

ELECTRICITY INDUSTRY PARTICIPATION CODE  
RECONCILIATION PARTICIPANT AUDIT REPORT



For

FLICK ENERGY LIMITED  
MATERIAL CHANGE AUDIT  
NZBN: 9429030133211

Prepared by: Tara Gannon

Date audit commenced: 17 March 2022

Date audit report completed: 20 May 2022

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## EXECUTIVE SUMMARY

**Flick Energy Limited (Flick)** produces HHR estimates using its Telemetry system for its metering category 1 and 2 ICPs. Telemetry’s estimation process has historically required a minimum of one weekday, Saturday, and Sunday of actual data and/or boundary readings for the estimated period to be able to produce an estimate.

Where there is no actual data and Telemetry has insufficient information to produce an estimate, ICPs without actual or estimated data are excluded from submissions. This has caused non-compliance in previous audits for:

- the requirement to provide the “best estimate” where actual data is not available under Clause 15 Schedule 15.2, and
- the requirement to ensure that HHR volumes, aggregates, and ICP days submissions are accurate under clauses 15.2, 15.4, 15.6, 15.8 and 15.12.

Once actual AMI data is received, or a removal reading or switch out reading is entered, the missing data is populated and the ICP is included in revision submissions.

Flick intends to resolve the previous non-compliances by creating HHR estimates after five days of no submission data, which will be replaced once actual AMI data is received or switch out or meter removal readings are obtained.

Clause 8(1) of Schedule 15.1 requires that if a reconciliation participant intends to make a “material” change to any certified facilities, processes, or procedures then the changes must be subject to an audit prior to the change taking place. This audit was therefore performed at the request of Flick so that it can be supplied to the Electricity Authority to satisfy the requirements of Clause 8(1). The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2.

The audit examined systems, process documentation and the results of Flick’s testing program.

The changes are not expected to have a negative impact on compliance, and should ensure that HHR volumes, aggregates and ICP days submissions are complete and accurate. The following recommendations are made:

Description	Recommendation
Estimates for I flow registers	To meet the best endeavours requirements for I flow meters, Flick should consider creating zero estimates until actual data is received.
Estimate replacement testing	Test the estimate replacement process to confirm that the new estimates are correctly replaced with actual data once it is received.
ICP days file testing	Test to confirm that the ICP days submissions correctly include days with estimated volumes.
HHR volumes file testing	Test to confirm that the HHR volumes submissions correctly include the estimates, and that estimates are replaced with actual data for revision submissions.

The next audit date is determined by the Authority. I recommend the current next audit date of 3 December 2022 is retained because the change is expected to improve Flick’s compliance for HHR estimation and submission, and the next audit date will allow time for the improvements to be demonstrated before the next audit is completed.

The matters raised are shown in the tables below:

## AUDIT SUMMARY

### NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
			Nil				
Future Risk Rating							

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

### RECOMMENDATIONS

Subject	Section	Description	Recommendation
Relevant information	2.1	Estimates for I flow registers	To meet the best endeavours requirements for I flow meters, Flick should consider creating zero estimates until actual data is received.
Relevant information	2.1	Estimate replacement testing	Test the estimate replacement process to confirm that the new estimates are correctly replaced with actual data once it is received.
Relevant information	2.1	ICP days file testing	Test to confirm that the ICP days submissions correctly include days with estimated volumes.
Relevant information	2.1	HHR volumes file testing	Test to confirm that the HHR volumes submissions correctly include the estimates, and that estimates are replaced with actual data for revision submissions.

### 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

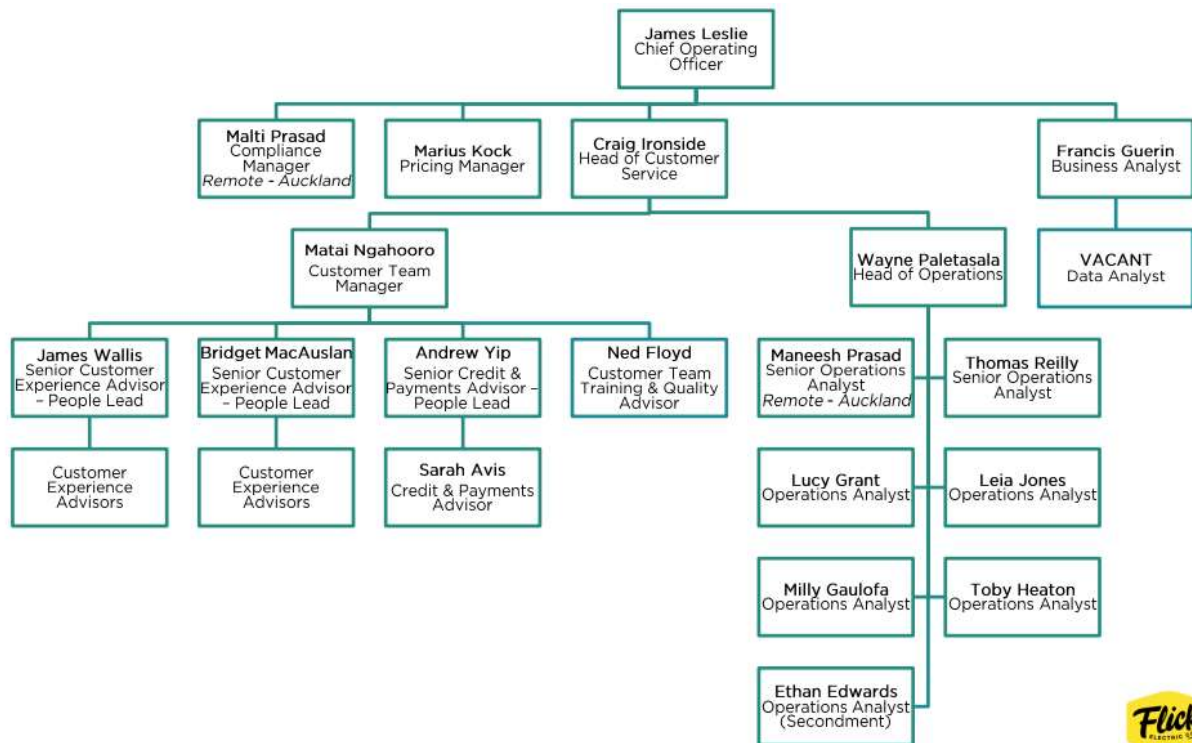
Current code exemptions were reviewed on the Electricity Authority website.

#### Audit commentary

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

### 1.2. Structure of Organisation

Flick provided a copy of their organisation structure for the relevant parts of their business.





### 1.3. Persons involved in this audit

Auditor:

Tara Gannon

**Veritek Limited**

**Electricity Authority Approved Auditor**

Flick personnel assisting in this audit were:

Name	Title
Malti Prasad	Compliance Manager – Customer and Market Operations

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

#### Code reference

*Clause 15.34*

#### Code related audit information

*A reconciliation participant who uses an agent*

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

#### Audit observation

Use of agents was discussed with Flick.

#### Audit commentary

HHR data is provided by AMS (for AMS and Smartco), IntelliHUB (for Metrix, IntelliHUB and Counties Power), Arc, WASN and FCLM as MEPs. All ICPs have category 1 or 2 meters.

IntelliHUB estimates have not been applied since April 2021.

#### Audit commentary

Compliant

### 1.5. Hardware and Software

The table below lists the systems used to meet Flick’s reconciliation participant obligations. Access to systems is restricted using logins and passwords, and back up services are via Amazon Web Services and Google Cloud.

System/Provider	Function
Flick Billing	Billing system.
Telemetry (and Provisioning)	Customer, registry, volume, and reconciliation information management. Registry updates are processed manually. Automation of CS processes is being tested, with automation of RR and AC processes to follow.
Salesforce	Customer relationship management system which interfaces with the Admin App, Telemetry and Flick Billing.

### 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 summarised by meter category in the table below.

Metering Category	2022	2021	2020	2019	2018	2017	2016	2015
1	26,978	26,002	23,005	20,012	24,665	21,973	15,071	5,445
2	37	34	34	29	33	36	16	1
3	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-
9	-	-	-	-	-	15	-	-
Blank	-	-	-	-	-	-	-	-

ICPs are summarised by status in the table below. The registry list provided as of 21 April 2022 only included ICPs with active status.

Status	ICPs (2022)	ICPs (2021)	ICPs (2020)	ICPs (2019)	ICPs (2018)	ICPs (2017)	ICPs (2016)	ICPs (2015)
Active (2,0)	27,015	26,036	23,039	20,041	24,698	21,946	15,015	5,446
Inactive – new connection in progress (1,12)	-	5	5	-	-	-	-	-
Inactive – electrically disconnected vacant property (1,4)	-	25	17	27	34	13	4	12
Inactive – electrically disconnected remotely by AMI meter (1,7)	-	153	66	145	156	26	67	0
Inactive – electrically disconnected at pole fuse (1,8)	-	1	1	5	2	-	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	-	5	1	1	2	-	-	-
Inactive – electrically disconnected at meter box fuse (1,10)	-	-	-	-	1	-	-	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	-	4	5	1	2	3	-	-
Inactive – reconciled elsewhere (1,5)	-	-	-	-	-	-	-	-
Decommissioned (3)	-	216	140	102	70	37	5	1

### 1.8. Authorisation Received

A letter of authorisation was not required.

## 1.9. Scope of Audit

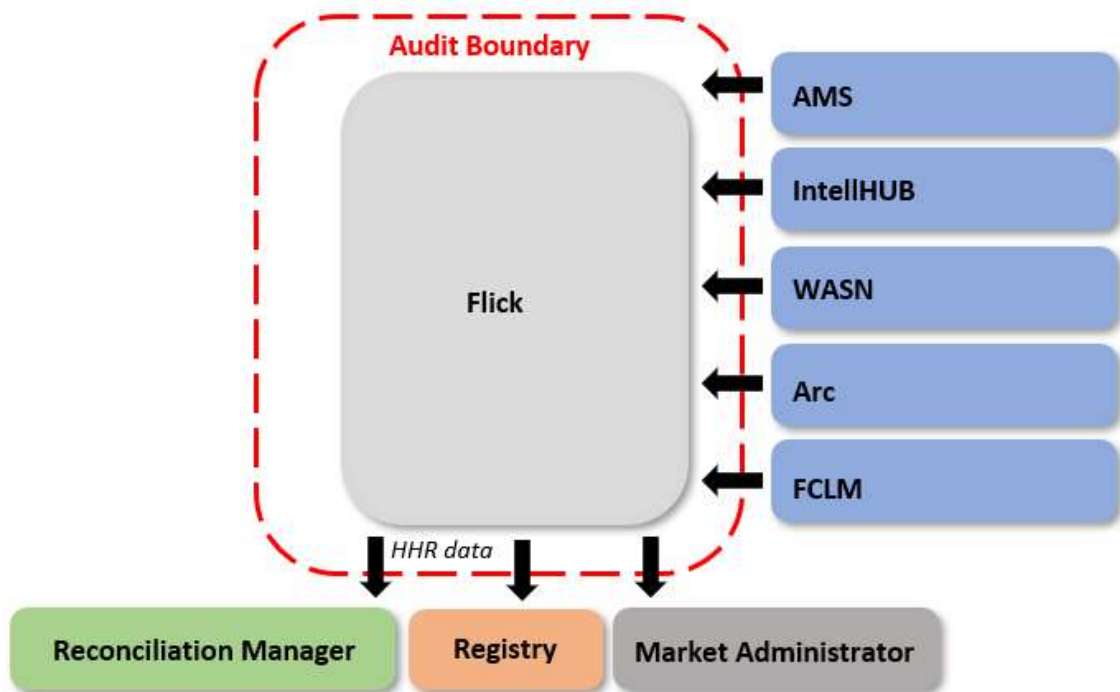
Flick intends to resolve the previous non-compliances relating to delays in creation of HHR estimates, by creating HHR estimates after five days of no submission data, which will be replaced once actual AMI data is received.

Clause 8(1) of Schedule 15.1 requires that if a reconciliation participant intends to make a “material” change to any certified facilities, processes, or procedures then the changes must be subject to an audit prior to the change taking place. This audit was therefore performed at the request of Flick so that it can be supplied to the Electricity Authority to satisfy the requirements of Clause 8(1). The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2.

The audit examined systems, process documentation and the results of Flick’s testing program.

The audit was carried out remotely in April and May 2022.

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



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

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	Agents Involved in Performance of Tasks	MEPs Providing AMI data
(a) - Maintaining registry information and performing customer and embedded generator switching		
(b) – Gathering and storing raw meter data		AMS – HHR (AMI) Arc – HHR (AMI) FCLM – HHR (AMI) IntelliHUB – HHR (AMI) WASN – HHR (AMI)
(c)(i) - Creation and management of volume information		AMS – HHR (AMI) Arc – HHR (AMI) FCLM – HHR (AMI) IntelliHUB – HHR (AMI) WASN – HHR (AMI)
(d) – Calculation of ICP days		
(da) - delivery of electricity supplied information under clause 15.7		
(db) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8		
(e) – Provision of submission information for reconciliation		

HHR data is provided by AMS (for AMS and Smartco), IntelliHUB (for Metrix, IntelliHUB and Counties Power), Arc, WASN and FCLM as MEPs. All ICPs have category 1 or 2 meters.

## 1.10. Summary of previous audit

Flick provided a copy of their previous audit report conducted in November 2021 by Tara Gannon of Veritek Limited. The previous findings specifically relevant to this audit are shown below:

Subject	Section	Clause	Non-compliance	Status
Relevant information	2.1	10.6, 11.2, 15.2	Some registry data is incorrect. HHR estimates are not generated where there is insufficient history for Telemetry to generate an estimate. At least eight ICPs did not have estimates generated because there was insufficient history for Telemetry to create an estimate.	Cleared, except for I flow meters
Half hour estimates	9.4	15 Schedule 15.2	HHR estimates are not generated where there is insufficient history for Telemetry to generate an estimate.  Flick did not provide their best estimate for at least eight ICPs which did not have estimates generated because there was insufficient history for Telemetry to create an estimate, and three ICPs where trading period consumption was estimated using a flat profile.	Cleared, except for I flow meters
Calculation of ICP days	11.2	15.6	ICP days are not provided for trading periods which do not have estimated or actual data.	Cleared
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR estimates are not generated where there is insufficient history for Telemetry to generate an estimate. At least eight ICPs did not have estimates generated because there was insufficient history for Telemetry to create an estimate.	Cleared
Creation of submission information	12.2	15.4	HHR estimates are not generated where there is insufficient history for Telemetry to generate an estimate. At least eight ICPs did not have estimates generated because there was insufficient history for Telemetry to create an estimate.	Cleared
Accuracy of submission information	12.7	15.12	HHR estimates are not generated where there is insufficient history for Telemetry to generate an estimate. At least eight ICPs did not have estimates generated because there was insufficient history for Telemetry to create an estimate.	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

I examined the revised estimation processes. There will be no changes to other existing validation processes.

#### Audit commentary

The new estimation process is discussed in detail in **section 9.4**.

Review of process and testing documentation confirmed that HHR estimates will be created after five business days for all X flow meters, including for ICPs which do not have sufficient history to create estimates under Telemetry's existing estimation process. I flow registers are excluded from the estimation process and as no I flow estimates are created, the registers will be excluded from submission data until actual readings are received. Once actual AMI data is received, or a removal reading or switch out reading is entered, the missing data will be populated. If an ICP with an I flow register switches out before actual readings are received, zero consumption will be estimated.

Estimates will be included in the HHR aggregates and volumes submissions, and days with estimated data will be included the ICP days submissions. The HHR aggregates submissions have been tested, but HHR volumes submissions have not been tested to ensure that they are consistent with the HHR aggregates, and test results confirming that ICP days were correct for ICPs with estimates were unable to be provided for the ICP days submissions.

There should be no changes to the process to replace estimated data with actual volumes once they are received, so this process has not been tested as part of the material change.

Because estimates will be triggered by accepting CS readings, the process to identify ICPs requiring RRs will change for any ICP with readings accepted before AMI data is received. To ensure that ICPs requiring RRs are identified:

- switching agents will keep a record of ICPs where estimated switch event reads were accepted before AMI data was received, and monitor these, and
- when Flick becomes aware that a communications issue has been resolved through a registry update, receipt of AMI data, or returned field services paperwork, agents will check the actual readings against the CS readings to determine whether the start readings are correct and initiate an RR if necessary.

The changes are not expected to have a negative impact on compliance, and should ensure that HHR volumes, aggregates and ICP days submissions are complete and accurate.

The following recommendations are made:

Description	Recommendation	Audited party comment	Auditor comments
Estimates for I flow registers	To meet the best endeavours requirements for I flow meters, Flick should consider creating zero estimates until actual data is received.	We will continue to explore our tech/system resources and attempt to create zero estimates for I flow meters, until actual data is received.	Investigating
Estimate replacement testing	Test the estimate replacement process to confirm that the new estimates are correctly replaced with actual data once it is received.	We will adopt this recommendation and test the estimate replacement process once this is in production. The data replacement process has not changed and was not tested as part of the material change testing.	Identified
ICP days file testing	Test to confirm that the ICP days submissions correctly include days with estimated volumes.	We agree to this recommendation and are willing to test to confirm that the ICP days submissions correctly include days with estimated volumes once this is in production.	Identified
HHR volumes file testing	Test to confirm that the HHR volumes submissions correctly include the estimates.	We agree to this recommendation and are willing to test to confirm that the HHR volumes submissions correctly include the estimates.	Identified

The non-compliance recorded in the previous audit relating to IntelliHUB not providing updated actual data to replace estimates if the actual data is obtained more than 15 days after the event date is still present. This non-compliance is not caused or affected by the material change.

#### Audit outcome

Compliant

## 2.2. Provision of information (Clause 15.35)

### Code reference

Clause 15.35

### Code related audit information

*If an obligation exists to provide information in accordance with Part 15, a participant must deliver that information to the required person within the timeframe specified in the Code, or, in the absence of any*



*such timeframe, within any timeframe notified by the Authority. Such information must be delivered in the format determined from time to time by the Authority.*

#### **Audit observation**

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

#### **Audit commentary**

This area is discussed in several sections in this report and compliance is confirmed.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 20 Schedule 15.2*

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

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

#### **Audit observation**

There will be no changes to the data transmission process.

#### **Audit commentary**

All read and volume data will continue to be transferred to Flick via SFTP.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **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 sub-clause (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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 10.32*

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

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

- *accept responsibility for their obligations in Parts 10, 11 and 15 for the point of connection; and*
- *have an arrangement with an MEP to provide one or more metering installations for the point of connection.*

#### **Audit observation**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

## 2.10. Temporary Electrical Connection of an ICP (Clause 10.33(1))

### Code reference

Clause 10.33(1)

### Code related audit information

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

- for a point of connection to the grid – the grid owner has approved the connection
- for an NSP that is not a point of connection to the grid - the relevant distributor has approved the connection.
- for a point of connection that is an ICP, but is not as NSP:
  - the reconciliation participant is recorded in the registry as the trader responsible for the ICP
  - if the ICP has metered load, 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

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

### Audit observation

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

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

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

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

#### Audit observation

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

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

#### Code reference

Clause 10.33C and 2A of Schedule 15.2

#### Code related audit information

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

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

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

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

*The trader must determine meter readings as follows:*

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

#### Audit observation

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**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

There will be no changes to this process.

##### Audit commentary

There will be no changes to this process.

##### 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

There will be no changes to this process.

### **Audit commentary**

There will be no changes to this process.

### **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 five business days after the change.*

### **Audit observation**

There will be no changes to this process.

### **Audit commentary**

There will be no changes to this process.

### **Audit outcome**

Compliant

## **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**

There will be no changes to this process.

### **Audit commentary**

There will be no changes to this process.

### **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 five 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**

There will be no changes to this process.

### **Audit commentary**

There will be no changes to this process.

### **Audit outcome**

Compliant

### 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

### 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

Review of the registry list confirmed Flick does not supply any unmetered ICPs.

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

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

**Audit observation**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**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**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**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**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**Audit outcome**

Compliant

## 4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

Internal audits are conducted for all switching processes every second month. As part of this process a sample of switch events are checked to determine whether they are compliant. Corrections, training, and process improvements may be carried out as a result of the audit findings.

### 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 two business days after the arrangement comes into effect and include in its advice to the registry manager that the switch type is TR and one or more profile codes associated with that ICP.*

#### Audit observation

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

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

#### Code reference

*Clauses 3 and 4 Schedule 11.3*

#### Code related audit information

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

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



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

#### **Audit observation**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

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

#### **Code reference**

*Clause 5 Schedule 11.3*

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

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

- *providing event date to the registry manager (clause 5(a)); and*
- *provide to the gaining trader a switch event meter reading as at the event date, for each meter or data storage device that is recorded in the registry with accumulator of C and a settlement indicator of Y (clause 5(b)); and*
- *if a switch event meter reading is not a validated reading, provide the date of the last meter reading (clause 5(c)).*

#### **Audit observation**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

### **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 five business days after receiving the switch event meter reading from the gaining trader (clause 6A(a)); or*
- *if the losing trader notifies its acceptance or does not provide any response, the losing trader must use the switch event meter reading supplied by the gaining trader (clause 6A(b)).*

#### **Audit observation**

There will be no changes to the RR process itself, but the process to identify ICPs requiring RRs will change for some ICPs. I checked the revised identification process to ensure that ICPs requiring RRs will continue to be identified.

#### **Audit commentary**

New ICPs are recorded in Telemetry as switch in cases until actual readings are received. Daily, a user will review the switch in cases and accept the CS reads for ICPs which switched in more than five days ago, which records the opening switch reads against the ICPs in Telemetry and triggers the estimation process.

Telemetry's switch in cases are also used to identify incoming switches with switch event reads inconsistent with actual AMI data. Once the switch event reads are accepted, the ICPs will disappear from the current switch in cases list. Because estimates will be triggered by accepting CS readings, the process to identify ICPs requiring RRs will change for any ICP with readings accepted before AMI data is received. To ensure that ICPs requiring RRs are identified:

- switching agents will keep a record of ICPs where estimated switch event reads were accepted before AMI data was received, and monitor these, and
- when Flick becomes aware that a communications issue has been resolved through a registry update, receipt of AMI data, or returned field services paperwork, agents will check the actual readings against the CS readings to determine whether the start readings are correct and initiate an RR if necessary.

#### **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 five business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading.*

#### **Audit observation**

There will be no changes to the RR process itself, but the process to identify ICPs requiring RRs will change for some ICPs. I checked the revised identification process to ensure that ICPs requiring RRs will continue to be identified.

#### **Audit commentary**

As discussed in **section 4.4**, new ICPs are recorded in Telemetry as switch in cases until actual readings are received. Daily, a user will review the switch in cases and accept the CS reads for ICPs which switched in more than five days ago, which records the opening switch reads against the ICPs in Telemetry and triggers the estimation process.

Telemetry's switch in cases are also used to identify incoming switches with switch event reads inconsistent with actual AMI data. Once the switch event reads are accepted, the ICPs will disappear from the current switch in cases list. Because estimates will be triggered by accepting CS readings, the process to identify ICPs requiring RRs will change for any ICP with readings accepted before AMI data is received. To ensure that ICPs requiring RRs are identified:

- switching agents will keep a record of ICPs where estimated switch event reads were accepted before AMI data was received, and monitor these, and
- when Flick becomes aware that a communications issue has been resolved through a registry update, receipt of AMI data, or returned field services paperwork, agents will check the actual readings against the CS readings to determine whether the start readings are correct and initiate an RR if necessary.

#### **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 will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

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

##### Code reference

Clause 9 Schedule 11.3

##### Code related audit information

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

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

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

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

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

##### Audit observation

There will be no changes to this process.

##### Audit commentary

There will be no changes to this process.

##### 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 five 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:
  - o *confirmation of the switch event date; and*
  - o *a valid switch response code; and*
  - o *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—
  - o *is not earlier than the gaining trader’s proposed event date, and*
  - o *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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

### 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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

### 4.10. Losing trader must provide final information - switch move (Clause 11 Schedule 11.3)

#### **Code reference**

*Clause 11 Schedule 11.3*

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

*The losing trader must provide final information to the registry manager for the purposes of clause 10(1)(a)(ii), including—*

- *the event date (clause 11(a)); and*
- *a switch event meter reading as at the event date for each meter or data storage device that is recorded in the registry with an accumulator type of C and a settlement indicator of Y (clause 11(b)); and*
- *if the switch event meter reading is not a validated meter reading, the date of the last meter reading of the meter or storage device (clause (11(c)).*

#### **Audit observation**

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 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 dispute 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

There will be no changes to the RR process itself, but the process to identify ICPs requiring RRs will change for some ICPs. I checked the revised identification process to ensure that ICPs requiring RRs will continue to be identified.

### Audit commentary

As discussed in **section 4.4**, new ICPs are recorded in Telemetry as switch in cases until actual readings are received. Daily, a user will review the switch in cases and accept the CS reads for ICPs which switched in more than five days ago, which records the opening switch reads against the ICPs in Telemetry and triggers the estimation process.

Telemetry's switch in cases are also used to identify incoming switches with switch event reads inconsistent with actual AMI data. Once the switch event reads are accepted, the ICPs will disappear from the current switch in cases list. Because estimates will be triggered by accepting CS readings, the process to identify ICPs requiring RRs will change for any ICP with readings accepted before AMI data is received. To ensure that ICPs requiring RRs are identified:

- switching agents will keep a record of ICPs where estimated switch event reads were accepted before AMI data was received, and monitor these, and
- when Flick becomes aware that a communications issue has been resolved through a registry update, receipt of AMI data, or returned field services paperwork, agents will check the actual readings against the CS readings to determine whether the start readings are correct and initiate an RR if necessary.

#### Audit outcome

Compliant

#### 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**

Review of the registry list confirmed Flick only supplies ICPs with metering category 1 or 2.

**Audit commentary**

Flick only supplies ICPs with metering category 1 or 2.

**Audit outcome**

Not applicable

**4.13. Losing trader provision of information - gaining trader switch (Clause 15 Schedule 11.3)**

**Code reference**

Clause 15 Schedule 11.3

**Code related audit information**

*Within three business days after the losing trader is informed about the switch by the registry manager, the losing trader must:*

*15(a) - provide to the registry manager a valid switch response code as approved by the Authority; or*

*15(b) - provide a request for withdrawal of the switch in accordance with clause 17.*

**Audit observation**

Review of the registry list confirmed Flick only supplies ICPs with metering category 1 or 2.

**Audit commentary**

Flick only supplies ICPs with metering category 1 or 2.

**Audit outcome**

Not applicable

**4.14. Gaining trader to advise the registry manager - gaining trader switch (Clause 16 Schedule 11.3)**

**Code reference**

Clause 16 Schedule 11.3

**Code related audit information**

*The gaining trader must complete the switch no later than three business days, after receiving the valid switch response code, by advising the registry manager of the event date.*

*If the ICP is being electrically disconnected, or if metering equipment is being removed, the gaining trader must either-*

*16(a)- give the losing trader or MEP for the ICP an opportunity to interrogate the metering installation immediately before the ICP is electrically disconnected or the metering equipment is removed; or*



*16(b)- carry out an interrogation and, no later than five business days after the metering installation is electrically disconnected or removed, advise the losing trader of the results and metering component numbers for each data channel in the metering installation.*

#### **Audit observation**

Review of the registry list confirmed Flick only supplies ICPs with metering category 1 or 2.

#### **Audit commentary**

Flick only supplies ICPs with metering category 1 or 2.

#### **Audit outcome**

Not applicable

### **4.15. Withdrawal of switch requests (Clauses 17 and 18 Schedule 11.3)**

#### **Code reference**

*Clauses 17 and 18 Schedule 11.3*

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

*A losing trader or gaining trader may request that a switch request be withdrawn at any time until the expiry of two calendar months after the event date of the switch.*

*If a trader requests the withdrawal of a switch, the following provisions apply:*

- *for each ICP, the trader withdrawing the switch request must provide the registry manager with (clause 18(c)):*
  - o *the participant identifier of the trader making the withdrawal request (clause 18(c)(i));*
  - o *and*
  - o *the withdrawal advisory code published by the Authority (clause 18(c)(ii))*
- *within five business days after receiving notice from the registry manager of a switch, the trader receiving the withdrawal must advise the registry manager that the switch withdrawal request is accepted or rejected. A switch withdrawal request must not become effective until accepted by the trader who received the withdrawal (clause 18(d))*
- *on receipt of a rejection notice from the registry manager, in accordance with clause 18(d), a trader may re-submit the switch withdrawal request for an ICP in accordance with clause 18(c). All switch withdrawal requests must be resolved within 10 business days after the date of the initial switch withdrawal request (clause 18(e))*
- *if the trader requests that a switch request be withdrawn, and the resolution of that switch withdrawal request results in the switch proceeding, within two business days after receiving notice from the registry manager in accordance with clause 22(b), the losing trader must comply with clauses 3,5,10 and 11 (whichever is appropriate) and the gaining trader must comply with clause 16 (clause 18(f)).*

#### **Audit observation**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **Audit outcome**

Compliant

#### 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

There will be no changes to this process.

##### Audit commentary

There will be no changes to this process.

##### Audit outcome

Compliant

#### 4.17. Switch saving protection (Clause 11.15AA to 11.15AB)

##### Code reference

Clause 11.15AA to 11.15AB

##### 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

There will be no changes to this process.

##### Audit commentary

There will be no changes to this process.

##### 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

Review of the registry list confirmed Flick does not supply any unmetered ICPs.

#### Audit commentary

Flick does not supply any unmetered ICPs.

#### Audit outcome

Compliant

## 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

Review of the registry list confirmed Flick does not supply any unmetered ICPs.

### Audit commentary

Flick does not supply any unmetered ICPs.

### 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

Review of the registry list confirmed Flick does not supply any unmetered ICPs.

### Audit commentary

Flick does not supply any unmetered ICPs.

### 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**

Review of the registry list confirmed Flick does not supply any unmetered ICPs.

##### **Audit commentary**

Flick does not supply any unmetered ICPs.

##### **Audit outcome**

Compliant

## 6. GATHERING RAW METER DATA

### 6.1. Electricity conveyed & notification by embedded generators (Clause 10.13, Clause 10.24 and 15.13)

#### Code reference

*Clause 10.13, Clause 10.24 and Clause 15.13*

#### Code related audit information

*A participant must use the quantity of electricity measured by a metering installation as the raw meter data for the quantity of electricity conveyed through the point of connection.*

*This does not apply if data is estimated or gifted in the case of embedded generation under clause 15.13.*

*A trader must, for each electrically connected ICP that is not also an NSP, and for which it is recorded in the registry as being responsible, ensure that:*

- *there is one or more metering installations*
- *all electricity conveyed is quantified in accordance with the Code*
- *it does not use subtraction to determine submission information for the purposes of Part 15.*

*An embedded generator must give notification to the reconciliation manager for an embedded generating station, if the intention is that the embedded generator will not be receiving payment from the clearing manager or any other person through the point of connection to which the notification relates.*

#### Audit observation

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

### 6.2. Responsibility for metering at GIP (Clause 10.26 (6), (7) and (8))

#### Code reference

*Clause 10.26 (6), (7) and (8)*

#### Code related audit information

*For each proposed metering installation or change to a metering installation that is a connection to the grid, the participant, must:*

- *provide to the grid owner a copy of the metering installation design (before ordering the equipment)*
- *provide at least three months for the grid owner to review and comment on the design*
- *respond within three business days of receipt to any request from the grid owner for additional details or changes to the design*
- *ensure any reasonable changes from the grid owner are carried out.*

*The participant responsible for the metering installation must:*

- *advise the reconciliation manager of the certification expiry date not later than 10 business days after certification of the metering installation*
- *become the MEP or contract with a person to be the MEP*

- *advise the reconciliation manager of the MEP identifier no later than 20 days after entering into a contract or assuming responsibility to be the MEP.*

#### **Audit observation**

The NSP table was reviewed to confirm whether Flick is responsible for any GIPs.

#### **Audit commentary**

Review of the NSP table confirmed that Flick are not responsible for any GIPs.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process. Flick only supplies ICPs with the HHR and HHY profiles.

#### **Audit outcome**

Compliant

### 6.4. Reporting of defective metering installations (Clause 10.43(2) and (3))

#### **Code reference**

*Clause 10.43(2) and (3)*

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

*If a participant becomes aware of an event or circumstance that leads it to believe a metering installation could be inaccurate, defective, or not fit for purpose they must:*

- *advise the MEP*
- *include in the advice all relevant details.*

#### **Audit observation**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

## 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant



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

### Code reference

*Clauses 3(1), 3(2) and 5 Schedule 15.2*

### Code related audit information

*All meter readings must in accordance with the participants certified processes and procedures and using its certified facilities be sourced directly from raw meter data and, if appropriate, be derived and calculated from financial records.*

*All validated meter readings must be derived from meter readings.*

*A meter reading provided by a consumer may be used as a validated meter reading only if another set of validated meter readings not provided by the consumer are used during the validation process.*

*During the manual interrogation of each NHH metering installation the reconciliation participant must:*

- a) obtain the meter register*
- b) ensure seals are present and intact*
- c) check for phase failure (if supported by the meter)*
- d) check for signs of tampering and damage*
- e) check for electrically unsafe situations.*

*If the relevant parts of the metering installation are visible and it is safe to do so.*

### Audit observation

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 6.10. NHH meters 90% read rate (Clause 9(1) and (2) Schedule 15.2)

### Code reference

Clause 9(1) and (2) Schedule 15.2

### Code related audit information

*In relation to each NSP, each reconciliation participant must ensure that for each NHH ICP at which the reconciliation participant trades continuously for each four months, for which consumption information is required to be reported into the reconciliation process. A validated meter reading is obtained at least once every four months for 90% of the non-half hour metered ICPs.*

*A report is to be sent to the Authority providing the percentage, in relation to each NSP, for which consumption information has been collected no later than 20 business days after the end of each month.*

*If exceptional circumstances prevent a reconciliation participant from obtaining the validated meter reading, the reconciliation participant is not required to comply with clause 9(1).*

### Audit observation

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 6.12. HHR data collection (Clause 11(1) Schedule 15.2)

### Code reference

*Clause 11(1) Schedule 15.2*

### Code related audit information

*Raw meter data from all electronically interrogated metering installations must be obtained via the services access interface.*

*This may be carried out by a portable device or remotely.*

### Audit observation

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

## 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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**

Non metering information is not collected by Flick.

#### **Audit commentary**

Non metering information is not collected by Flick.

#### **Audit outcome**

Compliant

## 8. CREATING AND MANAGING (INCLUDING VALIDATING, ESTIMATING, STORING, CORRECTING AND ARCHIVING) VOLUME INFORMATION

### 8.1. Correction of NHH meter readings (Clause 19(1) Schedule 15.2)

#### Code reference

Clause 19(1) Schedule 15.2

#### Code related audit information

*If a reconciliation participant detects errors while validating non-half hour meter readings, the reconciliation participant must:*

*19(1)(a) - confirm the original meter reading by carrying out another meter reading*

*19(1)(b) – replace the original meter reading the second meter reading (even if the second meter reading is at a different date)*

*19(1A) if a reconciliation participant detects errors while validating non half hour meter readings, but the reconciliation participant cannot confirm the original meter reading or replace it with a meter reading from another interrogation, the reconciliation participant must:*

- *substitute the original meter reading with an estimated reading that is marked as an estimate;*
- and*
- *subsequently replace the estimated reading in accordance with clause 4(2)*

#### Audit observation

Flick has not submitted any NHH volumes. Using the HHY profile, Flick has temporarily supplied NHH non-AMI meters as HHR until they were upgraded to HHR or AMI meters or switched out.

#### Audit commentary

All ICPs have submission type HHR, and this clause does not apply.

#### 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**

There will be no changes to this process.

### **Audit commentary**

There will be no changes to this process.

### **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**

*If error compensation and loss compensation are carried out as part of the process of determining accurate data, the compensation process must be documented and must comply with audit trail requirements.*

### **Audit observation**

The registry list was reviewed to identify any ICPs which require loss compensation.

### **Audit commentary**

Flick has only supplied ICPs with metering category 1 or 2. No ICPs have required 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 22(1) and (2) 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**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**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

The HHR estimate process was examined to confirm readings are correctly classified, including review of documentation and test results.

#### Audit commentary

Read types and input methods are recorded in Telemetry. The combination of these fields is sufficient to confirm whether the reads are estimated or actual.

#### 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

There will be no changes to this process.

#### Audit commentary

Where AMI HHR readings are received, volumes are sourced from the AMI metering information. Where an estimated or switch reading is used, the HHR volumes are derived from actual readings or estimates.

#### 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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, including review of documentation and test results.

#### Audit commentary

Telemetry's existing estimation process requires a minimum of one weekday, Saturday, and Sunday of actual data and/or boundary readings for the estimated period to be able to produce an estimate. ICPs without actual or estimated data are excluded from submissions.

The estimation process will not change for ICPs where there is a minimum of one weekday, Saturday, and Sunday of actual data and/or boundary readings for the estimated period. New ICPs and existing ICPs with insufficient history to create estimates using Telemetry's existing estimation process, will have estimates created after five days without actual readings being received.

New ICPs are recorded in Telemetry as switch in cases until actual readings are received. Daily, a user will review the switch in cases and accept the CS reads for ICPs which switched in more than five days ago, which records the opening switch reads against the ICPs in Telemetry and triggers the estimation process. Flick decided to wait five days before creating estimates to prevent customers being billed on estimates where there are small delays in the MEP providing data. I flow registers are excluded from the estimation process and no I flow estimates are created, so the registers will be excluded from submission data until actual readings are received. Once actual AMI data is received, or a removal reading or switch out reading is entered, the missing data will be populated. If an ICP with an I flow

register switches out before actual readings are received, zero consumption will be estimated. A recommendation to create estimates for I flow meters is made in **section 2.1**.

Telemetry’s switch in cases are also used to identify incoming switches with switch event reads inconsistent with actual AMI data. Once the switch event reads are accepted, the ICPs will disappear from the current switch in cases list. Because estimates will be triggered by accepting CS readings, the process to identify ICPs requiring RRs will change for any ICP with readings accepted before AMI data is received. To ensure that ICPs requiring RRs are identified:

- switching agents will keep a record of ICPs where estimated switch event reads were accepted before AMI data was received, and monitor these, and
- when Flick becomes aware that a communications issue has been resolved through a registry update, receipt of AMI data, or returned field services paperwork, agents will check the actual readings against the CS readings to determine whether the start readings are correct and initiate an RR if necessary.

Estimates will be created daily and continue to be created until data is received from the MEP. Once actual data is received, the estimates will be replaced with actual data. The data replacement process has not changed and was not tested as part of the material change testing.

The estimates will usually be based upon the averages in the table below. If the customer provides a “customer initiated average” on application, this can be used to override the default average for the area and load group to improve accuracy. “Customer initiated averages” are provided by customers by phone or email and are validated by Flick to ensure that they appear reasonable based on the ICP type and any information they hold on the ICP. If the “customer initiated average” does not appear reasonable, Flick may reject it and apply their default average. Rejection will only occur where Flick can confirm or prove that the customer value is likely to be inaccurate.

Area	Load Group	Location Classification	Estimated kWh/day
North	Low	Residential	16
South	Low	Residential	19
North	Standard	Residential	26
South	Standard	Residential	30
All	Any	Commercial	60

All ICPs have metering category 1 or 2 and the consumption values appear reasonable. The estimated daily kWh will be split between the meter registers which are present on the following basis. Where there is more than one register Flick has checks in place to ensure that total consumption of 100% of the daily estimate is split across the registers, and I viewed testing for examples with more than one meter register of the same type and a selection of meter configurations to confirm this. As part of the customer acquisition process, Flick checks the ICP’s meter configuration and rejects any applications where the configuration is unusual and does not meet one of the scenarios below.

Tariff Configuration	Tariff	Details
Uncontrolled	UN24	100% consumption on single tariff
All day Economy	IN19	100% consumption on single tariff

Tariff Configuration	Tariff	Details
Uncontrolled/Controlled	UN24/CN19/CN17/CN16	60% uncontrolled/40% controlled
Uncontrolled/Night	UN24/CN8/CN10	75% uncontrolled/25% night
Day/Night	D16/N8 D14/N10	75% uncontrolled/25% night

The new estimation process will allow estimation to occur without read history. Flick supplies only category 1 and 2 ICPs, and test results were confirmed to be correct for an ICP with a meter multiplier greater than one.

These changes are expected to meet the reasonable endeavours requirements, and recommendations for estimation of I flows, and further testing of the estimation process are raised in **section 2.1**.

The non-compliance recorded in the previous audit relating to IntelliHUB not providing updated actual data to replace estimates if the actual data is obtained more than 15 days after the event date is still present. This non-compliance is not caused or affected by the material change.

#### 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 zero values.*

#### Audit observation

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

## 9.6. Electronic meter readings and estimated readings (Clause 17 Schedule 15.2)

### Code reference

Clause 17 Schedule 15.2

### Code related audit information

*Each validity check of electronically interrogated meter readings and estimate readings must be at a frequency that will allow a further interrogation of the data storage device before the data is overwritten within the data storage device and before this data can be used for any purpose under the Code.*

*Each validity check of a meter reading obtained by electronic interrogation, or an estimated reading must include:*

*17(4)(a) - checks for missing data*

*17(4)(b) - checks for invalid dates and times*

*17(4)(c) - checks of unexpected zero values*

*17(4)(d) - comparison with expected or previous flow patterns*

*17(4)(e) - comparisons of meter readings with data on any data storage device registers that are available*

*17(4)(f) - a review of the meter and data storage device event log for any event that could have affected the integrity of metering data*

*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

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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 on the registry was reviewed.

#### Audit commentary

Flick is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

#### 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 on the registry was reviewed.



#### **Audit commentary**

Flick is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

#### **Audit outcome**

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 on the registry was reviewed.

#### **Audit commentary**

Flick is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

#### **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 on the registry was reviewed.

#### **Audit commentary**

Flick is not responsible for any NSPs. No information is provided to the pricing manager in accordance with this clause.

#### **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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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 to include ICP days with estimated volumes in AV110 submissions were checked, including review of documentation and test results.

#### Audit commentary

Flick confirmed that ICP days with estimated volumes will be correctly included in the AV110 submissions.

Flick was unable to provide test results confirming that days with data estimated using the new method are included in ICP days calculations. In **section 2.1** I recommend that further testing is done to ensure

that ICP days with estimated volumes are included, such as creating an AV110 before and after estimates are created and checking the results are as expected.

The changes are not expected to have a negative impact on compliance and should ensure that AV110 ICP days submissions are complete and accurate.

#### **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**

There will be no changes to this process.

#### **Audit commentary**

There will be no changes to this process.

#### **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**

The process to include HHR estimates in the HHR aggregates and volumes files were checked, including review of documentation and test results.

### Audit commentary

Review of process and testing documentation confirmed that HHR estimates will be correctly included in the HHR aggregates submissions along with actual volume data. Once actual data is received, the estimated volumes will be replaced, and revised data will be washed up.

Flick did not check that the HHR volumes and aggregates submissions matched after the changes to the estimation process, because the user acceptance testing environment did not store all the aggregation factor information required. In **section 2.1** I recommend that further testing is done to ensure that the volumes submissions correctly include the estimates, and that estimates are replaced with actual data for revision submissions.

The changes are not expected to have a negative impact on compliance and should ensure that HHR volumes and aggregates submissions are complete and accurate.

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

#### Audit observation

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### 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

The processes to ensure that estimated volumes are submitted for any ICP where volumes are expected but actual data is not available, and that active ICP days are reported were checked by reviewing documentation and test results.

#### Audit commentary

The new estimation process is discussed in detail in **section 9.4**.

Review of process and testing documentation confirmed that HHR estimates will be created after five business days for all X flow meters, including for ICPs which do not have sufficient history to create estimates under Telemetry's existing estimation process. I flow registers are excluded from the estimation process and no I flow estimates are created, so the registers will be excluded from submission data until actual readings are received. Once actual AMI data is received, or a removal reading or switch out reading is entered, the missing data will be populated. If an ICP with an I flow register switches out before actual readings are received, zero consumption will be estimated. A recommendation to create estimates for I flow meters is made in **section 2.1**.

Estimates will be included in the HHR aggregates and volumes submissions, and days with estimated data will be included the ICP days submissions. The HHR aggregates submissions have been tested, but HHR volumes submissions have not been tested to ensure that they are consistent with the HHR aggregates, and test results confirming that ICP days were correct for ICPs with estimates were unable to be provided for the ICP days submissions.

There should be no changes to the process to replace estimated data with actual volumes once they are received, and this process has not been tested as part of the material change.

The changes are not expected to have a negative impact on compliance, and should ensure that HHR volumes, aggregates and ICP days submissions are complete and accurate. Recommendations for estimation of I flows, and further testing of the estimation process are raised in **section 2.1**.

The non-compliance recorded in the previous audit relating to IntelliHUB not providing updated actual data to replace estimates if the actual data is obtained more than 15 days after the event date is still present. This non-compliance is not caused or affected by the material change.

#### Audit outcome

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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

### 12.4. Grid owner volumes information (Clause 15.9)

#### Code reference

Clause 15.9

#### Code related audit information

*The participant (if a grid owner) must deliver to the reconciliation manager for each point of connection for all of its GXPs, the following:*

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.9(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period (clause 15.9(b)).*

#### **Audit observation**

The registry list and NSP table were reviewed.

#### **Audit commentary**

Flick is not a grid owner, and compliance was not assessed.

#### **Audit outcome**

Not applicable

### **12.5. Provision of NSP submission information (Clause 15.10)**

#### **Code reference**

*Clause 15.10*

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

*The participant (if a local or embedded network owner) must provide to the reconciliation manager for each NSP for which the participant has given a notification under clause 25(1) Schedule 11.1 (which relates to the creation, decommissioning, and transfer of NSPs) the following:*

- *submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period (clause 15.10(a))*
- *revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period (clause 15.10(b)).*

#### **Audit observation**

The registry list and NSP table were reviewed.

#### **Audit commentary**

Flick is not a local or embedded network owner, and 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

The registry list and NSP table were reviewed.

#### Audit commentary

Flick is not responsible for any grid connected generation, and 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

The processes to ensure that estimated volumes are submitted for any ICP where volumes are expected but actual data is not available, and that active ICP days are reported were checked by reviewing documentation and test results.

#### Audit commentary

The new estimation process is discussed in detail in **section 9.4**.

Review of process and testing documentation confirmed that HHR estimates will be created after five business days for all X flow meters, including for ICPs which do not have sufficient history to create estimates under Telemetry's existing estimation process. I flow registers are excluded from the estimation process and no I flow estimates are created, so the registers will be excluded from submission data until actual readings are received. Once actual AMI data is received, or a removal reading or switch out reading is entered, the missing data will be populated. If an ICP with an I flow register switches out before actual readings are received, zero consumption will be estimated.

Estimates will be included in the HHR aggregates and volumes submissions, and days with estimated data will be included the ICP days submissions. The HHR aggregates submissions have been tested, but HHR volumes submissions have not been tested to ensure that they are consistent with the HHR aggregates, and test results confirming that ICP days were correct for ICPs with estimates were unable to be provided for the ICP days submissions.

There should be no changes to the process to replace estimated data with actual volumes once they are received, so this process has not been tested as part of the material change.

The changes are not expected to have a negative impact on compliance, and should ensure that HHR volumes, aggregates and ICP days submissions are complete and accurate. Recommendations for estimation of I flows, and further testing of the estimation process are raised in **section 2.1**.



The non-compliance recorded in the previous audit relating to IntelliHUB not providing updated actual data to replace estimates if the actual data is obtained more than 15 days after the event date is still present. This non-compliance is not caused or affected by the material change.

#### Audit outcome

Compliant

### 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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

#### Audit outcome

Compliant

### 12.9. Reconciliation participants to prepare information (Clause 2 Schedule 15.3)

#### Code reference

Clause 2 Schedule 15.3

#### Code related audit information

*If a reconciliation participant prepares submission information for each NSP for the relevant consumption periods in accordance with the Code, such submission information for each ICP must comprise the following:*

- *half hour volume information for the total metered quantity of electricity for each ICP notified in accordance with clause 11.7(2) for which there is a category 3 or higher metering installation (clause 2(1)(a)) for each ICP about which information is provided under clause 11.7(2) for which there is a category 1 or category 2 metering installation (clause 2(1)(b)):*
  - a) *any half hour volume information for the ICP; or*
  - b) *any non-half hour volumes information calculated under clauses 4 to 6 (as applicable).*
  - c) *unmetered load quantities for each ICP that has unmetered load associated with it derived from the quantity recorded in the registry against the relevant ICP and the number of days in*

- the period, the distributed unmetered load database, or other sources of relevant information (clause 2(1)(c))*
- *to create non half hour submission information a reconciliation participant must only use information that is dependent on a control device if (clause 2(2)):*
  - a) *the certification of the control device is recorded in the registry; or*
  - b) *the metering installation in which the control device is location has interim certification.*
- *to create submission information for a point of connection the reconciliation participant must apply to the raw meter data (clause 2(3)):*
  - a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))*
  - b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report (clause 2(3)(b)).*

**Audit observation**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**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**

There will be no changes to this process.

**Audit commentary**

All ICPs are submitted as HHR, and this clause does not apply.

**Audit outcome**

Not applicable

**12.11. Historical estimate process (Clauses 4 and 5 Schedule 15.3)**

**Code reference**

*Clauses 4 and 5 Schedule 15.3*

**Code related audit information**

*The methodology outlined in clause 4 of Schedule 15.3 must be used when preparing historic estimates of volume information for each ICP when the relevant seasonal adjustment shape is available.*

*If a seasonal adjustment shape is not available, the methodology for preparing an historical estimate of volume information for each ICP must be the same as in clause 4, except that the relevant quantities kWh<sub>Px</sub> must be prorated as determined by the reconciliation participant using its own methodology or on a flat shape basis using the relevant number of days that are within the consumption period and within the period covered by kWh<sub>Px</sub>.*

**Audit observation**

There will be no changes to this process.

**Audit commentary**

All ICPs are submitted as HHR, and this clause does not apply.

**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**

There will be no changes to this process.

**Audit commentary**

All ICPs are submitted as HHR, and this clause does not apply.

**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**

There will be no changes to this process.

**Audit commentary**

There will be no changes to this process.

**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

There will be no changes to this process.

#### Audit commentary

There will be no changes to this process.

### Audit outcome

Compliant

## 13.2. Reporting resolution (Clause 9 Schedule 15.3)

### Code reference

Clause 9 Schedule 15.3

### Code related audit information

*When reporting submission information, the number of decimal places must be rounded to not more than two decimal places.*

*If the unrounded digit to the right of the second decimal place is greater than or equal to five, the second digit is rounded up, and if the digit to the right of the second decimal place is less than five, the second digit is unchanged.*

### Audit observation

There will be no changes to this process.

### Audit commentary

There will be no changes to this process.

### 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

There will be no changes to this process.

### Audit commentary

All ICPs are submitted as HHR, and this clause does not apply.

### Audit outcome

Not applicable

## CONCLUSION

Flick intends to resolve the previous non-compliances by creating HHR estimates after five days of no submission data, which will be replaced once actual AMI data is received or switch out or meter removal readings are obtained.

The changes are not expected to have a negative impact on compliance, and should ensure that HHR volumes, aggregates and ICP days submissions are complete and accurate. The following recommendations are made:

Description	Recommendation
Estimates for I flow registers	To meet the best endeavours requirements for I flow meters, Flick should consider creating zero estimates until actual data is received.
Estimate replacement testing	Test the estimate replacement process to confirm that the new estimates are correctly replaced with actual data once it is received.
ICP days file testing	Test to confirm that the ICP days submissions correctly include days with estimated volumes.
HHR volumes file testing	Test to confirm that the HHR volumes submissions correctly include the estimates, and that estimates are replaced with actual data for revision submissions.

The next audit date is determined by the Authority. I recommend the current next audit date of 3 December 2022 is retained because the change is expected to improve Flick's compliance for HHR estimation and submission, and the next audit date will allow time for the improvements to be demonstrated before the next audit is completed.

## PARTICIPANT RESPONSE

We have taken a further step to improve Flick's compliance by enhancing our system to produce HHR estimates where there is insufficient read history to estimate. We believe this will resolve our previous non-compliances on HHR estimation and data submission.

Our operations team perceive the participant audit as a great learning opportunity and a basis for process improvement.

We intend to continue increasing our level of compliance through system enhancements, process improvements and implementing controls to all our operational processes related to regulatory compliance.