

**ELECTRICITY INDUSTRY PARTICIPATION CODE  
RECONCILIATION PARTICIPANT AUDIT REPORT**

For

**ELECTRIC KIWI LIMITED (ELKI)  
(COMPANY #5029980)**

Prepared by: Ewa Glowacka of TEG & Associates

Date audit commenced: 19 April 2022

Date audit report completed: 20 May 2022

Audit report due date: 16-May-22

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## EXECUTIVE SUMMARY

This reconciliation participant audit was performed at the request of Electric Kiwi Limited (ELKI) to support their application for certification, in accordance with clauses 4 of Schedule 15.1 of The Code 2010. The relevant clauses audited are as required by the Guidelines for Reconciliation Participants Audits V 7.1 issued by the Electricity Authority.

Electric Kiwi trades 79,795 HHR ICPs. The company only accepts installations for which volumes are recorded by remotely read smart meters. In September 2021 a Material Change audit was conducted to assess the compliance of processes required to allow ELKI to trade NHH ICPs. No non-compliances were identified in the Material Change Audit. No ICPs were reconciled as NHH during this audit period therefore compliance was not assessed.

To verify the compliance of switching, registry updates, and the calculation of reconciliation submissions, we conducted judgement -based sampling by selecting typical examples of the population or looking at extreme examples of non-compliance within switching transactions.

The audit found 14 non-compliance, no issues and recommendations were raised.

The main issues identified during this audit were related to switching (mainly switch move).

- 161 AN files had a proposed transfer date earlier than the gaining trader's proposed date, some of them were corrected in CS file
- 32 late NW files sent later than two months from the event date
- Incorrect use of "AA" code in AN files
- Incorrect switch event meter readings and a read type flag

The date of the next audit is determined by the Electricity Authority and is dependent on the level of compliance during this audit. Table 1 of the Guidelines for Reconciliation Participant audit provides some guidance on this matter. The Future Risk Rating score is 26 which results in an indicative audit frequency of 12 months.

The audit period is 01/02/2021 to 31/03/2022

We thank Electric Kiwi staff for their full and complete cooperation in this audit.

## AUDIT SUMMARY

### NON-COMPLIANCES

Subject	Section	Clause	Non Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Relevant information	2.1	11.2 & 15.2	Incorrect information in the registry for small number of ICPs  Volumes not submitted for 3 bridged meters	Moderate	Low	2	Identified
Electrical Connection of Point of Connection	2.11	10.33A	2 reconnected metering installations with expired certification	Weak	Low	3	Identified
Changes to registry information	3.3	10 of Schedule 11.1	Some late status and trader updates	Moderate	Low	2	Identified
Provision of information to the registry manager	3.5	9 of Schedule 11.1	ANZSIC code populated late for 7 ICPs.  Profile and type of reconciliation for 12 ICPs incorrect in the registry	Moderate	Low	2	Identified
ANZSIC codes	3.6	9(1)(k) of Schedule 11.1	5 ICPs have incorrect ANZSIC code (sampling of 22 ICPs).  ANZSIC code "T30*" was assigned to premises where construction was possibly complete	Moderate	Low	2	Identified
Losing trader response to switch request and event dates - standard switch	4.2	3 and 4 of Schedule 11.3	One AN file late, incorrect use of the switch response code "AA"	Strong	Low	1	Identified
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.36.  Incorrect average daily consumption for one ICP  Incorrect read type flag and incorrect switch event meter reading for 3 ICPs	Moderate	Low	2	Identified
Losing trader provides information	4.8	10(1) of	161 AN files had a	Weak	Low	3	Identified

- switch move		Schedule 11.3	proposed transfer date earlier than the gaining trader's proposed date;  Incorrect use of the switch response code "AA"				
Losing trader determines a different date - switch move	4.9	10(2) of Schedule 11.3	Two late CS files	Strong	Low	1	Identified
Losing trader must provide final information – switch move	4.10	11 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.36.  Incorrect read type flag and incorrect switch event meter reading for 3 ICPs	Moderate	Low	2	Identified
Gaining trader changes to switch meter reading - switch move	4.11	12 of Schedule 11.3	Four late RR which were sent after 4 calendar months	Strong	Low	1	Identified
Withdrawal of switch requests	4.15	17 of Schedule 11.3	32 late NW files (more than 2 months)	Strong	Low	1	Identified
Electricity conveyed & notification by embedded generators	6.1	10.13 & 15.2	Energy is not metered and quantified according to the Code where meters are bridged	Strong	Low	1	Identified
Accuracy of submission information	12.7	15.12	Volumes for 3 bridged meters were not estimated and submitted to the reconciliation manager	Weak	Low	3	Identified
Future Risk Rating						26	

Future risk rating	0-1	1-3	4-15	16-40	41-55	56+
Indicative audit frequency	36 months	24 months	18 months	12months	6 months	3 months



## RECOMMENDATIONS

Subject	Section	Description	Recommendation
			Nil

## 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

Electric Kiwi does not have any exemptions granted to exempt them from compliance with all or any of the clauses.

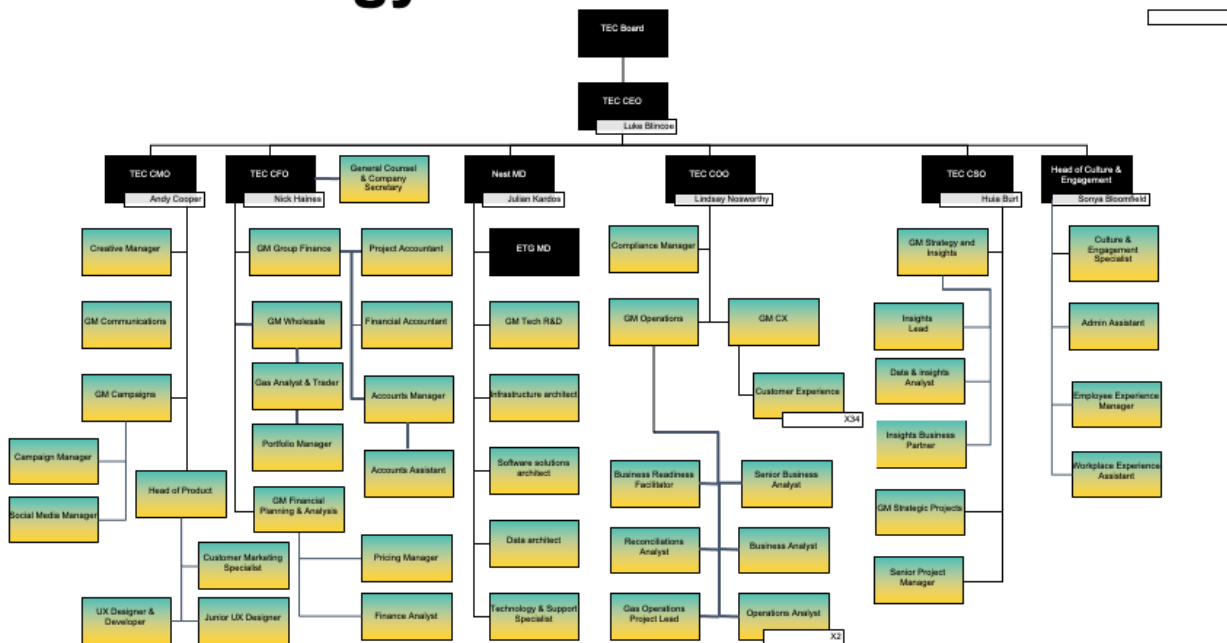
#### Audit commentary

Electric Kiwi did not apply for any exemptions. We checked the Electricity Authority website and confirmed that there are no exemptions in place.

### 1.2. Structure of Organisation

Electric Kiwi provided a copy of their organization structure for the relevant parts of their business.

## The Energy Collective Structure



### 1.3. Persons involved in this audit

Name	Title
Jack Rowe	Compliance Manager
Logan Doody	Operation Analyst
Nalend Chandra	Customer Experience
Ewa Glowacka	Electricity Authority Approved Auditor

#### 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

ELKI does not use any agents to fulfil their obligations to obtain certification.

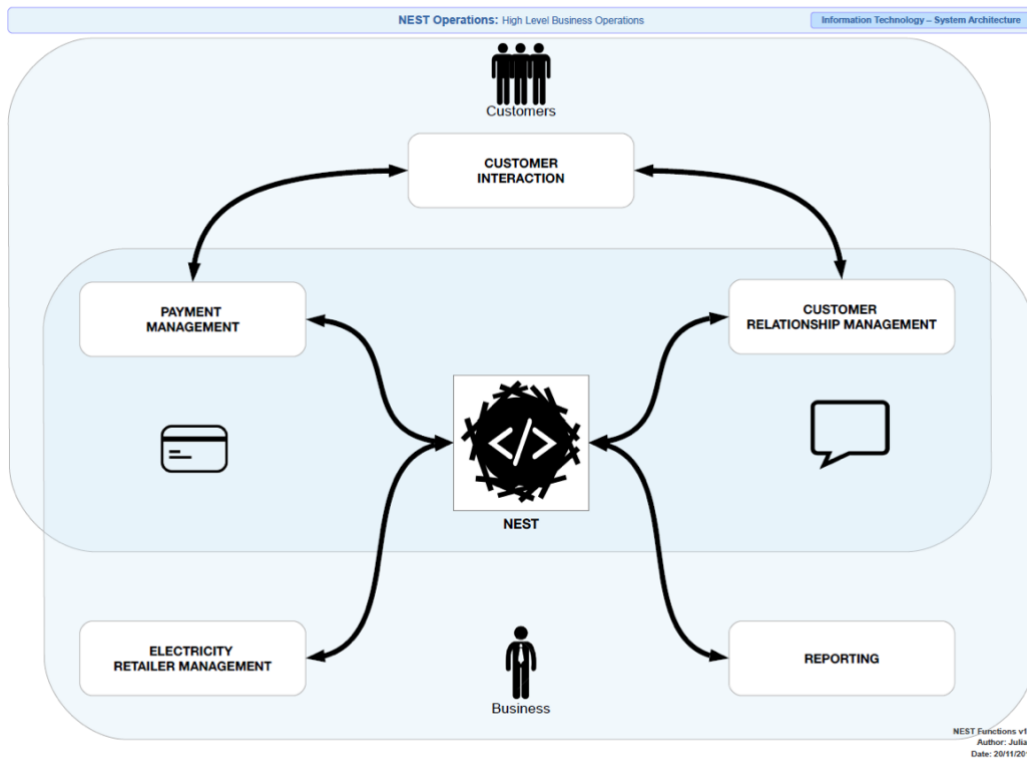
##### Audit commentary

ELKI does not use any agents. All functions are performed by Electric Kiwi's staff. Meter readings are received from MEPS.

#### 1.5. Hardware and Software

Electric Kiwi uses an IT platform, developed in-house, called "NEST", which is used to manage their day to day operations, reconciliation, and billing.

This is a cloud-based system and is continuously backed up.



### 1.6. Breaches or Breach Allegations

There have been no alleged breaches relevant to the scope of this audit during the audit period.

### 1.7. ICP Data

Active ICPs are summarized by meter category in the table below:

Metering Category	09/04/2022	(2021)	(2019)	(2018)	(2017)
1	79,746	72,413	34,115	19,522	6,814
2	13	17	9	8	4
3	0	0	0	0	0
4	0	0	0	0	0
5	0	0	0	0	0
9	0	9	14	6	0

Status	Number of ICPs (09/04/2022)	Number of ICPs (2021)	Number of ICPs (2020)	Number of ICPs (2019)	Number of ICPs (2018)	Number of ICPs (2017)
Active (2,0)	79,759	72,430	48,735	33,858	19,141	6,675
Inactive – new connection in progress (1,12)	0	0	0	0	0	0
Inactive – electrically	687	631	360	177	87	16

disconnected vacant property (1,4)						
Inactive – electrically disconnected remotely by AMI meter (1,7)	43	44	61	65	289	125
Inactive – electrically disconnected at pole fuse (1,8)	3	0	1	1	2	1
Inactive – electrically disconnected due to meter disconnected (1,9)	0	1	0	0	0	0
Inactive – electrically disconnected at meter box fuse (1,10)	1	1	1	0	1	0
Inactive – electrically disconnected at meter box switch (1,11)	0	0	1	0	0	1
Inactive – electrically disconnected ready for decommissioning (1,6)	60	12	4	2	2	0
Inactive – reconciled elsewhere (1,5)	0	0	0	0	0	0
Decommissioned (3)	300	166	77	35	14	2

### 1.8. Authorisation Received

An authorization letter was not required.

### 1.9. Scope of Audit

This reconciliation participant audit was performed at the request of Electric Kiwi to encompass the Authority’s request for annual audits as required by clause 2, of Schedule 15.1, of the Code to assure compliance with the Electricity Industry Participation Code 2010.

The audit was carried out on 19th & 20th April 2022 at Ferry Building, Auckland.

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Relevant to audit	Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching	✓	

(b) – Gathering and storing raw meter data	✓	
(c)(i) - Creation and management of HHR volume information	✗	
(c)(ii) - Creation and management of NHH volume information	✗	
(c)(iii) - Creation and management of HHR and NHH volume information	✓	
(d)(i) – Calculation and delivery of ICP days under clause 15.6	✓	
(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	✓	

### 1.10. Summary of previous audit

Electric Kiwi provided a copy of their previous audit conducted in January 2021 by Ewa Glowacka of TEG & Associates Ltd. The summary tables below show the status of the non-compliances and recommendations raised in the previous audit. Further comments are made in the relevant sections of this report.

Subject	Section	Clause	Non Compliance	Comments
Relevant information	2.1	11.2 & 15.2	Incorrect information in the registry for small number of ICPs	Still exists
Changes to registry information	3.3	10 of Schedule 11.1	Some late status and trader updates	Still exists
Provision of information to the registry manager	3.5	9 of Schedule 11.1	Profile and type of reconciliation incorrect in the registry	Still exists
ANZSIC codes	3.6	9(1)(k) of Schedule 11.1	2 ICPs had the code “T994” recorded; ANZSIC code “T30*” was assigned to premises where construction was possibly complete	Still exists
Losing trader must provide final information - standard switch	4.3	5 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Incorrect switch event meter reading provided in CS file for some Arc Innovation meters	Still exists

Losing trader must provide final information – switch move	4.10	11 of Schedule 11.3	Calculation of average kWh per day does not comply with Registry Functional Specification v22.32. Incorrect switch event meter reading provided in CS file for some Arc Innovation meters	Still exists
Withdrawal of switch requests	4.15	17 of Schedule 11.3	61 late NW files (more than 2 months)	Still exists
Electricity conveyed & notification by embedded generators	6.1	10.13 & 15.2	Energy is not metered and quantified according to the Code where meters are bridged	Still exists
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHRAGGR files do not contain electricity supplied information	Cleared
Reconciliation participants to prepare information	12.9	2 of 15.3	Incorrect profile used for UML submissions in Nov'20 and Dec'20	Cleared

## 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

To assess compliance with these clauses we examined the process of validating information in the registry. The LIS file dated 06/04/2022 was examined to identify any inaccuracies. The Event Detail (EDA) file for the period of audit and the Audit Compliance report were examined to determine how quickly Electric Kiwi provide information to the registry, and correct information which is identified as inaccurate and confirm that all information is correct and not misleading.

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

#### Audit commentary

To meet compliance with the above clauses, Electric Kiwi runs daily and weekly monitoring reports, as follows:

- Exception reporting for various parts of the business e.g., metering management (Flight Path) which is monitored daily, weekly, or monthly
- LIS file checker which is run weekly based on the LIS file provided by the registry
- NEST pulls in the EDA file daily with an audit trail recorded
- Tech team monitors the live Logs for any exceptions which are reported daily and resolved via the Powerhouse prioritisation dashboard
- Billed volumes versus Supplied volumes are monitored monthly

All exceptions identified are resolved as soon as possible.

Analysis of the LIS file and Metering Installation Information (PR-255) showed the following discrepancies identified during the audit:

Issue	2022 Qty	2021 Qty	2020 Qty	Comments
ICP Status = 002, MEP = blank, UNM Flag = N	0	0	0	
ICP Status = 002, Generation Capacity is not blank,	881	332	Not listed	All meters are Export/Import
Highest Metering Category >2 with		4	3	



residential ANZSIC code assigned (000000)				
ANZSIC code = blank or T994, T994000, T99, T999, T999999, T995, T995000, T997, T997000, T998, T998000	0	2	0	
ICP with B or G Inst Type, or non-null Fuel or Gen Capacity that do not have a corresponding Injection Register	28	19	2	Submission is occurring correctly. Incorrect Installation Flag recorded by distributors. No EG is installed.  We would recommend establishing a process to check the correctness of the installation flag during a customer sign up and monitor changes to the installation flag uploaded by a distributor.
Highest Metering Category greater than 2, Submission Type HHR = No	0	0	0	
Highest Metering Category = 9, UNM Flag=N	4	0	0	
All active ICPs with Initial Energisation Date populated during a defined period	0	0	0	
All Active ICPs (ICP Status = 2) with Shared ICP List not blank	0	0	0	
All ICPs at ICP Status 001,12	0	0	0	
Submission Type HHR = Y, Profile does not contain HH	0	0	0	0
Submission Type HHR and Submission Type NHH both = Y	12	0	0	0
All active ICPs where Distributor has indicated UML (UML Load Details not NULL), but Retailer has none (UNM Flag = N)	0	1	0	
All active ICPs with load in excess of 6kWh (Daily Unmetered kWh greater than 16.4 daily)	0	0	0	
All active ICPs with load between 3-6k kWh (Daily Unmetered kWh between 8.2-16.4 daily)	0	0	0	
All active ICPs with Engineered profile (Daily Unmetered kWh = ENG)	0	0	0	

Incorrect registry and submission files information are listed below:

Section	Description
3.3	<ul style="list-style-type: none"> <li>Registry information updates were greater than 5 business days from the event date.</li> </ul>
3.5	<ul style="list-style-type: none"> <li>ANZSIC code populated late for 7 ICPs.</li> <li>Profile and type of reconciliation for 12 ICPs incorrect in the registry</li> </ul>
3.6	<ul style="list-style-type: none"> <li>Incorrect ANZSIC code in the registry for 5 ICPs; ANZSIC code "T30*" was assigned to premises where construction was possibly complete</li> </ul>

Electric Kiwi provided 5 examples of bridged meters

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: 11.2 & 15.2  From: 01-Feb-21 To: 31-Mar-22	Incorrect information in the registry for small number of ICPs Volumes not submitted for 3 bridged meters Potential impact: Low Actual impact: Low Audit history: Twice previously 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. Audit risk rating is recorded as low because the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Affected ICPs were reviewed to determine if volumes could be submitted within allowable timeframes. If allowed volumes were submitted to the reconciliation manager.		30/06/2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Electric Kiwi will review process documentation and retrain staff to ensure the bridged meter procedure is being followed. We will also implement additional reporting to monitor the effectiveness of the process.		31 Aug 2022	

## 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 for the provision of information were reviewed and observed throughout the audit.

## Audit commentary

Electric Kiwi is compliant with regard to the timeliness, of information and the format of information in accordance with Part 15. The company provided many examples to support this statement.

## 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

To assess compliance with these clauses we examined the process of validating information in the registry. The LIS file, dated 06/04/2022, was examined to identify any inaccuracies. The Event Detail (EDA) file for the audit period was reviewed.

### Audit commentary

Once metering data is downloaded from a MEPs server it is uploaded to NEST. Any transfer of data is fully automated.

We traced a sample of data for two ICPs per MEP (MTRX, FCLM, NGCM, and ARCS) from the source files to NEST to confirm the data transmission process. All volumes matched.

### Audit outcome

Compliant

## 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**

Electric Kiwi sends and receives data to and from the registry. It is an automated process. Each upload is recorded by the software. Reconciliation files are uploaded via the RM portal, which records date, time and a participant's login details. Metering data provided by MEPs is automatically uploaded by NEST. Once the data is uploaded it is moved to an archive directory.

Electric Kiwi communicates with other participants via email e.g., notification of sending RR file. Emails are archived.

#### **Audit commentary**

NEST has a built-in functionality to record a complete audit trail for all data gathering, validation, and processing data. Audit trails include the activity identifier, date and time, and an operator identifier.

#### **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**

We reviewed Electric Kiwi's current customer terms and conditions.

#### **Audit commentary**

Electric Kiwi published their Terms and Conditions on their website. The document states that the agreement applies from the agreed date and to the date a customer applies to switch to another electricity supplier. The agreement covers any other participants such as MEPs or a distributor.

#### **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**

We reviewed Electric Kiwi's current customer terms and conditions.

#### **Audit commentary**

Electric Kiwi's terms and conditions include consent to access for authorised parties for the duration of the contract. Electric Kiwi will give at least 10 BD notice if they or their representative or the network company need to construct, upgrade, repair, or maintain any equipment. A notice will be provided in writing, text message or email.

#### **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**

Electric Kiwi trades 79,746 category 1 metering installations and 13 category 2 metering installations. Category 1 metering installations are located as physically close to a point of supply as practical.

#### **Audit commentary**

Compliance confirmed based on the characteristics of the installations traded by Electric Kiwi. There are 13 ICPs which require a multiplier to be applied to metering data, but it is related to CTs ratio and not because the metering installation is not located close to a point of connection.

There were no ICPs where loss compensation occurs.

#### **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**

We reviewed Electric Kiwi's current customer terms and conditions.

#### **Audit commentary**

Section 11.10 of the Terms and Conditions covers a situation where Electric Kiwi commit a relevant event of default as defined under the Code. Compliance confirmed based on a review of the Terms and Conditions.

#### **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 1 or more metering installations for the point of connection.*

#### **Audit observation**

We reviewed the EDA file and the Audit Compliance report for the audit period to identify all new connections and confirm process controls and compliance.

#### **Audit commentary**

Electric Kiwi does not accept new connections and they have no intention of conducting any in the future. Only established installations are traded.

The new connection process is not documented.

#### **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 trader 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 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*
- *if the ICP has metered load, 1 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**

We reviewed the EDA file and the Audit Compliance report for the audit period to identify all new connections and confirm process controls and compliance.

Electric Kiwi does not accept new connections. Only established installations are traded.

#### **Audit commentary**

Electric Kiwi did not complete any new connections during the audit period, and they have no intention of conducting any in the future.

#### **Audit outcome**

Compliant

## **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:*
  - *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*
  - *if the ICP has metered load, 1 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 electrical connection.*

#### **Audit observation**

We reviewed the EDA file and the Audit Compliance report for the audit period to identify any uncertified metering installations.

#### **Audit commentary**

Electric Kiwi does not trade new connections. The review of the Audit Compliance report and PR-255 file identified that 2 reconnected metering installations had expired certification. It was discussed with ELKI and there is no process for checking the certification before asking a MEP for the ICP reconnection and asking for re-certification if the certification has expired. Checking of certification of metering installation is not part of sign up process. When such situation occurs, MEPs are not contacted.

According to PR-255 ELKI trades on 162 metering installations with expired certification



MEP	Number of ICPs
ARCS	1
FCLM	1
NGCM	91
SMCO	4
IHUB	12
MTRX	45

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.11 With: 10.33A From: 01-Feb-21 To: 31-Mar-22	2 reconnected metering installations with expired certification Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as weak. There is no process for checking an installation reconnection before asking a MEP to re-establish supply and asking for re-certification if needed. Checking of certification of metering installation is not part of sign up process. When such situation occurs, MEPs are not contacted. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
MEP's Will be contacted to request that they recertify the meter.		30/06/2022	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
We will implement additional reporting to track uncertified meters and a supporting process to follow up with MEPS.	31/08/2022	

## 2.12. Arrangements for line function services (Clause 11.16)

### Code reference

Clause 11.16

### 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 LIS file for the audit period was reviewed to identify all networks Electric Kiwi has traded on and what MEP provided services. The process to ensure an arrangement is in place before trading commences on a network was examined. ELKI did not gain any ICPs which were not previously traded on a new network.

### Audit commentary

Electric Kiwi stated that they have arrangements in place for line function services where they intend to trade. MEP arrangements are in place with all relevant MEPS.

Compliance confirmed based on Electric Kiwi's statement.

### 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 LIS file was reviewed to identify the MEPS for Electric Kiwi ICPs during the audit period.

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.

### Audit commentary

MEP arrangements are in place with all relevant MEPs.

Electric Kiwi demonstrated that arrangements are in place with all relevant MEPs.

### Audit outcome

Compliant

## 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 switching process was reviewed and the LIS, EDA files and registry were checked.

### Audit commentary

ELKI ensures that a switch is in progress before arranging reconnection.

If an ICP was reconnected as part of the switching process and the switch was later withdrawn, ELKI 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

This was discussed with ELKI. The LIS, EDA files and registry were checked.

### Audit commentary

ELKI advised any disconnection activity involving Electric Kiwi ICPs that has taken place during the audit period met this code requirement.

Registry checks confirmed ELKI was the trader of record for each ICP at the time of each disconnect event.

## 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 time 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 personnel 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

This was discussed with ELKI staff during the audit. Policies and processes for the removal and breakage of seals were reviewed.

#### Audit commentary

Field services jobs are normally completed by the MEP, and they replace the seals and re-certify where required.

ELKI has agreements in place with the MEPs, which include service levels. The MEPs are required to ensure that only qualified personnel perform work and manage and trace seals. Service orders are monitored using NEST which includes the service order number, date raised, party raised to, description, and target date and time. NEST is monitored and followed up daily to ensure that work is completed, and paperwork is received.

## 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 1 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**

This was discussed with ELKI staff during the audit. Policies and processes for bridging meters were reviewed.

#### **Audit commentary**

ELKI only allows meters to be bridged where an urgent reconnection is required to prevent customer hardship, and it is not possible to reconnect without bridging the meter.

We reviewed a sample of 5 bridged meters and found the meters had been unbridged. Estimated consumption was not reported for 3 meters. It is noted as non-compliance in **section 12.7**.

#### **Audit outcome**

Compliant

## 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**

This was discussed with ELKI. A sample invoice was provided.

#### **Audit commentary**

Checks confirm the relevant ICP identifier is printed on every invoice or document.

#### **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

This was discussed with ELKI. A copy of the Terms and Conditions and Invoice and customer sign up form were provided. The ELKI website was reviewed.

### Audit commentary

Clear and prominent information on Utilities Disputes is provided:

- in ELKI's Terms and Conditions
- on ELKI's website under Legal
- on ELKI's invoices
- as part of ELKI's email footers for outbound email communications

### Audit outcome

Compliant

## 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

This was discussed with ELKI. A copy of the Terms and Conditions and invoice and customer sign up form were provided. The ELKI website was reviewed.

### Audit commentary

Clear and prominent information on Power Switch is provided:

- on ELKI's website under Legal
- on ELKI's invoices
- as part of ELKI's email footers for outbound email communications, notification of proof of change

**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 EDA file and the Audit Compliance report for the audit period was reviewed to identify all new connections and confirm process controls and compliance. It was discussed with ELKI staff.

##### Audit commentary

Electric Kiwi did not undertake any new connections during the audit period, and they have no intention of conducting any in the future.

##### 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 EDA file and the Audit Compliance report for the audit period were reviewed in relation to the updating of the registry and to confirm process controls and compliance. It was discussed with ELKI staff. MEP nomination and management of ICP statuses were examined in details.

#### **Audit commentary**

Electric Kiwi's processes are designed to ensure that trader information is populated as required by this clause. Any late information updates were recorded as non-compliance in section **3.3** and **3.5**.

#### **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**

We examined the LIS and EDA files and the Audit Compliance report for the period covered by this audit. We sampled the most backdated registry updates. It was discussed with Electric Kiwi.

#### **Audit commentary**

##### **Status updates to "Active"**

The Audit Compliance report identified 262 late updates, more than 5 business days, to the status "Active", after physical reconnection. The percentage of compliance was 93.57%. The average number of business days between status event and status input dates was 1.95. A sample of 6 late status changes to active were reviewed and were found to be caused by:

- 1 ICP – ELKI reconnected however, status never updated in the registry. It was picked up and completed during LIS file checker
- 1 ICP - ELKI reconnected on 01/11 after GEOL disconnected, backdated move in. CX agent chose the wrong reconnection date when performing workflow.
- 1 ICPs – backdated MI switch after WP scenario
- 1 ICP - MTRX advised reconnection was unsuccessful, however when a later reconnection was requested it was advised the meter was already communicating. Would have been picked up when looking at mid-month reconciliation wash ups and corrected then.
- 1 ICP - Not sure what happened here. NEST sent the request on the 22nd to update the status to active, however it didn't update the registry. Was picked up during mid-month LIS file checking and corrected then.
- 1 ICP - GENE updated status to 1.7 after completing the switch. Picked up during mid-month LIS file check and updated back to active.

There are a number of scenarios of late status updates. The important part is that ELKI has monitoring processes in place to identify them.

##### **Status updates to "Inactive"**

The Audit Compliance report identified 101 late updates, more than 5 business days, to the status “Inactive”, after physical reconnection. The percentage of compliance was 98.82%. The average number of business days between status event and status input dates was 0.70. A sample of 15 late updates to inactive were reviewed and were found to be caused by many different situations. For each of them Electric Kiwi provided detailed explanations.

- 2 ICPs – house was demolished/burned down, no exact date known
- 1 ICP – manual disconnection, registry updated late
- 1 ICP – incorrect disconnection date entered, corrected later
- 2 ICPs – correction of incorrect status
- 1 ICP - disconnected but registry did not update after confirmation received. Would have been corrected during LIS file check
- 6 ICP - missed updating this one after disconnection. Was corrected later on
- 1 ICP - updated reg to 1,6 after decommission information received from VECT
- 1 ICP – wrong year, correction, human error

**Trader updates**

Audit Compliance report identified 226 late updates, more than 5 business days, to the Trader fields. The percentage of compliance was 93.95%. The average number of business days between Trader Event and Trader Input Date was 1.75. It excludes new connections and switches in. 204 late updates (90.3%) were related to MEP nominations, 195 were ARCS meters replaced by NGCM. The process used by NGCM to replace ARC meters is that first meters are physically replaced and, later on, ELKI is asked to nominate a new MEP.

**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 3.3 With: 10 of Schedule 11.1 From: 01-Feb-21 To: 31-Mar-22	Some late status and trader updates 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. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
No Action was taken to resolve this issue as affected ICPs were already corrected.		N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Audit Compliance Reporting has been established that will be run quarterly to identify issues sooner. Refresher training will also be completed with our team to highlight the importance of this process.	31/08/2022	

### 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

We examined the LIS file, the Audit Compliance report and the EDA file for the audit period, to identify any rejected MEP nominations and any “Active” ICPs that do not have a MEP recorded in the registry.

The MEP nomination and decommissioning processes were examined and discussed with Electric Kiwi’s staff.

#### Audit commentary

We confirm that all ICPs had a valid MEP recorded in the registry. ELKI nominates the MEP based on the notification of meter changes received by the relevant MEP. There were no MEP nominations rejected during this audit period. Currently many Arc Innovation meters are replaced by NGCM smart meters. ELKI is always asked to nominate a new MEP after the meter is replaced.

The decommissioning process describes Electric Kiwis’ obligation before an installation is decommissioned. Electric Kiwi arranges a meter interrogation prior to or upon meter removal and notifies the MEP. There are some situations when a final read can’t be obtained because of a house fire, or the meter was removed by an unknown person. The date used for the “1,6” status would be either

the date the Network/MEP advises us the decommissioning is happening, or the date the reads stop coming through.

If someone later updated ELKI to confirm the date was different, ELKI would not change the date (although there would likely be exceptions to this if the date was pushed way out/cancelled etc). The company always sends a request to MEP to provide a final meter read.

#### Audit outcome

Compliant

### 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 LIS file and the Audit Compliance report from the audit period was examined to assess compliance. This was discussed with ELKI staff.

#### Audit commentary

Electric Kiwi's business model is to trade existing installations only, therefore the Audit Compliance report did not identify any missing data.

The Audit Compliance report identified the following non-compliances/irregularities;

- 7 ICPs where ANZSIC codes were populated later than 20 business days after the trader commences trading. We discussed all of them with ELKI. For one of them it was a backdated Move In switch, for others it was caused by difficulties in contacting customers to confirm the correct code.

- 12 ICPs have submission type NHH and profile code is HHR. This is an error on ELKI's part. It probably occurred at the time that ELKI was looking to start to reconcile a small number of ICPs as NHH with the profile RPS.
- ICP 0001113485WM622 was noted in the Audit Compliance report as having a difference of 24 days between Metering Installation Certification Date and Status Event Date. ELKI's comment was that Contact did not change the ICP status to "Active" and when ELKI took over the meter they updated it as connected effective their transfer request date.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.5 With: 9 of Schedule 11.1 From: 01-Feb-21 To: 31-Mar-22	<ul style="list-style-type: none"> <li>• ANZSIC code populated late for 7 ICPs .</li> <li>• Profile and type of reconciliation for 12 ICPs incorrect in the registry</li> </ul> Potential impact: Low Actual impact: Low Audit history: Once previously 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. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
No actions taken as the affected ICPs have already been corrected.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Audit Compliance Reporting has been established that will be run quarterly to identify issues sooner. Refresher training will also be completed with our team to highlight the importance of this process.		31/08/2022	

### 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 manage ANZSIC codes was examined. The Audit Compliance report and the LIS file were reviewed to check ANZSIC codes.

We checked a diverse sample of 22 ICPs, including all 4 ICPs with category 2 metering installations with ANZSIC code "0", to assess the validity of the ANZSIC codes selected.

### Audit commentary

Analysis of the Audit Compliance report confirmed that no T99 series codes were present.

ANZSIC codes are checked when ICPs switch in with specific emphasis on non-residential codes. ANZSIC codes are set based on information provided in the customer application and on a conversation with the customer.

There are 312 ICPs traded by ELKI with the code "E30", "E301\*", and "E302\*" assigned. These codes relate to installations under construction. We used Google Maps link available on the registry to validate the correctness of this information. 5 out of 22 ICPs sampled had an incorrect ANZSIC code assigned as "E301" (Building Construction). We can confirm that the codes assigned are incorrect., They were assigned by the previous traders as Electric Kiwi does not trade new connections.

Electric Kiwi has a process in place to contact customers to confirm the type of premise so that they have the correct information in the registry. Quite often customers don't reply to emails.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.6 With: 9(1)(k) of Schedule 11.1  From: 01-Feb-21 To: 31-Mar-22	5 ICPs have incorrect ANZSIC code (sampling of 22 ICPs). ANZSIC code "T30*" was assigned to premises where construction was possibly complete  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Moderate  Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as moderate. The current process needs to be more stringent to validate the ANZSIC code during the sign up process. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status

Preventative actions taken to ensure no further issues will occur	Completion date	
Electric Kiwi already includes a step in the sign-up process to confirm with customers the ANZSIC code where indicated that construction is still underway. The process requires an additional follow up step where customers do not respond within 2 weeks of contact. Our team our reviewing the most effective contact procedure to resolve these exceptions.	31/07/2022	

### 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 process to identify and monitor unmetered load was discussed. The registry files and the Audit Compliance report were reviewed to identify all ICPs with unmetered load.

#### Audit commentary

No unmetered load was traded during this audit period.

#### Audit outcome

Compliant

### 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 be 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 1 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 ICP reconnection process was examined. The EDA file for the audit period was analysed.

### Audit commentary

A comparison between NEST and the registry occurs twice per month to ensure status information is correct.

We also checked ICPs where consumption was present on inactive ICPs. Reporting is in place to identify these examples and the status is corrected as required. We sampled 5 inactive ICPs and confirm that volumes were submitted to the reconciliation manager. Electric Kiwi's process is to submit data for all ICPs regardless of status.

The timeliness of registry updates is recorded in **section 3.3**, non-compliance was noted.

### Audit outcome

Compliant

## 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 LIS file and the Audit Compliance report from the audit period was examined to assess compliance. This was discussed with ELKI staff.

### Audit commentary

The Audit Compliance report noted 16 ICPs with a status reason of "Electrically disconnected remotely by AMI meter" where AMI metering is not recorded in the registry. ELKI provided evidence for them showing that at the time of disconnection, they were receiving metering data from MEPS.

### Audit outcome

Compliant

## 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

It is a distributor's code obligation to monitor an ICP which has had the status of "New" or "Ready" for 24 calendar months or more. It is expected that a trader be able to respond to such queries from distributors. Electric Kiwi does not sign up new connections.



**Audit commentary**

This clause is not applicable. Compliance was not assessed.

**Audit outcome**

Not applicable

## 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 1 or more profile codes associated with that ICP.*

#### Audit observation

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Electric Kiwi's Switching team.

#### Audit commentary

Initial contact with a new customer is via the ELKI website. The website does a preliminary assessment of customers from the point of view of the metering installed at their premises. Only installations for which consumption is measured by remotely read smart meters are accepted. It is specified in the Terms and Conditions published on the website. Electric Kiwi sends a confirmation of agreement.

Electric Kiwi'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.

Since the last audit there were 13,470 NTTR. There were 23 standard switches which were backdated. We reviewed all of them and our conclusion was that losing traders for 9 ICPs used a transfer date to complete the switch, which was earlier than the date requested by Electric Kiwi. The other 14 backdated NT files checked were sent within two business days of pre-conditions being cleared.

#### 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 3 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 5 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**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Electric Kiwi’s Switching team.

**Audit commentary**

The exchange of data with the registry is performed via SFTP server. Switching files are downloaded automatically. The Switch Breach report confirmed that one AN file (0000121452TRCB3) was sent late by one day. ELKI Switching Team commented:

*AN was not sent through automated processor. Ticket created for team to send AN/CS manually. Team emailed customer to confirm they were leaving but missed sending the AN in the meantime.*

The clause requires that in a 12-month period a trader is to establish a proposed event date that is no more than 5 BD for at least 50% of switches away. Electric Kiwi provided the evidence that for 97.61% of standard switches a proposed event date was 5 BD or less.

ELKI sent 13,061 AN files to the gaining traders with the following response codes:

Response code	Number of AN files	Percentage
AA	12,561	96.17%
OC	78	0.60%
PD	422	3.23%

There was confusion during the last audit, in relation to the memo published 03/05/19, which was not distributed widely within the industry. The memo states:

*As at 5 August 2016 the switch response codes approved by the Authority are:*

Code	Description	Explanation of use
AA	Acknowledge and accept	Switch is accepted; there are no relevant issues.
CO	Contracted customer	Alerts that this customer has a fixed-term contract at the ICP. The current Trader may be contacting this customer, relative to a switch.
MP	Metering is pre-paid	Alerts that meter is pre-paid.
MU	Unmetered supply	Alerts supply is unmetered.
OC	Occupied premises	Advises that the existing customer has not yet advised they are moving out. The premises are occupied.
PD	Premises de-energised (disconnected)	Alerts that this site is de-energised (disconnected).
AD	Advanced Metering Infrastructure metering infrastructure	Alerts that meter is an advanced meter.

The memo is clear that AA response can only be used when no other code applies. The memo was incorrectly interpreted during the last audit. We had additional conversations with the Senior Advisor – Compliance from the Authority and he confirmed that the “AD” code must be used when a smart meter is present unless other reason code is more relevant.

#### Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.2 With: 3 and 4 of Schedule 11.3 From: 01-Feb-21 To: 31-Mar-22	One AN file late, incorrect use of the switch response code “AA” 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 rated as strong. Only one AN file was late. Incorrect use of the “AA” code is a result of auditor’s misinterpretation during the last audit. There is no impact because the presence of AMI metering is a registry field and the content of the AN file is not normally used as a source of information to confirm the presence of AMI. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.

Actions taken to resolve the issue	Completion date	Remedial action status
No actions have been taken as the affected ICP has already been corrected.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
Electric Kiwi will implement refresher training to highlight the importance of using the correct response codes as well as the importance the timely response submission.	31/07/2022	

#### 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 5 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

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Electric Kiwi's Switching team.

The accuracy of the content of the CS files was confirmed by checking 10 CS files sent to a gaining trader.

##### Audit commentary

CS files with average daily kWh that were zero (49 ICPs), or over 100 kWh(47 ICPs) were identified.

The accuracy of the content of the CS files was confirmed by checking a sample of 10 records. The content checked included:

- correct identification of meter readings and correct date of last meter reading
- accuracy of meter readings
- accuracy of average daily consumption
- read type flag

Electric Kiwi provided evidence that the calculation of average daily consumption was correct for all of them except one ICP (0007102416RN9D2) which had a metering component change in NEST during the switching process. NEST has troubles calculating the average consumption. ELKI provided in CS file "0" , the correct value was "12" kWh. The ELKI team have already created an improvement to fix the

underlying problem. We confirm that identification of meter readings and correct date of last meter reading and read type flag was correct.

Out of 10 CS files tested, 3 CS files posted to the registry had incorrect read type flag and incorrect switch event meter reading. ELKI provided comment for each of them:

- one ICPs had the actual meter readings more than one year ago
- two ICPs – difficult to explain, it appear that NEST got confused

The last audit noted that the Registry Functional Specification v22.36 states that the average daily consumption within the CS file should be the average kWh per day for the last read period. Electric Kiwi receives daily readings, so the last read period is technically one day. Estimated daily consumption is calculated as the average daily consumption over 30 days. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.3 With: 5 of Schedule 11.3  From: 01-Feb-21 To: 31-Mar-22	<ul style="list-style-type: none"> <li>• Calculation of average kWh per day does not comply with Registry Functional Specification v22.36.</li> <li>• Incorrect average daily consumption for one ICP</li> <li>• Incorrect read type flag and incorrect switch event meter reading for 3 ICPs</li> </ul> Potential impact: Low Actual impact: Low Audit history: Twice previously 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 calculation of average kWh per day is gives a reasonable indication of the average daily consumption. While the ELKI calculations are not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.  Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action was taken as CS files were already sent.		N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
Electric Kiwi will investigate the incorrect cases to determine if a system improvement could be made to fix the issue.	31/08/2022	

#### 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 2 validated meter readings.

- the losing trader can choose not to accept the reading, however must advise the gaining trader no later than 5 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

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The management of RR files was examined and discussed with Electric Kiwi's Switching team.

We conducted sampling of the 20 RR files sent by or received by Electric Kiwi.

##### Audit commentary

Switch reads are checked by comparing actual AMI data to the switch read to determine whether a RR file is required. Sometimes an AMI midnight read may not be available and so it's derived by deducting the sum of the trading periods for that day to determine the expected start read. It is an automated process within NEST.

We checked the content of rejected and accepted files and the Electric Kiwi data was correct in all cases. There were many examples where the difference between the CS read and the RR read was less than 1 kWh because some retailers truncate and some round.

We conducted sampling of the 20 RR files, which we put into two groups. RR files sent by ELKI and RR files received by ELKI

1. Electric Kiwi sent 1,452 RR files for transfer switches; 182 RR files were rejected by other traders. We randomly selected 10 RR files (both TR and MI) which were accepted by losing traders and 10 RR files which were rejected. The files which were rejected by others traders, ELKI used the reading provided by a gaining trader

2. Electric Kiwi received 140 RR files,6 of them they rejected. We randomly selected 10 RR files (both TR and MI) which were accepted by ELKI and RR files which were rejected by them. We checked the content of rejected files and discussed this with Electric Kiwi. In all cases ELKI used a gaining trader switch event meter reading for reconciliation.

The company provided evidence which confirmed that RR readings which they accepted were used for reconciliation.

#### **Audit outcome**

Compliant

### **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 5 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 EDA file was reviewed to identify all read change requests and acknowledgements where above clauses are applicable.

#### **Audit commentary**

Other retailers cannot issue read change requests to Electric Kiwi under clause 6(2) and (3) of Schedule 11.3

9 RR files sent later than five business days were rejected. In this scenario Electric Kiwi uses their read because it is based on an actual AMI read.

#### **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**

There were no disputes with a losing trader. If such a situation were to occur in the future it would be resolved in accordance with this clause.

#### **Audit commentary**

ELKI stated that they will not decline to accept another traders' validated meter reading or permanent estimate if they are reasonable and appropriate in the applicable circumstances. The company will also provide a reasonable explanation to the other participant where it does decline to accept their validated meter reading or permanent estimate.

#### **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 2 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**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Electric Kiwi's Switching team.

#### **Audit commentary**

At the time of signing up a customer they must specify if they are moving into a premise and the date of move in. Electric Kiwi allows a customer to go back one month. If a customer wants to go even further back, they need to contact the office.

Electric Kiwi'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.

In the audit period Electric Kiwi sent 27,719 NTMI. All NT files were sent within two business days of conditions being met by a customer.

12.8% of Switch Moves are backdated . We checked 10 long backdated NT files, two of them were backdated by one year. Electric Kiwi provided detailed comments explaining reasons for these switches being backdated. ELKI provided a copy of correspondence with customers and traders.

- In two instances the wrong property was identified after it was disconnected for vacancy by another retailer
- Three NWCX were sent accidentally , which were accepted by other retailers. NT was resent to fix it.
- One advised late by a customer after moving into the property
- In three instances wrong property was identified, a customer queried their invoice
- Correction of other trader error (NT was not sent)

Many Otago students are ELKI's customers, therefore there are a high number of switch moves, some of them backdated due to late notification from a potential customer.

#### Audit outcome

Compliant

#### 4.8. Losing trader provides information - switch move (Clause 10(1) Schedule 11.3)

##### Code reference

*Clause 10(1) Schedule 11.3*

##### Code related audit information

*10(1) Within 5 business days after receiving notice of a switch move request from the registry manager—*

- *10(1)(a) If the losing trader accepts the event date proposed by the gaining trader, the losing trader must complete the switch by providing to the registry manager:*
  - *confirmation of the switch event date; and*
  - *a valid switch response code; and*
  - *final information as required under clause 11; or*
- *10(1)(b) If the losing trader does not accept the event date proposed by the gaining trader, the losing trader must acknowledge the switch request to the registry manager and determine a different event date that—*
  - *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

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Electric Kiwi's Switching team.

The accuracy of the content of the AN files was confirmed by checking 10 randomly chosen files.

##### Audit commentary

The Switch Breach report confirmed all AN files were sent within the allowable timeframes.

The Switch Breach report identified the following non-compliances in relation to the event proposed date

- 161 AN files had a proposed transfer date earlier than the gaining trader’s proposed date. It was corrected for some of them in a consecutive CS file but not for all of them. It is difficult to find a pattern and therefore to understand what is causing this in some instances. Electric Kiwi will investigate, it was identified during the audit. The company was not aware of the problem.
- 4 AN files had a proposed transfer date later than 10 business days of the gaining trader’s proposed date in NT file. These switches were backdated by the gaining trader.

ELKI sent 19,497 AN files to the gaining traders with the following response codes:

Response code	Number of AN files	Percentage
AA	12,561	51.5%
OC	78	20.8%
PD	422	27.7%

There was confusion during the last audit in relation to the memo published 03/05/19, which was not distributed widely within the industry. The memo states:

*As at 5 August 2016 the switch response codes approved by the Authority are:*

Code	Description	Explanation of use
AA	Acknowledge and accept	Switch is accepted; there are no relevant issues.
CO	Contracted customer	Alerts that this customer has a fixed-term contract at the ICP. The current Trader may be contacting this customer, relative to a switch.
MP	Metering is pre-paid	Alerts that meter is pre-paid.
MU	Unmetered supply	Alerts supply is unmetered.

OC	Occupied premises	Advises that the existing customer has not yet advised they are moving out. The premises are occupied.
PD	Premises de-energised (disconnected)	Alerts that this site is de-energised (disconnected).
AD	Advanced Metering Infrastructure metering infrastructure	Alerts that meter is an advanced meter.

The memo is clear that AA response can only be used when no other code applies. The memo was incorrectly interpreted during the last audit. We had additional conversations with the Senior Advisor – Compliance of the Authority and he confirmed that the “AD” code must be used when a smart meter is present unless other reason code is more relevant.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.8 With: 10(1) of Schedule 11.3  From: 01-Feb-21 To: 31-Mar-22	<ul style="list-style-type: none"> <li>161 AN files had a proposed transfer date earlier than the gaining trader's proposed date</li> <li>Incorrect use of the switch response code "AA"</li> </ul> Potential impact: Low Actual impact: Low Audit history: Once previously Controls: Weak Breach risk rating:3		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as weak. The number of incorrect AN files is low, but the concern is that the issue was identified two audits back, no issue noted in the last audit and now the issue was identified again during this audit.  Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action taken as files were already submitted and cannot be taken back.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Electric Kiwi has already fixed the issue with AN files however will implement quarterly switch breach monitoring to improve controls.		31/08/2022	

#### 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

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Electric Kiwi’s Switching team.

### Audit commentary

As described in **section 4.8** , the Switch Breach Report identified 161 instances where Electric Kiwi determines a different switch event date than proposed by a gaining trader.

Electric Kiwi complete the switch late for two ICPs. It was discussed with ELKI staff.

- 0000009505DE803 forgot to send CS file after the NW was rejected Electric Kiwi commented that it was back when CS files were sent manually, and for some reason the CX agent moved the CS ticket to done after the NW was sent, so no visibility in NEST that the CS had not been completed (after the NW was rejected)
- 0000160068CK14B – CS file was sent one day late after receiving the AW rejecting the withdrawal

### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.9 With: 10(2) of Schedule 11.3 From: 01-Feb-21 To: 31-Mar-22	Two late CS files 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 rated as strong. The system is fully automated, one late CS file was late by a human error, the second one was caused by sending the CS file after 7:30pm.  Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action taken as files were already submitted and cannot be taken back.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Electric Kiwi will implement refresher training with an aim to reduce the frequency of human error.	31/08/2022	
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#### 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

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Electric Kiwi's Switching team.

##### Audit commentary

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The standards process was examined and discussed with Electric Kiwi's Switching team.

The accuracy of the content of the CS files was confirmed by checking a sample of 15 records. The content checked included:

- correct identification of meter readings and correct date of last meter reading
- accuracy of meter readings
- accuracy of average daily consumption
- read type flag

CS files with average daily kWh that were zero (516 ICPs), or over 100 kWh (7 ICPs) were identified. It was identified as non-compliance in the last audit. We sampled 10 ICPs, Electric Kiwi provided evidence that the calculation was correct.

Out of 15 CS files tested, 3 CS files posted to the registry had incorrect both a read type flag and incorrect switch event meter reading or only incorrect read flag. ELKI provided a detailed explanation.

The last audit noted that Registry Functional Specification v22.32 states that average daily consumption within the CS file should be the average kWh per day for the last read period. Electric Kiwi receives daily readings, so the last read period is technically one day. Estimated daily consumption is calculated as the average daily consumption over the past billing period. While this is not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.

It was discussed with the Authority and they agree with this comment. The Authority is currently looking to update the functional specification. It will be recorded as a technical breach.

##### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 4.10 With: 11 of Schedule 11.3  From: 01-Feb-21 To: 31-Mar-22	<ul style="list-style-type: none"> <li>• Calculation of average kWh per day does not comply with Registry Functional Specification v22.36.</li> <li>• Incorrect read type flag and incorrect switch event meter reading for 3 ICPs</li> </ul> Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>The controls are recorded as moderate because they mitigate risk most of the time but there is room for improvement.</p> <p>The calculation of average kWh per day is gives a reasonable indication of the average daily consumption. While the ELKI calculations are not technically consumption for the last read to read period, it provides a reasonable indication of the average daily consumption.</p> <p>Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
No action taken as CS files were already submitted.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Electric Kiwi will investigate the incorrect cases to determine if a system improvement could be made to fix the issue.		31/08/2022	

4.11. Gaining trader changes to switch meter reading - switch move (Clause 12 Schedule 11.3)

**Code reference**

Clause 12 Schedule 11.3

**Code related audit information**

*The gaining trader may use the switch event meter reading supplied by the losing trader or may, at its own cost, obtain its own switch event meter reading. If the gaining trader elects to use this new switch*

event meter reading, the gaining trader must advise the losing trader of the switch event meter reading and the actual event date to which it refers as follows:

- if the switch meter reading established by the gaining trader differs by less than 200 kWh from that provided by the losing trader, both traders must use the switch event meter reading provided by the gaining trader (clause 12(2)(a)); or
- if the switch event meter reading provided by the losing trader differs by 200 kWh or more from a value established by the gaining trader, the gaining trader may dispute the switch meter reading. In this case, the gaining trader, within 4 calendar months of the date the registry manager gives the gaining trader written notice of having received information about the switch completion, must provide to the losing trader a changed validated meter reading or a permanent estimate supported by 2 validated meter readings and the losing trader must either (clause 12(2)(b) and clause 12(3)):
- advise the gaining trader if it does not accept the switch event meter reading and the losing trader and the gaining trader must resolve the dispute in accordance with the disputes procedure in clause 15.29 (with all necessary amendments) (clause 12(3)(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 12(3)(b)).

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 5 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**

To assess compliance, we analysed the EDA file for the period covered by this audit and Switch Breach Report for the same period. The switch move process was examined and discussed with Electric Kiwi's Switching team.

#### **Audit commentary**

Switch reads are checked by comparing actual AMI data to the switch read to determine whether a RR file is required. Sometimes an AMI midnight read may not be available and so it's derived by deducting the sum of the trading periods for that day to determine the expected start read. It is an automated process.

We checked the content of rejected and accepted files and Electric Kiwi data was correct in all cases. There were many examples where the difference between the CS read and the RR read was less than 1 kWh because some retailers truncate and some round.

We conducted sampling of RR files, which we put into two groups. RR files sent by ELKI and RR files received by ELKI

1. Electric Kiwi sent 6,635 RR files for switch moves; 358 RR files were rejected by other traders. We randomly selected 10 RR files which were accepted by losing traders and 10 RR files which were rejected.
2. Electric Kiwi received 246 RR files, 5 of them they rejected. We randomly selected 10 RR files which were accepted by ELKI and 5 RR files which were rejected by them.

We checked the content of accepted and rejected files and discussed with Electric Kiwi. The company provided evidence which confirmed that RR readings which they accepted were used for reconciliation. 6 RR files rejected by Electric Kiwi had actual AMI read, which was used for reconciliation.



The Switch Breach report identified four late RR which was sent after 4 calendar months. All of them were a result of correcting switch event meter readings for incorrect property initially switched in the past.

**Audit outcome**

Non-compliant

Non-compliance	Description		
Audit Ref: 4.11 With: 12 of Schedule 11.3 From: 01-Feb-21 To: 31-Mar-22	Four late RR which were sent after 4 calendar months 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 rated as strong. Good controls in place. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
No action taken as these are unable to be corrected.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Electric Kiwi will implement refresher training with an aim to reduce the frequency of human error.		31/08/2022	

**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 3 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 EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period.

#### **Audit commentary**

No HH switches occurred in the period covered by this audit.

#### **Audit outcome**

Compliant

### **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 3 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**

The EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period.

#### Audit commentary

No HH switches occurred in the period covered by this audit.

#### 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 3 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 5 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 EDA file for the audit period was reviewed to determine whether any HH switches occurred during the period.

#### Audit commentary

No HH switches occurred in the period covered by this audit.

#### 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 2 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)):*
  - *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
  - and*
  - *the withdrawal advisory code published by the Authority. (clause 18(c)(ii))*

- within 5 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 2 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 EDA file and Switch Breach Report for the period covered by this audit were analysed to assess compliance. The switch withdrawal process was analysed and discussed with Electric Kiwi’s staff.

The document describing the NW\_AW process describes in detail what advisory code should be used in what circumstances.

#### Audit commentary

Electric Kiwi sent 4,644 NW files during the audit period. The table below shows the breakdown of reason codes used by ELKI. 170 NW files (3.66 %) were rejected by the other trader.

Reason code	Number of ICPs	Percentage
CE	73	1.57%
CX	1,263	27.20%
DF	1,186	25.54%
MI	22	0.47%
UA	1	0.02%
WP	887	19.10%
WS	1,212	26.10%

32 NW files were backdated more than 2 months. 45 late NW files had the advisory code “WP” (wrong premise) and 14 had advisory code DF (default date) . ELKI commented that many of the late NWs are only done because they were the wrong premises, and these are often discovered late due to the customer not knowing which property they signed up.

#### Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 4.15 With: 17 of Schedule 11.3 From: 01-Feb-21 To: 31-Mar-22	32 late NW files (more than 2 months) Potential impact: Low Actual impact: Low Audit history: Twice previously Controls: Strong Breach risk rating: 1		
<b>Audit risk rating</b>	<b>Rationale for audit risk rating</b>		
<b>Low</b>	The controls are rated as strong. They are sufficient to mitigate risk in most cases. Only 32 NW files were late. The audit risk rating is low, a small number of files were affected.		
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>	
No action was taken as these were unable to be corrected.	N/A	Identified	
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>		
Electric Kiwi is unable to implement additional preventive actions.	N/A		

#### 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

Meter readings are received from MEPs. Electric Kiwi relies on MEPs to provide accurate readings but as is described in relevant sections, extensive validation is conducted upon uploading readings to NEST.

##### Audit commentary

All meter readings used in the switching process are validated meter readings or permanent estimates. The cost of additional interrogation is covered in a commercial agreement between ELKI and MEPs.

## Audit outcome

Compliant

### 4.17. Switch 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

Electric Kiwi has been a part of the Switch Save Protection program since 2015. The program was terminated on 31/03/20. Win-back processes were examined to determine whether they were compliant. The EDA file for the audit period was analysed to identify all withdrawn switches with a "CX" code applied prior to the switch completion date for any switch save protected retailer.

#### Audit commentary

The analysis of the EDA file showed that no "CX" coded switch withdrawal requests were sent prior to the switch completion date.

When Electric Kiwi is notified that a customer wants to switch out, an email is sent to a customer asking for confirmation that it is a valid request and asking for the reason for the switch away. No special deal is offered. Electric Kiwi provided a copy of the email template sent to a customer.

## 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 process was discussed with ELKI staff. The LIS file for the audit period was reviewed to assess if ELKI traded shared unmetered load.

#### Audit commentary

No shared unmetered load was traded during the audit period.

#### Audit outcome

Not applicable

### 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 process was discussed with ELKI staff. The LIS file for the audit period was reviewed to assess if ELKI traded unmetered load.

### Audit commentary

ELKI did not trade unmetered load during this audit period. The company has a process, which has been used previously.

### 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 process was discussed with ELKI staff. The LIS file for the audit period was reviewed to assess if ELKI traded unmetered load.

### Audit commentary

ELKI did not trade unmetered load during this audit period. The company has a process, which has been used previously.

### 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**

The process was discussed with ELKI staff. The LIS file for the audit period was reviewed to assess if ELKI traded distributed unmetered load.

#### **Audit commentary**

ELKI does not supply any ICPs with distributed unmetered load and does not intend to. Compliance was not assessed.

#### **Audit outcome**

Not applicable

## 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 1 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

The LIS file and the Audit Compliance report was reviewed. Processes for distributed generation were reviewed and discussed with Electric Kiwi's staff.

#### Audit commentary

At the time of audit Electric Kiwi was trading 881 ICPs with generation, all of which have import/export meters installed. We cross checked submission files against registry files and confirm that import (I) volumes for all ICPs are submitted.

All active ICPs have a MEP. No submission information is determined using subtraction.

Electric Kiwi never requests bridging meters.

ELKI provided a list of 5 ICPs where meters were bridged for various reasons. In each situation ELKI issued a SR to unbridge the meter and estimated volumes for reconciliation purposes:

- 0081842801PC982 - notification from Delta - the meter was bridged on 5/01/22 because would not communicate. SR was raised to unbridge meter on 06/01/2021
- 0006140653RN253 - advised meter was bridged on 21/04/2021 by ARCS to fix hot water fault. SR was raised to unbridge meter 26/04
- 0000022132TR0CA - advised by Delta that meter was bridged on 06/04/2021, AMS unable to remotely disconnect. SR was raised to unbridge meter on 08/04/2021
- 1000583370PC687 - advised by AMS that meter was bridged on 06/07/2021 after no hot water job. SR was raised to unbridge meter on 08/07/2021
- 0007115016RN952 - 16/02/2022 Customer advised meter not working, after NEST put invoice on hold due to low daily consumption (as meter was sending actual 0 reads). SR was raised to unbridge meter on 21/02/2022

We confirm all meters listed above were s unbridged.

#### Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 6.1 With: 10.13 and 15.2  From: 01-Feb-20 To: 31-Mar-22	Energy is not metered and quantified according to the Code where meters are bridged  Potential impact: Low  Actual impact: Low  Audit history: Twice previously  Controls: Strong  Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	The controls are rated as strong. Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
Actions taken to resolve the issue		Completion date	Remedial action status
Upon receiving advice from MEP that a site has been bridged, Electric Kiwi takes action to unbridge the meter and estimate usage for the period in question.		N/A	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Electric Kiwi will implement refresher training to highlight the importance of following this process.		31/08/2022	

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 3 months for the grid owner to review and comment on the design*
- *respond within 3 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**

Electric Kiwi is not responsible for any connections to the grid.

#### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

### **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 LIS file and the Audit Compliance report were reviewed to identify which profiles are used for reconciliation purposes.

#### **Audit commentary**

Electric Kiwi does not use any engineered profiles. The only profile recorded in the registry is HHR. Control devices are not used for reconciliation purposes.

#### **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 lead 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**

The process for identifying defective metering was examined and discussed with ELKI staff.

## Audit commentary

Looking for faulty meters or bridged meters is a part of the validation process conducted by Electric Kiwi. Flight Path catches consecutive "0" reads from the MEP. Any unusual patterns or "zero" data is analysed, and appropriate action taken, such as contacting a customer or talking to the relevant MEP.

AMS & ARCS provides a weekly report of verified faults which specifies the data of the last successful read. The report is analysed by Electric Kiwi. If necessary, a customer is contacted to confirm that a premises is vacant, or power is switched off due to renovation.

ELKI provided 10 examples of faulty meters. In all cases SR was raised, and the MEP advised. The company provided an extract of correspondence between all parties (customer, MEP, Electric Kiwi).

## 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

HHR data is provided by MEPs. Interrogation requirements and clock synchronisations were reviewed as part of MEP audits.

### Audit commentary

The interrogation systems requirements were examined as part of the MEP audits, and found to be compliant.

The MEPs provide clock synchronisation and event reports. When clock synchronisation notifications are received, they are used to determine whether any action is required. No clock synchronisation events requiring action by Electric Kiwi were identified during the audit period.

### Audit outcome

Compliant

## 6.6. Derivation of meter readings (Clause 3(1), 3(2) and 5 Schedule 15.2)

### Code reference

*Clause 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. ELKI only trades HHR ICPs read remotely.

Electric Kiwi has a process in place to ask a customer for photo readings when preparing estimates where actual AMI data cannot be obtained due to communication issues.

### Audit commentary

AMI data is provided by MEPs. Validated readings are derived from actual meter readings. All data received from the MEP is validated upon uploading to NEST.

ELKI is aware of the requirements to ensure that photo readings are validated against a set of validated actual readings from another source. If photo readings are used to calculate consumption, the interval data is labelled as estimated. Photo reads assist in the creation of customer's invoices in special circumstances. It is not used for reconciliation purposes.

### Audit outcome

Compliant

## 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 LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.

## Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

## Audit outcome

Not applicable

## 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 LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.

### Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

### Audit outcome

Not applicable

## 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 LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.

### Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

### Audit outcome

Not applicable

## 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 4 months, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every 4 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 LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.

### Audit commentary



To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

### 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**

The LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.

#### **Audit commentary**

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

### 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 provided by MEPs. Compliance was assessed as part of their MEP audits.

#### **Audit commentary**

MEPs are responsible for HHR data collection, and compliance is recorded in their 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

HHR data is provided by MEPs. Compliance was assessed as part of their MEP audits.

#### Audit commentary

MEPs are responsible for HHR data collection, and compliance is recorded in their 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 provided by MEPs. Compliance was assessed as part of their MEP audits.

**Audit commentary**

MEPs are responsible for HHR data collection, and compliance is recorded in their 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

HHR data is provided by MEPs. Interrogation requirements and clock synchronisation were reviewed as part of MEP audits.

#### Audit commentary

MEPs are responsible for meeting compliance with this clause. It is reviewed during their audits. We reviewed data provided by MEPs and confirm that the trading period duration is 30 minutes.

#### 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

Raw meter data is retained by MEPs, and compliance is assessed as part of their MEP audits. Processes to archive and store raw meter data were reviewed and discussed with ELKI staff.

#### Audit commentary

All meter reading data is archived and is retained by Electric Kiwi for at least 48 months. Electric Kiwi commented as below:

*"We have a time travel database which is used as a cold backup of all the MDP data along with history of the changes to the data received. The time travel database acts like the archive. We can directly access the data from hot storage which is live database or from the archived cold backup which is time travel database."*

A review of Electric Kiwi's audit trails confirmed that reads cannot be modified without an audit trail being created. Access to modify readings is restricted.

Compliance is recorded in the MEP audit reports.

#### 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

This was discussed during the audit. Non metering information is collected by Electric Kiwi.

#### Audit commentary

Compliance was not assessed because this clause is not applicable to the Electric Kiwi operation.

#### Audit outcome

Not applicable

## 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

Non metering information is not collected by Electric Kiwi.

#### Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

### 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 and estimation were reviewed and discussed with Electric Kiwi's staff.

The company provided examples of 8 ICPs meter readings . It was a mixture of defective or bridged meters. We reviewed all of them to confirm the correction process.

#### **Audit commentary**

Faulty or bridged meters were identified through the data validation process, missing reads process, or information provided by the customer, or by network, or MEP. Where errors are detected, replacement data is estimated in accordance with the code.

The process for estimation/corrections is as follows:

- if register reads are not available, the consumption is estimated based on consumption history for the ICP
- if there is no profile history, the residual profile shape is used
- if register reads are available, the intervals are estimated so that the total kWh matches the difference between register reads, the profile for the intervals is the same as the same day of the previous week,

Each of estimates methods takes into account HoP (Hour of Power), which is an hour of free power which each Electric Kiwi's gets every day.

We reviewed the estimation calculation methodology for 8 meters provided by the company. We found the method of estimation correct.

#### **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**

The registry file was examined. Error and loss compensation was discussed during the audit. 13 ICPs have a multiplier factor applied to metering data.

#### **Audit commentary**

Electric Kiwi has not supplied ICPs with error or loss compensation.

#### **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

Electric Kiwi has been HHR ICPs only in this audit period. The report called Flight Path Report identifies ICPs metering data which requires closer analysis. If any correction or adjustment is required a journal will be created. It is the same journal which is created when metering data is estimated.

### Audit commentary

Raw meter data is held by MEPs, and compliance is recorded in their MEP audits.

Electric Kiwi only corrects working data, and they keep an appropriate audit trail.

### 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

NEST has a built-in function which allows the identification of actual and estimated readings. At the time of audit, the system has been assigning a type of reading flag per day. If part of the day had to be estimated, NEST displays estimated readings on a separate screen with “E” flag.

#### Audit commentary

Flags of read types are recorded correctly in NEST. We checked approximately 8 examples to confirm compliance.

#### Audit outcome

Compliant

### 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

All readings received from the MEPS are validated upon upload to NEST.

#### Audit commentary

Volume information is derived from validated HHR readings provided by the MEP. NEST has the functionality to use both validated and estimated readings to create reconciliation files. All readings and interval data are correctly identified.

#### 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**

Metering data is neither rounded nor truncated upon uploading to NEST. Electric Kiwi provided 4 examples of data from AMS, FCLM, ARCS, and IHUB to demonstrate compliance.

#### **Audit commentary**

The MEPs retain raw, unrounded data. Meter reading data is not rounded or truncated on import. Compliance confirmed based on a review of examples provided.

#### **Audit outcome**

Compliant

### **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 process was examined, and a sample of 8 estimates were reviewed. Revised data was compared to estimates where the estimates had been replaced.

#### **Audit commentary**

All HHR data and register reads are provided by MEPs. Electric Kiwi closely monitors completeness and accuracy of data. If there are any intervals missing the relevant MEP is contacted and asked for catch-up data. In most cases MEPs are not able to provide it. In such a situation metering data is estimated.

The process for estimation/corrections is as follows:

- if register reads are not available, the consumption is estimated based on consumption history for the ICP
- if there is no profile history, the residual profile shape is used
- if register reads are available, the intervals are estimated so that the total kWh matches the difference between register reads, the profile for the intervals is the same as the same day of the previous week,

Each of the estimates methods takes into account HoP (Hour of Power), which is an hour of free power which each Electric Kiwi client receives every day.

A sample of 8 estimates provided for each type of estimation to show how volumes are calculated were reviewed. We found that Electric Kiwi used reasonable endeavours to ensure that submitted information was within the percentage specified by the Authority in all cases reviewed.

## 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

The LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.

#### Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

### 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 0 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

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

Validation of electronic readings was also reviewed as part of the MEP audits. We reviewed the HHR data validation process, including meter event logs, validation checks and discussed with ELKI staff.

### Audit commentary

Electronic meter reading information is provided by MEPS. Meters are interrogated regularly, most of them daily. NEST validates data upon import, checking for missing data, checking for invalid dates and times. Any files which fail validation are not imported, a special report is created which is analysed.

This screenshot of Flight Path shows some validation conducted.

Business Optimisation - Priority 1 - Metering Management	
Business optimisation reports to be executed daily	
<b>P1 - Metering Management</b>	
<a href="#">A customer has active unmetered load</a>	A customer has active unmetered load against their connection. NEST does not support unmetered load so the customer must be requested to leave a_customer_has_active_unmetered_load
<a href="#">A consumption record has a negative value</a>	A consumption record has negative values. Negative values are not supported by NEST and these should be manually updated using a manual estimation routine a_consumption_record_has_a_negative_value
<a href="#">A customer has consecutive zero data in consumption records</a>	A meter is sending constant zero data to NEST for the last 5 days, or more. Its highly likely that the meter is not communicating a_customer_has_consecutive_zero_data_in_consumption_reads
<a href="#">AMI Comms Flag_Set to N</a>	The MEP has updated the AMI Comms flag to N in the registry. Please confirm if this meter is truly non communicating. If the flag stays N, then the customer will need to switch away ami_comms_flag_set_to_n
<a href="#">Negative RR Start Read</a>	Nest has calculated the daily read start read as negative, which means the customer could be billed more. Please review and correct if required. negative_rr_start_read
<a href="#">ICP has signed up with an invalid MEP</a>	An ICP has made it through sign up, but has an MEP or proposed MEP which cannot be served. Please review the ICP. If it's only a nomination, we can correct by setting back to the original MEP. Otherwise we need to switch the ICP away. icp_has_signed_up_with_an_invalid_mep
<a href="#">An ICP has an NHH Meter</a>	An ICP with a NHH meter has signed up recently or the MEP has incorrectly updated the metering installation type. We need to investigate and ensure that the data issue is resolved or replace the meter with an HHR one. an_icp_has_an_nhh_meter
<a href="#">Those ICPs that have exporting or solar installations without NA channel</a>	Properties that have an injection channel at the premise, generally from solar installations those icps that have exporting or solar installations but without NA channel Those_ICPs_that_have_exporting_or_solar_installations_without_NA_channel

Electric Kiwi receives logs from MEPS. ARCS, AMS, and IHUB which provide a weekly report of verified faults.

### Audit outcome

Compliant



## 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

The NSP table in the registry was reviewed.

#### Audit commentary

Electric Kiwi is neither a generator nor embedded generator. They are not responsible for any NSPs. This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

### 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

The NSP table in the registry was reviewed.

#### Audit commentary

Electric Kiwi is neither a generator nor embedded generator. They are not responsible for any NSPs. This clause is not applicable. Compliance was not assessed.

#### Audit outcome

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Not applicable

### 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

The NSP table in the registry was reviewed.

#### Audit commentary

Electric Kiwi is neither a generator nor embedded generator. They are not responsible for any NSPs. This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

### 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

The NSP table in the registry was reviewed.

#### Audit commentary

Electric Kiwi is neither a generator nor embedded generator. They are not responsible for any NSPs. This clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

## 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

The LIS file for the audit period was reviewed confirm the profiles used.

#### Audit commentary

Electric Kiwi uses the HHR profile, which does not require a trading notification.

#### 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 10 NSPs with a small number of ICPs to confirm the ICPdays calculation was correct.

We reviewed the GR-100 report provided by the reconciliation manager.

#### Audit commentary

The process for the calculation of ICPdays was examined by checking 7 NSPs and a small number of ICPs against the active days for ICPs connected to the NSP on the registry LIS file for the audit period. The ICP days calculation was confirmed to be correct for the sample checked. Electric Kiwi has a stringent process in place to validate the ICPdays calculation performed by NEST.



GR100 differences for the past 15 months are shown below:

Month	R0	R1	R3	R7	R14
Dec-20	0.01%	0.01%	-0.01%	0.00%	0.00%
Jan-21	0.00%	0.00%	0.00%	0.00%	0.00%
Feb-21	-0.01%	-0.01%	0.00%	0.00%	
Mar-21	0.00%	0.00%	0.00%		
Apr-21	0.00%	0.00%	0.00%		
May-21	0.00%	0.00%	0.00%		
Jun-21	0.00%	0.00%	0.00%		
Jul-21	0.00%	0.00%	0.00%		
Aug-21	0.01%	0.01%	0.00%		
Sep-21	0.00%	0.00%	0.00%		
Oct-21	0.00%	0.00%	-0.01%		
Nov-21	0.00%	0.00%	0.00%		
Dec-21	-0.02%	-0.02%	0.00%		
Jan-22	0.01%				
Feb-22	0.00%				

The small differences between ICPs days calculated between the registry and NEST are caused by late, backdated or withdrawn switches.

#### Audit outcome

Compliant

### 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.

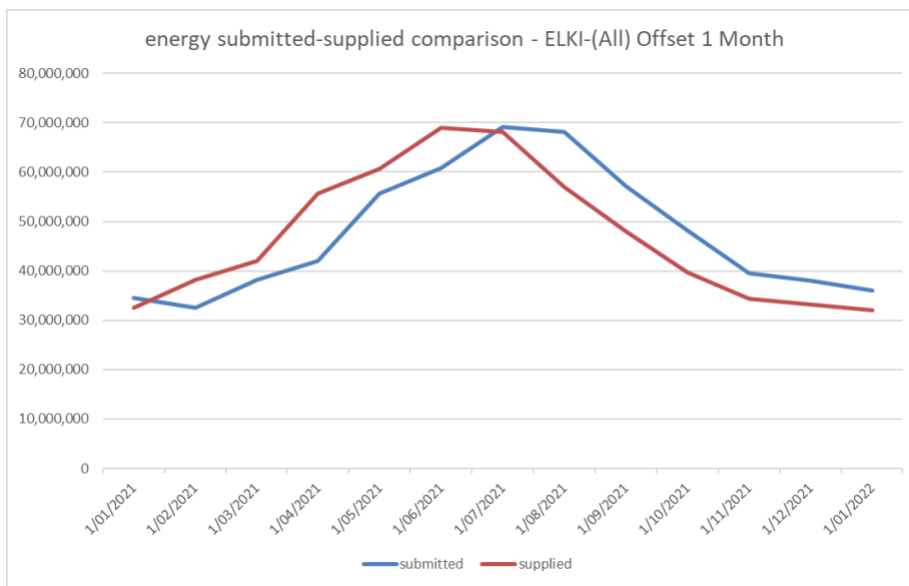
#### Audit observation

Electric Kiwi submits BILLED monthly. The process for the calculation of “as billed” volumes was examined.

We confirm it submits for all revisions. The table below shows a comparison between volumes submitted and supplied (billed).

#### Audit commentary

There is a 1.5% difference for the period shown in the graph below.



#### 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

We examined the process for the calculation and aggregation of HHR data. We compared HHR aggregates information with the HHR volumes data for four submissions. The process was discussed with ELKI staff.

#### **Audit commentary**

The GR090 ICP missing files received during the audit period were examined. A sample of 35 missing ICPs in Dec 2021 were reviewed to determine the reasons they were missing.

- 15 ICPs – GR090 was incorrect – volumes were included in HHRAGGR (day 4 submission)
- 14 ICPs – switches were finalized in Jan 2022, volumes were included in rev3
- 0175196656LCEE8 volumes not submitted
- 1000566171PCA98 – volumes submitted in rev3 , switch was finalised in Dec2021
- 0000333737MP404 – switched in Jan 2022
- 0000037798DEB54 – decom in 07/12/21, “0” volumes included in rev3
- 0001178011ML515 – switched out on 29/10/21 – incorrect GR090, many transactions in the registry
- 0007203430RN81C -volumes included in rev1

We compared volumes in HHRAGGR and HHRVOLS files for Dec2021 to Mar 2022. The volumes were very close.

The HHRAGGR files are prepared at ICP level based on submission information. Clause 15.8 states that the HHRAGGR should contain electricity supplied information rather than submission information. The Reconciliation Manager Functional Specification in section 3, described HHRAGGR as HHR submission information that is aggregated per ICP for the whole month.

There was a misalignment between the Code requirements and RM file specification. It was addressed by the Code amendment on 31/12/2021 therefore no non-compliance is recorded.

#### **Audit outcome**

Compliant

## 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 1 of the techniques set out in clause 15.36(3) specified by the Authority.*

#### Audit observation

HHR data is provided by MEPS. Data provided by MEPS is already adjusted for NZDT. Daylight savings processes for the MEPS were reviewed as part of their audits and found to be compliant.

#### Audit commentary

Daylight savings processes for the MEPS were reviewed as part of their audits and found to be 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

We reviewed the submission file for December 2021 to March 2022. All ICPs are reconciled as HHR. At the time of audit 12 ICPs were recorded in the registry as NHH reconciled but this was incorrect.

We checked for alleged breaches regarding late files.

#### Audit commentary

No breaches had been recorded for late provision of submission information.

We confirmed that Electric Kiwi submits volume information on day 4 and day 13 (all relevant revisions)

As a part of assessing compliance, we reviewed reconciliation files HHRAGGR, HHRVOLS, NNHVOLS and ICPDAYS and corresponding RM files GR-100, GR-090 and GR-170HHR. We confirm that all revisions were submitted as prescribed by this clause.

#### Audit outcome

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Compliant

### 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

The process for the calculation of initial and subsequent submission volumes was examined and discussed with Electric Kiwi's staff. We walked through the HHR volumes and aggregates validation process, including reviewing historic validations.

We sampled 10 NSPs to confirm the correct NSP was allocated as per the data held in the registry.

#### Audit commentary

Electric Kiwi has a process in place to compare data recorded in the registry and data stored in NEST during the month and before each reconciliation run. Electric Kiwi demonstrated that if they subsequently obtain more accurate information, they provide it to the reconciliation manager as part of the normal schedule of revision submissions. Every month, before day 13, revision files are submitted for month 3, 7, and 14.

An EDA file is uploaded to NEST daily to update records. Additionally every month, ELKI downloads GR090 from the reconciliation manager portal to verify if volumes were allocated for each ICP to the NSP indicated by the data held in the registry.

We sampled 5 NSPs and confirmed the correct NSP was allocated as per the data held in the registry.

#### 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**

A review of the NSP table confirmed that Electric Kiwi is not a grid owner.

### **Audit commentary**

This clause is not applicable. 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 review of NSP table confirmed that ELKI does not own any local or embedded network.

### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

### **Audit outcome**

Not applicable

## **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**

We reviewed the registry NSP table. Electric Kiwi is not a grid connected generator.

### **Audit commentary**

This clause is not applicable. Compliance was not assessed.

## Audit outcome

Not applicable

## 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

Electric Kiwi provided reconciliation data submitted in the last 4 months.

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late.

### Audit commentary

A review of alleged breaches confirmed that no reconciliation submissions were made late.

Electric Kiwi mainly use actual data provided by MEPs, if data is not available NEST will provide estimates. As soon a MEP provides actual metering data, estimates are replaced.

Electric Kiwi demonstrated that if they subsequently obtain more accurate information, they provide it to the reconciliation manager as part of the normal schedule of revision submissions. Every month, before day 13, revision files are submitted for month 3, 7, and 14.

The last audit identified non-compliance with this clause. The company implemented a fix to prevent such an occurrence. As was noted previously, no correction of data was conducted during the audit period.

Electric Kiwi provided 5 examples of bridged meters to verify if volumes were submitted. The review showed that volumes for 3 ICPs were not submitted to the reconciliation manager. One of them goes back to early 2021, it cannot wash up as it has passed the R14.

The company have a good estimation process, a good monitoring of missing data but for some instances the process allows some ICPs “to slip through” and volumes are not estimated and submitted. Not many meters installed at ELKI’s customers are bridged but it is still a concern when volumes, even small, are not submitted.

## Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.7 With: 10.13 and 15.2	Volumes for 3 bridged meters were not estimated and submitted to the reconciliation manager  Potential impact: Low  Actual impact: Low

From: 01-Feb-21 To: 24-Feb-22	Audit history: Once 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 rated as weak. The company have a good estimation process, a good monitoring of missing data but for some instances monitoring process allows some ICPs “to slip through” and volumes are not estimated and submitted.  Audit Risk Rating is recorded as low as the impact on settlement and participants is minor.		
<b>Actions taken to resolve the issue</b>	<b>Completion date</b>	<b>Remedial action status</b>	
Affected ICPs were reviewed to determine if volumes could be submitted within allowable timeframes. If allowed volumes were submitted to the reconciliation manager.	N/A	Identified	
<b>Preventative actions taken to ensure no further issues will occur</b>	<b>Completion date</b>		
Electric Kiwi will review process documentation and retrain staff to ensure the bridged meter procedure is being followed. We will also implement additional reporting to monitor the effectiveness of the process.	31/08/2022		

## 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

The LIS and EDA files were reviewed. During the audit period ELKI traded only HHR ICPs.



## Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

## Audit outcome

Not applicable

## 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)(ac) to 2(1)(ae)):*
  - 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 use volume information (clause 2(3))*
- *to calculate volume information the reconciliation participant must apply raw meter data :*
  - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(4)(a))*
  - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report. (clause 2(4)(b))*

### Audit observation

Electric Kiwi provided submission files submitted for the period December 2021 to March 2022. The company submitted HHRVOLS, HHRAGGR, ICPDAYS. No NHHVOLS were submitted because ELKI did not trade any NHH ICPs.

### Audit commentary

We assessed compliance with this clause and confirm as follows:

- all Electric Kiwi's metered ICPs are submitted as HHR. . At the time of audit 12 ICPs were recorded in the registry as NHH reconciled but this was incorrect, they were submitted as HHR ICPs. The registry was corrected.
- no profiles requiring a certified control device were used
- no loss or compensation arrangements were required
- no UML ICPs were traded
- aggregation of HHRAGGR and HHRVOLS is compliant
- 13 ICPs are category 2 metering installations, which require the application of a multiplier to raw data provided by MEPs. We sampled 2 ICPs and confirmed that submission volumes were correctly calculated

#### Audit outcome

Compliant

### 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

Electric Kiwi has not submitted any NHH metered volumes.

#### Audit commentary

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### Audit outcome

Not applicable

### 12.11. Historical estimate process (Clause 4 and 5 Schedule 15.3)

#### Code reference

*Clause 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**

Electric Kiwi has not submitted any NHH metered volumes.

#### **Audit commentary**

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

### **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**

Electric Kiwi has not submitted any NHH metered volumes.

#### **Audit commentary**

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

### **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**

A review of the EDA file for 01/02/2020 to 31/03/2022 and discussions with Electric Kiwi staff confirmed that all metered ICPs had submission type HHR.

A review of the event detail report confirmed that no ICPs have had a profile change.

### **Audit commentary**

All ICPs were submitted as HHR using the HHR profile in the registry.

### **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

We reviewed the submission file for December 2021 to March 2022. ELKI trades category 1 and 2 metering installations only. All ICPs are reconciled as HHR. At the time of audit 12 ICPs were recorded in the registry as NHH reconciled but this was incorrect.

#### Audit commentary

ELKI submits HHRAGGR and HHRVOLS files. 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
- consumption period

#### **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 2 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**

We reviewed the rounding of data on HHRAGGR and HHRVOLS files as part of the aggregation checks.

#### **Audit commentary**

Submission volumes are rounded to no more than two decimal places. It was discussed during the audit as to how submission information was calculated and ELKI confirm that submission volumes are rounded, using a method prescribed by this clause, at the end of calculations.

#### **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**

Non metering information is not collected by Electric Kiwi.

#### **Audit commentary**

To address and improve the customer experience Electric Kiwi decided to extend their offer and seek NHH certification. In September 2021, a Material Change audit was conducted. The Material Change audit assessed the compliance of processes required to trade NHH ICPs. No non-compliances were identified.

No ICPs were reconciled as NHH during the audit period therefore compliance with this clause is not applicable. Compliance was not assessed.

#### **Audit outcome**

Not applicable

## CONCLUSION

### PARTICIPANT RESPONSE

Electric Kiwi would like to thank the EA for taking the time to review our audit as well as Ewa Glowacka of TEG & Associates Ltd for taking the time to perform our audit and prepare the report.

Over the past 12 months, Electric Kiwi has placed a focus on supporting its existing customer base through process/procedure improvements. This audit shows that continued focus on our operational processes, internally developed system and controls continue to maintain high levels of compliance, while keeping our customers at the heart of what we do.

A small number of improvements have been identified and Electric Kiwi will work to implement these improvements over the coming months.

As a final comment, Electric Kiwi would also like to note that some non-compliant items are outside of the control of retailers and encourage the EA to address:

2. Assigning non-compliance points where there are an extremely low number of errors or based on customer provided information or failure to respond, does not indicate the kind of systemic issues and risks that an audit is designed to identify. A suggested improvement would be to mark as “compliant” if the sample results are less than a required threshold.



