU. The data was corrected and washed up by revision seven.</p>	No result yet
2203CTCT2	Part 15 clause 15.2 (1) (a)	<p>When an ICP switched in effective 1 February 2021, Simply Energy set up the metering based on what the five meters recorded on the registry. When data was received for another three meter registers not recorded on the registry, the associated volumes were omitted because Simply Energy believed the meters were not to be settled.</p> <p>It was later confirmed that the three registers were installed in September 2020 and should have had volumes submitted since the switch in date. A correction was made in January 2022 and volumes are being submitted through the revision process.</p>	No result yet
2107CTCT1	Part 15 clause 15.2 (1) (a)	<p>CTCS failed to deliver accurate information to the Reconciliation Manager in their AV-080 (NHH submission file) for 202011 R7. CTCS had a dedicated flag change at NSP MMP0111-MOPO. The flag changed from N to Y. CTCS failed to zero out the volumes at that NSP for the previous submission under the N flag, and therefore when submitting under the Y flag duplicated the volume.</p>	Decline to pursue with warning
2202CTCT1	Part 15 clause 15.2 (1) (a)	<p>Simply Energy (CTCS) submitted NHH volumes for NSP TCC0011-TENC with special profile E08. The reconciliation system did not have a profile for this, and queried it with the profile owner, CTCT, who confirmed they don't have profile E08 on NSP TCC0011 and therefore wouldn't provide a shape.</p> <p>CTCS did not provide shape values. In revision three they zeroed the volume for the TCC0011-TENC-E08 and moved the load to the RPS profile.</p>	No result yet

In addition to the alleged breaches above, some data was not corrected at the next available opportunity for submission:

Issue	Issue description
Missing NHH readings in MADRAS	<p><b>Reads omitted by the data transfer process:</b> Validated reads are sent to EMS at least weekly. Simply Energy recently discovered that the export transfer load (ETL) process which provides reads to MADRAS was deleting the last 30 days of readings, and then re-entering the last 29 days of readings, resulting in the read for 30 days prior being removed. This issue is not visible in MADRAS' calculations unless one or more of those expected reads occurred on the 30<sup>th</sup> day before the read upload. The ICPs where historic estimate calculations were checked affected by this issue were:</p> <ul style="list-style-type: none"> <li>• 0000016404EA6EB (January 2022),</li> <li>• 0076470001HB982 (January 2022),</li> </ul>

Issue	Issue description
	<ul style="list-style-type: none"> <li>• 0015726486EL9AD (March 2022), and</li> <li>• 0000435800MP1F2 (March 2022).</li> </ul> <p>Simply Energy is investigating revising the ETL process to prevent permanent deletion of earlier reads and also to use the read insert date, rather than the read date to ensure that all readings are captured where a backdated switch occurs.</p> <p><b>0000037086WE32E:</b> The ICP switched in on 1 March 2020 with 137899 E and out on 24 November 2020 with 134770 E, a difference of -3,129 kWh. Because the switch out read was lower than the switch in read, the reading was not able to be validated and MADRAS calculated forward estimate.</p> <p><b>0005280129WA325:</b> The ICP did not have its meter removal reading recorded in MADRAS, and forward estimate was calculated. Simply Energy confirmed that the reading was sent to MADRAS.</p>
Incorrect agreed switch readings	<p>As reported in <b>sections 4.3, 4.10 and 4.16</b>, two transferred ICPs and four switch move ICPs sent with the incorrect last read as detailed below:</p> <ul style="list-style-type: none"> <li>• 0000045646HR5D5 (TR) correct read 9127 under submission of 7 kWh,</li> <li>• 0001521795PC22D (TR) correct read 190192 over submission of 64 kWh,</li> <li>• 0000314406MP117 (MI) correct read 5237 over submission of 11 kWh,</li> <li>• 0007671629HB2B5 (MI) correct read 76437 over submission of 1884 kWh,</li> <li>• 0011201017EL49B (MI) correct reads 644205/877077/339354 over submission of 7524 kWh, and</li> <li>• 0000387118TPA63 (MI) correct read 239 under submission of 8 kWh.</li> </ul> <p>This was due to an error in the SQL script being used to process bulk switch outs. The error started in January 2022 but was not identified and corrected until June 2022. The number of ICPs sent with the incorrect estimated reads during the period where the SQL script was incorrect is unknown.</p>
Unreported inactive consumption	<p><b>0007200667RN539</b> had 14 kWh of inactive consumption under reported for 29 April 2022, and the ICP should have had active status for that day because it was consuming energy.</p>
Incorrect unmetered load	<p><b>0000151826WA0E5</b> had incorrect unmetered load readings calculated resulting in under submission of 1.54 kWh for April 2022.</p> <p><b>0015750376EL9C1</b> had an incorrect unmetered load reading calculated in September 2021 because it failed to take into account the switch in date. Under submission of 3.45 kWh occurred for September 2021.</p> <p>The readings were corrected during the audit.</p>
Missing HHR volume and ICP days	<p><b>0301589534LC9D5</b> had an estimated reading for 30 August 2021 replaced by an actual reading imported on 15 March 2022. The reading was an incorrectly classified estimate reading, imported when Simply Energy was still accepting MEP estimates and classifying them as actual. Because the reading was higher than subsequent actual readings, it failed validation and due to timing, the error was not resolved, and the data was not estimated prior to revision submissions being produced.</p>
Incorrect volumes around NSP change	<p><b>0007173300RN6EB</b> had a change of NSP, but no boundary reads were entered for the NSP change, which created small ICP days differences for BRY0661 and ISL0661 in July and August 2021. There is a process to enter boundary readings, but no read history was available to create the permanent estimates. The ICP was made ready for</p>

Issue	Issue description
	decommissioning on 11 March 2022 and was decommissioned on 11 June 2022, and permanent estimate reads will be created.

Submission accuracy issues identified during the previous audit was re-checked to confirm whether they were resolved.

Issue	Description
Incorrect active status dates	<p>The previous audit exception relating to ICP 0000010073TE5D4 having the incorrect active date of 19 March 2021 was still present. This has been confirmed as active from 16 April 2021 and was corrected during the audit. This is now outside of the revision period so any inaccurate submissions will not be corrected.</p> <p>0000122591TRC78 (May 2021) had inaccurate historic estimate results in the previous audit, due to incorrect inputs into the process. 0000122591TRC78 (May 2021) switched in with active status on 5 May 2021, was inactive on 6 May 2021 and active on 7 May 2021. No consumption was recorded against the switch in date.</p>
Process to send reads to MADRAS where there are multiple reads on a day	<p>The previous audit found that one reading per day is sent to MADRAS and the ETL process would send the latest read. If an ICP switched in, and then received a later AMI read on the switch in date, the process would send the AMI read instead of the agreed switch reading. This issue has been resolved and I confirmed that reads are sent in order of preference with agreed switch readings and then permanent estimates taking precedence. Where there are multiple readings on the same day with the same read type the most recently entered read is sent.</p>
Historic estimate reads	<p>The historic estimate read type is no longer sent to EMS and historic estimate reads that had been sent have been cleared. Historic estimate reads have been added to the list of excluded read types.</p>
Inaccurate agreed switch reads	<p>No inaccurately processed read changes were identified during the audit.</p> <p>The following ICPs had inaccurate historic estimate results in the previous audit, due to incorrect inputs into the process. They remain incorrect:</p> <p><b>0133018377LCCC1</b> (July 2021) - the agreed switch reading was not applied resulting in under submission of 7 kWh, and</p> <p><b>0000179444TR9E5</b> (July 2021) - the agreed switch reading was not applied resulting in under submission of 19 kWh.</p>
Replacement HHR data	<p>When actual trading period data has been received and updated actual data is received later, it will be replaced. Where an MEP has provided a part day of data, they may later provide a replacement file which contains nulls for the trading periods already provided and HHR volumes for the part of the day that was originally missing. I found that where this occurs, DataHub imports the whole replacement file, which replaces the actual data originally provided with the null values. DataHub then creates estimates for the missing periods.</p> <p>The previous audit issue where HHR replacement data was not loaded except where a register read was provided has been resolved.</p>
Rounding of reads sent to MADRAS	<p>0000002376CE663 (July 2021) had inaccurate historic estimate results in the previous audit, due to incorrect inputs into the process. The readings sent to MADRAS were rounded to zero decimal places. Readings are now consistently sent to MADRAS with decimal places.</p>

Issue	Description
Unmetered load	<p>Unmetered load is settled based on monthly readings recorded against an unmetered load register where these are provided to EMS, otherwise they are calculated as forward estimate. Simply Energy is reviewing the process to create readings for unmetered registers. There are some constraints when they are entered into DataHub and then transferred to MADRAS including that reads cannot be future dated, so it is not possible to create readings for several months at a time.</p> <p>During the previous audit I found that:</p> <ul style="list-style-type: none"> <li>• where readings were not provided MADRAS estimates the unmetered load to be 55 kWh per day, and</li> <li>• where readings were provided to MADRAS, they were rounded to zero decimal places.</li> </ul> <p>MADRAS continues to use a default estimate of 55 kWh per day where readings are not provided. Simply Energy is developing a new process to streamline the entry of unmetered load readings into SalesForce, DataHub and MADRAS so that they can be consistently provided. In the meantime, the proportion of unmetered load forward estimate is reviewed for revision seven and 14 submissions and removed by adding permanent estimate readings.</p> <p>DataHub now sends unmetered load readings to EMS with the number of decimal places recorded in DataHub with the exception of switch in and out reads which have zero decimal places and match the values recorded on the registry. As long as readings are entered into DataHub with decimal places compliance will be achieved. I checked the ten unmetered load ICPs from the last audit which has rounded readings and found they had been corrected. I also reviewed readings files to confirm that reads are consistently sent with decimal places.</p> <p>Simply Energy is working through validating their trader unmetered load details against the distributors unmetered load details and investigating and correcting any discrepancies. Where the unmetered load is not connected 24 hours per day, the ICP is moved from UML to RPS profile. As part of the profile change process, Simply Energy recalculates all the readings in Excel and ensures there is a validated reading for the profile change date, and the file is provided to EMS.</p>

**Audit outcome**

Non-compliant

Non-compliance	Description
<p>Audit Ref: 12.7</p> <p>With: Clause 15.12</p> <p>From: 01-Dec-21</p> <p>To: 09-Aug-22</p>	<p><b>CTCT, CTCX and CTCS</b></p> <p>Some submission data was inaccurate and was not corrected at the next available opportunity.</p> <p>Potential impact: High</p> <p>Actual impact: High</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 6</p>

Audit risk rating	Rationale for audit risk rating		
High	<p>The controls are moderate overall, and Contact is working to investigate issues and improve controls.</p> <p>The impact is high based on the volume differences identified, and that corrected data has not yet been prepared in some instances.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCT</u></b> Ongoing training for the team members. Meeting to allocated responsibilities to the correct teams.</p> <p><b><u>CTCX/CTCS</u></b> <b>Readings omitted by the data transfer process</b> - The root cause was addressed via a process change effective 16 May 2022 to the SQL query extracting data from the Datawarehouse. There is a further change in the pipeline, detailed in the preventative actions sections, that will resolve the remaining issues.</p> <p><b>Incorrect agreed switch readings</b> - The Bulk Switch out SQL script and associated Excel model were updated to resolve the issue with incorrect calculation of last read in June 2022. We have not tried to correct switch readings sent to registry prior to this date.</p> <p>ICP 0007200667RN539 had 14 kWh of inactive consumption under reported for 29 April 2022. The Registry has been updated now and the disconnection event has been reversed. This ICP is now active from original switch in date and all consumption billed and reconciled.</p> <p><b>Incorrect unmetered load</b> - readings were corrected during the audit</p> <p><b>Missing HHR volume and ICP days</b> - System changes to ensure MEP estimates were imported correctly and flagged as estimates were made in April 2022.</p> <p>The absence of reads on ICP 0007173300RN6EB contributed to the <b>incorrect ICP days</b> reporting when the ICP changed NSPs, a read has now been received and this is now resolved.</p>		<p>Ongoing 23/08/2022</p> <p>31/12/2022</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b><u>CTCT :</u></b> Ongoing training for the team members. Meeting to allocated responsibilities to the correct teams.</p> <p><b><u>CTCX/CTCS</u></b> Several issues identified in this section relate to the completeness of reading data sent to our NHH DA system - MADRAS. A code change to ensure all readings inserted, removed (unvalidated) or updated, are sent to MADRAS</p>		<p>Ongoing</p> <p>31/12/2022</p>	

<p>regardless of the date on which the insertion or update was made is being tested and will undergo a material change audit before release. It is expected that these changes will resolve the issues with correct readings being used to calculate submission information.</p> <p>On 8 August 2022 the Bulk switch out model was updated with additional security and logging added so that calculations cannot be edited without password access; and also to allow developers to log changes as they are made. This will mitigate the risk of users accidentally overwriting formulae and will also ensure changes made to the logic are tracked for future investigations.</p> <p>A task has been added to the regular monthly compliance schedule to ensure all inactive ICPs are reviewed to ensure there is no reported consumption; and where an ICP has been inactive for longer than 12 months without a reading, a special manual reading will be requested.</p> <p>A review of all unmetered ICPs Trader Unmetered details against daily kWh values will be finalised by 31/8/2022 and any material updates will be backdated to the 14th revision month and all others will be updated from 1/9/2022.</p> <p>Improved meter reading attainment will now mitigate any ICPs we are unable to process NSP Changes for.</p>	<p>Complete</p> <p>Ongoing</p> <p>31/8/2022</p> <p>Ongoing</p>	
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## 12.8. Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)

### Code reference

Clause 4 Schedule 15.2

### Code related audit information

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

*The relevant reconciliation participant must, at the earliest opportunity, and no later than the month 14 revision cycle, replace volume information created using estimated readings with volume information created using validated meter readings.*

*If, despite having used reasonable endeavours for at least 12 months, a reconciliation participant has been unable to obtain a validated meter reading, the reconciliation participant must replace volume information created using an estimated reading with volume information created using a permanent estimate in place of a validated meter reading.*

### Audit observation

Three AV080 14-month revisions were reviewed to identify any forward estimate still existing. A sample of NSPs with forward estimate remaining were checked to determine the reasons for the forward estimate.

### Audit commentary

#### CTCT

Review of three AV080 14-month revisions showed that some forward estimate remained:



- 52,142.22 kWh of forward estimate for October 2020 r14,
- 58,151.98 kWh of forward estimate for November 2020 r14, and
- 70,375.1 kWh of forward estimate for December 2020 r14.

The meter read compliance process described in **section 6.8** is followed to attempt to obtain an actual read within 12 months. Where an actual read is not obtained, an automated process changes an existing estimate read to become a permanent estimate. These estimates are validated against previous actual readings where available, but not all ICPs have permanent estimates entered by revision 14.

I checked the ten AV080 aggregation rows with the highest proportion of forward estimate in for revision 14 to determine the reasons for the forward estimate. I found that forward estimate remained because of a lack of meter readings in all cases.

The existence of forward estimate at revision 14 is recorded as non-compliance below.

### CTCX and CTCS

ICPs with forward estimate remaining at revision seven or 14 are identified through the NHH submission validation process discussed in **section 12.3**. Simply Energy checks the ICPs, and where reads are available (or can be calculated for unmetered load) they are sent to MADRAS for reconciliation. Simply Energy has found most ICPs which do not have 100% historic estimate do not have actual reads available.

Simply Energy has a process for creating permanent estimates as part of their correction processes but does not routinely enter permanent estimates where reads cannot be obtained. They intend to develop a process to enter permanent estimates for unread ICPs.

Some historic estimate is incorrectly labelled as forward estimate by MADRAS where seasonal adjusted shape values (SASV) published by the reconciliation manager are not available for part or all of a read-to-read period. This primarily affects ICPs with the PV1, SBL, SFI and UML profiles and day 4 submissions for the RPS profile. To reduce the volume of ICPs affected Simply Energy has created profile shapes for PV1 and UML profiles which are uploaded into MADRAS, enabling consumption to be classified as historic estimate.

CTCX	Review of AV080 14-month revisions for October 2020 to December 2020 showed that no forward estimate remained.
CTCS	<p>Review of AV080 14-month revisions for October 2020 to December 2020 showed that some forward estimate remained:</p> <ul style="list-style-type: none"> <li>• 298,612.81 kWh of forward estimate for October 2020 r14,</li> <li>• 354,468.67 kWh of forward estimate for November 2020 r14, and</li> <li>• 250,454.94 kWh of forward estimate for December 2020 r14.</li> </ul> <p>I checked the ten AV080 aggregation rows with the highest proportion of forward estimate in the October 2020 revision 14 to determine the reasons for the forward estimate:</p> <ul style="list-style-type: none"> <li>• six ICPs had not been read and no permanent estimate was entered,</li> <li>• two ICPs had UML or PV1 profile, and the submission occurred before shape files were routinely being loaded for these profiles,</li> <li>• ICP 0000037086WE32E switched in on 1 March 2020 with 137899 E and out on 24 November 2020 with 134770 E, a difference of -3,129 kWh; because the switch out read was lower than the switch in read, the reading was not able to be validated and MADRAS calculated forward estimate, and</li> <li>• ICP 0005280129WA325 did not have its meter removal reading recorded in MADRAS, and forward estimate was calculated; Simply Energy confirmed that the reading was sent to MADRAS.</li> </ul>

	The incorrect submission data for ICPs 0000037086WE32E and 0005280129WA325 is recorded as non-compliance in <b>section 12.7</b> . The existence of forward estimate at revision 14 is recorded as non-compliance below.
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**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 12.8 With: Clause 4 Schedule 15.2 From: 01-Oct-20 To: 01-Dec-20	<b>CTCT and CTCS</b> Some estimates were not replaced by revision 14. Potential impact: Medium Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as weak overall: <ul style="list-style-type: none"> <li>for CTCT there are processes to attain readings and enter permanent estimates, but not all ICPs have permanent estimates entered by revision 14, and</li> <li>for CTCS and CTCX there are processes to attain readings, but there is no process to enter permanent estimates.</li> </ul> There are sound estimation processes, therefore I have recorded the audit risk rating as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> Contact will be creating new reporting covering FE prior to WU14 submission. We will be raising a ticket for our SAP analysts to investigate incidences where PE was not applied.		ASAP	Identified
<b>CTCS</b> We are unable to correct previous FE reporting in the R14 files		ASAP	
Preventative actions taken to ensure no further issues will occur		Completion date	

<p><b>CTCT :</b></p> <p>Contact continues to focus on long term no access properties process.</p> <p>Contact will be creating new reporting covering FE prior to WU14 submission.</p> <p>We will be raising a ticket for our SAP analysts to investigate incidences where PE was not applied.</p> <p><b>CTCS</b></p> <p>A process was implemented in July to monitor FE remaining at R14. The ICPs involved are then escalated to Ops to individually investigate to see if an actual reading can be obtained.</p> <p>In addition to the stronger control related to gaining meter readings detailed in this audit report, a further submission process enhancement is planned to be implemented by the end of this calendar year to enable automated creation of permanent estimates at R14 where no actual reading can be obtained.</p>	<p>Ongoing</p> <p>ASAP</p> <p>Complete</p> <p>31/3/2023</p>	
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## 12.9. Reconciliation participants to prepare information (Clause 2 Schedule 15.3)

### Code reference

Clause 2 Schedule 15.3

### Code related audit information

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

- *half hour volume information for the total metered quantity of electricity for each ICP notified in accordance with clause 11.7(2) for which there is a category 3 or higher metering installation (clause 2(1)(a)) for each ICP about which information is provided under clause 11.7(2) for which there is a category 1 or category 2 metering installation (clause 2(1)(b)):*
  - a) *any half hour volume information for the ICP; or*
  - b) *any non-half hour volumes information calculated under clauses 4 to 6 (as applicable).*
  - c) *unmetered load quantities for each ICP that has unmetered load associated with it derived from the quantity recorded in the registry against the relevant ICP and the number of days in the period, the distributed unmetered load database, or other sources of relevant information (clause 2(1)(c))*
- *to create non half hour submission information a reconciliation participant must only use information that is dependent on a control device if (clause 2(2)):*
  - a) *the certification of the control device is recorded in the registry; or*
  - b) *the metering installation in which the control device is location has interim certification.*
- *to create submission information for a point of connection the reconciliation participant must apply to the raw meter data (clause 2(3)):*
  - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))*
  - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report (clause 2(3)(b)).*

**Audit observation**

Aggregation and content of reconciliation submissions was reviewed, and the registry lists were reviewed.

**Audit commentary**

**CTCT**

Compliance with this clause was assessed:

- all active ICPs with meter category 3 or higher have submission type HHR apart from 1099580899CN808 which was upgraded from category 1 to category 3 on 22 February 2022 and should have been switched to CTCS and settled as HHR; the ICP remained with CTCT on RPS profile until a backdated switch to CTCS was completed effective from 28 February 2022,
- some profiles requiring a certified control device are used but CTCT is aware of the metering requirements of the profiles, and compliance was recorded in **section 6.3**; where the metering is not compliant with the requirements of the profile, CTCT applies RPS for submission,
- unmetered load submissions were checked in **section 12.2**,
- no loss or compensation arrangements are required, and
- aggregation of the AV080, AV110, AV090 and AV140 submissions are covered in **sections 13.2, 11.2, and 11.4** respectively - ICP 0314801030LCF84 had its volume submitted against PEN0221 instead of PEN0331; CTCT has supplied the ICP since 7 July 2010 but the change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24 March 2022 when it was found through the reconciliation team’s GR090 validation.

Description	Recommendation	Audited party comment	Remedial action
ICPs with meter category 3 or higher	<p><b>CTCT</b></p> <p>Update the meter upgrade process to ensure that where an ICP is upgraded to meter category 3 or higher the ICP is switched to CTCS and settled as HHR from the meter upgrade date.</p> <p>Ensure switching process prevents ICPs with meter category 3 or higher switching in to CTCT. These ICPs should only be supplied by CTCS.</p>	<p>Contact (CTCT) is reviewing the process and have provided further training to the agents for meter upgrade jobs to ensure category 3 or higher are managed under CTCS code.</p> <p>SAP system already prevents most users for creating any switch ins for meter category 3 or higher.</p>	Identified

The previous audit issue relating to the Ohoka Downs DUML ICP 0000366150MP46C was rechecked. The ICP became inactive on 4 June 2021, but the registry has recorded inactive status from 7 October 2020, and SAP recorded in active status from 26 May 2021 due to data processing errors. The status dates were corrected in SAP and on the registry, but the user did not update the installation fact end date in SAP resulting in zero consumption being submitted in error from 27 May 2021 to 3 June 2021. Correct consumption was submitted from 4 June 2021 onwards. SAP’s installation facts have now been updated and the correction for 27 May 2021 to 3 June 2021 will be captured in the June 2021 r14 submission.

**CTCX and CTCS**

Compliance with this clause was assessed:

- all active ICPs with meter category 3 or higher have submission type HHR,
- unmetered load submissions were checked and as recorded in **section 12.7**, the unmetered load submissions are based on “dummy” meters with consumption derived from the daily kWh figures in the registry,
- the AC020 report did not record any ICPs with profiles requiring certified control devices where control devices were not certified,
- no loss or error compensation arrangements are required, and
- aggregation of the AV080, AV110, AV090 and AV140 submissions are covered in **sections 13.2, 11.2, and 11.4** respectively.

### Audit outcome

#### Non-compliant

Non-compliance	Description		
<p>Audit Ref: 12.9</p> <p>With: Clause 2(1)(c) of schedule 12.3</p> <p>From: 22-Feb-22</p> <p>To: 24-Mar-22</p>	<p><b>CTCT</b></p> <p>1099580899CN808 had metering category 3 with NHH submission and RPS profile from 22 February 2022 until 27 February 2022. It switched to CTCS 28 February 2022 and has HHR profile applied for CTCS’ period of supply.</p> <p>ICP 0314801030LCF84 had its HHR volume submitted against PEN0221 instead of PEN0331. CTCT supplied the ICP since 7 July 2010. The change of NSP effective 15 October 2020 on 15 October 2020 was not successfully loaded in SAP, and the NSP mismatch was not detected and corrected until 24Maech 2022 when it was found through the reconciliation team’s GR090 validation.</p> <p>Potential impact: High</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Low</b></p>	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The impact on settlement and participants is minor; therefore, the audit risk rating is low.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b>CTCT</b></p> <p>Contact has made steady improvements with monitoring the changes of NSP events mismatching data since our last audit. We continue to actively work with our customers and distributors to update SAP in time and to resolve any non-compliances.</p>		<p>Ongoing</p>	<p>Identified</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
<p><b>CTCT</b></p> <p>The Registry Analyst and Reconciliation team will review current monthly discrepancy reporting with a view to improve scope and accuracy.</p>	ASAP	

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

### Code reference

Clause 3 Schedule 15.3

### Code related audit information

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

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

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

### Audit observation

AV080 submissions were reviewed, to confirm that historic estimates are included and identified.

Permanence of meter readings is reviewed in **section 12.8**. The methodology to create forward estimates is reviewed in **section 12.12**.

### Audit commentary

#### CTCT

I reviewed nine AV080 submissions for a diverse sample of months and revisions and confirm that forward and historic estimates are included and identified as such.

#### CTCX and CTCS

Some historic estimate is incorrectly labelled as forward estimate by MADRAS where seasonal adjusted shape values (SASV) published by the reconciliation manager are not available for part or all of a read-to-read period. This primarily affects ICPs with the PV1, SBL, SFI and UML profiles and day 4 submissions for the RPS profile. To reduce the volume of ICPs affected Simply Energy has created profile shapes for PV1 and UML profiles which are uploaded into MADRAS, enabling consumption to be classified as historic estimate.

CTCX	I reviewed nine CTCX AV080 submissions for a diverse sample of months and confirm that forward and historic estimates are included and identified as such.
CTCS	I reviewed nine CTCS AV080 submissions for a diverse sample of months and confirm that forward and historic estimates are included and identified as such.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 12.10 With: Clause 3 Schedule 15.3 From: 01-May-20 To: 09-Aug-22	<b>CTCS and CTCX</b> Where SASV profiles are not available, consumption based on validated readings is labelled as forward estimate. Potential impact: None Actual impact: None Audit history: Multiple times Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are recorded as strong because historic and forward estimate is correctly identified most of the time, now that UML and PV1 profile shapes are imported into MADRAS. The audit risk rating is low; there is no impact on settlement because the volume calculation is correct.		
Actions taken to resolve the issue		Completion date	Remedial action status
<u>CTCS/CTCX</u> We are unable to correct previous FE reporting.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<u>CTCS/CTCX</u> Where required, we are now submitting shape files to our NHH DA system for revisions to ensure validated actuals are not being reported as estimated. R14 and R7 submissions now are at 100% HE. Providing actual reads for all unmetered ICPs will further reduce the readings being labelled as Forward Estimate. A review of all unmetered ICPs Trader Unmetered details against daily kWh values will be finalised by 31/8/2022. This will mean going forward all unmetered ICPs will have an end of month read which will remove the Forward Estimate reading being used.		Complete  31/3/2022	

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

#### Code reference

Clauses 4 and 5 Schedule 15.3

#### Code related audit information

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

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

#### Audit observation

To assist with determining compliance of the Historical Estimate (HE) processes, Contact was supplied with a list of scenarios, and for some individual ICPs a manual HE calculation was conducted and compared to the result from Contact's systems.

#### Audit commentary

##### CTCT

The table below shows that all scenarios are compliant. The check of calculations included confirming that readings and shape files were applied correctly.

The process for managing shape files was examined. There is an automated process where the RM web server is polled for new files. The new files overwrite the old files, and if a new file is not available, the most recent file remains. Manual intervention is only required where a file has failed to upload, and a BPEM is created to alert the user to the failure. Typically, failures occur only if a data value in one of the fields is not set up in SAP. The user will enter the data value in SAP's maintenance tables, and then move the file back to the source folder, so that it will be picked up for import.

Test	Scenario	Test expectation	Result
a	ICP becomes Active part way through a month	Consumption is only calculated for the Active portion of the month.	Compliant
b	ICP becomes Inactive part way through a month.	Consumption is only calculated for the Active portion of the month.	Compliant
c	ICP become Inactive then Active again within a month.	Consumption is only calculated for the Active portion of the month.	Compliant
d	ICP switches in part way through a month on an estimated switch reading	Consumption is calculated to include the 1st day of responsibility.	Compliant
e	ICP switches out part way through a month on an estimated switch reading	Consumption is calculated to include the last day of responsibility.	Compliant
f	ICP switches out then back in within a month	Consumption is calculated for each day of responsibility.	Compliant
g	Continuous ICP with a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant
h	Continuous ICP without a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant



Test	Scenario	Test expectation	Result
i	Rollover Reads	Consumption is calculated correctly in the instance of meter rollovers.	Compliant
j	Unmetered load for a full month	Consumption is calculating based on daily unmetered kWh for full month.	Compliant
k	Unmetered load for a part month	Consumption is calculating based on daily unmetered kWh for active days of the month.	Compliant
l	Network/GXP/Connection (POC) alters partway through a month.	Consumption is separated and calculated for the separate portions of where it is to be reconciled to.	Compliant
m	ICP with a customer read during the month	Customer reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Compliant – the customer reads were ignored
n	ICP with a photo read during the month	Photo reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Has not occurred
o	ICP has a meter with a multiplier greater than 1	The multiplier is applied correctly	Compliant

### CTCS and CTCX

Historic estimate is prepared by EMS using the MADRAS system.

Simply Energy receives seasonal adjusted shape values (SASV) via SFTP after each allocation and provides them to EMS via SFTP. EMS collects the files and loads them into MADRAS, along with Simply Energy's own profile shapes for UML and PV1. I confirmed that the correct SASV were applied as part of the historic estimate calculation review.

The historic estimate calculations were found to be compliant where they had occurred, but the volumes produced can be inaccurate if there are inaccurate inputs into the process, such as incorrect readings, or calculation of unmetered load readings.

Validated reads are sent to EMS at least weekly. Simply Energy recently discovered that the export transfer load (ETL) process which provides reads to MADRAS was deleting the last 30 days of readings, and then re-entering the last 29 days of readings, resulting in the read for 30 days prior being removed. This issue is not visible in MADRAS' calculations which only show the last two reads prior to the period, the first and last read within the period, and the first two reads after the period unless one or more of those expected reads occurred on the 30<sup>th</sup> day before the read upload. Several of the historic estimate scenarios for this audit were for the January 2022 audit period, and reads were consistently missing for 31 December 2021 to 4 January 2022, and from 1 to 4 February 2022. Simply Energy is investigating revising the ETL process to prevent permanent deletion of earlier reads and also to use the read insert date, rather than the read date to ensure that all readings are captured where a backdated switch occurs. The ICPs where historic estimate calculations were checked affected by this issue were:

- 0000016404EA6EB (January 2022),
- 0076470001HB982 (January 2022),
- 0015726486EL9AD (March 2022), and
- 0000435800MP1F2 (March 2022).

ICP 0015750376EL9C1 had an incorrect unmetered load reading calculated in September 2021 because it failed to take into account the switch in date. Under submission of 3.45 kWh occurred for September 2021.

Customers may provide customer and photo readings directly to Simply Energy, which are entered into DataHub as “customer actual” if they have been validated against a set of readings from another source, and “customer estimate” if they have not been validated against a set of actual readings from another source. Simply Energy found that these customer reads are not always correctly classified and stopped sending “customer actual” reads to MADRAS to calculate historic estimate. “Customer estimate” reads were never sent to MADRAS.

The previous audit found that one reading per day is sent to MADRAS and the ETL process would send the latest read. If an ICP switched in, and then received a later AMI read on the switch in date, the process would send the AMI read instead of the agreed switch reading. This issue has been resolved and I confirmed that reads are sent in order of preference with agreed switch readings and then permanent estimates taking precedence. Where there are multiple readings on the same day with the same read type the most recently entered read is sent.

I re-checked inaccurate historic estimate results found in the previous audit and found they had been resolved by revision seven, apart from these ICPs which require further work and are recorded as non-compliance in **section 12.7**:

- 0133018377LCCC1 (July 2021) - the agreed switch reading was not applied resulting in under submission of 7 kWh,
- 0000122591TRC78 (May 2021) - the ICP switched in with active status on 5 May 2021, was inactive on 6 May 2021 and active on 7 May 2021; no consumption was recorded against the switch in date,
- 0000179444TR9E5 (July 2021) - the agreed switch reading was not applied resulting in under submission of 19 kWh, and
- 0000002376CE663 (July 2021) - the readings sent to MADRAS were rounded to zero decimal places.

Test	Scenario	Test expectation	CTCX result	CTCS result
a	ICP becomes Active part way through a month	Consumption is only calculated for the Active portion of the month.	Has not occurred	Compliant
b	ICP becomes Inactive part way through a month.	Consumption is only calculated for the Active portion of the month.	Has not occurred	Compliant
c	ICP become Inactive then Active again within a month.	Consumption is only calculated for the Active portion of the month.	Has not occurred	Compliant
d	ICP switches in part way through a month on an estimated switch reading	Consumption is calculated to include the 1st day of responsibility.	Has not occurred	Compliant
e	ICP switches out part way through a month on an estimated switch reading	Consumption is calculated to include the last day of responsibility.	Has not occurred	Compliant
f	ICP switches out then back in within a month	Consumption is calculated for each day of responsibility.	Has not occurred	Has not occurred

Test	Scenario	Test expectation	CTCX result	CTCS result
g	Continuous ICP with a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant	Compliant
h	Continuous ICP without a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant	Compliant
i	Rollover Reads	Consumption is calculated correctly in the instance of meter rollovers.	Has not occurred	Compliant
j	Unmetered load for a full month	Consumption is calculating based on daily unmetered kWh for full month.	Has not occurred	Compliant
k	Unmetered load for a part month	Consumption is calculating based on daily unmetered kWh for active days of the month.	Has not occurred	Compliant
l	Network/GXP/Connection (POC) alters partway through a month.	Consumption is separated and calculated for the separate portions of where it is to be reconciled to.	Has not occurred	Compliant
m	ICP with a customer read during the month	Customer reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Has not occurred	Compliant
n	ICP with a photo read during the month	Photo reads are not used to calculate historic estimate, unless they have been validated against actual readings from another source.	Has not occurred	Compliant
o	ICP has a meter with a multiplier greater than 1	The multiplier is applied correctly	Compliant	Compliant

#### Audit outcome

Compliant

#### 12.12. Forward estimate process (Clause 6 Schedule 15.3)

##### Code reference

Clause 6 Schedule 15.3

##### Code related audit information

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

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

#### **Audit observation**

The process to create forward estimates was reviewed.

Forward estimates were checked for accuracy by analysing the GR170 file for variances between revisions over the audit period.

#### **Audit commentary**

##### **CTCT**

Contact's forward estimates are calculated using the following methods, in order of priority:

1. daily average consumption with temperature adjustment from an average at the same time the previous year,
2. daily average consumption from the previous read to read period with temperature adjustment,
3. the daily average kWh received in the incoming CS file apportioned between all the connected meters, and
4. 25 kWh per day for X flow meters and 0 kWh per day for I flow meters.

If an ICP is vacant, daily average consumption of zero is applied for forward estimate.

Forward estimate is monitored as part of the pre-submission checks, and any anomalies are investigated.

The accuracy of the initial submission, in comparison to each subsequent revision is required to be within 15% and within 100,000kWh. The table below shows the number of balancing areas where this target was not met.

CTCT Quantity of balancing areas with differences over 15% and 100,000 kWh

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total
Jun 2020	-	1	1	1	269
Jul 2020	-	-	-	1	269
Aug 2020	-	-	-	-	270
Sep 2020	2	4	4	4	272
Oct 2020	2	3	3	3	272
Nov 2020	2	3	2	2	272
Dec 2020	2	2	2	-	271
Jan 2021	3	3	3		273
Feb 2021	2	3	3		273

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total
Jun 2020	-	1	1	1	269
Jul 2020	-	-	-	1	269
Aug 2020	-	-	-	-	270
Mar 2021	2	2	2		274
Apr 2021	2	2	3		274
May 2021	2	4	4		275
June 2021	2	3	3		275
Jul 2021	2	2	2		279
Aug 2021	1		2		282
Sep 2021	-		-		281
Oct 2021	1	1			283
Nov 2021	-	1			283
Dec 2021	-	1			283
Jan 2022	-	-			284

CTCT total variation between revisions at an aggregate level

Month	Revision 1	Revision 3	Revision 7	Revision 14
Jun 2020	-1.18%	-2.32%	-2.70%	-2.75%
Jul 2020	-0.76%	-2.61%	-2.86%	-3.16%
Aug 2020	2.01%	1.24%	1.30%	1.24%
Sep 2020	2.01%	2.66%	2.63%	2.48%
Oct 2020	1.88%	2.58%	2.43%	2.58%

Month	Revision 1	Revision 3	Revision 7	Revision 14
Nov 2020	1.14%	2.03%	1.76%	1.88%
Dec 2020	1.75%	1.66%	1.46%	
Jan 2021	2.38%	2.69%	2.75%	
Feb 2021	1.12%	0.90%	0.90%	
Mar 2021	-0.09%	0.31%	0.36%	
Apr 2021	-2.47%	-1.67%	-1.38%	
May 2021	-1.22%	-2.29%	-2.46%	
Jun 2021	-1.17%	-0.98%	-1.11%	
Jul 2021	-1.29%	-0.89%	-1.15%	
Aug 2021	-0.82%		-1.08%	
Sep 2021	0.02%		0.26%	
Oct 2021	0.67%	1.78%		
Nov 2021	-0.62%	-1.08%		
Dec 2021	-0.13%	0.07%		
Jan 2022	-1.80%	-2.76%		

I checked all differences over the threshold since July 2021, and found the issues were primarily because forward estimate was too high or low in relation to the actual readings when they were received. Some of the differences were due to irrigation ICPs, where it is difficult to estimate the consumption because it's not predictable.

The previous audit found incorrect forward estimates were created for 17 ICPs with Influx AMI meters; SAP was not set up to correctly identify the registers required for submission and over submission of approx. 115,000 kWh occurred for February 2021. I confirmed that the issue was resolved by revision three for all the affected ICPs.

Since September 2020, Contact has been using AMI midnight reads for submission, which are accurate, but still recorded as estimates because they haven't been billed, therefore they haven't been through the complete validation process. The accuracy of forward estimate has improved over time as a result.

#### **CTCX and CTCX**

EMS' forward standard estimate process is based on a "straight line" methodology, and where no historical information is available a "forward default" estimate of 55 kWh per day is used. The process for forward standard estimate calculation was checked and confirmed as accurate.

Simply Energy monitors differences between revisions using its Power Query tool.

The accuracy of the initial submission, in comparison to each subsequent revision is required to be within 15% and within 100,000kWh. The table below shows the number of balancing areas where this target was met.

CTCX Quantity of balancing areas with differences over 15% and 100,000 kWh

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total
Jun 2020	-	-	-	-	1
Jul 2020	-	-	-	-	1
Aug 2020	-	-	-	-	1
Sep 2020	-	-	-	-	1
Oct 2020	-	-	-	-	1
Nov 2020	-	-	-	-	1
Dec 2020	-	-	-	-	1
Jan 2021	-	-	-	-	2
Feb 2021	-	-	-	-	2
Mar 2021	-	-	-	-	2
Apr 2021	-	-	-	-	2
May 2021	-	-	-	-	2
June 2021	-	-	-	-	2
Jul 2021	-	-	-	-	2
Aug 2021	-	-	-	-	2
Sep 2021	-	-	-	-	2
Oct 2021	-	-	-	-	2

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total
Nov 2021	-	-			2
Dec 2021	-	-			2
Jan 2022	-	-			2

CTCX total variation between revisions at an aggregate level

Month	Revision 1	Revision 3	Revision 7	Revision 14
Jun 2020	16.05%	7.62%	7.70%	7.25%
Jul 2020	-0.01%	-0.21%	0.64%	-31.06%
Aug 2020	0.00%	-0.05%	0.73%	-33.59%
Sep 2020	-29.14%	-36.64%	-36.63%	-47.25%
Oct 2020	-0.54%	-5.14%	-5.12%	-11.94%
Nov 2020	-7.32%	-6.78%	-5.44%	-5.44%
Dec 2020	0.00%	2.22%	1.97%	
Jan 2021	0.39%	2.19%	2.30%	
Feb 2021	-3.37%	-3.85%	-3.85%	
Mar 2021	0.00%	4.67%	-6.27%	
Apr 2021	0.00%	1.63%	-7.25%	
May 2021	0.00%	26.36%	34.37%	
Jun 2021	0.00%	-30.48%	-19.85%	
Jul 2021	25.94%	6.05%	62.77%	
Aug 2021	0.00%	220.41%		
Sep 2021	-3.03%	231.43%		



Month	Revision 1	Revision 3	Revision 7	Revision 14
Oct 2021	-30.13%	-44.06%		
Nov 2021	2.02%	2.17%		
Dec 2021	0.61%	0.01%		
Jan 2022	-0.42%	-3.25%		

CTCS Quantity of balancing areas with differences over 15% and 100,000 kWh

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total
Jun 2020	1	1	1	1	19
Jul 2020	2	2	2	2	56
Aug 2020	1	1	1	1	56
Sep 2020	-	-	-	-	56
Oct 2020	2	2	1	2	73
Nov 2020	-	1	1	1	83
Dec 2020	-	1	1		83
Jan 2021	-	-	1		80
Feb 2021	-	2	2		89
Mar 2021	-	-	-		90
Apr 2021	-	-	-		92
May 2021	-	-	1		93
June 2021	-	1	-		93
Jul 2021	-	-	1		84
Aug 2021	-	1			81

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total
Sep 2021	-	1			80
Oct 2021	-	-			80
Nov 2021	-	-			81
Dec 2021	-	-			80
Jan 2022	-	-			78

CTCS total variation between revisions at an aggregate level

Month	Revision 1	Revision 3	Revision 7	Revision 14
Jun 2020	-83.46%	-80.86%	-81.77%	-81.53%
Jul 2020	77.32%	75.01%	64.83%	67.12%
Aug 2020	16.97%	6.02%	11.59%	8.43%
Sep 2020	2.23%	3.86%	4.54%	4.85%
Oct 2020	41.62%	28.01%	3.31%	2.64%
Nov 2020	-1.93%	-19.42%	-19.14%	-17.98%
Dec 2020	0.65%	-15.80%	-18.25%	
Jan 2021	0.36%	-0.76%	-3.79%	
Feb 2021	0.02%	1.19%	-2.67%	
Mar 2021	0.52%	-0.53%	0.64%	
Apr 2021	-0.07%	-2.75%	-0.76%	
May 2021	-1.12%	-2.39%	-2.84%	
Jun 2021	-0.04%	-0.66%	0.98%	
Jul 2021	-1.79%	-2.64%	-3.18%	

Month	Revision 1	Revision 3	Revision 7	Revision 14
Aug 2021	1.19%	1.62%		
Sep 2021	0.72%	2.13%		
Oct 2021	2.21%	5.41%		
Nov 2021	0.05%	1.39%		
Dec 2021	2.57%	5.27%		
Jan 2022	-2.96%	-0.07%		

I checked all differences over the threshold for May 2021 onwards. The main reason for the differences were because unmetered load was submitted as forward estimates based on 55 kWh per day and was subsequently corrected, or estimates were replaced by actual readings.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 12.12 With: Clause 6 Schedule 15.3  From: 01-Jun-20 To: 31-Jan-22	<b>CTCT and CTCS</b> Inaccurate forward estimate caused the thresholds not to be met in some instances.  Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.  The impact is low because Initial data is replaced with revised data and washed up.		
Actions taken to resolve the issue		Completion date	Remedial action status
<b>CTCT</b> We believe that the primary cause is the unpredictability of rural/irrigation usage patterns. In addition, there is the Covid related impact on meter readings.		NA	Identified

<p><b><u>CTCS</u></b></p> <p>We are unable to correct previous FE reporting. This is partly impacted by submission non-compliances noted above, however it is also impacted by ICPs with no reads. We are focussed on getting consistent reads for all of our ICPs as noted in our meter read attainment non-compliances to ensure our performance in submission reporting is improved.</p>		
<p><b>Preventative actions taken to ensure no further issues will occur</b></p>	<p><b>Completion date</b></p>	
<p><b><u>CTCI</u></b></p> <p>Contact will continue to review instances where thresholds are not met to better understand underlying reasons.</p>	<p>Ongoing</p>	
<p><b><u>CTCS</u></b></p> <p>A further enhancement is planned to be implemented by the end of this calendar year to enable automated creation of permanent estimates at month 12 where no actual reading could be obtained. This should assist in complying with this clause.</p>	<p>31/3/2023</p>	

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

#### Code reference

Clause 7 Schedule 15.3

#### Code related audit information

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

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

#### Audit observation

The event detail reports were examined to identify all ICPs which had a profile change during the report period. A sample of ICPs with profile changes were reviewed to confirm that there was an actual or permanent estimate reading on the day of the profile change.

#### Audit commentary

##### CTCT

All profile changes are conducted using an actual meter reading on the day of and/or the day before the profile change. I reviewed a sample of 15 profile changes and confirmed all were changed on an actual or permanent estimate reading.

##### CTCX and CTCS

Simply Energy's policy is to complete profile changes on actual or permanent estimate readings.

CTCX	Review of the event detail identified three upgrades which did not coincide with meter changes. The profile change occurred on an actual reading.
CTCS	I checked 11 profile changes and confirmed that the profile changes occurred on actual or permanent estimate readings.

**Audit outcome**

Compliant

## 13. SUBMISSION FORMAT AND TIMING

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

#### Code reference

*Clause 8 Schedule 15.3*

#### Code related audit information

*For each category 3 of higher metering installation, a reconciliation participant must provide half hour submission information to the reconciliation manager.*

*For each category 1 or category 2 metering installation, a reconciliation participant must provide to the reconciliation manager:*

- *Half hour submission information; or*
- *Non half hour submission information; or*
- *A combination of half hour submission information and non-half hour submission information*

*However, a reconciliation participant may instead use a profile if:*

- *The reconciliation participant is using a profile approved in accordance with clause Schedule 15.5; and*
- *The approved profile allows the reconciliation participant to provide half hour submission information from a non-half hour metering installation; and*
- *The reconciliation participant provides submission information that complies with the requirements set out in the approved profile.*

*Half hour submission information provided to the reconciliation manager must be aggregated to the following levels:*

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *trading period*

*The non-half hour submission information that a reconciliation participant submits must be aggregated to the following levels:*

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *consumption period or day*

#### Audit observation

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**.

Aggregation of NHH volumes is discussed in **section 12.3**, aggregation of HHR volumes is discussed in **section 11.4** and NSP volumes are discussed in **section 12.6**.

### Audit commentary

No report aggregation discrepancies were identified. Submission information is provided to the reconciliation manager in the appropriate format and is aggregated to the following level:

- NSP code,
- reconciliation type,
- profile,
- loss category code,
- flow direction,
- dedicated NSP, and
- trading period for half hour metered ICPs and consumption period or day for all other ICPs.

The submitted data was also compared to billed data and appeared reasonable.

### Audit outcome

Compliant

## 13.2. Reporting resolution (Clause 9 Schedule 15.3)

### Code reference

*Clause 9 Schedule 15.3*

### Code related audit information

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

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

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

### Audit observation

I reviewed the rounding of data on the AV080, AV090 and AV140 and reports as part of the aggregation checks. AV130 submissions were reviewed in **section 12.6**.

### Audit commentary

Submission information is appropriately rounded to no more than two decimal places for CTCT, CTCX and CTCX.

### Audit outcome

Compliant

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

### Code reference

*Clause 10 Schedule 15.3*

### Code related audit information

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

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

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

#### Audit observation

The timeliness of submissions of historic estimate was reviewed in **section 12.2**.

I reviewed a sample of AV080 reports to confirm that historic estimate requirements were met.

#### Audit commentary

##### CTCT

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of historic estimate in the revision files was checked for nine reports, and the table below shows that compliance has not been achieved in all instances.

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Oct 2020	-	-	350	360
Nov 2020	-	-	351	360
Dec 2020	-	-	351	359
Jul 2021	-	348	-	367
Aug 2021	-	350	-	370
Sep 2021	-	349	-	370
Oct 2021	342	-	-	371
Nov 2021	344	-	-	371
Dec 2021	325	-	-	371

The table below shows that the percentage HE at a summary level for all NSPs is well above the required targets for 3 and 7-month revisions, but below the required target for the 14-month revision.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Oct 2020	-	-	92.26%
Nov 2020	-	-	90.54%



Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Dec 2020	-	-	93.67%
Jul 2021	-	93.33%	-
Aug 2021	-	87.73%	-
Sep 2021	-	87.13%	-
Oct 2021	77.67%	-	-
Nov 2021	78.85%	-	-
Dec 2021	74.76%	-	-

As discussed in **section 6.8**, there are processes in place monitor read attainment, and attempt to resolve issues preventing read attainment. Permanent estimates are only entered where the readings can be validated against a set of actual validated readings, which has affected historic estimate proportions for revision 14.

#### CTCX

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of historic estimate in the revision files was checked for nine reports, and the table below shows that compliance has been achieved in all instances.

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Oct 2020	-	-	1	1
Nov 2020	-	-	1	1
Dec 2020	-	-	1	1
Jul 2021	-	2	-	2
Aug 2021	-	2	-	2
Sep 2021	-	2	-	2
Oct 2021	2	-	-	2
Nov 2021	2	-	-	2

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Dec 2021	2	-	-	2

The table below shows that the percentage HE at a summary level for all NSPs at or above the required target for all revisions.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Oct 2020	-	-	100.00%
Nov 2020	-	-	100.00%
Dec 2020	-	-	100.00%
Jul 2021	-	100.00%	-
Aug 2021	-	100.00%	-
Sep 2021	-	100.00%	-
Oct 2021	100.00%	-	-
Nov 2021	92.09%	-	-
Dec 2021	97.03%	-	-

### CTCS

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of historic estimate in the revision files was checked for nine reports, and the table below shows that compliance has not been achieved in all instances. The main reasons that forward estimates remain are 1) no actual readings were received and permanent estimate readings were not entered or 2) profiles were not available for the NSP and profile. CTCS now provides profiles for PV1 and UML profiles which enables MADRAS to correctly label volumes for these profiles.

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Oct 2020	-	-	95	146
Nov 2020	-	-	89	154
Dec 2020	-	-	101	154

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Jul 2021	-	123	-	159
Aug 2021	-	105	-	155
Sep 2021	-	108	-	156
Oct 2021	99	-	-	154
Nov 2021	96	-	-	155
Dec 2021	87	-	-	154

The table below shows that the percentage HE at a summary level for all NSPs is below the required target for the three and 14-month revisions.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Oct 2020	-	-	92.26%
Nov 2020	-	-	90.54%
Dec 2020	-	-	93.67%
Jul 2021	-	93.33%	-
Aug 2021	-	87.73%	-
Sep 2021	-	87.13%	-
Oct 2021	77.67%	-	-
Nov 2021	78.85%	-	-
Dec 2021	74.76%	-	-

#### Audit outcome

Non-compliant

Non-compliance	Description		
<p>Audit Ref: 13.3</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: 01-Oct-20</p> <p>To: 31-Dec-21</p>	<p><b>CTCT and CTCS</b></p> <p>Historic estimate thresholds were not met for some revisions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 4</p>		
Audit risk rating	Rationale for audit risk rating		
<p><b>Medium</b></p>	<p>Overall, the controls are assessed to be moderate because compliance is achieved in most instances.</p> <p>The impact is assessed to be medium based on the quantity of forward estimate, and number of NSPs where the historic estimate requirements were not met.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p><b><u>CTCT</u></b></p> <p>We continue to work with our non-AMI meter reading provider to improve read attainment and to also target the long term no access properties</p> <p><b><u>CTCS</u></b></p> <p>We are unable to correct previous submissions</p>		<p>Ongoing</p>	<p>Identified</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p><b><u>CTCT</u></b></p> <p>We continue to work with our non-AMI meter reading provider to improve read attainment and to also target the long term no access properties</p> <p><b><u>CTCS</u></b></p> <p>The proportion of Historic Estimate is monitored for all months and revisions and the existing process to follow up on anything less than 100% HE at R14 will be extended to check the thresholds at R3 and R7.</p> <p>A further enhancement is planned to be implemented by the end of this calendar year to enable automated creation of permanent estimates at month 12 where no actual reading could be obtained.</p>		<p>Ongoing</p> <p>31/3/2023</p>	

## 14. GLOSSARY

<b>CS breach for switch move</b>	CS arrival date is more than 5 business days after receipt of the NT AND, before delivery of the CS and No NW notice has been provided, AND no AN notice has been provided OR an notice is provided, and the NT Proposed Transfer Date matches the AN Expected Transfer Date).
<b>CS breach for transfer switch</b>	CS arrival date is more than 3 business days after receipt of the NT where the CS arrives immediately after the NT.
<b>E2 breach for switch move</b>	NT Proposed Transfer Date and CS Actual Transfer date do not match; AND CS Actual Transfer Date is a) earlier than the NT Proposed Transfer Date; OR b) more than 10 business days after receipt of the NT.
<b>E2 breach for transfer switch</b>	CS Actual Transfer Date is more than 10 business days after receipt of the NT.
<b>ET breach for transfer switch</b>	(no breach is generated, included here for completeness)
<b>ET breach for switch move</b>	AN Expected Transfer Date is earlier than the NT Proposed Transfer Date; OR AN Expected Transfer Date is more than 10 business days after NT arrival date
<b>NA breach</b>	NW arrival date is more than 2 calendar months after the CS Actual Transfer Date.
<b>PT breach</b>	NT Proposed Transfer Date is more than 90 days before the NT arrival.
<b>RR breach</b>	RR arrival date is more than 4 calendar months from the CS Actual Transfer Date.
<b>SR breach</b>	NW arrival date is more than 10 business days after the initial NW for the same trader requesting the withdrawal. The trader sending the corresponding AW (either accepting or rejecting the withdrawal) only receives a breach on the AW if it is sent more than 5 days after the latest NW as in the original rule.

## CONCLUSION

Contact uses the CTCT, CTCS and CTCX participant codes.

- CTCT is managed directly by Contact and is used for NHH ICPs, HHR ICPs and generation.
- CTCS is managed by **Simply Energy Limited (Simply Energy)** as Contact's agent. CTCS customers are supplied by the Contact Energy brand and may be billed and settled as HHR, NHH or DUML.
- CTCX is managed by Simply Energy as Contact's agent. CTCX customers are supplied by the Simply Energy or Plains Power brands brand but receive Contact Energy pricing and therefore are assigned to a Contact Energy trader code. They are billed as HHR but may be settled as NHH if their metering does not meet HHR certification requirements.

Simply Energy produces HHR submissions for CTCS and CTCX, and EMS produces NHH submissions for CTCS and CTCX.

Unless otherwise specified, the processes and non-compliances described in the report apply to all codes.

### CTCT

CTCT has continues to have good processes and robust controls for registry management and switching. I found evidence of continued improvement to read attainment and submission processes, but read validation and correction require improvement.

The following key areas require some improvement to increase compliance:

- service orders closed as incomplete but not followed up,
- acceptance of requests to change electrical connection dates from distributors,
- submission data validation and correction to ensure that issues are resolved prior to submission,
- corrections to submission from the previous audit not processed,
- ICPs with meter category 3 or higher which are expected to be supplied by CTCS not CTCT, and
- proportion of historic estimate at 14 months.

### CTCS and CTCX

Management of the registry and switching areas has continued to improve since the last audit. There have been some improvements to reading and reconciliation.

The following key areas require some improvement to increase compliance:

- timeliness of new connections,
- bulk CS creation errors,
- read validation, including monitoring of zero and inactive consumption,
- validated readings omitted from MADRAS by the read transfer process,
- replacement of HHR data where a part day of data is provided, and
- submission accuracy.

### Conclusion

The audit found 44 non-compliance issues and 22 recommendations are made.

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. The table below provides some guidance on this matter and contains a future risk rating score of 103 which results in an indicative audit frequency of three months. The risk rating has reduced over the last three consecutive audits from 137, to 106, and now 103.

I have considered this in conjunction with Contact's responses and recommend that the next audit is undertaken in a minimum of nine months, which recognises that improvements have been made and many more are in progress and allows resources to be focussed on development and not audit preparation. This will ensure appropriate audit oversight within a reasonable period of time.

## PARTICIPANT RESPONSE

Contact is pleased to see the audit risk rating has continued its downward trend over the last three consecutive audits showing the work, energy and commitment that both Contact and its agent Simply Energy (Contact) have put into improving compliance across both businesses.

Contact takes its Code compliance obligations seriously and notwithstanding the steady improvement in risk rating scores to date, remains committed to reducing non-compliances and strengthening controls even further in the next audit.

As is well understood by the Authority, preparation for and participation in audits of this size take time and effort by large teams across the business. These teams of people are also, at the same time, involved in addressing non-compliances raised under the previous audit. In this regard, Contact would welcome the Authority, when they consider the date of Contact's next audit, looking favourably on Contact's large scale improvement in compliance to date. It is anticipated that an audit period of at least 9 months (preferably 12 months) would provide Contact the opportunity to focus on implementing its work programme to remedy non-compliances raised in this audit and implement all necessary changes and improvements before the next audit begins.