ELECTRICITY INDUSTRY PARTICIPATION CODE
RECONCILIATION PARTICIPANT AUDIT REPORT

VERITEK

For

PRIME ENERGY LIMITED

NZBN: 9429031626552

Prepared by: Tara Gannon

Date audit commenced: 27 July 2022

Date audit report completed: 19 August 2022

Audit report due date: 26 August 2022

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EXECUTIVE SUMMARY

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

Prime uses the PRME participant code for NHH submission and PRMH for HHR submission. Unless otherwise specified the described processes, non-compliances and recommendation apply to both codes.

Prime switched in 14 HHR ICPs to the PRMH code which were subject to an arrangement with another trader from 1 July 2021. Prime do not intend to upgrade any existing ICPs to HHR, complete HHR new connections, or switch in any other HHR ICPs. Data is collected by AMS, apart from for ICP 0179566571LC66A which has a category 3 FCLM meter and is read by EDMI. Prime intends to replace the meter with an AMS meter. AMS validates all HHR data, prepares any estimates and corrections required, and produces HHR volumes, HHR aggregates, and ICP days reconciliation submissions as an agent. Prime produces the billed submissions based on data provided by AMS.

NHH processes are completed by Prime using the Orion system. Wells is an agent to Prime, providing NHH meter readings where the meter is not AMI capable, or the MEP cannot provide readings.

Summary of findings

Switching, status update and trader update timeliness and accuracy have improved. New connections have continued to be closely monitored and the process is well managed. Strong validation controls are in place, including to prevent inactive ICP days from being reported.

Eight of the non-compliances identified during the previous audit have been fully or partially cleared, and the recommendation to validate PRMH ANZSIC codes on switch in was adopted.

The impact of all non-compliances found during this audit was low. Nine of the 17 non-compliances had strong controls and five had moderate controls.

- There continues to be a technical non-compliance because NHH AMI readings are rounded to zero decimal places on import into Orion instead of when creating submission data. The impact is assessed to be very low. A new data scientist has been employed and is working to understand the impact and implications of any change to the decimal places stored in Orion before a system change is initiated.
- Information on Utilities Disputes is not consistently provided for all inbound calls.
- Information on Powerswitch is not provided to customers with residential ANZSIC codes in outbound communications about price and service changes, to residential consumers on an annual basis, or in directed outbound communications about the consumer's bill.
- Some minor inaccuracies in registry and submission data were identified, including some temporary issues which occurred following a change of responsibilities, and have now been resolved.
- A small number of late updates and late switching files were identified.
- Some inaccurate information was found in the meter reading frequency reports provided to the Authority, and I recommend that the report logic and output is checked against the Authority's guidelines.

Conclusion

This audit found 18 non-compliances (a decrease from 20) and makes five recommendations. No issues were raised. The breach risk rating total is 31, which gives an indicative next audit due date of 12 months. I have considered this in conjunction with Prime's comments and recommend that the next audit be in a minimum of 15 months on 26 November 2023. 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
Relevant information	2.1	15.2	**PRME** An incorrect profile was not corrected as soon as practicable for ICP 0002279031MLE9F. There was evidence that the profile was incorrect from 1 September 2021, but a correction was not processed until 21 July 2022.	Strong	Low	1	Cleared
Electrical Connection of Point of Connection	2.11	10.33A	**PRME** Two reconnections were not recertified within five business days. One new connection did not have full certification within five business days.	Moderate	Low	2	Identified
Provision of information on dispute resolution scheme	2.19	11.30A	**PRME** and **PRMH** Information on Utilities Disputes is not always provided when responding to inbound voice calls from customers.	Strong	Low	1	Disputed Prime has interpreted that some inbound telephone calls are not "queries" and therefore information Utilities Disputes does not need to be provided.
Provision of information on electricity plan comparison site	2.20	11.30B	**PRME** Information on Powerswitch is not provided to customers with residential ANZSIC codes: • in outbound communications to residential consumers about price and service changes, • to residential consumers on an annual basis, or • in directed outbound communications about the consumer's bill.	Weak	Low	3	Identified
Changes to registry information	3.3	10 Schedule 11.1	**PRME** Six late status updates. Seven late trader updates.	Moderate	Low	2	Identified

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
Provision of information to the registry manager	3.5	9 Schedule 11.1	**PRME** ICP status was not updated within five business days of commencement of trading for 21 ICPs.	Strong	Low	1	Identified
ANZSIC codes	3.6	9 (1(k) of Schedule 11.1	**PRME** Five ANZSIC codes were incorrectly recorded, and were corrected during the audit.	Moderate	Low	2	Cleared
Losing trader response to switch request and event dates - standard switch	4.2	3 Schedule 11.3	**PRME** One AN file sent one day late.	Strong	Low	1	Identified
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	**PRME** 0003727035WFB63 NW-1053363 had the DF (date failed) code applied where the requested transfer date was not greater than ten business days in the future. One late switch withdrawal.	Strong	Low	1	Investigating
Distributed unmetered load	5.4	11 Schedule 15.3	**PRME AKLBBD database** One additional item of load identified in the field, resulting in a potential under submission of 1,357.8 kWh per annum. The database audit trails do not specify the user who made the change. The audit report was submitted late. **PRME CKHK WLGBBD database** A very minor estimated variance of 862 kWh over submission per annum between the kWh submitted and those calculated from the database. The database is outside the allowable +/-5% accuracy threshold resulting in an estimated over submission of 1,951 kWh per annum. The database audit trails do not specify the user who made the change.	Weak	Low	3	Identified
NHH meters interrogated annually	6.9	8(1) Schedule 15.2	**PRME** The meter reading frequency reports provided to the Authority contained some inaccurate information.	Moderate	Low	2	Investigating

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
NHH meters 90% read rate	6.10	9(1) and (2) Schedule 15.2	**PRME** Evidence that the best endeavours requirements were met was not provided for ICP 0000039029NTEE6.	Strong	Low	1	Identified
Meter data used to derive volume information	9.3	3(5) Schedule 15.2	**PRME** Raw AMI meter readings are rounded upon loading into Orion and not when volume information is created.	None	Low	5	Investigating
Calculation of ICP days	11.2	15.6	**PRME** Zero lines were not inserted into the AV110 for TENC-TSS0011 for January 2021 r3 and February 2021 r3. Zero lines were not inserted into the AV110 for CIAL-CIAL0112 for November 2020 r14, January 2021 r14, February 2021 r14 and March 2021 r14.	Strong	Low	1	Identified
Accuracy of submission information	12.7	15.12	**PRME** Zero lines were not inserted into the AV110 for TENC-TSS0011 for January 2021 r3 and February 2021 r3. Zero lines were not inserted into the AV110 for CIAL-CIAL0112 for November 2020 r14, January 2021 r14, February 2021 r14 and March 2021 r14.	Strong	Low	1	Identified
Permanence of meter readings for reconciliation	12.8	4 Schedule 15.2	**PRME** Not all estimated reads were replaced by permanent estimates for the November 2020 r14.	Strong	Low	1	Identified
Reporting resolution	13.2	9 Schedule 15.3	**PRME** Some AV080 total and historic estimates were rounded to more than two decimal places.	Moderate	Low	2	Investigating
Historical estimate reporting to RM	13.3	10 Schedule 15.3	**PRME** Historic estimate thresholds were not met for some revisions.	Strong	Low	1	Identified
Future Risk Rating						31	

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

RECOMMENDATIONS

Subject	Section	Recommendation	Remedial Action
PRME Review the AC020 trader compliance report at least monthly	2.1	Develop a process review the AC020 report and resolve and investigate any discrepancies including: • AC020Trader07 UNM flag = Y with zero or blank daily kWh, • AC020Trader08 UNM flag = N and the distributor records unmetered load, • AC020Trader09 Trader and distributor unmetered kWh differ by more than ± 0.1kWh, • AC020Trader10 UNM over 3000 kWh p.a., • AC020Trader11 blank or unknown ANZSIC codes, • AC020Trader12 cat 2+ ICPs with residential ANZSIC codes, • AC020Trader13 Active ICPs with a blank MEP, • AC020Trader14 connected ICPs without active status, • AC020Trader15 non-AMI ICPs with the "Electrically disconnected remotely by AMI meter" status reason, • AC020Trader16, 18, 19, and 24 profile and submission type inconsistencies, • AC020Trader17 UNM flag = N with meter category 9, null or zero, • AC020Trader20 no generation profile for ICPs with EG metering and distributor generation details recorded, and • AC020Trader21 active date mismatch.	Identified
PRME Certification of meters for reconnections	2.11	Develop a process to determine whether meters are certified on reconnection, and request certification updates where necessary.	Identified
PRME Reconnections for backdated switches in	3.3	Develop a process to ensure that reconnections are processed on the registry as soon as possible where reconnection paperwork is received before the switch is completed.	Investigating
PRME Application of transfer switch type	4.1	Establish processes to determine whether the customer is moving in or transferring between retailers at an address. Endeavour to apply the correct switch type for customer's transferring between retailers where the losing trader's system will allow the ICP to be switched for the correct date.	Investigating
PRME Meter reading frequency reporting accuracy	6.9	Review the accuracy of the meter reading frequency reports against the Non half hour meter read frequency guidelines and make corrections as necessary.	Investigating
PRME Rounding of AV080 submissions	13.2	Investigate why extra decimal places are added to some rows of AV080 submissions. Develop a process to ensure that all rows are correctly rounded to a maximum of two decimal places.	Investigating

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

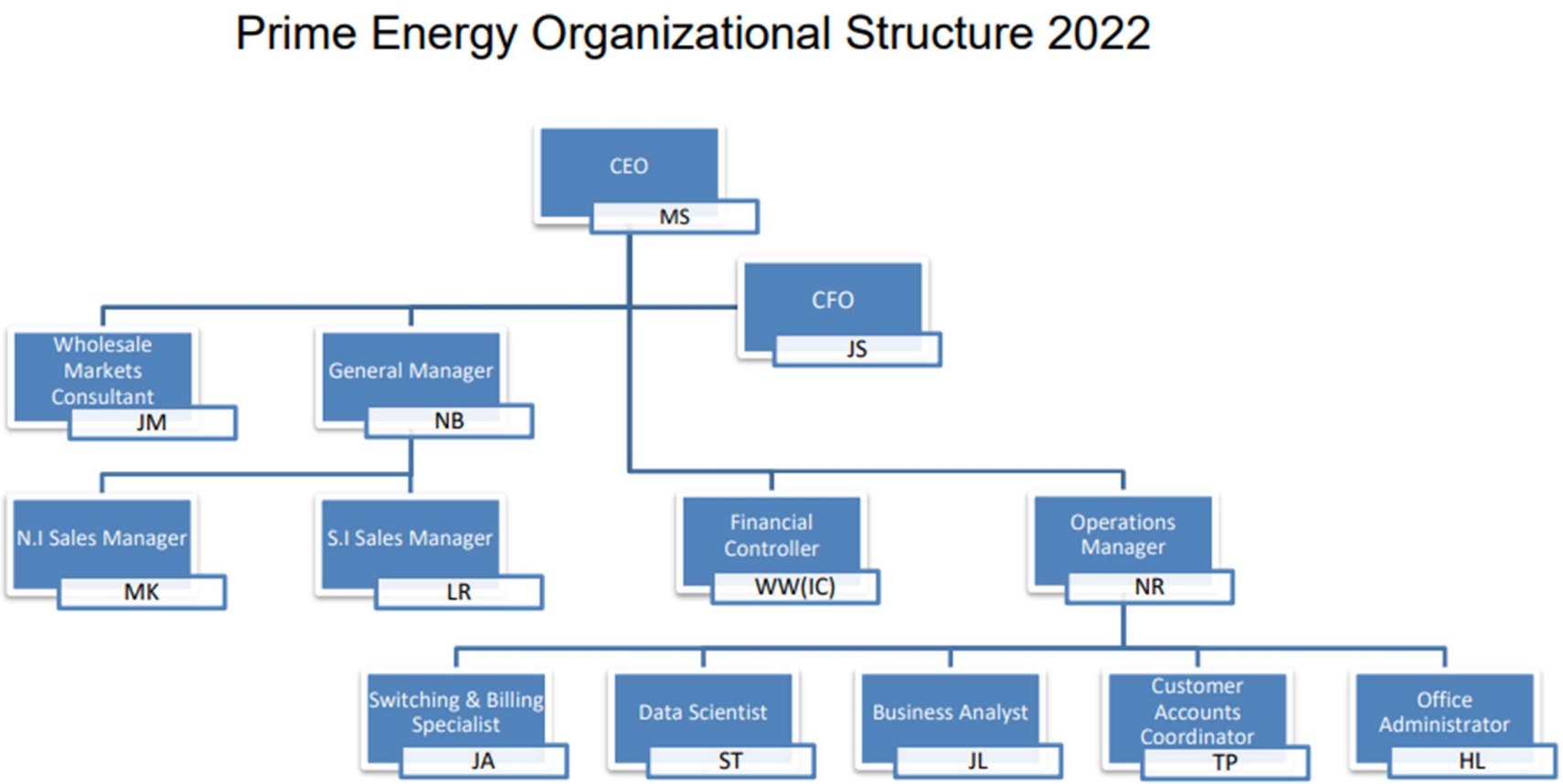
Current code exemptions were reviewed on the Electricity Authority website.

Audit commentary

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

1.2. Structure of Organisation

Prime provided a copy of their structure.



1.3. Persons involved in this audit

Auditor:

Tara Gannon

Veritek Limited

Electricity Authority Approved Auditor

Personnel assisting with this audit:

Name	Title	Company
Shainaz Rafiq	Operations Manager	Prime Energy
Ellen Jackman	Senior C&I Data Services Specialist	Vector Metering

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 Prime.

Audit commentary

PRME

AMS, IntelliHUB, Arc Innovations, and FCLM provide data as MEPs and are subject to a separate audit regime. Wells provides manually collected readings where the meter is not AMI capable, or the MEP cannot provide readings.

PRMH

EDMI collects HHR data for 0179566571LC66A (which has a FCLM meter) and provides it to AMS. AMS collects HHR data directly for all other meters. AMS validates all HHR data, prepares any estimates and corrections required, and produce HHR volumes, HHR aggregates and ICP days reconciliation submissions as an agent.

1.5. Hardware and Software

Prime

Prime uses the Orion system for functions included in the scope of the audit. Access to Orion is restricted using logins and passwords. Amazon and in-house backups are performed.

Agents

Agent hardware and software is discussed in their agent audit reports.

1.6. Breaches or Breach Allegations

There have been no breaches alleged against Prime Energy which are within the scope of the audit during the audit period.

1.7. ICP Data

PRME

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

Metering Category	2022	2021	2020	2019	2018	2017
1	1,290	1,092	1,173	1,110	1,045	784
2	161	142	143	141	126	69
3	-	-	-	-	-	-
4	-	-	-	-	-	-
5	-	-	-	-	-	-
9	7	4	6	6	6	6
Blank	5	4	6	9	9	6

ICPs are summarised by status on the table below.

Status	ICPs 2022	ICPs 2021	ICPs 2020	ICPs 2019	ICPs 2018
Active (2,0)	1,463	1,092	1,328	1,266	1,186
Inactive – new connection in progress (1,12)	27	7	6	11	3
Inactive – electrically disconnected vacant property (1,4)	11	9	5	3	3
Inactive – electrically disconnected remotely by AMI meter (1,7)	12	11	8	4	1
Inactive – electrically disconnected at pole fuse (1,8)	1	2	2	-	-
Inactive – electrically disconnected due to meter disconnected (1,9)	3	2	1	4	5
Inactive – electrically disconnected at meter box fuse (1,10)	-	1	2	1	-
Inactive – electrically disconnected at meter box switch (1,11)	-	-	-	-	-
Inactive – electrically disconnected ready for decommissioning (1,6)	2	1	1	1	4
Inactive – reconciled elsewhere (1,5)	-	-	-	-	-
Decommissioned (3)	154	136	118	97	83

PRMH

All active ICPs are summarised by metering category in the table below.

Metering Category	2022
1	-
2	5
3	5
4	4
5	-
9	-
Blank	-

ICPs are summarised by status on the table below.

Status	ICPs 2022
Active (2,0)	14
Inactive – new connection in progress (1,12)	-
Inactive – electrically disconnected vacant property (1,4)	-
Inactive – electrically disconnected remotely by AMI meter (1,7)	-
Inactive – electrically disconnected at pole fuse (1,8)	-
Inactive – electrically disconnected due to meter disconnected (1,9)	-
Inactive – electrically disconnected at meter box fuse (1,10)	-
Inactive – electrically disconnected at meter box switch (1,11)	-
Inactive – electrically disconnected ready for decommissioning (1,6)	-
Inactive – reconciled elsewhere (1,5)	-
Decommissioned (3)	-

1.8. Authorisation Received

Prime provided all information directly, and authorisation was not required.

1.9. Scope of Audit

This Electricity Industry Participation Code Reconciliation Participant audit was performed at the request of Prime, to support their application for renewal of certification in accordance with clauses 5 and 7 of schedule 15.1. The audit was conducted in accordance with the Guideline for Reconciliation Participant Audits V7.2 and completed remotely using Microsoft Teams on 27-28 July 2022.

- For PRME analysis was completed on a registry list for the period ending 26 May 2022, and an event detail report for 1 April 2021 to 31 May 2022.
- For PRMH analysis was completed on a registry list for the period ending 15 June 2022, and an event detail report for 1 July 2021 to 31 May 2022.

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

Tasks Requiring Certification Under Clause 15.38(1) of Part 15	PRME Agents Involved in Performance of Tasks	PRMH Agents Involved in Performance of Tasks
(a) - Maintaining registry information and performing customer and embedded generator switching		
(b) – Gathering and storing raw meter data	Wells – NHH	AMS – HHR EDMI – HHR data for ICP 0179566571LC66A until it is replaced with an AMCI meter
(c)(iii) - Creation and management of volume information		AMS - HHR
(d) (i) – Calculation of ICP days		AMS - HHR
(d)(ii) - delivery of electricity supplied information under clause 15.7		
(d)(iii) - delivery of information from retailer and direct purchaser half hourly metered ICPs under clause 15.8		
(e) – Provision of submission information for reconciliation		AMS - HHR
(f) - Provision of metering information to the Grid Owner		

AMS, Arc Innovations, FCLM, and IntelliHUB are subject to a separate audit regime as MEPs. They are not acting as agents to Prime.

Wells, AMS and EDMI have been audited in accordance with the Guidelines for Reconciliation Participant Audits, and the agent audit reports are expected to be submitted along with this report.

1.10. Summary of previous audit

The audit report for Prime's previous reconciliation participant audit conducted in March 2021 by Rebecca Elliot of Veritek Limited was reviewed. The summary table below shows the statuses of the non-compliances raised in the previous audit. No recommendations or issues were raised. Further comment is made in the relevant sections of this report.

Subject	Section	Clause	Non-compliance	Status
Submission of audit report	1.11	16A.13	Audit report not provided to the Authority by the participant by the due date.	Cleared
Relevant information	2.1	10.6, 11.2, 15.2	A small number of registry discrepancies. A small number of submission inaccuracies.	Still existing
Electrical Connection of Point of Connection	2.11	10.33A	One ICP was reconnected but was not recertified within five business days.	Still existing
Changes to registry information	3.3	10 Schedule 11.1	Nine late status updates. Six late trader updates.	Still existing
Provision of information to the registry manager	3.5	9 Schedule 11.1	The registry was not updated within five business days of commencement of trading for four ICPs.	Still existing
ANZSIC codes	3.6	9 (1(k) of Schedule 11.1	Four ANZSIC codes were incorrectly recorded.	Still existing
Management of "active" status	3.8	9 (1)(f) of Schedule 11.1	ICP 1002091475LC7B8 had an incorrect first active date applied and was corrected during the audit.	Cleared
Management of "inactive" status	3.9	19 Schedule 11.1	ICP 0395203449LC28E recorded with the incorrect disconnection date. This was corrected during the audit.	Cleared
Inform registry of switch request for ICPs - standard switch	4.1	2 Schedule 11.3	At least one TR switch notified to the registry late.	Cleared
Losing trader response to switch request and event dates - standard switch	4.2	3 Schedule 11.3	One AN file sent one day late.	Still existing

Subject	Section	Clause	Non-compliance	Status
Losing trader must provide final information - standard switch	4.3	5 Schedule 11.3	One incorrect last actual read sent as an estimate with the incorrect last read date of the five files sampled.	Cleared
Losing trader provides information - switch move	4.8	10(1) Schedule 11.3	Three AN files sent with an event date earlier than the gaining traders requested date.	Cleared
Losing trader must provide final information - switch move	4.10	11 Schedule 11.3	One incorrect average daily consumption sent of the sample checked. The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.	Cleared
Withdrawal of switch requests	4.15	17 and 18 Schedule 11.3	One late switch withdrawal.	Still existing
Metering information	4.16	21 of schedule 11.3	The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.	Cleared
Electricity conveyed & notification by embedded generators	6.1	10.13	While meter was bridged, energy was not metered and quantified according to the code for ICP 0006434266RN50.	Cleared
NHH meter reading application	6.7	6 Schedule 15.2	The last estimated reads sent as actuals with the incorrect last read date for one of the five files sampled.	Cleared
Meter data used to derive volume information	9.3	3(5) Schedule 15.2	Raw meter data is rounded upon receipt and not when volume information is created.	Still existing
Calculation of ICP days	11.2	15.6	The AV110 report includes inactive ICP days. The AV110 calculates the ICP days from the date the ICP was entered into Orion, which may differ from the actual start date. Incorrect ICP days reported for two ICPs.	Cleared Cleared Still existing

Subject	Section	Clause	Non-compliance	Status
Accuracy of submission information	12.7	15.12	Reads sent in the CS file that are different to that recorded in Orion. Volumes not zeroed out for one ICP for the submission months of November and December 2019. Inactive days are included in the AV110 submissions.	Still existing
Historical estimate reporting to RM	13.3	10 Schedule 15.3	Historic estimate thresholds were not met for some revisions.	Still existing

Prime's previous material change audit report conducted in June 2021 by Tara Gannon of Veritek Limited was reviewed. The summary table below shows the statuses of the non-compliances raised in the previous audit. Further comment is made in the relevant sections of this report.

Subject	Section	Clause	Non-compliance	Status
Meter data used to derive volume information	9.3	3(5) of schedule 15.2	NHH raw meter data is rounded upon receipt and not when volume information is created.	Not adopted
HHR aggregates information provision to the reconciliation manager	11.4	15.8	HHR aggregates file does not contain electricity supplied information.	Cleared, the Code has been updated.

Subject	Section	Clause	Recommendation	Status
ANZSIC codes	3.6	9 (1(k) of Schedule 11.1	The current ANZSIC codes recorded by the existing trader may not be correct once the ICPs switch to Prime. I recommend the ANZSIC codes are checked and updated when the ICPs switch in.	Adopted, ANZSIC codes were updated on switch in.

2. OPERATIONAL INFRASTRUCTURE

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

Code reference

Clause 10.6, 11.2, 15.2

Code related audit information

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

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

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

Audit observation

The process to find and correct incorrect information was examined. The registry validation process was examined in detail in relation to the achievement of this requirement. The registry list files and AC020 reports were examined to determine compliance.

Audit commentary

PRME

Prime validates their data against the registry. Prior to each submission a registry list snapshot file is imported into Orion, and then a discrepancy report is run within Orion and exported to Excel. The process identifies:

- discrepancies between Orion and registry NSPs and dedicated NSP flags,
- ICPs held in Orion but missing on the registry, and recorded in Orion but not on the registry list,
- inconsistencies between the registry meter multiplier flag and meter multiplier recorded in Orion,
- discrepancies between the meter register count or MEP recorded in Orion and on the registry,
- unexpected meter categories (i.e., 3, 4, 5), and
- unmetered ICPs.

ICP status discrepancies between Orion and the registry are expected because Orion records all active and inactive ICPs with active status to ensure that all consumption is captured and reported. Inactive and vacant ICPs are managed by transferring them to an "occupier" or "occupier disconnected" customer account. This process is discussed further in **section 3.9**.

ICP level NHH volumes and ICP days information is compared to a registry list prior to submission to ensure that aggregation factors and active ICP days are consistent with a registry list with history for the period. I saw evidence that this process is identifying and correcting errors, such as incorrect profiles. The submission validation process is discussed further in **section 12.3**.

Registry notification files are not reviewed. Prime relies on the checks above and paperwork received from MEPs to identify changes to registry information made by other parties.

I recommend that the registry AC020 trader compliance report is reviewed to identify discrepancies for resolution which may not be identified through PRME's existing processes.

Recommendation	Description	Audited party comment	Remedial action
PRME Review the AC020 trader compliance report at least monthly	Develop a process review the AC020 report and resolve and investigate any discrepancies including: • **AC020Trader07** UNM flag = Y with zero or blank daily kWh, • **AC020Trader08** UNM flag = N and the distributor records unmetered load, • **AC020Trader09** Trader and distributor unmetered kWh differ by more than ± 0.1kWh, • **AC020Trader10** UNM over 3000 kWh p.a., • **AC020Trader11** blank or unknown ANZSIC codes, • **AC020Trader12** cat 2+ ICPs with residential ANZSIC codes, • **AC020Trader13** Active ICPs with a blank MEP, • **AC020Trader14** connected ICPs without active status, • **AC020Trader15** non-AMI ICPs with the "Electrically disconnected remotely by AMI meter" status reason, • **AC020Trader16, 18, 19, and 24** profile and submission type inconsistencies, • **AC020Trader17** UNM flag = N with meter category 9, null or zero, • **AC020Trader20** no generation profile for ICPs with EG metering and distributor generation details recorded, and • **AC020Trader21** active date mismatch.	Some of these recommendations are already in the process of being implemented. Its at tri stage at the moment. Eg: ANZSIC codes; UNML checks & blank MEPs. We are hoping to build a system which can automate these validations & create an exception email for staff to follow-up. But everything requires time & money which isn't easy at the moment having high energy prices & the impact on staff levels due to Covid.	Identified

The analysis of the list file and AC020 returned the following findings:

Item No.	Issue	2022	2021	2020	2019	Comments
1	Status mismatch between registry and PRME	-	-	-	-	Compliant.
2	Active ICPs with blank MEP and no MEP nominated and UML = N	2	-	-	-	Compliant. ICP 0000010745TECA1 had metering details populated after the AC020 report was run.

Item No.	Issue	2022	2021	2020	2019	Comments
						ICP 0000011073TE474 is metered and has a low load certification because the site is still under construction, and metering details have not been populated on the registry.
3	Active ICP with cat 9 and UML= N	2	-	-	-	Compliant, as for 2 above.
4	Incorrect submission flag	-	-	-	-	Compliant, all ICPs have submission type NHH.
5	Active with blank ANZSIC codes	-	-	-	-	Compliant.
6	Active with ANZSIC "T999" not stated	1	-	-	-	Compliant because the building is mixed use, and this ICP is vacant.
8	Active with ANZSIC "T994" don't know	-	-	-	-	Compliant.
9	ICPs with Distributor unmetered load populated but retail unmetered load is blank	-	-	-	-	Compliant.
10	ICPs with unmetered load flag Y but load is recorded as zero	-	-	-	-	Compliant.
11	ICPs with incorrect shared unmetered load	-	-	-	-	Compliant, no shared unmetered load was identified.
12	ICPs with Distributed Generation indicated but no DG profile	1	1	-	1	A backdated correction to RPS PV1 profile was completed in July 2022 for 0002279031MLE9F, once it was identified through validation processes and investigation was completed to confirm that distributed generation was present. See **section 6.1.**
13	ICP at status "new connection in progress" (1,12) or "ready" (0,0) with an initial electrical connection date populated by the Distributor	-	-	-		Compliant.
14	Active date variance with initial electrical connection date	13	15	10		Compliant. In all cases the initial electrical connection date was not populated by the distributor, and PRME's initial electrical

Item No.	Issue	2022	2021	2020	2019	Comments
						connection date was confirmed to be correct. See **sections 3.5** and **3.8.**
15	Incorrect status or status date	-	1	1		Compliant.
16	Meter cat 3 or known commercial site with residential ANZSIC code	-	-	-		Compliant. No meter category three or above ICPs are supplied.
17	Remotely disconnected but AMI flag = N	5	-			Compliant. All had the AMI flag set to Y at the time of disconnection.

One error was not corrected as soon as practicable. ICP 0002279031MLE9F switched in on 1 September 2021 with RPS profile, but had generation recorded by the distributor and I flow metering. Volumes were recorded on the I flow register since the ICP switched in. A backdated correction to RPS PV1 from the switch in date was processed on the registry on 21 July 2022 after the exception was identified through the registry validation process and investigated to confirm the presence of generation. I confirmed that consumption is being submitted using the correct profile through the revision process.

Submission Accuracy

Processes for correction of incorrect NHH meter readings are reviewed in **section 8.1**. In this section, I reviewed correction processes where volumes were incorrect, but the readings recorded matched the meter register (if metered) including multiplier corrections, defective and faulty meters, inactive consumption, and unmetered load corrections.

Defective meters	When a potentially defective meter is identified, PRME checks with the customer to determine whether the consumption is valid. If the consumption is not valid, the meter is checked and replaced if necessary. A correction is processed for the faulty period by removing the meter on an estimated reading capturing any missed consumption based on the history before the fault or after the meter is replaced. Any reads during the defective period are made misreads, which are ignored by the reconciliation process. No genuinely defective meters were identified during the audit period.
Multiplier corrections	Multipliers are stored on the meters tab in Orion, and any corrections to this field will flow through to all reconciliation submissions for the affected meter. If a multiplier is changed for an existing meter by the MEP, PRME will close the existing instance of the meter and reinstall a new instance with the correct multiplier starting from the date of the change. If a multiplier is changed for the entire period the meter is installed, the multiplier is adjusted on the meters tab. There have been no examples of incorrect multipliers found during the audit period.
Bridged meter corrections	If a bridged meter is identified, PRME arranges for the meter to be unbridged as soon as possible. A correction is processed for the bridged period by removing the meter on an estimated reading capturing any missed consumption based on the history before the meter was bridged or after the meter was unbridged. Any reads during the bridged period are made misreads, which are ignored by the reconciliation process. PRME does not allow meters to be bridged and no bridged meters were identified during the audit period.

Inactive ICPs with consumption	Inactive ICPs remain active in Orion under occupier customer accounts and continue to be read with volumes submitted and billed. Any occupier invoices with non-zero volumes are reviewed to determine whether the consumption is genuine. If the consumption is genuine PRME attempts to make contact with the occupier to sign them up, or to disconnect the ICP. No ICPs had genuine inactive consumption during the audit period. 29 ICPs are currently inactive.
Unmetered load corrections	Each unmetered ICP has a dummy meter associated with it. End of month readings are calculated as the last read + (daily unmetered kWh x active days in the month) and copied into a template before being loaded into Orion for billing and reconciliation. If an unmetered load correction was required, the affected bills would be reversed and the reads made misreads, and then corrected reads would be reimported. No changes to unmetered load details were identified on the event detail report.

Submission accuracy issues identified during the previous audit have been resolved:

- reads and read types are now correctly recorded in Orion for ICP 0000520320WP068 (switched out effective 20 July 2020), and
- NSPs applied for submission are checked against a registry list with history, and I found that NSPs were correctly applied in the submission information checked.

PRMH

AMS is responsible for HHR data validation, and compliance is recorded in their agent audit report. PRMH has provided AMS with access to the registry and reconciliation portals so that they can obtain information used for their validation directly.

AMS produces the ICP days, HHR volumes and HHR aggregates submissions. PRMH creates the billed submissions based on billed volumes which AMS provides to PRMH for each ICP. The files are prepared manually and the NSP is added by checking against the HHR aggregates files produced by AMS. I checked ICP 0819483567LC6F1 which underwent a NSP change in November 2021 and confirmed that the billed consumption was reported against the correct NSP. The billed values are validated against the HHR aggregates, and totals billed for check meters attached to the ICPs.

Now that the switch ins are complete, no further switches in or out or new connections are expected. No inaccurate information was identified.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.1 With: Clause 15.2 From: 01-Sep-21 To: 21-Jul-22	**PRME** An incorrect profile was not corrected as soon as practicable for ICP 0002279031MLE9F. There was evidence that the profile was incorrect from 1 September 2021, but a correction was not processed until 21 July 2022. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating
Low	Controls are rated as strong as processes in place identify discrepancies and correct these most of the time, and I only found once instance where data was not corrected as soon as practicable. The impact is low, because the registry has been corrected and revised submission information will be provided through the revision process.

Actions taken to resolve the issue	Completion date	Remedial action status
The profile has been updated in the registry	21/7/2022	Cleared

Preventative actions taken to ensure no further issues will occur	Completion date
Errors are inevitable so we are pleased that our validation process this year, trialled & released into production mid of the year identified this. We also identified where things went wrong & are continuously training staff to avoid these errors happening again.	N/A

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. I saw evidence during the audit that discrepancies identified were promptly investigated and updated.

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

PRME

PRME receives NHH meter readings from AMS, IntelliHUB, Arc, and FCLM as MEPs, and Wells as an agent. I reviewed the method to receive meter reading data from each MEP and agent. I traced a diverse sample of readings for 15 ICPs from the source files to Orion.

PRMH

This is covered in AMS and EDMI's audit reports.

Audit commentary

PRME

All data transmissions to Prime are via SFTP, which ensures the security and integrity of the data. Upon receipt, reading files are archived to a folder on the network.

Orion requires reads to be imported in a consistent format. The data contained in each read file is reformatted prior to being imported into Orion. For AMI meters, daily readings are imported so they are available for finalising customer accounts, the read renegotiation process, and historic estimate process.

I traced a diverse sample of readings for 15 ICPs including each MEP and agent from the source files to Orion and found the readings matched the source files.

PRMH

Compliance is recorded in the AMS and EDMI audit reports.

All meters are read by AMS, apart from ICP 0179566571LC66A which has a category 3 FCLM meter and is read by EDMI. For the first two months of supply the readings for ICP 0179566571LC66A were provided to PRMH who forwarded them to AMS, but now EDMI supplies the readings directly to AMS.

The meter for ICP 0179566571LC66A will be replaced with an AMCI meter once the meter communication program issues delaying the replacement are resolved, and a replacement date and time is agreed with the customer.

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

A complete audit trail was checked for all data gathering, validation and processing functions. I viewed audit trails in Orion for a small sample of events.

AMS' audit trails are covered in their agent audit report.

Audit commentary

PRME

Audit trails include the activity identifier, date and time, and an operator identifier.

PRMH

Compliance is recorded in the AMS audit report.

Audit outcome

Compliant

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

Code reference

Clause 10.4

Code related audit information

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

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

Audit observation

I reviewed Prime's current terms and conditions.

Audit commentary

Prime's current terms and conditions with their customers includes consent to access for authorised parties for the duration of the contract.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

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

The trader must use its best endeavours to provide access:

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

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

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

Audit observation

I reviewed Prime's current terms and conditions and discussed compliance with these clauses.

Audit commentary

Prime's current terms and conditions with their customers include consent to access for authorised parties for the duration of the contract.

Where another party has difficulty accessing an ICP or meter, Prime will support them by liaising with the customer. Prime confirmed that there have been no instances where access could not be arranged for other parties during the audit period.

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

The physical meter location point is not specifically mentioned in Prime's terms and conditions, but the existing practices in the electrical industry achieve compliance.

Audit commentary

PRME

PRME has only supplied ICPs with metering categories 1 and 2. No ICPs have required loss compensation.

PRMH

Compliance is recorded in the AMS agent audit report.

Audit outcome

Compliant

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

Code reference

Clause 11.15B

Code related audit information

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

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

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

Audit observation

I reviewed Prime's current terms and conditions.

Audit commentary

Prime's terms and conditions have specific clauses covering this requirement.

Audit outcome

Compliant

2.9. Connection of an ICP (Clause 10.32)

Code reference

Clause 10.32

Code related audit information

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

- *accept responsibility for their obligations in Parts 10, 11 and 15 for the point of connection; and*
- *have an arrangement with an MEP to provide 1 or more metering installations for the point of connection.*

Audit observation

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

Audit commentary

PRME

PRMH's new connection process requires all ICPs to be claimed at "new connection in progress" status with the MEP nominated at the same time, unless the ICP has already been electrically connected. In these instances, the ICP is moved to "active", and the MEP nomination is issued. The timeliness of updates to the registry is discussed in **section 3.5**.

The design of the new connections process does not allow ICPs to be connected without authorisation by Prime, or an arrangement with an MEP.

Two ICPs were "active" with a blank MEP and no unmetered load recorded. ICP 0000010745TECA1 had metering details populated after the AC020 report was run. ICP 0000011073TE474 has a low load certification because the site is still under construction, and metering details have not been populated on the registry. PRME will raise a job for the MEP to visit to complete full certification once construction is complete.

PRMH

All ICPs supplied by PRMH are metered with no unmetered load connected. No new connections occurred during the audit period, and no new connections are expected in the future.

Audit outcome

Compliant

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

Code reference

Clause 10.33(1)

Code related audit information

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

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

Audit observation

The new connection and the reconnection process when switching ICPs in were examined in detail.

Audit commentary

PRME

PRMH's new connection process requires all ICPs to be claimed at "new connection in progress" status with the MEP nominated at the same time, unless the ICP has already been electrically connected. In these instances, the ICP is moved to "active", and the MEP nomination is issued.

Temporary electrical connections occur rarely, and no examples were identified during the audit period.

PRMH

No new connections occurred during the audit period, and no new connections are expected in the future.

Audit outcome

Compliant

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

Code reference

Clause 10.33A(1)

Code related audit information

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

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

Audit observation

The new connection process was examined in detail to evaluate the strength of controls. The registry list file and AC020 report were examined to confirm process compliance.

Audit commentary

PRME

PRME's new connection process ensures that an MEP is nominated as soon as the ICP is claimed on the registry, and metering is usually certified within five business days. The AC020 report recorded one late certification for the new connection of metered ICP 0000011073TE474. The MEP confirmed in writing that a low load certificate was completed because the site is still under construction, and metering details have not been populated on the registry. PRME will raise a job for the MEP to visit to complete full certification once construction is complete.

PRME endeavours to replace legacy meters on switch in, so reconnections of uncertified meters are expected to be rare. The AC020 report recorded two late certifications for reconnections of metered ICPs. ICP 0000668534UN32E has an accepted MEP nomination and is awaiting meter asset data, and ICP 0005122147RNC25 was recertified after reconnection when the meter was replaced.

Recommendation	Description	Audited party comment	Remedial action
PRME Certification of meters for reconnections	Develop a process to determine whether meters are certified on reconnection, and request certification updates where necessary.	We will take this recommendation on board & add the certification check to our list.	Identified

Two ICPs were "active" with a blank MEP and no unmetered load recorded. ICP 0000010745TECA1 had metering details populated after the AC020 report was run. ICP 0000011073TE474 has a low load certification as discussed above.

No bridged meters were identified during the audit period.

PRMH

No connections or reconnections occurred during the audit period, and no bridged meters were identified. All ICPs were active for all days supplied and have current full meter certification.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.11 With: Clause 10.33A From: 09-Apr-21 To: 28-Jan-22	**PRME** Two reconnections were not recertified within five business days. One new connection did not have full certification within five business days. Potential impact: Low Actual impact: None Audit history: Once Controls: Moderate Breach risk rating: 2

Audit risk rating	Rationale for audit risk rating
Low	The controls are rated as moderate. While there is currently no process to identify uncertified reconnections most uncertified meters are replaced on switch in. The audit risk rating is low as a small proportion of ICPs were affected.

Actions taken to resolve the issue	Completion date	Remedial action status
Although the meters weren't certified within 5 days of the reconnection, they have been certified.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We try to replace all our legacy meters to AMI as part of the switch process. We understand a certain load is required to certify the meter so sometimes it's not easy to certify sites during reconnection if they are vacant. Having a certification process (as recommended by the auditor) will allow us to keep track of ay uncertified reconnected meters.	12/2022	

2.12. Arrangements for line function services (Clause 11.16)

Code reference

Clause 11.16

Code related audit information

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

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

Audit observation

The process to ensure an arrangement is in place before trading commences on a network was examined.

Audit commentary

Prime has use of system agreements or arrangements in place with all the networks they trade on. Six new networks were added during the audit period, and I confirmed that arrangements are in place.

Networks which Prime has arrangements with are loaded in Orion. ICPs cannot be loaded if the network they are connected to is not available in Orion.

Audit outcome

Compliant

2.13. Arrangements for metering equipment provision (Clause 10.36)

Code reference

Clause 10.36

Code related audit information

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

Audit observation

The process to ensure an arrangement is in place with the metering equipment provider before an ICP can be created or switched in was checked.

Audit commentary

Prime has arrangements in place with all relevant MEPs, and no new MEPs were added during the audit period.

MEPs which Prime has arrangements with are loaded in Orion. ICPs cannot be loaded if the MEP is not available in Orion.

Audit outcome

Compliant

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

Code reference

Clause 10.33B

Code related audit information

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

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

Audit observation

The process for reconnecting ICPs in the process of switching in was examined. Traders are only able to update ICP status for event dates where they are responsible for the ICP on the registry.

Audit commentary

The clause was discussed and Prime understand their responsibilities. Prime will disconnect any withdrawn switches that have been reconnected.

Audit outcome

Compliant

2.15. Electrical disconnection of ICPs (Clause 10.33B)

Code reference

Clause 10.33B

Code related audit information

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

Audit observation

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

Audit commentary

Prime has a robust disconnection process that is described in **section 3.9.** Prime's process is to disconnect any ICPs if they have reconnected and then the switch is withdrawn.

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

Policies and processes for removal and breakage of seals were reviewed. A sample of events were checked for compliance.

Audit commentary

Prime engages MEPs and Wells to complete activities where seals may be required to be removed or broken. Wells and the MEPs are required to ensure that only qualified personnel perform work and manage and trace seals. They do not usually provide details of seals in their job completion paperwork.

Prime receives work completion paperwork from the MEPs and Wells and uses this information to confirm the correct ICP attributes including status and profile, and update Orion and the registry.

Prime typically does not allow meters to be bridged, and no bridged meters were identified during the audit period. Bridged meters will be identified through the NHH read validation processes, or on receipt of reconnection paperwork. Upon identification of bridging a field services job will be raised for the MEP to un-bridge the meter.

If Prime is notified that another party has removed or broken seals a job is raised for the MEP to check and reseal the meter. No recent examples of this were available.

I checked a sample of events where meter seals had been broken and found that work was completed by the MEP, or the MEP was notified.

Audit outcome

Compliant

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

Code reference

Clause 10.33C and 2A of Schedule 15.2

Code related audit information

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

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

If the trader bridges a meter, the trader must:

- *determine the quantity of electricity conveyed through the ICP for the period of time the meter was bridged*
- *submit that estimated quantity of electricity to the reconciliation manager*
- *within 1 business day of being advised that the meter is bridged, notify the MEP that they are required to reinstate the meter so that all electricity flows through a certified metering installation.*

The trader must determine meter readings as follows:

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

Audit observation

The process for bridging meters was discussed.

Audit commentary

Prime typically does not allow meters to be bridged, and no bridged meters were identified during the audit period. Bridged meters will be identified through the NHH read validation processes, or on receipt of reconnection paperwork. Upon identification of bridging a field services job will be raised for the MEP to un-bridge the meter.

A correction would be processed for the bridged period by removing the meter on an estimated reading capturing any missed consumption based on the history before the meter was bridged, or after the meter was unbridged. Any reads during the bridged period would be made misreads, which are ignored by the reconciliation 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

The process to ensure that the ICP identifier is printed on every invoice or document relating to the sale of electricity was discussed, and an invoice was reviewed.

Audit commentary

ICP identifiers are included on invoices, credit notes, and documents relating to the sale of electricity.

Audit outcome

Compliant

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

Code reference

Clause 11.30A

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Utilities Disputes is provided to customers was checked, and websites, terms and conditions, invoices and communications were reviewed.

Audit commentary

Clear and prominent information on Utilities Disputes is provided:

- in the footer of emails,
- on invoices for Prime customers,
- in Prime's terms and conditions, and

- on Prime's website under complaints and independent advice (https://www.prime.co.nz/fault-contacts/elementor-9419/)

Information on Utilities Disputes is only provided for inbound calls if the customer indicates that they are unhappy or wish to make a complaint. Most phone calls are followed up with an email which includes information on Utilities Disputes in the footer.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.19 With: Clause 11.30 From: 01-Apr-21 To: 28-Jul-22	**PRME** and **PRMH** Information on Utilities Disputes is not always provided when responding to inbound voice calls from customers. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as strong overall, as information on Utilities Disputes is provided as required under most circumstances. The impact is assessed to be low as information on Utilities Disputes is provided where the customer indicates that they are unhappy or wish to make a complaint. Most phone calls are followed up with an email which includes information on Utilities Disputes in the footer.

Actions taken to resolve the issue	Completion date	Remedial action status
We believe we are doing everything right & are keeping our customers well informed about the dispute process.	N/A	Disputed Prime has interpreted that some inbound telephone calls are not "queries" and therefore information Utilities Disputes does not need to be provided.
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We are a small retailer with a handful customers. We don't see a need to inform al our callers about Utilities Disputes (UDL). For example a customer calls who calls every month to make a payment. An electrician calling for a new connection. UDL info is provided to customers who raise concerns or indicate any sort of dissatisfaction. All conversations are confirmed by an email which has UDL info in the footer.	N/A	

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

Code reference

Clause 11.30B

Code related audit information

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

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

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

Audit observation

The process to ensure that information on Powerswitch is provided to customers was checked, and websites, terms and conditions, invoices and communications were reviewed.

Audit commentary

PRME

The majority of PRME's ICPs are used for non-residential purposes. Some ICPs with residential ANZSIC codes are supplied, but in many cases the customer responsible is a business. The code specifies that information on Powerswitch must be provided for ICPs with residential ANZSIC codes, regardless of who the customer is:

> **11.30B Provision of information on electricity plan comparison site**
>
> (1) Each **retailer** that supplies **electricity** at any **ICP** for which the relevant business classification code for the purposes of clause 9(1)(k) of Schedule 11.1 is "000000" or "Residential" must provide clear information in the circumstances specified in subclauses (2) to (4) about the electricity plan comparison website or other platform, as identified on the **Authority's** website.

Clear and prominent information on Powerswitch is provided on Prime's website under complaints and independent advice (https://www.prime.co.nz/fault-contacts/elementor-9419/). When pricing is discussed with customers, the sales team informs them about Powerswitch.

Information on Powerswitch is not provided to customers with residential ANZSIC codes:

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

PRMH

PRMH does not supply any ICPs with residential ANZSIC codes, and compliance with Clause 11.30B is not required.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 2.20 With: Clause 11.30B From: 01-Apr-21 To: 28-Jul-22	**PRME** Information on Powerswitch is not provided to customers with residential ANZSIC codes: • in outbound communications to residential consumers about price and service changes, • to residential consumers on an annual basis, or • in directed outbound communications about the consumer's bill. Potential impact: Low Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as weak overall, as information on Powerswitch is only available to residential customers on Prime's website and the other requirements of clause 11.30B have not been met. The impact is assessed to be low, based on the number of ICPs with residential ANZSIC codes supplied and that information on Powerswitch is available on Prime's website and through Powerswitch advertising campaigns.

Actions taken to resolve the issue	Completion date	Remedial action status
We rarely sign up residential customers, and our commercials come through consultants who have already explored the market.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We will ensure any individual residential customer that approaches PRME are always informed about PowerSwitch. PRMH doesn't do new sign-ups	08/2022	

3. MAINTAINING REGISTRY INFORMATION

3.1. Obtaining ICP identifiers (Clause 11.3)

Code reference

Clause 11.3

Code related audit information

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

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

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

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

Audit observation

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

Audit commentary

This requirement is well understood and managed by Prime.

Audit outcome

Compliant

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

Code reference

Clause 11.7(2)

Code related audit information

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

Audit observation

The new connection process was examined in detail. Findings on the timeliness of updates are listed in **section 3.5**. The registry list and AC020 reports were examined to confirm process compliance.

Audit commentary

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

Audit outcome

Compliant

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

Code reference

Clause 10 Schedule 11.1

Code related audit information

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

Audit observation

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

The registry list and AC020 reports were examined, and a sample of late updates were checked as described in the audit commentary.

Audit commentary

PRME

Status updates

All status updates are completed manually on the registry once paperwork is received. Active and inactive ICPs are recorded as "active" in Orion, to ensure that all consumption is captured and reported. ICPs are transferred to an "occupier" customer in Orion for any vacant periods, and an "occupier (disconnected)" customer for any inactive periods.

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

Status	Year	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
Active	2017	9	55%	14
	2018	7	82%	5
	2019	1	92%	2
	2020	4	92.59%	11.78

Status	Year	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
	2021	5	82.14%	3.54
	2022	**4**	**86.21%**	**2.10**

I checked all late updates to active status, and found they were delayed by late receipt of reconnection paperwork, late processing due to heavy workloads, or reconnection paperwork being received before switch in and a delay in processing the reconnection once the switch was completed. The late updates were accurately processed from the correct event date.

Recommendation	Description	Audited party comment	Remedial action
PRME Reconnections for backdated switches in.	Develop a process to ensure that reconnections are processed on the registry as soon as possible where reconnection paperwork is received before the switch is completed.	We will definitely take this recommendation on board. We currently monitor this via emails but will be good to have a better process.	Investigating

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

Status	Year	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
Inactive	2017	4	80.95%	25
	2018	5	86.49%	19
	2019	7	81.58%	74
	2020	8	89.47%	25.09
	2021	3	90.38%	7.08
	2022	**3**	**97.35%**	**2.42**

One update was to "inactive – new connection in progress" status and was made before the initial electrical connection date and was therefore not genuinely late. The other two updates were late because confirmation that the ICP was disconnected was received late. The late updates were accurately processed from the correct event date.

Trader updates

Trader updates are manually updated on the registry. The timeliness of trader updates is set out on the table below.

Year	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2019	41	34.5%	116.81
2020	7	61.11%	7.78
2021	6	62.50%	40.88
2022	**7**	**84.78%**	**10.04**

I checked all late trader updates and found:

- two were late updates to a distributed generation profile; one change was a correction identified through PRME's registry validation process, the other was delayed while PRME confirmed with the customer that generation was present, and
- five were late MEP nominations and delayed by late notification by the MEP, or a date correction requested by the MEP; MEP nominations are normally made at the time the service order for meter replacement is raised, but sometimes PRME is notified by the MEP that legacy meters will be replaced, and these notifications may be late.

The late updates were accurately processed from the correct event date.

The AC020 did not identify any ANZSIC or trader updates which were not made within 20 business days of PRME commencing trading.

PRMH

PRMH updates registry status and trader information manually using the registry web interface, and no status or trader updates occurred during the audit period.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.3 With: Clause 10 Schedule 11.1 From: 16-Jun-21 To: 14-Mar-22	**PRME** Six late status updates. Seven late trader updates. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2
Audit risk rating	**Rationale for audit risk rating**
Low	The controls are moderate, at least 84% of updates of each type were made on time. Delays were generally caused by late receipt of information to confirm the correct event attributes, and updates contained correct information. The risk is low as most updates were completed on time or soon after they were due.

Actions taken to resolve the issue	Completion date	Remedial action status
Late paperwork in outside our control. Technically we only had 1 late update from the day we received paperwork.		Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We continuously try to improve our performance but since we have a small number of ICPs, a couple of non-compliances makes a significant impact on the percentage rating.		

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)):*
    - *arrange for a final interrogation to take place prior to or upon meter removal (clause 11.18(3)(a)); and*
    - *advise the MEP responsible for the metering installation of the decommissioning (clause 11.18(3)(b)).*

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

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

Audit observation

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

MEP nominations and decommissioned ICPs were examined.

Audit commentary

PRME

Retailers Responsibility to Nominate and Record MEP in the Registry

PRMH's new connection process requires all ICPs to be claimed at "new connection in progress" status with the MEP nominated at the same time, unless the ICP has already been electrically connected. In these instances, the ICP is moved to active, and the MEP nomination is issued. All new connections have an MEP nominated.

Two ICPs were active with a blank MEP and no unmetered load recorded. ICP 0000010745TECA1 had metering details populated after the AC020 report was run. ICP 0000011073TE474 has a low load certification because the site is still under construction, and metering details have not been populated on the registry. PRME will raise a job for the MEP to visit to complete full certification once construction is complete.

All 161 MEP nominations identified on the event detail report were accepted.

ICP Decommissioning

ICPs that are vacant and either active or inactive will still be maintained in Orion and recorded against an "occupier" or "occupier (disconnected)" customer account. An attempt is made to read the meter at the time of removal and if this is not possible then the last actual meter reading is used. This last actual reading is normally the one taken at the time of disconnection. PRME also advises the MEP responsible that the site is to be decommissioned, or has been decommissioned, dependent on the distributor's process.

Nine ICPs were decommissioned during the audit period, all were dismantled. I checked a diverse sample of five ICPs covering different networks and confirmed PRME met their obligation to arrange a meter interrogation prior to or upon meter removal where the ICP was metered.

PRMH

All ICPs supplied by PRMH are metered with no unmetered load connected. No ICPs had status or trader updates (including MEP nominations) during the audit period. No new connections have occurred, and no new connections are expected in the future.

HHR ICPs which are inactive or decommissioned will be maintained in the AMS systems. HHR metering is present, and a final interrogation will be completed before meter removal if an ICP is decommissioned.

Audit outcome

Compliant

3.5. Provision of information to the registry manager (Clause 9 Schedule 11.1)

Code reference

Clause 9 Schedule 11.1

Code related audit information

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

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

- *except if the ICP exists for the purposes of reconciling an embedded network or the ICP has distributor status, the trader must provide the relevant business classification code applicable to the customer (clause 9(1)(k)).*

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

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

Audit observation

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

Audit commentary

PRME

New connection information timeliness

The new connection process is described in detail in **section 2.9**. MEP nomination usually occurs when the ICP is at "new connection in progress" (1,12) status as part of the service request process.

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

Year	ICPs notified greater than 5 days	Percentage on time	Average Business Days between Status Event and Status Input Dates
2017	2	71%	5
2018	11	58%	10
2019	2	83%	3
2020	3	87.50%	2.83
2021	4	80.95%	4.14
2022	**21**	**50.00%**	**5.83**

All of the late updates were claimed at 1,12 "inactive new connection in progress" status and had an MEP nomination made prior to initial electrical connection.

19 late updates were made within ten business days of initial electrical connection, and all late updates were made within 34 business days. 20 of the late updates were caused by late receipt of connection paperwork, and one was caused by a delay in processing the paperwork once it was received.

New connection information accuracy

Active dates for new connections were compared to the distributor's initial electrical connection date, and MEP's certification date using the AC020 report, and 13 discrepancies were identified.

Discrepancy	Count	Comment
No initial electrical connection date or meter certification date	2	PRME's active dates were confirmed to be correct. For 0000011073TE474 an initial electrical connection date consistent with the active status date was later populated by the distributor. An MEP

Discrepancy	Count	Comment
		nomination was made and accepted, but metering details have not been updated on the registry. For ICP 0007202207RN588 an initial electrical connection date and meter certification date consistent with the active status date were later populated.
No initial electrical connection date and the active date matches the meter certification date	11	I checked a sample of six active status updates and found initial electrical connection dates consistent with the active status date were later populated, and PRME's active dates were correct.

The AC020 report did not identify any ICPs with initial electrical connection dates populated which had not been made active.

I checked a sample of 21 new connections, and found they were accurately processed from the correct event date.

PRMH

No new connections have been completed or are expected to be completed. If a new connection occurs PRMH will update registry status and trader information manually using the registry web interface.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.5 With: Clause 9 Schedule 11.1 From: 10-Dec-21 To: 10-Mar-22	**PRME** ICP status was not updated within five business days of commencement of trading for 21 ICPs. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as strong as there are good processes in place to manage the new connection process. The risk rating is low. 19 late updates were made within ten business days of initial electrical connection, and all late updates were made within 34 business days. 20 of the 21 late updates were caused by late receipt of connection paperwork.

Actions taken to resolve the issue	Completion date	Remedial action status
All ICPs have been updated in the Registry. Delays were caused by late paperwork & short staff at the contractors end due to covid. Majority of the new connections were for the same building.		Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Covid had a huge impact on all the organisations but the small companies like us took a direct hit. The building industry has boomed during this time & late paperwork for 1 site from 1 inspector can make a huge difference on our performance. This noncompliance will probably never go away unless we stop doing new connections. The best we can do is ensure the paperwork is process promptly upon receipt.	08/2022	

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

Code reference

Clause 9 (1(k) of Schedule 11.1

Code related audit information

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

Audit observation

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

Audit commentary

PRME

Prime checks ANZSIC codes on switch in and corrects any ICPs with blank or unknown ANZSIC codes. I have recommended in **section 2.1** that the registry AC020 trader compliance report is reviewed to identify discrepancies for resolution which may not be identified through PRME's other validation processes.

The validity of ANZSIC codes was checked using the AC020 report:

- ICP 1002113111UNE5A had a T999 ANZSIC code correctly applied; the building is mixed use, and the ICP is vacant,
- three ICPs have metering category two and a residential ANZSIC code; two were correct, and ICP 1001245229LC36A should have been recorded as H45 (food and beverage services) and was updated during the audit, and
- no ICPs have meter category three or higher.

To confirm the validity of the ANZSIC codes I checked a diverse sample of 50 active ICPs across the 20 most popular ANZSIC codes. Four ICPs had incorrect ANZSIC codes which were corrected during the audit.

I rechecked the previous audit exceptions, and found they had all been corrected.

PRMH

I checked the ANZSIC codes for all ICPs supplied by PRMH, including 1002074271LCAE9 which had metering category 2 and a residential ANZSIC code and found they were correct.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 3.6 With: Clause 9 (1)(k) of Schedule 11.1 From: 26-May-21 To: 30-Nov-20	**PRME** Five ANZSIC codes were incorrectly recorded, and were corrected during the audit. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Moderate Breach risk rating: 2
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as moderate. Processes for ANZSIC code validation are in place, but there is an error rate of 5/53 (9%) for the sample checked for PRME. The audit risk rating is low as this has no direct impact on reconciliation.

Actions taken to resolve the issue	Completion date	Remedial action status
Registry has been updated	08/2022	Cleared
Preventative actions taken to ensure no further issues will occur	**Completion date**	
ANZSIC codes are corrected during the signup process the Registry is updated during switch ins. However; we discovered this process was missed during the move in process so we are training all our staff to ensure ANZSIC codes are confirmed with the customers during signups & the Registry is updated accordingly. We will also carry out random checks to see if the process is being followed.	10/2022	

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

Code reference

Clause 9(1)(f) of Schedule 11.1

Code related audit information

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

the code ENG - if the load is profiled through an engineering profile in accordance with profile class 2.1 (clause 9(1)(f)(i)); or

the daily average kWh of unmetered load at the ICP - in all other cases (clause 9(1)(f)(ii)).

Audit observation

The process to manage unmetered load was examined. The registry list and AC020 reports were examined to identify:

- any ICPs where unmetered load is recorded by the distributor but not the trader, and
- any ICPs where the trader's unmetered load is not within ±0.1 kWh of the distributor's figure (where it is possible to calculate this if the distributor is using the recommended format).

Audit commentary

PRME

PRME supplies nine ICPs with standard unmetered load indicated, and three DUML ICPs. PRME does not supply any ICPs with shared unmetered load. ICPs with shared unmetered load will be rejected during the application process unless they belong to an existing customer. Any additions or changes to unmetered load are identified through the registry validation process. I have recommended in **section 2.1** that the registry AC020 trader compliance report is reviewed to identify discrepancies for resolution which may not be identified through PRME's other validation processes.

Each unmetered ICP has a dummy meter associated with it. End of month readings are calculated as the last read + (daily unmetered kWh x active days in the month) and copied into a template before being loaded into Orion. I walked through the process and checked readings and submission data for a sample of five ICPs. Historic estimate calculations for unmetered load were also checked in **section 12.11** and found to be compliant.

Review of the AC020 report found:

- no ICPs where the unmetered flag was set to "Y" with blank or zero daily unmetered kWh,
- no ICPs where the distributor had unmetered load recorded but PRME did not, and
- no ICPs where the trader's daily kWh differed from the distributor's daily kWh by more than ±0.1 kWh.

Two ICPs were active with a blank MEP and no unmetered load recorded. ICP 0000010745TECA1 had metering details populated after the AC020 report was run. ICP 0000011073TE474 has a low load certification because the site is still under construction, and metering details have not been populated on the registry. PRME will raise a job for the MEP to visit to complete full certification once construction is complete.

The 2020 and 2021 audits identified that ICP 0000540879TU14A had trader unmetered load inconsistent with the load described by the distributor. PRME's unmetered load details have been confirmed to be correct.

There are no active unmetered builder's temporary supplies.

PRMH

All ICPs supplied by PRMH are metered with no unmetered load connected. No unmetered load is expected to be supplied in the future.

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

The new connection processes were examined in detail as discussed in **sections 2.9** and **3.5**, and the reconnection process was examined using the AC020 and event detail reports.

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

For new connections which had been electrically connected during the audit period, the initial electrical connection date, earliest active date, and meter certification date were compared using the AC020 report to determine the accuracy of the connection dates.

Audit commentary

Prime's Orion system will not allow more than one active customer per ICP. An Orion system wizard is used to transfer ICPs between customer accounts, and dates are automatically populated to ensure that there is no overlap between customers.

PRME

Orion requires all ICPs to have an MEP and meter recorded. Unmetered ICPs have a dummy meter, which unmetered volumes are recorded against.

Active dates for new connections were compared to the distributor's initial electrical connection date, and MEP's certification date using the AC020 report, and 13 discrepancies were identified.

Discrepancy	Count	Comment
No initial electrical connection date or meter certification date.	2	PRME's active dates were confirmed to be correct. For 0000011073TE474 an initial electrical connection date consistent with the active status date was later populated by the distributor. An MEP nomination was made and accepted, but metering details have not been updated on the registry. For ICP 0007202207RN588 an initial electrical connection date and meter certification date consistent with the active status date were later populated.

Discrepancy	Count	Comment
No initial electrical connection date and the active date matches the meter certification date.	11	I checked a sample of six active status updates and found initial electrical connection dates consistent with the active status date were later populated, and PRME's active dates were correct.

The AC020 report did not identify any ICPs with initial electrical connection dates populated which had not been made active.

I checked a sample of 21 new connections and ten reconnections, and found they were accurately processed from the correct event date.

Some late status changes to active are recorded as non-compliance in **sections 3.3** and **3.5**.

PRMH

Registry status information is entered manually using the registry web interface, and no PRMH ICPs had status updates during the audit period. All ICPs are metered with no unmetered load connected.

Audit outcome

Compliant

3.9. Management of "inactive" status (Clause 19 Schedule 11.1)

Code reference

Clause 19 Schedule 11.1

Code related audit information

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

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

Audit observation

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

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

Audit commentary

PRME

PRME processes all status updates manually on the registry once paperwork is received. Inactive ICPs are recorded as "active" in Orion, to ensure that all consumption is captured and reported. ICPs are transferred to an "occupier" customer in Orion for any vacant periods, and an "occupier (disconnected)" customer for any inactive periods.

I reviewed a sample of 16 updates to inactive status, including at least five ICPs updated to each inactive status reason (or all if less than five examples were available) and confirmed the status reason codes and event dates were correctly applied based on the paperwork provided.

No ICPs at “inactive - new connection in progress” status had an initial electrical connection date recorded, and two ICPs have been at “inactive new connection in progress” status for over two years. These were examined and found both are still required.

Five ICPs had “electrically disconnected remotely by AMI meter” where AMI metering is not recorded in the registry. All were confirmed to have had the AMI flag set to Y at the time of disconnection.

No ICPs with inactive consumption were identified during the audit period. “Occupier (disconnected)” customer accounts continue to be read with volumes submitted and billed. Any occupier invoices with non-zero volumes are reviewed to determine whether the consumption is genuine. If the consumption is genuine PRME attempts to make contact with the occupier to sign them up, or to disconnect the ICP.

Some late status updates to inactive are recorded as non-compliance in **section 3.3**.

PRMH

Registry status information is manually entered using the registry web interface, and no PRMH ICPs had status updates during the audit period.

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

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

I analysed the registry list of ICPs with “new” or “ready” status.

Audit commentary

PRME

PRME monitors the progress of any new connections using a whiteboard and spreadsheet. ICPs are claimed with “inactive - new connection in progress” status once the distributor updates the ICP status to “ready”. Analysis of the AC020 report confirmed that no ICPs have had “new” or “ready” status for more than two years.

Any requests from distributors on ICPs which have been at “new” or “ready” status for more than two years are investigated and responded to when they are received. None of these queries had been received during the audit period.

Analysis of the list file identified two ICPs that have been at the “inactive - new connection in progress” for more than 24 months. These were examined and found to still be required.

PRMH

No new connections have been completed or are expected to be completed. No ICPs currently have "new", "ready", or "inactive - new connection in progress" status.

Audit outcome

Compliant

4. PERFORMING CUSTOMER AND EMBEDDED GENERATOR SWITCHING

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

Code reference

Clause 2 Schedule 11.3

Code related audit information

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

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

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

Audit observation

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

Audit commentary

All NT files are created manually using the registry user interface.

PRME

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

Most PRME customers are businesses, and the gaining retailer is chosen through a request for proposal process run by the customer's agent. The agent advises a contract start/switch in date.

- If PRME is certain that a customer is transferring between retailers at an address and a certain contract start date is not required, they will request a transfer switch.
- If the customer requires a certain start date, or PRME is not sure whether the customer is moving in or transferring, they will request a switch move to ensure that the correct transfer date is applied. Some losing retailer systems do not allow a gaining trader requested date to be applied for transfer switches, which could result in a breach of the terms of PRME's contract with their customer.

Most PRME switches are requested as switch moves (97.6%), rather than transfer switches (2.4%). Review of the event detail and registry list reports found eight transfer switch NTs were issued, and all had metering category 1 or 2.

Five transfer switch NT files were checked. All were sent within two business days of pre-conditions being cleared, and the correct switch type was selected.

Recommendation	Description	Audited party comment	Remedial action
PRME Application of transfer switch type	Establish processes to determine whether the customer is moving in or transferring between retailers at an address. Endeavour to apply the correct switch type for customer's transferring between retailers where the losing trader's system will allow the ICP to be switched for the correct date.	We do our best to confirm the switch type during signups. However, this is difficult to confirm when customers are referred to us via FPVV. We will continue to liaise with them & see if we can make any changes to the existing process.	Investigating

PRMH

No TR switches occurred during the audit period.

Audit outcome

Compliant

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

Code reference

Clauses 3 and 4 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The event detail reports were reviewed to identify AN files issued by Prime during the audit period. The switch breach history reports were examined for the audit period.

Audit commentary

AN files are created manually using the registry user interface, and AN files due are identified and monitored using the switch breach history report.

PRME

No transfer switch ANs were identified on the event detail report.

The switch breach report recorded one AN breach where the AN was sent one business day late due to end of month workloads. The AN had a compliant event date and response code. It did not appear on the event detail report analysis because the NT was issued prior to the start of the report period.

PRMH

No transfer switch losses were identified on the event detail report, and no AN breaches were recorded on the switch breach history report.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.2 With: Clause 3 Schedule 11.3 From: 05-Jul-21 To: 06-Jul-21	**PRME** One AN file sent one day late. Potential impact: Low Actual impact: None Audit history: Once Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	The ccontrols are strong, because ANs due are monitored daily. The impact is low because one file was sent one business day late.

Actions taken to resolve the issue	Completion date	Remedial action status
I believe we have done really well having just 1 late AN given that we try & confirm switchouts to avoid unauthorised switch outs resulting in customer complaints.	N/A	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We had just 1 late AN which was caused by staff shortage so I can't really dwell on it too much. We are aiming for 0 non-compliance in this area for our next audit.		

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

Code reference

Clause 5 Schedule 11.3

Code related audit information

If the losing trader provides information to the registry manager in accordance with clause 3(a) of Schedule 11.3 with the required information, no later than 5 business days after the event date, the losing trader must complete the switch by:

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

Audit observation

The event detail reports were reviewed to identify CS files issued by Prime during the audit period.

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

Audit commentary

CS files are created manually using the registry user interface based on information held in Orion. CS average daily consumption is manually calculated as the difference between the last two actual reads.

CS files due are identified and monitored using the switch breach history report.

No transfer CS files were issued during the audit period, no transfer switch breaches were recorded on the switch breach history reports.

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 four calendar months of the registry manager giving the gaining trader written notice of having received information about the

switch completion, provide to the losing trader a changed switch event meter reading supported by two validated meter readings.

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

Audit observation

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

The event detail reports were analysed to identify all read change requests and acknowledgements during the audit period.

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

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

Audit commentary

RR and AC files are created manually using the registry user interface, and AC files due are identified and monitored using the switch breach history report.

When a high or low read is identified through the read validation process for a new switch in, the ICP is investigated to determine whether a read change is required. Prime will issue an RR file once they have received two actual readings if the difference is:

- more than ± 200 kWh,
- is negative and the actual reads are not expected to catch up within the month, or
- Prime has AMI readings which prove that the read is incorrect.

If there is a small negative difference, Prime waits for the AMI readings to "catch up" and exceed the switch read and estimates zero consumption.

When an AC file is issued or received accepting an RR, the original switch event reading is made a misread and the new agreed switch reading is entered into Orion.

No RR or AC files were issued for transfer switches, and the switch breach report did not record any late RR or AC files. There were no incoming transfer CS files with estimated reads where an RR file was not issued.

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

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

Audit commentary

PRME

Prime only uses submission type NHH and does not issue any read change requests where clause 6(2) and (3) of schedule 11.3 applies. No RR or AC files were issued for transfer switches.

PRMH

No transfer switches occurred during the audit period, and no breaches were recorded on the switch breach history report.

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

Disputes were discussed with Prime.

Audit commentary

Prime confirmed that no disputes have needed to be resolved in accordance with this clause.

Audit outcome

Compliant

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

Code reference

Clause 9 Schedule 11.3

Code related audit information

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

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

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

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

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

Audit observation

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

Audit commentary

NT files are created manually using the registry user interface.

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

PRME

Most PRME switches are requested as switch moves (97.6%), rather than transfer switches (2.4%). Switch type is selected based on information provided by the customer on application. Following issues with other retailers not providing transfer CS files on the requested date for contract customers, PRME will request some switches as switch moves where a certain contract start date is needed. A recommendation to apply the correct switch type wherever possible is raised in **section 4.1**.

The sample of ten NT files were confirmed to be sent within two business days of pre-conditions being cleared, and confirmed to be genuine customer move ins.

Review of the event detail report found 320 switch move NTs were issued. 296 of the ICPs were also recorded on the registry list report and had metering category 1 or 2.

PRMH

PRMH requested four switch moves for ICPs with meter category two effective from 1 July 2021. The files were compliant and there were no changes to customer arrangements.

Audit outcome

Compliant

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

Code reference

Clause 10(1) Schedule 11.3

Code related audit information

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

- *10(1)(a) If the losing trader accepts the event date proposed by the gaining trader, the losing trader must complete the switch by providing to the registry manager:*
    - *confirmation of the switch event date; and*
    - *a valid switch response code; and*
    - *final information as required under clause 11; or*
- *10(1)(b) If the losing trader does not accept the event date proposed by the gaining trader, the losing trader must acknowledge the switch request to the registry manager and determine a different event date that—*
    - *is not earlier than the gaining trader's proposed event date, and*
    - *is no later than 10 business days after the date the losing trader receives notice, or*
- *10(1)(c) request that the switch be withdrawn in accordance with clause 17.*

Audit observation

The event detail reports were reviewed to:

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

The switch breach history reports were examined for the audit period.

Audit commentary

AN and CS files are created manually using the registry user interface, and AN and CS files due are identified and monitored using the switch breach history report.

PRME

All five switch move ANs had event dates within ten business days of NT receipt and matched the gaining trader's proposed date. The AN response codes were confirmed to be correct.

No AN or CS breaches for switch moves were recorded on the switch breach history report.

PRMH

No switch move losses were identified on the event detail report, and no AN or CS breaches for switch moves were recorded on the switch breach history report.

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

The event detail report was reviewed to identify AN files issued by Prime during the audit period, and assess compliance with the requirement to meet the setting of event dates requirement. The switch breach history report was reviewed.

Audit commentary

PRME

All AN proposed event dates matched the gaining trader's proposed event date, and all proposed event dates were compliant. Switches were completed as required by this clause.

PRMH

No ICPs switched out during the audit period, and no breaches were recorded on the switch breach history report.

Audit outcome

Compliant

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

Code reference

Clause 11 Schedule 11.3

Code related audit information

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

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

Audit observation

The event detail reports were reviewed to identify CS files issued by Prime during the audit period. The accuracy of the content of CS files was confirmed by checking:

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

Audit commentary

CS files are created manually using the registry user interface based on information held in Orion. CS average daily consumption is manually calculated as the difference between the last two actual reads.

PRME

I checked all six switch move CS files issued during the audit period and found all CS file content was correct.

The previous audit found that the switch event readings recorded in Orion for ICP 0000520320WP068 (switched out effective 20 July 2020) did not match the reads in the CS file. I confirmed that the reads and read types are now correctly recorded in Orion.

PRMH

No switch move losses were identified on the event detail report.

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 four 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 two 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 five business days after receiving final information from the registry manager, may provide the losing trader with a switch event meter reading from that meter. The losing trader must use that switch event meter reading (clause 12(2B)).*

Audit observation

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

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

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

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

Audit commentary

RR and AC files are created manually using the registry user interface, and AC files due are identified and monitored using the switch breach history report.

When a high or low read is identified through the read validation process for a new switch in, the ICP is investigated to determine whether a read change is required. Prime will issue an RR file once they have received two actual readings if the difference is:

- more than ± 200 kWh,
- is negative and the actual reads are not expected to catch up within the month, or
- Prime has AMI readings which prove that the read is incorrect.

If there is a small negative difference, Prime waits for the AMI readings to "catch up" and exceed the switch read and estimates zero consumption.

When an AC file is issued or received accepting an RR, the original switch event reading is made a misread and the new agreed switch reading is entered into Orion.

PRME

PRME issued six RR files for switch moves, all were accepted and there was a genuine reason for PRME's RR, the file content was accurate, and the reads recorded in Orion reflected the outcome of the RR process. All were supported by two actual reads, or a reading requested by the other trader.

Prime did not issue any AC files for switch moves.

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

The switch breach report recorded did not record any late RR or AC files for switch moves.

PRMH

I checked all four incoming CS files for switch moves and found they had CSPREMISES rows only, and no reads were recorded. No RR or AC files were issued or received.

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 anon-AMI half hour metering installation.*

If the uninvited direct sale agreement applies to an arrangement described above, the gaining trader must identify the period within which the customer or embedded generator may cancel the arrangement

in accordance with section 36M of the Fair Trading Act 1986. The arrangement is deemed to come into effect on the day after the expiry of that period.

A gaining trader must advise the registry manager of the switch and expected event date no later than three business days after the arrangement comes into effect.

14(2) The gaining trader must include in its advice to the registry manager:

a) a proposed event date; and
b) that the switch type is HH.

14(3) The proposed event date must be a date that is after the date on which the gaining trader advises the registry manager, unless clause 14(4) applies.

14(4) The proposed event date is a date before the date on which the gaining trader advised the registry manager, if:

> *14(4)(a) – the proposed event date is in the same month as the date on which the gaining trader advised the registry manager; or*
>
> *14(4)(b) – the proposed event date is no more than 90 days before the date on which the gaining trader advises the registry manager, and this date is agreed between the losing and gaining traders.*

Audit observation

The switch gain process was examined to determine when Prime deem all conditions to be met.

All HH NTs on the event detail reports were matched to the metering information to confirm whether the correct switch type was selected and checked to determine whether they were issued on time.

Audit commentary

NT files are created manually using the registry user interface.

PRME

PRME did not initiate any HH switches during the period reviewed, and only supplies NHH ICPs.

PRMH

PRMH requested 11 HH switches for ICPs which were subject to an arrangement with another trader from 1 July 2021. The files were compliant and there were no changes to customer arrangements.

Audit outcome

Compliant

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

Code reference

Clause 15 Schedule 11.3

Code related audit information

Within 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

The event detail reports were reviewed to identify AN files issued by Prime during the audit period. The switch breach history reports were examined for the audit period.

Audit commentary

HH AN files will be manually created on the registry, and the switch breach history report is monitored to identify AN files which are due.

PRME

PRME did not issue any HH ANs during the period reviewed, and only supplies NHH ICPs.

PRMH

No HH ANs were issued during the audit period, and no breaches were recorded on the switch breach history report.

Audit outcome

Compliant

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

Code reference

Clause 16 Schedule 11.3

Code related audit information

The gaining trader must complete the switch no later than 3 business days, after receiving the valid switch response code, by advising the registry manager of the event date.

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

> *16(a)- give the losing trader or MEP for the ICP an opportunity to interrogate the metering installation immediately before the ICP is electrically disconnected or the metering equipment is removed; or*
>
> *16(b)- carry out an interrogation and, no later than 5 business days after the metering installation is electrically disconnected or removed, advise the losing trader of the results and metering component numbers for each data channel in the metering installation.*

Audit observation

The HH switching process was examined. The switch breach history report for the audit period was reviewed to identify late CS files.

Audit commentary

HH CS files will be manually created on the registry, and the switch breach history report is monitored to identify CS files which are due.

PRME

PRME did not initiate any HH switches during the period reviewed, and only supplies NHH ICPs.

PRMH

The content of the HH CS files issued by PRMH was as expected. No breaches were recorded on the switch breach history report.

Audit outcome

Compliant

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

Code reference

Clauses 17 and 18 Schedule 11.3

Code related audit information

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

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

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

Audit observation

The event detail reports were reviewed to:

- identify all switch withdrawal requests issued by Prime, and check a sample of NWs, and
- identify all switch withdrawal acknowledgements issued by Prime and check a sample of AWs.

The switch breach history reports were checked for any late switch withdrawal requests or acknowledgements.

Audit commentary

NW and AW files are created manually using the registry user interface, and AW files due are monitored using the switch breach history report.

PRME

One (8.3%) of the 12 NWs issued by PRME was rejected and was later accepted on reissue with the same code. I checked a diverse sample of ten NWs including at least two for each advisory code and found all were validly issued based on information available at the time of issue. All the ANs checked applied the correct advisory code apart from 0003727035WFB63 NW-1053363, which had the DF (date failed) code applied because the incorrect date had been requested. The Registry Functional

Specification requires that the DF code is only used where the requested transfer date is greater than ten business days in the future:

DF	Date failed	Active	RTD (requested transfer date) greater than 10 business days in the future.

Two (12.5%) of the 16 AWs issued by PRME were rejections. I reviewed both rejections, and confirmed they were rejected based on the information available at the time the response was issued.

The switch breach report recorded one late NW which was delayed by investigation to confirm that the NW was required, and no late AW files.

PRMH

PRMH issued one NW, which was accepted by the other trader and contained the correct advisory code. No AWs were issued by PRMH.

The switch breach history report did not record any NW or AW breaches.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 4.15 With: Clauses 17 and 18 Schedule 11.3 From: 09-Nov-21 To: 12-May-22	**PRME** 0003727035WFB63 NW-1053363 had the DF (date failed) code applied where the requested transfer date was not greater than ten business days in the future. One late switch withdrawal. Potential impact: None Actual impact: None Audit history: Twice Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	PRME has robust controls in place for withdrawals. The impact is low because one NW advisory code was found to be incorrect, and one NW was late. Only one NW was issued with the DF code.

Actions taken to resolve the issue	Completion date	Remedial action status
There isn't any correct response code for incorrect date. No matter what code we had used, it would be a technical non-compliance.		Investigating
Preventative actions taken to ensure no further issues will occur	**Completion date**	
DF should be used for incorrect date & not to measure how many switches had transfer date greater than ten business days. The NW response code should provide the actual reason		

for the withdrawal, not just the number of days. There is no correct code for incorrect date. Reasons why we couldn't use other codes: CX: customer is not requesting to cancel the switch CE: customer didn't make the error WP: its not wrong property MI: no metering issues UA: its not an unauthorised switch So doesn't matter which code we use for incorrect date, it would have been a non-compliance.		

4.16. Metering information (Clause 21 Schedule 11.3)

Code reference

Clause 21 Schedule 11.3

Code related audit information

For an interrogation or validated meter reading or permanent estimate carried out in accordance with Schedule 11.3:

> *21(a)- the trader who carries out the interrogation, switch event meter reading must ensure that the interrogation is as accurate as possible, or that the switch event meter reading is fair and reasonable.*
>
> *21(b) and (c) - the cost of every interrogation or switch event meter reading carried out in accordance with clauses 5(b) or 11(b) or (c) must be met by the losing trader. The costs in every other case must be met by the gaining trader.*

Audit observation

The meter reading process in relation to meter reads for switching purposes was examined.

Audit commentary

Prime's policy regarding the management of meter reading expenses is compliant.

PRME

The meter readings used in the switching process are validated meter readings or permanent estimates. No incorrect switch event readings were identified.

The previous audit found that the switch event readings recorded in Orion for ICP 0000520320WP068 (switched out effective 20 July 2020) did not match the reads in the CS file. I confirmed that the reads and read types are now correctly recorded in Orion.

PRMH

No PRMH ICPs switched out during the audit period, and no RR files were issued or received.

Audit outcome

Compliant

4.17. Switch saving protection (Clause 11.15AA to 11.15AC)

Code reference

Clause 11.15AA to 11.15AC

Code related audit information

A losing retailer (including any party acting on behalf of the retailer) must not initiate contact to save or win back any customer who is switching away or has switched away for 180 days from the date of the switch.

The losing retailer may contact the customer for certain administrative reasons and may make a counteroffer only if the customer initiated contacted with the losing retailer and invited the losing retailer to make a counteroffer.

The losing retailer must not use the customer contact details to enable any other retailer (other than the gaining retailer) to contact the customer.

Audit observation

Win-back processes were discussed. The event detail report was analysed to identify all withdrawn switches with a CX code applied within 180 days of switch completion where Prime was the losing trader. All were checked to determine compliance.

Audit commentary

Prime continues to contact customers in the process of switching out only to confirm that they have initiated a switch, and to advise of break fees (if any).

PRME

The event detail report identified three NWs with the CX (customer cancellation) withdrawal reason code, which were issued before switch completion where PRME was the losing trader. The withdrawals were valid, and no enticements were offered.

PRMH

No CX withdrawals were issued during the audit period.

Audit outcome

Compliant

5. MAINTENANCE OF UNMETERED LOAD

5.1. Maintaining shared unmetered load (Clause 11.14)

Code reference

Clause 11.14

Code related audit information

The trader must adhere to the process for maintaining shared unmetered load as outlined in clause 11.14:

> *11.14(2) - The distributor must give written notice to the traders responsible for the ICPs across which the unmetered load is shared, of the ICP identifiers of the ICPs.*
>
> *11.14(3) - A trader who receives such a notification from a distributor must give written notice to the distributor if it wishes to add or omit any ICP from the ICPs across which unmetered load is to be shared.*
>
> *11.14(4) - A distributor who receives such a notification of changes from the trader under (3) must give written notice to the registry manager and each trader responsible for any of the ICPs across which the unmetered load is shared.*
>
> *11.14(5) - If a distributor becomes aware of any change to the capacity of a shared unmetered load ICP or if a shared unmetered load ICP is decommissioned, it must give written notice to all traders affected by that change as soon as practicable after that change or decommissioning.*
>
> *11.14(6) - Each trader who receives such a notification must, as soon as practicable after receiving the notification, adjust the unmetered load information for each ICP in the list for which it is responsible to ensure that the entire shared unmetered load is shared equally across each ICP.*
>
> *11.14(7) - A trader must take responsibility for shared unmetered load assigned to an ICP for which the trader becomes responsible as a result of a switch in accordance with Part 11.*
>
> *11.14(8) - A trader must not relinquish responsibility for shared unmetered load assigned to an ICP if there would then be no ICPs left across which that load could be shared.*
>
> *11.14(9) - A trader can change the status of an ICP across which the unmetered load is shared to inactive status, as referred to in clause 19 of Schedule 11.1. In that case, the trader is not required to give written notice to the distributor of the change. The amount of electricity attributable to that ICP becomes UFE.*

Audit observation

The processes to identify and monitor shared unmetered load were discussed. The registry list and AC020 report were reviewed to identify any ICPs with shared unmetered load.

Audit commentary

Prime does not supply any ICPs with shared unmetered load and does not intend to.

Processes to prevent ICPs with shared unmetered load from switching in, and to monitor existing ICPs for addition of unmetered load are discussed in **section 3.7**.

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

The processes to manage ICPs over the unmetered thresholds were discussed. The registry list and AC020 were reviewed to identify all ICPs with unmetered load over 3,000 kWh per annum and assess compliance.

Audit commentary

PRME

Of the 12 active ICPs with unmetered load recorded:

- eight ICPs have unmetered load under 3,000 kWh per annum,
- one ICP has unmetered load between 3,000 and 6,000 kWh per annum, which is predictable and of a type approved and published by the Authority, and
- three have DUML databases and are discussed in **section 5.4**.

PRMH

All ICPs supplied by PRMH are metered with no unmetered load connected. No new connections or switch ins are expected.

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:*
    - *the date the limit was calculated or estimated to have been exceeded,*
    - *the details of the corrective measures that the retailer proposes to take or is taking to reduce the unmetered load.*

Audit observation

The processes to manage ICPs over the unmetered thresholds were discussed. The registry lists and AC020 reports were reviewed to identify all ICPs with unmetered load over 6,000 kWh per annum and assess compliance.

Audit commentary

PRME

The three ICPs with unmetered kWh over 6000 kWh per annum have DUML databases and are discussed in **section 5.4**.

PRMH

All ICPs supplied by PRMH are metered with no unmetered load connected. No new connections or switch ins are expected.

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

Prime supplies three ICPs with distributed unmetered load, recorded in two databases. Both databases were audited by Veritek during the audit period.

No DUML is supplied by PRMH.

Audit commentary

PRME

The Electricity Authority issued a memo on 18 June 2019 confirming that the code requirement to calculate the correct monthly load must:

- take into account when each item of load was physically installed or removed, and
- wash up volumes must take into account where historical corrections have been made to the DUML load and volumes.

There is very little change that occurs with these DUML databases. I confirmed that when changes do occur the change in load is calculated from the date of the change.

The DUML audit results are set out in the table below.

			Compliance Achieved (Yes/No)								
Database	Next audit due date	DUML Audit completed 16A.26 and 17.295F	Deriving submission information 11(1) of schedule 15.3	ICP identifier 11(2)(a) of schedule 15.3	Location of items of load 11(2)(b) of schedule 15.3	Description of load 11(2)(c)&(d) of schedule 15.3	All load recorded in database 11(2A) of schedule 15.3	Tracking of load changes 11(3) of schedule 15.3	Audit trail 11(4) of schedule 15.3	Database accuracy 15.2 and 15.37B(b)	Volume information accuracy 15.2 and 15.37B(c)
DUML - AIAL AKLBBD	1 June 2022	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes
DUML - CKHK WLGBBD	1 June 2023	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 5.4 With: Clause 11 of schedule 15.3 From: 01-Jun-21 To: 30-Jun-22	**PRME AKLBBD database** One additional item of load identified in the field, resulting in a potential under submission of 1,357.8 kWh per annum. The database audit trails do not specify the user who made the change. The audit report was submitted late. **PRME CKHK WLGBBD database** A very minor estimated variance of 862 kWh over submission per annum between the kWh submitted and those calculated from the database. The database is outside the allowable +/-5% accuracy threshold resulting in an estimated over submission of 1,951 kWh per annum. The database audit trails do not specify the user who made the change. Potential impact: Medium Actual impact: Low Audit history: None Controls: Weak Breach risk rating: 3
Audit risk rating	**Rationale for audit risk rating**
Low	The controls are rated as weak as the change management process requires review. The impact is assessed to be low, based on the kWh values.

Actions taken to resolve the issue	Completion date	Remedial action status
The database has been updated to include the additional sign & the Registry was updated accordingly. Customer has confirmed the new sign was added this year as part of the airport revamp project, so the impact is even lower than stated above. Audit trail of the person making the change & it has been noted in the DUML audit as well.	08/2022	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
The audit has been submitted & we did request extra time from EA due to covid. We promised the DUML audit would be submitted with this audit & it has been submitted. The DUML has a full explanation about our plans to ensure we capture the changes quickly.	ongoing	

6. GATHERING RAW METER DATA

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

Code reference

Clause 10.13, Clause 10.24 and Clause 15.13

Code related audit information

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

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

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

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

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

Audit observation

Processes for metering, submission, and distributed generation were reviewed. The registry lists and AC020 reports were examined to determine compliance.

Audit commentary

PRME

Metering installations installed

Two ICPs were "active" with a blank MEP, no meter channels and no unmetered load recorded. ICP 0000010745TECA1 had metering details populated after the AC020 report was run. ICP 0000011073TE474 has a low load certification because the site is still under construction, and metering details have not been populated on the registry. PRME will raise a job for the MEP to visit to complete full certification once construction is complete.

PRME's new connection process includes a check that metering is installed before electrical connection occurs, and that any unmetered load is quantified. No ICPs have submission information determined by subtraction.

Distributed generation

PRME accepts installations with distributed generation present on a case-by-case basis.

PRME supplies 11 ICPs with distributed generation recorded by the distributor. All had EG registers installed, and the profiles are consistent with the generation type installed apart from 0002279031MLE9F. ICP 0002279031MLE9F switched in on 1 September 2021 with RPS profile, but had generation recorded by the distributor and I flow metering. A backdated correction to RPS PV1 from the switch in date was processed on the registry in July 2022 after the exception was identified through the registry validation process and investigated to confirm the presence of generation. The ICP has had volumes recorded on the I flow register since switching in, and I confirmed that consumption is being submitted using the correct profile through the revision process. Compliance is recorded in this section

because the exception was identified and resolved through PRME's validation processes prior to the audit, non-compliance is recorded in **section 2.1** because the issue was not resolved as soon as practicable.

All ICPs with generation profiles recorded by PRME also have generation details recorded by the distributor.

I have recommended in **section 2.1** that the registry AC020 trader compliance report is reviewed to identify discrepancies for resolution which may not be identified through PRME's other validation processes.

Bridged meters

PRME typically does not allow meters to be bridged, and no bridged meters were identified during the audit period. Bridged meters will be identified through the NHH read validation processes, or on receipt of reconnection paperwork. Upon identification of bridging a field services job will be raised for the MEP to un-bridge the meter, and a correction will be processed to capture consumption during the bridged period.

PRMH

All ICPs supplied by PRMH are metered with no unmetered load or distributed generation connected. No ICPs have submission information determined by subtraction.

No connections or reconnections occurred during the audit period, and no bridged meters were identified.

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.

Audit commentary

Review of the NSP table confirmed that Prime is 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

The AC020 reports and registry lists were reviewed to confirm the profiles used.

Audit commentary

PRME

PRME has only used the RPS and PV1 profiles, and control devices are not used for reconciliation purposes.

PRMH

PRMH has only used the HHR profile, and control devices are not used for reconciliation purposes.

Audit outcome

Compliant

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

Code reference

Clause 10.43(2) and (3)

Code related audit information

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

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

Audit observation

Processes relating to defective metering were examined.

Audit commentary

PRME

Defective meters are typically identified through the meter reading validation process, or from information provided by the MEP or customer. When a potentially defective meter is identified, Prime

checks with the customer to determine whether the consumption is valid. If the consumption is not valid, the meter is checked and replaced if necessary. A correction is processed for the faulty period by removing the meter on an estimated reading capturing any missed consumption based on the history before the fault or after the meter is replaced. Any reads during the defective period are made misreads, which are ignored by the reconciliation process.

No genuinely defective meters were identified during the audit period.

PRMH

AMS and EDMI support PRMH's compliance by advising them of any potential meter issues identified during data validation. PRMH will approve site visits where potential meter defects are identified.

AMS confirmed that no defective HHR meters were identified during the audit period.

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 is does not exceed the maximum interrogation cycle in the registry.

2(4) - The reconciliation participant must interrogate the meter at least once every maximum interrogation cycle.

2(5) - When electronically interrogating the meter the participant must:

- *a) ensure the system is to within +/- 5 seconds of NZST or NZDST,*
- *b) compare the meter time to the system time,*
- *c) determine the time error of the metering installation,*
- *d) if the error is less than the maximum permitted error, correct the meter's clock,*
- *e) if the time error is greater than the maximum permitted error then:*
  - *i) correct the metering installation's clock,*
  - *ii) compare the metering installation's time with the system time,*
  - *iii) correct any affected raw meter data.*
- *f) download the event log.*

2(6) – The interrogation systems must record:

- *the time*
- *the date*
- *the extent of any change made to the meter clock.*

Audit observation

The data collection and clock synchronisation processes were examined.

- For PRME, MEPs collect AMI data and manual readings are provided by Wells as an agent.
- For PRMH, HHR readings are provided by AMS and EDMI as agents.

Collection of data and clock synchronisation were reviewed as part of their MEP and agent audits.

Audit commentary

All information used to determine volume information is collected from the services interface or the metering installation by Prime, their agents, or the MEP.

PRME

Compliance is recorded in the MEP and agent audit reports. Prime has not received notification of any clock synchronisation events outside the maximum permissible errors during the audit period.

PRMH

EDMI collects the meter data for ICP 0179566571LC66A (which has a category 3 FCLM meter) and provides it along with any meter events and clock synchronisation issues to AMS. Compliance is recorded in the EDMI agent audit report.

AMS collects the meter data for the other PRMH ICPs. Compliance is recorded in the AMS agent audit report.

AMS confirmed that there have been no clock synchronisation events outside the maximum permissible errors during the audit period.

Audit outcome

Compliant

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

Code reference

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

Code related audit information

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

All validated meter readings must be derived from meter readings.

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

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

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

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

Audit observation

The data collection process was examined.

Processes to provide meter condition information were reviewed as part of Wells' agent audit. Prime's processes to manage meter condition information were reviewed.

Processes for customer and photo reads were reviewed.

Audit commentary

PRME

Wells readings

Compliance is recorded in Wells' audit report. During manual interrogation, the meter register value is collected and entered into a hand-held device. This reading enters Orion and is labelled as a reading, which denotes that it is a meter reading collected and validated by a meter reader.

Wells monitors meter condition, as required by schedule 15.2 and provides information on meter condition along with the daily reads, and monthly summary report containing missing seal and broken seal events. The notes files mostly contain unread ICPs. I reviewed the notes for 70 ICPs and found all related to access issues or the readers being unable to attend the site to obtain a reading, and the process to review these is discussed in **section 6.8**.

I checked a sample of readings for nine ICPs provided by Wells and confirmed that they are loaded into Orion as actual readings and are validated.

Customer and customer photo readings

Customer supplied readings and photo readings are treated as customer readings. These customer readings are not treated as validated readings by the historic estimate or switching processes. I reviewed five examples of customer supplied readings and confirmed that all were correctly classified as customer readings.

In the rare event that customer readings are obtained by Wells, a no read is recorded, and the customer reading is inserted in the notes. No examples were identified during the audit period.

Staff photo readings

Where Wells cannot access a meter, Prime staff may take a photo reading instead. As part of their reading process, they check the condition of the meter and take a clear photograph. These readings are entered into Orion from the photos and are correctly recorded as actual.

PRMH

All ICPs have a metering category of 3 or higher and no NHH ICPs are supplied.

Audit outcome

Compliant

6.7. NHH meter reading application (Clause 6 Schedule 15.2)

Code reference

Clause 6 Schedule 15.2

Code related audit information

For NHH switch event meter reads, for the gaining trader the reading applies from 0000 hours on the day of the relevant event date and for the losing trader at 2400 hours at the end of the day before the relevant event date.

In all other cases, All NHH readings apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation.

Audit observation

The process of the application of meter readings was examined.

Audit commentary

NHH readings apply from 0000hrs on the day after the last meter interrogation up to and including 2400hrs on the day of the meter interrogation except in the case of a switch event meter reading which applies to the end of the day prior to the event date for the losing trader and the start of the event date for the gaining trader as required by this clause.

All AMI systems have a clock synchronisation function, which ensures correct time stamping. Manual readings taken by Wells are applied correctly.

Application of reads was reviewed as part of the historic estimate checks in **section 12.11** and found to be compliant. No upgrades or downgrades occurred during the audit period.

The content of CS and RR files was examined in **sections 4.3**, **4.4**, **4.10** and **4.11** and I confirmed that the readings were applied correctly.

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

The process to manage missed reads was reviewed. Reporting on ICPs not read during the period of supply was examined.

Audit commentary

PRME

A validated meter reading must be obtained in respect of every meter register for every NHH metered ICP for which the participant is responsible, at least once during the period of supply to the ICP by the reconciliation participant, unless exceptional circumstances prevent this from occurring. This may be a validated meter reading at the time the ICP is switched to, or from, the reconciliation participant.

The NHH meter reading frequency guidelines published by the Electricity Authority define “Exceptional circumstances” as meaning “circumstances in which access to the relevant meter is not achieved despite the reconciliation participant's best endeavours”. “Best endeavours” is defined as:

"Where a reconciliation participant failed to interrogate an ICP as a result of access issues, the reconciliation participant had made a minimum of three attempts to contact the customer, by using at least two methods of communication".

The process for missed reads was examined. Unread meters have no meter reading loaded in Orion, and an end of month system estimate is inserted.

Missing reads are identified as part of the meter read frequency reporting process, Wells no read reporting, and meter event reporting.

- PRME reviews the meter read frequency report each month and acts to obtain readings for unread ICPs. They focus on the ICPs with the longest unread period first, working backwards to the shortest period.
- AMI meter communication issues are also identified through the meter event reporting and communication from the MEPs. Daily AMI readings are loaded instead of month end readings only, which has improved read attainment for ICPs with intermittent communication issues. ICPs are moved to Wells reading routes if the MEP cannot resolve communications issues quickly. If communication is restored, AMI readings will also be imported as soon as they are received.
- Wells provides no read reporting. These reports are reviewed monthly and actioned on a case-by-case basis.

I found that all meters were read at least once during the period of supply where the period of supply ended during the audit period.

PRMH

All ICPs have a metering category of 3 or higher and no NHH ICPs are supplied.

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

The meter reading process was examined. Monthly reports for December 2021 to March 2022 were provided and reviewed to determine whether they met the requirements of clauses 8 and 9 of schedule 15.2.

Unread ICPs on the NSPs where less than 100% read attainment was achieved for March 2022 were reviewed to determine whether exceptional circumstances existed.

Audit commentary

PRME

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 12 months	NSPs <100% read	ICPs unread for 12 months	Overall percentage read
Dec-21	111	12	18	98.33%
Jan-22	111	13	22	97.97%
Feb-22	112	14	23	97.91%
Mar-22	113	14	34	99.90%

As discussed in **section 6.8**, there are processes in place to monitor read attainment, and attempt to resolve issues preventing read attainment.

The 34 ICPs unread in the 12 months ending March 2022 were reviewed:

- 20 were vacant ICPs, and there was no customer for PRME to make contact with,
- six ICPs had the best endeavours requirements met, and
- eight ICPs invalidly appeared on the meter reading frequency report and either:
  - switched out before the end of the 12-month period,
  - had settlement indicator N for the unread meter, or
  - had a special read during the 12-month period which was not recognised as an actual reading by the report.

Each meter reading frequency reports was accompanied by a list of the individual ICPs which made up the count of ICPs unread in the previous 12 months. Some ICPs were invalidly included in the list of ICPs unread in the previous 12 months including:

Exception type	ICPs (months invalidly included in 12-month unread count)
Switched ICPs	0000047019NTB67 switched out 7 December 2019 (Dec 2021 - Mar 2022). 0007115378RN63A switched out 15 January 2020 (Dec 2021 - Mar 2022). 0171669193LC056 switched out 12 February 2021 (Feb 2022 - Mar 2022).
Decommissioned ICPs	0106596039LC705 was decommissioned 12 April 2021 (Mar 2022).
Unread unsettled meters	0001911530PCE98 switched in on 11 December 2020 and has unread unsettled meter registers which should not have been included (Jan 22 – Mar 22).
Special read ignored	0322034059LCB5C had a contractor read entered as a special read on 4 March 2022 which was ignored (Mar 2022).

During the review of four month read attainment for March 2022 in **section 6.9**, I found more ICPs which were invalidly included in the four-month unread counts:

Exception type	ICPs
Switched ICPs	ICP 0171669193LC056 switched out 12 February 2021.

Exception type	ICPs
PRMH ICP with no responsibility end date	ICP 1002074271LCAE9 had HHR settlement with PRMH since 1 July 2021 and had no responsibility end date populated.

Agility provided Orion's NHH Meter Frequency report logic and I found some potential issues which I recommend are investigated.

1. The report determines which ICPs to include based on the "date connected" and "responsibility end date". There is no field labelled "date connected" in the front end, and "responsibility end date" is stored at customer account-ICP level and is populated when ICPs move between customers as well as when a customer account closes for switching or decommissioning. The logic states that any ICPs with "responsibility end date" before the end of the 12-month period, or a "date connected" after the end of the 12-month period will be excluded. I have confirmed that the switched ICPs listed in the table above did have responsibility end dates populated, so it appears that the report logic is not operating as documented.
   Also, because responsibility end dates may be populated if an ICP changes between customers and I have been unable to confirm whether "date connected" is stored at customer account-ICP level or ICP level, it is possible that ICPs moving between accounts could be invalidly excluded from the counts.
2. PRMH ICP 1002074271LCAE9 was invalidly included in the unread count for March 2022. The ICP may be appearing because no responsibility end date was populated, but any PRMH ICP should be excluded from the PRME report.
3. When establishing the date that the ICP's meter has been continuously active from and last actual read date, the report considers closing readings, which is unexpected. If an ICP moves between customers on an actual reading, there should be an actual opening reading on the new customer account making it unnecessary to use closing readings.
4. The report logic states that only active meters are included, but the decommissioned and switched ICPs listed above have closed meters.
5. The report logic states that readings with subtype "BPSPECIAL" are included as actual readings, but I found that a special reading for 0322034059LCB5C was not recognised by the report.
6. Reads with a subtype of "CUSTOMER" are counted as actual readings by the report but are expected to be ignored.

Recommendation	Description	Audited party comment	Remedial action
PRME Meter reading frequency reporting accuracy.	Review the accuracy of the meter reading frequency reports against the Non half hour meter read frequency guidelines and make corrections as necessary.	We are already reviewing the logic behind the FMR report. There must be a missing link somewhere in the report that it's not looking at the correct field, may be because the field was added later on.	Investigating

I reviewed meter reading reports for December 2021 to March 2022 and confirmed that they met the meter reading frequency report format requirements and were submitted on time.

PRMH

All ICPs have a metering category of 3 or higher and no NHH ICPs are supplied.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.9 With: Clause 8(1) Schedule 15.2 From: 01-Apr-21 To: 31-Mar-22	**PRME** The meter reading frequency reports provided to the Authority contained some inaccurate information. Potential impact: Low Actual impact: None Audit history: None Controls: Moderate Breach risk rating: 2
Audit risk rating	**Rationale for audit risk rating**
Low	The controls are rated as moderate as a small number of exceptions were identified. The report is relied on to determine compliance with the meter reading requirements, and the impact is assessed to be low.

Actions taken to resolve the issue	Completion date	Remedial action status
We cannot change the report that's submitted already. However, we are looking into the cause & trying to resolve this.		Investigating
Preventative actions taken to ensure no further issues will occur	**Completion date**	
Its very likely that the report is not referring to the correct date field, may be because the RESP end date field was added later on. In the meantime, we will try to manually validate the data before submitting the report to EA.	09/2022	

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

Code reference

Clause 9(1) and (2) Schedule 15.2

Code related audit information

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

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

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

Audit observation

The meter reading process was examined. Monthly reports for December 2021 to March 2022 were reviewed.

Unread ICPs on the NSPs where less than 90% read attainment was achieved for March 2022 were reviewed to determine whether exceptional circumstances existed.

Audit commentary

PRME

The monthly meter reading reports provided were reviewed.

Month	Total NSPs where ICPs were supplied > 4 months	NSPs <90% read	Total ICPs unread for 4 months	Overall percentage read
Dec-21	120	15	69	94.64%
Jan-22	127	14	65	95.16%
Feb-22	127	13	61	95.41%
Mar-22	127	12	61	95.36%

As discussed in **section 6.8**, there are processes in place to monitor read attainment, and attempt to resolve issues preventing read attainment.

28 unread ICPs on the NSPs where less than 90% read attainment was achieved for March 2022 were reviewed:

- 24 ICPs had the best endeavours requirements met or exceptional circumstances existed, and for most of these PRME had worked with the MEP to resolve communications faults and/or replace the meters,
- ICP 0001449071UNFCD underwent a backdated decommission after the report was run and is compliant,
- evidence that the best endeavours requirements were met was not provided for ICP 0000039029NTEE6, and
- two ICPs invalidly appeared on the meter reading frequency report; ICP 1002074271LCAE9 had HHR settlement with PRMH since 1 July 2021 and had no responsibility end date populated, and ICP 0171669193LC056 switched out 12 February 2021 - non-compliance is recorded in **section 6.9** for incorrect report content, along with a recommendation for improvement.

PRMH

All ICPs have a metering category of 3 or higher and no NHH ICPs are supplied.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 6.10 With: Clause 9(1) and (2) Schedule 15.2 From: 01-Dec-21 To: 31-Mar-22	**PRME** Evidence that the best endeavours requirements were met was not provided for ICP 0000039029NTEE6. Potential impact: Low Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1

Audit risk rating	Rationale for audit risk rating
Low	The controls are rated as strong because good processes are in place and only one exception was identified. The impact is low because the access issues were resolved by June 2022 and readings are being received.

Actions taken to resolve the issue	Completion date	Remedial action status
0000039029NTEE6 Actual Read was obtained in Dec 21 & then regular actuals since Jun 22	06/2022	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We always call, email, carry out site visits to resolve AXS issues & obtain actual reads. But it has been tough during covid especially when Wells decided not to read any meters located inside buildings. This site being a residential care facility was high risk and the meter reader wasn't allowed access. This was a temporary access issue. MR notes: Access Blocked - covid red	06/2022	

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

PRME NHH data is collected by MEPs and Wells. The data interrogation log requirements were reviewed as part of their agent and MEP audits.

All PRMH ICPs have a metering category of 3 or higher and no NHH ICPs are supplied.

Audit commentary

Compliance with this clause has been demonstrated by PRME's agents and MEPs as part of their own audits.

Audit outcome

Compliant

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

Code reference

Clause 11(1) Schedule 15.2

Code related audit information

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

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

Audit observation

This is covered in AMS and EDMI's audit reports for PRMH. All PRME ICPs have metering category 1 or 2 and no HHR data is collected.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

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

This is covered in AMS and EDMI's audit reports for PRMH. All PRME ICPs have metering category 1 or 2 and no HHR data is collected.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

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

This is covered in AMS and EDMI's audit reports for PRMH. All PRME ICPs have metering category 1 or 2 and no HHR data is collected.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

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 ±0.1% (±2 seconds).

Audit observation

This is covered in AMS and EDMI's audit reports for PRMH. PRME only submits NHH data.

Audit commentary

Compliance is recorded in the agent audit reports for the affected ICPs.

Audit outcome

Compliant

7.2. Archiving and storage of raw meter data (Clause 18 Schedule 15.2)

Code reference

Clause 18 Schedule 15.2

Code related audit information

A reconciliation participant who is responsible for interrogating a metering installation must archive all raw meter data and any changes to the raw meter data for at least 48 months, in accordance with clause 8(6) of Schedule 10.6.

Procedures must be in place to ensure that raw meter data cannot be accessed by unauthorised personnel.

Meter readings cannot be modified without an audit trail being created.

Audit observation

Processes to archive and store raw meter data were reviewed. The oldest raw meter data available was viewed, to confirm it is retained. Audit trails were reviewed in **section 2.4**.

Audit commentary

Compliance is recorded in the agent audit reports.

Data is retained for more than 48 months. I viewed raw meter reading information from 2017 on Prime's network.

Review of audit trails in **section 2.4** confirmed that reads cannot be modified without an audit trail being created. Access to modify readings is restricted through log on privileges.

Audit outcome

Compliant

7.3. Non metering information collected / archived (Clause 21(5) Schedule 15.2)

Code reference

Clause 21(5) Schedule 15.2

Code related audit information

All relevant non-metering information, such as external control equipment operation logs, used in the determination of profile data must be collected, and archived in accordance with clause 18.

Audit observation

Processes to record non-metering information were discussed.

Audit commentary

PRME

External control equipment logs are not used by PRME.

PRME records non-metering information associated with its DUML databases, and unmetered ICPs. I confirmed that unmetered load information from 2015 was available.

PRMH

PRMH does not record any non-metering information.

Audit outcome

Compliant

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

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

Code reference

Clause 19(1) Schedule 15.2

Code related audit information

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

> *19(1)(a) - confirm the original meter reading by carrying out another meter reading,*
>
> *19(1)(b) - replace the original meter reading the second meter reading (even if the second meter reading is at a different date)*
>
> *19(1A) if a reconciliation participant detects errors while validating non half hour meter readings, but the reconciliation participant cannot confirm the original meter reading or replace it with a meter reading from another interrogation, the reconciliation participant must:*
>
> - *substitute the original meter reading with an estimated reading that is marked as an estimate; and*
> - *subsequently replace the estimated reading in accordance with clause 4(2).*

Audit observation

Processes for the correction of NHH meter readings for PRME were reviewed. Corrections to volumes where meter readings match the value recorded by the meter, such as where a multiplier is incorrect, a meter is defective or bridged, or inactive consumption is identified were reviewed in **section 2.1**.

PRMH only submits HHR data.

Audit commentary

Where errors are detected during read validation a check reading will be performed for manually read meters, or AMI readings for surrounding days will be checked. If an original meter reading cannot be validated it will be made a misread, and an appropriately labelled estimated reading will be added. Misreads are excluded from billing and historic estimate processes in Orion.

If a meter reading is found to be transposed, the meter reader is informed, and a correction is processed to move the readings to the correct meter register. No examples of transposed meter readings were identified during the audit period.

Audit outcome

Compliant

8.2. Correction of HHR metering information (Clause 19(2) Schedule 15.2)

Code reference

Clause 19(2) Schedule 15.2

Code related audit information

If a reconciliation participant detects errors while validating half hour meter readings, the reconciliation participant must correct the meter readings as follows:

19(2)(a) - if the relevant metering installation has a check meter or data storage device, substitute the original meter reading with data from the check meter or data storage device; or

19(2)(b) - if the relevant metering installation does not have a check meter or data storage device, substitute the original meter reading with data from another period provided:

(i) The total of all substituted intervals matches the total consumption recorded on a meter, if available; and

(ii) The reconciliation participant considers the pattern of consumption to be materially similar to the period in error.

Audit observation

HHR corrections for PRMH ICPs are conducted by AMS as an agent. PRME only submits NHH data.

Audit commentary

AMS processes HHR corrections for PRMH ICPs as Prime's agent. Where errors are detected during validation of half-hour metering information, and check metering data is not available, then data from a period with a quantity and profile similar to that expected is used. Compliance is recorded the AMS agent audit report, and AMS confirmed that no HHR corrections have been required during the audit period.

Audit outcome

Compliant

8.3. Error and loss compensation arrangements (Clause 19(3) Schedule 15.2)

Code reference

Clause 19(3) Schedule 15.2

Code related audit information

A reconciliation participant may use error compensation and loss compensation as part of the process of determining accurate data. Whichever methodology is used, the reconciliation participant must document the compensation process and comply with audit trail requirements set out in the Code.

Audit observation

The physical meter location point is not specifically mentioned in Prime's terms and conditions, but the existing practices in the electrical industry achieve compliance.

Audit commentary

PRME

Prime has only supplied ICPs with metering categories 1 and 2. No ICPs have required loss compensation.

PRMH

Compliance is recorded in the AMS agent audit report.

Audit outcome

Compliant

8.4. Correction of HHR and NHH raw meter data (Clause 19(4) and (5) Schedule 15.2)

Code reference

Clause 19(4) and (5) Schedule 15.2

Code related audit information

In correcting a meter reading in accordance with clause 19, the raw meter data must not be overwritten. If the raw meter data and the meter readings are the same, an automatic secure backup of the affected data must be made and archived by the processing or data correction application.

If data is corrected or altered, a journal must be generated and archived with the raw meter data file. The journal must contain the following:

19(5)(a)- the date of the correction or alteration

19(5)(b)- the time of the correction or alteration

19(5)(c)- the operator identifier for the person within the reconciliation participant who made the correction or alteration,

19(5)(d)- the half-hour metering data or the non-half hour metering data corrected or altered, and the total difference in volume of such corrected or altered data,

19(5)(e)- the technique used to arrive at the corrected data,

19(5)(f)- the reason for the correction or alteration.

Audit observation

Corrections are discussed in **section 8.1**, which confirmed that raw meter data is not overwritten as part of the correction process. Audit trails are discussed in **section 2.4**.

Raw meter data retention for MEPs and agents was reviewed as part of their own audits.

Audit commentary

Raw meter data is held by MEPs, and AMS, EDMI, and Wells as agents. Compliance was confirmed as part of their agent and MEP audits.

PRME

PRME only corrects working data and keeps an appropriate audit trail.

PRMH

Compliance is recorded in the AMS agent audit report.

Audit outcome

Compliant

9. ESTIMATING AND VALIDATING VOLUME INFORMATION

9.1. Identification of readings (Clause 3(3) Schedule 15.2)

Code reference

Clause 3(3) Schedule 15.2

Code related audit information

All estimated readings and permanent estimates must be clearly identified as an estimate at source and in any exchange of metering data or volume information between participants.

Audit observation

A sample of reads and volumes were traced from the source files to Prime's systems in **section 2.3**.

Provision of estimated reads to other participants during switching was reviewed in **sections 4.3**, **4.4**, **4.10** and **4.11**. Correct identification of estimated reads, and review of the estimation process was completed in **section 8.1**.

Audit commentary

PRME

All estimated readings and validated readings are clearly identified as required by this clause. Permanent estimates such as switch event readings and closing readings are marked as actuals, but reference information denotes the source of the read and read sub-type.

Customer provided readings and customer provided photo readings are recorded as customer readings in Orion. Customer readings are not treated as validated readings by the reconciliation process.

All reads checked during the audit were correctly classified.

PRMH

Compliance is recorded in the AMS agent audit report.

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

A sample of submission data was reviewed in **section 12**, to confirm that volume was based on readings as required.

Audit commentary

PRME

Review of submission data confirmed that it is based on readings as required by this clause.

PRMH

Compliance is recorded in the AMS agent audit report. Volumes will be derived from validated or estimated data.

Audit outcome

Compliant

9.3. Meter data used to derive volume information (Clause 3(5) Schedule 15.2)

Code reference

Clause 3(5) Schedule 15.2

Code related audit information

All meter data that is used to derive volume information must not be rounded or truncated from the stored data from the metering installation.

Audit observation

A sample of submission data was reviewed in **section 12**, to confirm that volume was based on readings as required.

Raw unrounded meter data retention for MEPs and agents was reviewed as part of their own audits.

Audit commentary

The MEP or agent retains raw, unrounded data. Compliance was demonstrated by Prime's MEPs and agent during their own audits.

PRME

A sample of 15 reads were traced from the source files to Orion in **section 2.3**.

Wells' readings are provided with zero decimal places and are not rounded on import into Orion. AMI readings continue to be rounded to zero decimal places on import into Orion. A new data scientist has been employed and is working to understand the impact and implications of any change to the decimal places stored in Orion before a system change is initiated.

PRMH

EDMI collects the meter data for ICP 0179566571LC66A (which has a category 3 FCLM meter) and provides it to AMS. Compliance is recorded in the EDMI agent audit report. The compensation factor is applied prior to meter data being provided to AMS, and the data is not rounded.

AMS will directly retrieve the unrounded metering data for the other PRMH ICPs. AMS prepares submission information for all PRMH ICPs based on the unrounded raw meter data, and data will be appropriately rounded at the point of submission.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 9.3 With: Clause 3(5) of schedule 15.2 From: 01-Dec-19 To: 28-Jul-22	**PRME** Raw AMI meter readings are rounded upon loading into Orion and not when volume information is created. Potential impact: Low Actual impact: Low Audit history: Once Controls: None Breach risk rating: 5
Audit risk rating	**Rationale for audit risk rating**
Low	There are no controls to prevent rounding of raw meter data, the system is designed to round as soon as the data arrives. There is very little impact because no metered consumption information is "missing", therefore the audit risk rating is low.

Actions taken to resolve the issue	Completion date	Remedial action status
The reads are rounded in Orion but since we don't do profiled/HHR submissions, this has a very low impact.		Investigating
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We have looked into the cost of increasing the decimals & with the increasing energy pricing at the moment, its not feasible. We are still exploring the possibilities of a new system all together.	12/2023 - 2024	

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

HHR estimates for PRMH ICPs are conducted by AMS as an agent. PRME only submits NHH data.

Audit commentary

Compliance is recorded in the AMS agent audit report.

When AMS has not received HHR data prior to the deadline for providing submission information, estimated data is provided. Each ICP with missing data is reviewed individually to determine the consumption pattern and identify a period of similar consumption. If consumption during the same weekday and trading period is similar, the "autofill" function is used to create an estimate. Otherwise, estimated data is copied and pasted from a similar day and trading period, taking into account the season, day of week and any public holidays. Where there is less than two weeks of history available, AMS does not usually create an estimate and provides data in the first revision after it becomes available. Prime will assist by liaising with the customer to obtain information on consumption patterns where necessary.

Estimated data is replaced with actual data, and the 10% threshold is usually met.

AMS confirmed that no HHR estimates have been required during the audit period.

Audit outcome

Compliant

9.5. NHH metering information data validation (Clause 16 Schedule 15.2)

Code reference

Clause 16 Schedule 15.2

Code related audit information

Each validity check of non-half hour meter readings and estimated readings must include the following:

> *16(2)(a) - confirmation that the meter reading or estimated reading relates to the correct ICP, meter, and register,*
>
> *16(2)(b) - checks for invalid dates and times*
>
> *16(2)(c) - confirmation that the meter reading or estimated reading lies within an acceptable range compared with the expected pattern, previous pattern, or trend,*
>
> *16(2)(d) - confirmation that there is no obvious corruption of the data, including unexpected 0 values.*

Audit observation

I reviewed and observed the PRMH NHH data validation process, including checking a sample of data validations. PRMH only supplies HHR ICPs.

Audit commentary

NHH data is validated by several processes.

Meter reader validation

Compliance is recorded in the Wells agent audit. For meters read by Wells, a localised validation occurs at the hand-held device to ensure the reading is within expected high/low parameters. Readings which fail this validation are required to be re-entered, and if the two readings are the same the second reading will be accepted. If the second reading is different (potentially indicating the first reading was incorrect) then the second reading is required to be re-entered. Wells also provide meter condition information, as discussed in **section 6.6.**

Orion validation

Once manual and AMI readings are received, further validation is completed.

1. Upon receipt of meter reading files staff manually check that read dates are valid and reformat the data as described in **section 2.3**.

2. The Orion import process confirms that there is an open meter and ICP for the reading to be recorded against. If no open ICP or meter is found, an exception is created.
3. Exceptions are created for multiple readings on the same day, high readings, low readings, and zero readings. Every instance of zero consumption is investigated, and outbound calls and site visits are organised where necessary. If there is a small negative difference between a switch in read and subsequent reading, PRME waits for the AMI readings to "catch up" and exceed the switch read and estimates zero consumption.
4. First invoices are validated by the billing team and account manager. Subsequent invoices are validated by the billing team and spot checked by account managers, including a check against the previous invoice total for reasonableness. Any anomalies are investigated.

Before each billing run a consumption anomalies report is run in Orion which compares the usage units to the expected usage units. Large discrepancies are checked with the account manager and customer.

Vacant and disconnected ICPs

Vacant and disconnected ICPs remain active in Orion, with open meters. ICPs are transferred to an "occupier" customer for any vacant periods, and an "occupier (disconnected)" customer for any inactive periods. This ensures that any consumption is captured and reported. The validation process for vacant and disconnected ICPs is the same as for any active ICP. Vacant or disconnected consumption is billed, with the invoices reviewed by the billing team.

Pre submission checks

Reconciliation submissions are also reviewed prior to submission, this process is discussed in **section 12.3**.

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

Electronic read validation and meter event log processes were reviewed. Examples of meter events were reviewed.

Audit commentary

PRME

PRME receives AMI data for ARCS, FCLM, NGCM, IHUB, MTRX and SMCO meters, and all other meters are read manually. Submission type is NHH for all ICPs, and data is validated as described in **section 9.5**.

The Code requires *"…a review of meter and data storage device event log. Any event that could have affected the integrity of metering data must be investigated."*

Each MEP provides meter event information:

- NGCM, IHUB, MTRX and SMCO provide meter event reports via SFTP (these reports rarely contain events requiring action but are reviewed monthly) and NGCM and IHUB also occasionally email events requiring field services jobs to be raised to PRME, and these are reviewed and acted upon on receipt,
- ARCS emails a no reads report, containing meter events requiring action by PRME which are actioned upon receipt, and
- FCLM emails an event report and in addition to this they will email PRME if any meter events requiring action occur, but no event details have been received from FCLM to date.

I reviewed examples of recent meter events and found that action had been taken by PRME where required.

PRMH

Compliance is recorded in the AMS agent audit report.

EDMI collects the meter data for ICP 0179566571LC66A (which has a category 3 FCLM meter) and provides it along with any meter events and clock synchronisation issues to AMS. Compliance is recorded in the EDMI agent audit report.

AMS collects the meter data for the other PRMH ICPs, and reviews meter events. Compliance is recorded in the AMS agent audit report.

AMS confirmed that no meter events which could affect meter accuracy or defective meters were identified during the audit period.

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

Prime 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

Prime 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

Prime 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

Prime 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

Processes to create buying and selling notifications were reviewed. I checked whether any breach allegations had been made.

Audit commentary

No breach allegations have been made in relating to trading notifications.

PRME

PRME has only used the RPS and PV1 profiles, and trading notifications are not required.

PRMH

PRMH has only used the HHR profile, and trading notifications are not required.

Audit outcome

Compliant

11.2. Calculation of ICP days (Clause 15.6)

Code reference

Clause 15.6

Code related audit information

Each retailer and direct purchaser (excluding direct consumers) must deliver a report to the reconciliation manager detailing the number of ICP days for each NSP for each submission file of submission information in respect of:

> *15.6(1)(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period*
>
> *15.6(1)(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.*

The ICP days information must be calculated using the data contained in the retailer or direct purchaser's reconciliation system when it aggregates volume information for ICPs into submission information.

Audit observation

The process for the calculation of ICP days was examined by checking NSPs with a small number of ICPs to confirm the AV110 ICP days calculation was correct. I reviewed variances for the GR100 reports.

Alleged breaches were reviewed to determine whether any submissions were made late.

Audit commentary

No breach allegations have been made for late provision of submission information.

PRME

Inactive ICPs are recorded as "active" in Orion, to ensure that all consumption is captured and reported. ICPs are transferred to an "occupier" customer in Orion for any vacant periods, and an "occupier (disconnected)" customer for any inactive periods. This results in inactive days being included in the AV110 reports generated from Orion. To ensure that only active ICP days where the installation type is B or G are reported, PRME validates the ICP days against a registry list with history and adjusts the AV110 report to remove inactive days. The report from Orion already correctly excludes switched and decommissioned days. Plans to automate the exclusion of inactive ICP days from the raw reports produced by Orion are on hold.

I checked ICP days for 100 NSPs on the May 2022 initial submission against a registry list with history, including five NSPs with inactive days and ten NSPs with decommissioned days and found that only active ICP days were included in the AV110 report submitted to the reconciliation manager. Aggregation factors were correctly recorded.

The following table shows the ICP days difference between PRME's AV110 submissions and the RM return file (GR100) for all available revisions during the audit period.

Month	Ri	R1	R3	R7	R8	R14
Sep 2020	0.01%	0.08%	-	0.00%	-	0.00%
Oct 2020	0.07%	0.00%	-0.16%	-0.16%	-0.16%	0.00%
Nov 2020	-	-0.08%	0.00%	0.00%	-	-0.08%
Dec 2020	0.10%	0.00%	0.08%	0.00%	-	0.00%
Jan 2021	0.03%	0.00%	-0.08%	0.00%	-	-0.08%
Feb 2021	0.10%	0.05%	-0.08%	0.00%	-	-0.08%
Mar 2021	0.00%	0.00%	0.00%	0.00%	-	-0.08%
Apr 2021	0.06%	0.00%	0.00%	0.00%	-	-
May 2021	-0.10%	-0.01%	0.00%	0.00%	-	-
Jun 2021	0.16%	0.08%	0.00%	0.00%	-	-
Jul 2021	0.00%	0.00%	0.00%	0.00%	-	-
Aug 2021	0.01%	0.00%	0.00%	0.00%	-	-

Month	Ri	R1	R3	R7	R8	R14
Sep 2021	0.01%	0.00%	0.00%	0.00%	-	-
Oct 2021	0.02%	0.00%	0.00%	0.00%	-	-
Nov 2021	0.05%	0.00%	0.07%	-	-	-
Dec 2021	0.00%	-0.12%	0.00%	-	-	-
Jan 2022	0.00%	0.07%	0.00%	-	-	-
Feb 2022	0.00%	0.07%	0.00%	-	-	-
Mar 2022	0.03%	0.00%	-	-	-	-
Apr 2022	0.06%	0.00%	-	-	-	-

I reviewed all eight NSP level ICP days differences which remained for revision three or later and found they were caused by backdated switches, and failure to add zero lines where a row had appeared in a previous revision but not the current one. This occurred when the AV110 process was handed over to a new staff member, and once the issue was found processes were updated.

PRMH

The AMS audit confirmed that their processes to produce and validate submissions are compliant.

The process for the calculation of ICP days was examined by checking all NSPs for the May 2022 initial submission. The ICP days calculation was confirmed to be correct.

The following table shows there are no differences between the ICP days reported in PRMH's submissions and the RM return file (GR100).

Month	Ri	R1	R3	R7	R14
Jul-21	0.00%	0.00%	0.00%	-	-
Aug-21	0.00%	0.00%	0.00%	-	-
Sep-21	0.00%	0.00%	0.00%	-	-
Oct-21	0.00%	0.00%	-	-	-
Nov-21	0.00%	-	-	-	-

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 11.2 With: Clause 15.6 From: Jan 21-Feb 21 r3, Nov 20 r14, and Jan 21-Mar 21 r14	**PRME** Zero lines were not inserted into the AV110 for TENC-TSS0011 for January 2021 r3 and February 2021 r3. Zero lines were not inserted into the AV110 for CIAL-CIAL0112 for November 2020 r14, January 2021 r14, February 2021 r14 and March 2021 r14. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are now rated as strong because there is a process to identify rows present in previous submissions but not the current revision and add zero rows. The impact is assessed to be low, as zeroing has consistently occurred for the AV080 NHH volumes submissions and where possible revised ICP days will be washed up.

Actions taken to resolve the issue	Completion date	Remedial action status
Due to a role change, a different staff took over Recon processes in Dec2021-Jan 2022. The AV-110 zeroing was missed during handover. Zeroing process resumed couple of months ago	06/2022	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
All submissions files are compared with previous submissions files & an exceptions are cleared prior to submission.	06/2022	

11.3. Electricity supplied information provision to the reconciliation manager (Clause 15.7)

Code reference

Clause 15.7

Code related audit information

A retailer must deliver to the reconciliation manager its total monthly quantity of electricity supplied for each NSP, aggregated by invoice month, for which it has provided submission information to the reconciliation manager, including revised submission information for that period as non- loss adjusted values in respect of:

> *15.7(a) - submission information for the immediately preceding consumption period, by 1600 hours on the 4th business day of each reconciliation period*
>
> *15.7(b) - revised submission information provided in accordance with clause 15.4(2), by 1600 hours on the 13th business day of each reconciliation period.*

Audit observation

The process for the calculation of as billed volumes was examined by checking a sample of NSPs with a small number of ICPs to confirm the AV120 calculation was correct.

GR130 reports were reviewed to confirm whether the relationship between billed and submitted data appears reasonable.

Alleged breaches were reviewed to determine whether any submissions were made late.

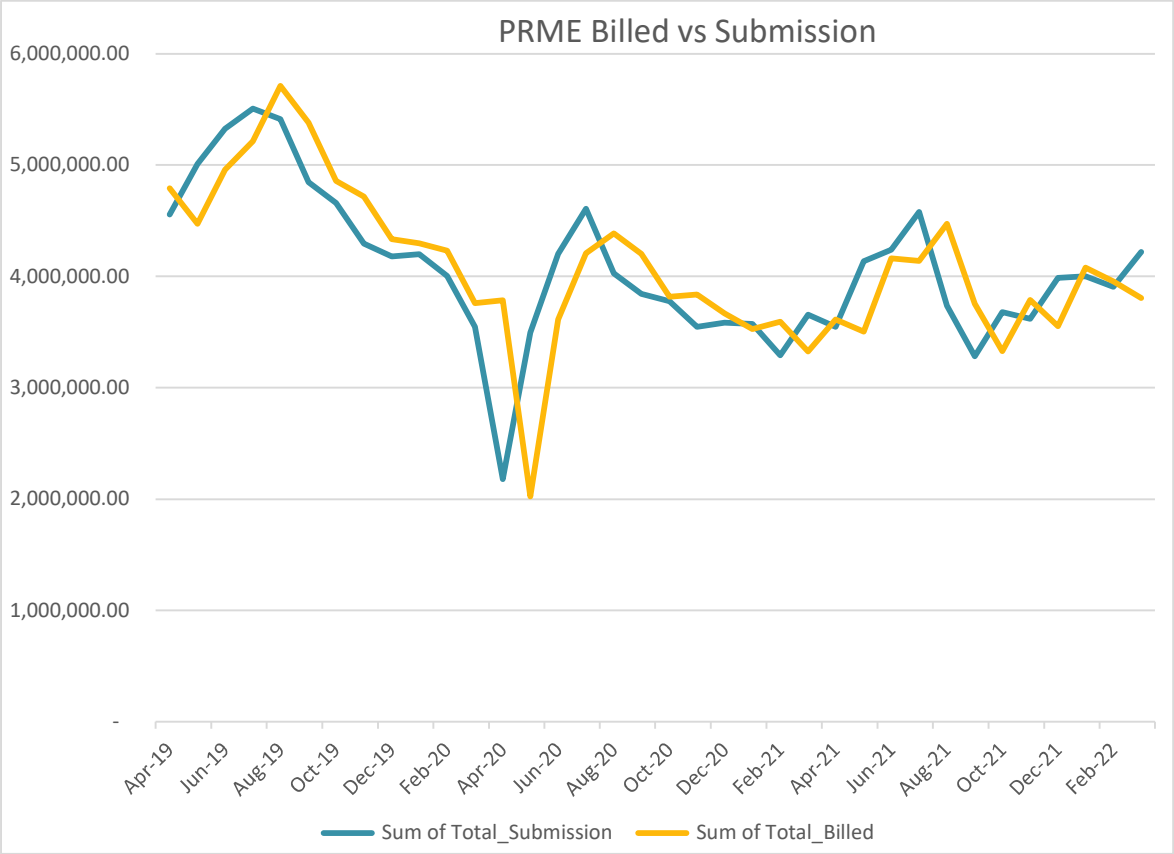
Audit commentary

No breach allegations have been made for late provision of submission information.

PRME

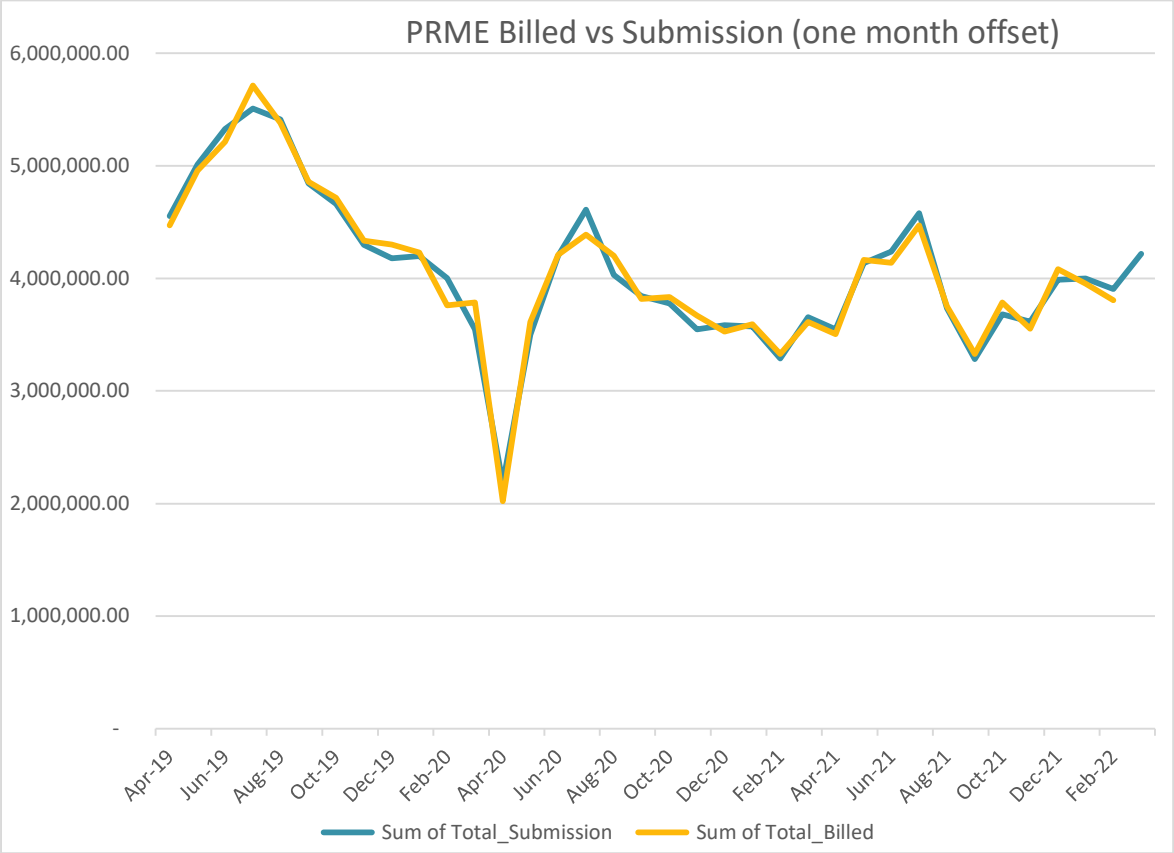
The process for the calculation of as billed volumes was examined by checking five NSPs with a small number of ICPs against PRME's invoice information for May 2022 and confirmed the values to be correct.

I checked the difference between submission and electricity supplied information for a 36-month period, and the results are shown in the chart below. The total difference is 1.7% for the year ended March 2022 (billed lower than submission), and 0.6% for the two years ended March 2022 (billed lower than submission).



Billed consumption always relates to the month before the submission consumption. PRME bills customers up to the end of the month, at the beginning of the month after consumption has occurred. This results in misalignment between billed and submitted data, for example 1st-28th February normalised consumption is compared to 1st-31st January billed consumption (which is invoiced in early

February). Once the billing and submission periods are aligned, the close relationship between billed and submitted data is visible.

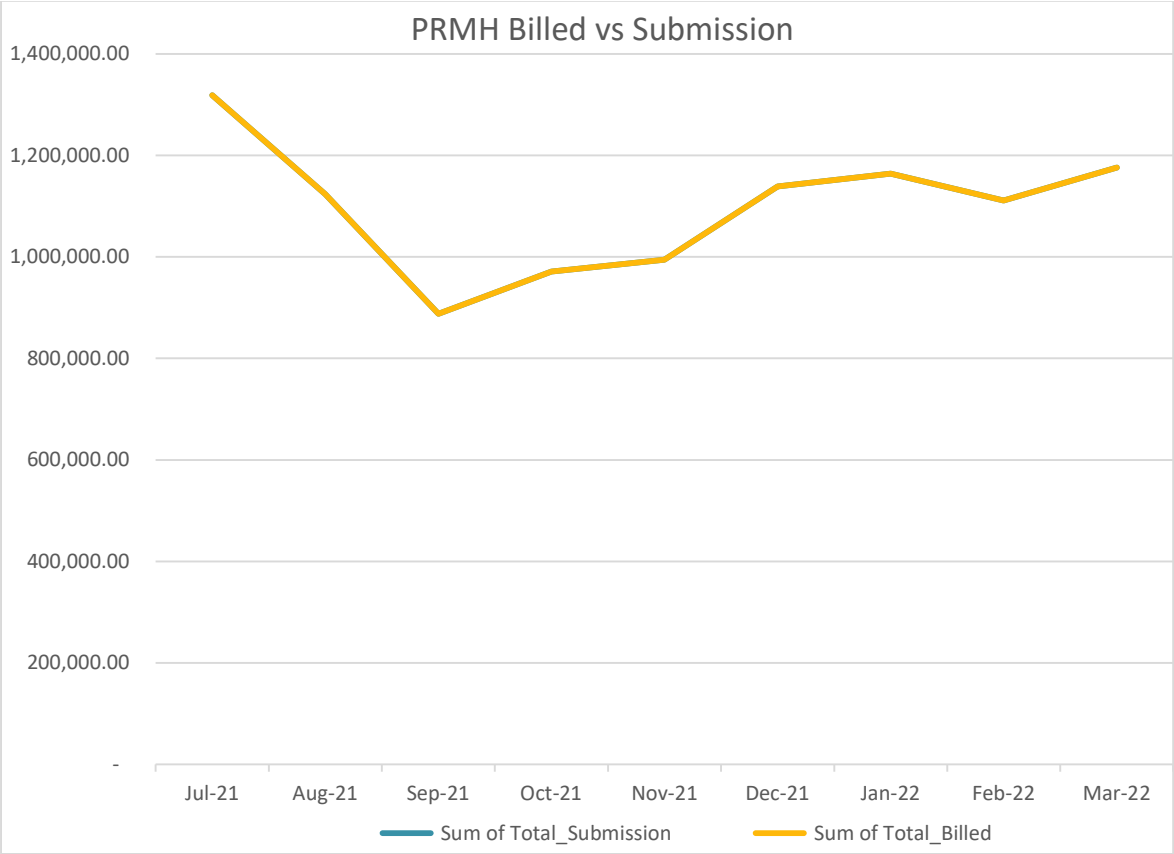


PRMH

PRMH creates the billed submissions based on billed volumes which AMS provides to PRMH for each ICP. The files are prepared manually and the NSP is added by checking against the HHR aggregates files produced by AMS. I checked ICP 0819483567LC6F1 which underwent a NSP change in November 2021 and confirmed that the billed consumption was reported against the correct NSP. The billed values are validated against the HHR aggregates and totals billed for check meters attached to the ICPs.

I compared the billed and submitted data for all months available and it matched exactly.

The process for the calculation of as billed volumes was examined by checking all five NSPs against PRMH's invoice information for May 2022 and confirmed the values to be correct.



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

Using relevant volume information, each retailer or direct purchaser (excluding direct consumers) must deliver to the reconciliation manager its total monthly quantity of electricity consumed 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

PRME only submits NHH data and does not complete HHR submissions.

AMS is responsible for HHR submission for PRMH, and compliance was assessed during their agent audit.

Alleged breaches were reviewed to determine whether any submissions were made late.

Audit commentary

No breach allegations have been made for late provision of submission information.

PRME

PRME only submits NHH data and does not complete HHR submissions. I checked the ICP missing files for December 2020 to March 2022 and confirmed no ICPs were recorded as missing.

PRMH

The AMS audit confirmed that their processes to produce and validate submissions are compliant. I confirmed that the process for the calculation and aggregation of HHR data is correct, by matching HHR aggregates information with the HHR volumes data for 12 submissions, and found the totals matched within ±0.4 kWh. Data was traced from source files to submission as part of AMS' audit.

GR090 ICP missing files are examined by AMS following each submission. I reviewed the GR090 ICP missing files for July to November 2021 and confirmed no ICPs were missing.

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

AMS is responsible for this process for PRMH, and compliance was assessed during their agent audit. PRME only submits NHH data.

Audit commentary

Compliance is recorded in the AMS agent audit report.

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

PRME prepares NHH submissions using Orion. Processes to ensure that submissions are accurate were reviewed.

AMS prepares PRMH HHR submissions are Prime's agent, and compliance was assessed as part of their agent audit.

Alleged breaches were reviewed to determine whether any submissions were made late.

Audit commentary

No breach allegations have been made for late provision of submission information.

PRME

PRME prepares reconciliation submissions using reconciliation consumption generated by Orion. Further information on calculation of historic estimate is recorded in **section 12.11**, and aggregation of

the AV080 report is checked in **section 12.3**. A sample of NHH ICPs were checked to make sure they are handled correctly, including vacant, disconnected, unmetered, and distributed generation ICPs.

Vacant consumption	Active vacant ICPs remain active in Orion and continue to be read and have volumes submitted. ICPs are transferred to an "occupier" customer in Orion for any vacant periods. No ICPs with vacant consumption were identified during the audit period.
Inactive consumption	Inactive ICPs remain active in Orion and continue to be read and have volumes submitted. ICPs are transferred to an "occupier (disconnected)" customer for any inactive periods. No ICPs with inactive consumption were identified during the audit period.
Unmetered consumption	Submission information for five ICPs with unmetered volumes were reviewed, and correct consumption was submitted.
Distributed generation	Submission information for April 2022 for six ICPs with distributed generation was reviewed, and correct consumption was submitted. ICP 0002279031MLE9F switched in on 1 September 2021 with RPS profile, but had generation recorded by the distributor and I flow metering. A backdated correction to RPS PV1 from the switch in date was processed on the registry in July 2022 after the exception was identified through the registry validation process and investigated to confirm the presence of generation. I confirmed that consumption is being submitted using the correct profile through the revision process. Compliance is recorded in this section because the exception was identified and resolved through PRME's validation processes prior to the audit, non-compliance is recorded in **section 2.1** because the issue was not resolved as soon as practicable.

PRMH

Compliance is recorded in the AMS agent audit report. AMS sends copies of the submitted files to Prime for review. The HHR aggregates values are validated against the billed values provided by AMS, and totals billed for check meters attached to the ICPs.

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

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**.

The process to ensure that AV080 submissions are accurate was discussed, and reports used in the process were viewed.

The process for aggregating the AV080 was examined by checking the total submitted against detailed ICP level information for the same period, and five NSPs with a small number of ICPs.

The GR170 to AV080 files for seven revision submissions were compared, to confirm zeroing occurs.

Audit commentary

AV080 submissions are reviewed by Prime prior to being submitted, including:

- review of ICP level differences more than ±2000 kWh and ±10% compared to the previous month for initial submissions, and previous submissions for the same month for revision submission,
- review of the aggregation factors against a date ranged registry list; as part of this process, inactive ICP days are identified and removed from the ICP days submission; and
- read import and billing validation checks as discussed in **section 9.5**.

The process for the calculation of NHH volumes was examined by checking the total submitted against detailed ICP level information for the same period, and five NSPs with a small number of ICPs. NHH volume calculation was confirmed to be correct.

Prior to submission the raw text files are opened in Excel and checked against the registry list and previous submission, and zero rows are inserted where an aggregation factor combination appeared in a previous submission but not the current version. GR170 and AV080 files for eight revision submissions were compared, and found to contain the same NSPs, confirming that zeroing is occurring as required.

PRMH

Compliance is recorded in the AMS agent audit report. AMS sends copies of the submitted files to Prime for review. The HHR aggregates values are validated against the billed values provided by AMS, and totals billed for check meters attached to the ICPs.

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

Review of the NSP table confirmed that Prime is not a grid owner.

Audit commentary

Prime is not a grid owner.

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

Prime does not own any local or embedded networks and is not required to provide NSP submission information.

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

Prime is not a grid connected generator.

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

Alleged breaches during the audit period were reviewed to determine whether any reconciliation submissions were late. Corrections were reviewed in **section 8.1**.

Audit commentary

No breach allegations have been made for late provision of submission information.

PRME

Volume submission inaccuracies identified as part of the audit had already been identified and corrected through PRME's own validation processes.

Two ICP days submission inaccuracies were identified. Zero lines were not inserted into the AV110 for TENC-TSS0011 for January 2021 r3 and February 2021 r3, or for CIAL-CIAL0112 for November 2020 r14, January 2021 r14, February 2021 r14 and March 2021 r14.

Previous audit submission inaccuracies not resolved by the time the previous audit was finalised were rechecked:

2021 accuracy issue	2022 finding
Incorrect switch event reads One switch move file of the five samples was sent with incorrect last reads that should have been estimated but were sent as actuals as detailed in **section 4.10**. The reads differ from the final reads recorded in Orion.	**Cleared.** The previous audit found that the switch event readings recorded in Orion for ICP 0000520320WP068 (switched out effective 20 July 2020) did not match the reads in the CS file. I confirmed that the reads and read types are now correctly recorded in Orion. All switch event reads checked during the audit were correctly recorded in Orion.
Large volume fluctuations between revisions Some large fluctuations between revisions were present and caused by COVID-19 causing access issues and preventing actual readings from being obtained.	**Cleared**. Submission accuracy is monitored, and no large balancing area differences were identified.
Inactive ICP days The previous few audits recorded that inactive ICP days were included in AV110 submissions.	**Cleared.** Inactive ICPs are recorded as active in Orion, to ensure that all consumption is captured and reported. This results in inactive days being included in the AV110 reports generated from Orion. To ensure that only active ICP days where the installation type is B or G are reported, PRME

2021 accuracy issue	2022 finding
	validates the ICP days against a registry list with history and adjusts the AV110 report to remove inactive days. I checked ICP days for 100 NSPs on the May 2022 initial submission against a registry list with history, including five NSPs with inactive days and ten NSPs with decommissioned days and found that only active ICP days were included in the AV110 report submitted to the reconciliation manager.

PRMH

Compliance is recorded in the AMS agent audit report, and no corrections were required during the audit period. The HHR aggregates values are validated against the billed values provided by AMS, and totals billed for check meters attached to the ICPs.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.7 With: Clause 15.12 From: Jan 21-Feb 21 r3, Nov 20 r14, and Jan 21-Mar 21 r14	**PRME** Zero lines were not inserted into the AV110 for TENC-TSS0011 for January 2021 r3 and February 2021 r3. Zero lines were not inserted into the AV110 for CIAL-CIAL0112 for November 2020 r14, January 2021 r14, February 2021 r14 and March 2021 r14. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are now rated as strong because there is a process to identify rows present in previous submissions but not the current revision and add zero rows. The impact is assessed to be low, as zeroing has consistently occurred for the AV080 NHH volumes submissions and where possible revised ICP days will be washed up.

Actions taken to resolve the issue	Completion date	Remedial action status
Due to a role change, a different staff took over Recon processes in Dec2021-Jan 2022. The AV-110 zeroing was missed during handover. Zeroing process resumed couple of months ago	06/2022	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
All submissions files are compared with previous submissions files & an exceptions are cleared prior to submission.	06/2022	

12.8. Permanence of meter readings for reconciliation (Clause 4 Schedule 15.2)

Code reference

Clause 4 Schedule 15.2

Code related audit information

Only volume information created using validated meter readings, or if such values are unavailable, permanent estimates, has permanence within the reconciliation processes (unless subsequently found to be in error).

The relevant reconciliation participant must, at the earliest opportunity, and no later than the month 14 revision cycle, replace volume information created using estimated readings with volume information created using validated meter readings.

If, despite having used reasonable endeavours for at least 12 months, a reconciliation participant has been unable to obtain a validated meter reading, the reconciliation participant must replace volume information created using an estimated reading with volume information created using a permanent estimate in place of a validated meter reading.

Audit observation

NHH volumes 14-month revisions were reviewed to identify any forward estimate still existing.

Audit commentary

PRME

I reviewed the 14-month revisions for October to December 2020. 1,245.19 kWh of forward estimate remained for unread ICPs for November 2020. Due to a change in responsibilities permanent estimates were not entered, and the issue was resolved prior to the December 2020 revision 14 being created.

PRMH

All ICPs have HHR submission type and have received actual readings.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 12.8 With: Clause 4 Schedule 15.2 From/to: 20-Nov-22	**PRME** Not all estimated reads were replaced by permanent estimates for the November 2020 r14. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	The controls are strong, this was an isolated issue which occurred due to an issue when handing over the process which was promptly resolved. The impact is low because the forward estimate was 1,245.19 kWh across three ICPs, and the issue has been resolved.

Actions taken to resolve the issue	Completion date	Remedial action status
We have resumed historic estimates in the system.	12/2021	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
This was a 1 off instance where staff missed the permanent but realised it & resumed the task for other upcoming r14 revisions.	12/2021	

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

Code reference

Clause 2 Schedule 15.3

Code related audit information

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

- *half hour volume information for the total metered quantity of electricity for each ICP notified in accordance with clause 11.7(2) for which there is a category 3 or higher metering installation (clause 2(1)(a)) for each ICP about which information is provided under clause 11.7(2) for which there is a category 1 or category 2 metering installation (clause 2(1)(b)):*
  - *a) any half hour volume information for the ICP; or*
  - *b) any non-half hour volumes information calculated under clauses 4 to 6 (as applicable).*
  - *c) unmetered load quantities for each ICP that has unmetered load associated with it derived from the quantity recorded in the registry against the relevant ICP and the number of days in the period, the distributed unmetered load database, or other sources of relevant information (clause 2(1)(c))*
- *to create non half hour submission information a reconciliation participant must only use information that is dependent on a control device if (clause 2(2)):*

a) *the certification of the control device is recorded in the registry; or*
b) *the metering installation in which the control device is location has interim certification.*

- *to create submission information for a point of connection the reconciliation participant must apply to the raw meter data (clause 2(3):*
  a) *for each ICP, the compensation factor that is recorded in the registry (clause 2(3)(a))*
  b) *for each NSP the compensation factor that is recorded in the metering installations most recent certification report (clause 2(3)(b)).*

Audit observation

Aggregation and content of reconciliation submissions was reviewed.

Audit commentary

PRME

Compliance with this clause was assessed:

- all PRME's ICPs have metering category 1 or 2 and are submitted as NHH,
- unmetered load submissions were checked in **section 12.2** and found to be correct,
- no profiles requiring a certified control device are used,
- no loss or compensation arrangements are required, and
- aggregation of the AV080 reports is compliant.

PRME

Compliance with this clause was assessed:

- all PRMH's ICPs have metering category 2 or higher and are submitted as HHR,
- no unmetered load is connected,
- no profiles requiring a certified control device are used,
- no loss or compensation arrangements are required, and
- compliance is recorded in the AMS agent audit report.

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 techniques described in clauses 4 to 7 to create historical estimates and forward estimates.

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

Review nine AV080 submissions for revisions 3 to 14, to confirm that historic estimates are included and identified.

Permanence of meter readings is reviewed in **section 12.8**. The methodology to create forward estimates is reviewed in **section 12.12**.

Audit commentary

I reviewed nine AV080 submissions for a diverse sample of months and revisions and confirm that forward and historic estimates are included and identified as such.

Audit outcome

Compliant

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 historical estimates of volume information for each ICP when the relevant seasonal adjustment shape is available, and the reconciliation participant is not using an approved profile in accordance with clause 4A.

If the Authority has approved a profile for the purpose of apportioning volume information (in kWh) to part or full consumption periods, a reconciliation participant may use the profile despite the relevant seasonal adjustment shape being available; and if it uses the profile, must otherwise prepare the historical estimate in accordance with the methodology in clause 4.

*If a seasonal adjustment shape is not available, and the **reconciliation participant** is not using an approved **profile** under clause 4A, 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_{Px} 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_{Px}.*

Audit observation

PRME supplies NHH ICPs and produces NHH volumes submissions. To assist with determining compliance of the Historical Estimate (HE) processes, PRME were supplied with a list of scenarios, and for some individual ICPs a manual HE calculation was conducted and compared to the result from Orion.

PRMH only supplies HHR ICPs and does not produce NHH submissions.

Audit commentary

In all cases, the calculated figure matched the total consumption for the ICP. Because in most cases, Prime ICPs are read as of the last day of the month, consumption between readings usually matches the consumption in the reconciliation period, minimising the risk of errors.

The table below shows that all scenarios which occurred during the audit period are calculating as expected and correct SASV (seasonal adjusted shape values) are applied. Shape values are downloaded from the reconciliation manager portal and uploaded into Orion.

Test	Scenario	Test Expectation	Result
a	ICP becomes Active part way through a month	Consumption is only calculated for the Active portion of the month.	Compliant

Test	Scenario	Test Expectation	Result
b	ICP becomes Inactive part way through a month.	Consumption is only calculated for the Active portion of the month.	Compliant
c	ICP become Inactive then Active again within a month.	Consumption is only calculated for the Active portion of the month.	Has not occurred
d	ICP switches in part way through a month on an estimated switch reading	Consumption is calculated to include the 1st day of responsibility.	Compliant
e	ICP switches out part way through a month on an estimated switch reading	Consumption is calculated to include the last day of responsibility.	Compliant
f	ICP switches out then back in within a month	Consumption is calculated for each day of responsibility.	Has not occurred
g	Continuous ICP with a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant
h	Continuous ICP without a read during the month	Consumption is calculated assuming the readings are valid until the end of the day	Compliant
i	Rollover Reads	Consumption is calculated correctly in the instance of meter rollovers.	Has not occurred
j	Unmetered load for a full month	Consumption is calculating based on daily unmetered kWh for full month.	Compliant
k	Unmetered load for a part month	Consumption is calculating based on daily unmetered kWh for active days of the month.	Has not occurred
l	Network/GXP/Connection (POC) alters partway through a month.	Consumption is separated and calculated for the separate portions of where it is to be reconciled to.	Complaint
m	ICP with a customer read during the month	Customer reads are not used to calculate historic estimate, unless they are validated against a set of actual reads not provided by the customer.	Compliant, customer provided reads are not treated as validated reads
n	ICP with a photo read during the month	Photo reads are not used to calculate historic estimate, unless they are validated against a set of actual reads not provided by the customer.	Compliant, customer provided photo reads are not treated as validated reads
o	ICP has a meter with a multiplier greater than 1	The multiplier is applied correctly	Compliant

Audit outcome

Compliant

12.12. Forward estimate process (Clause 6 Schedule 15.3)

Code reference

Clause 6 Schedule 15.3

Code related audit information

Forward estimates may be used only in respect of any period for which an historical estimate cannot be calculated.

The methodology used for calculating a forward estimate may be determined by the reconciliation participant, only if it ensures that the accuracy is within the percentage of error specified by the Authority.

Audit observation

The process to create forward estimates was reviewed for PRME. Forward estimates were checked for accuracy by analysing the GR170 file for variances between revisions for 14 months.

PRMH only supplies HHR ICPs and does not produce NHH submissions.

Audit commentary

PRME attempts to gain end of month readings for each ICP supplied. In the event that an end of month reading cannot be obtained, forward estimate is created based on Orion's estimated daily consumption for the meter register. Where the ICP is vacant or disconnected and has been moved to an "occupier" customer account the estimated daily consumption is reset to zero.

Before making submissions PRME reviews any ICPs with differences between revisions over ±10% and/or ± 2,000kWh.

The accuracy of the initial submission, in comparison to each subsequent revision is required to be within ± 15% and within ± 100,000kWh. The target was met for all balancing areas of the revisions reviewed. After the first level 4 lockdown period in March-April 2020, the revision differences have settled to an average of -0.15%, with differences ranging between -1.63% and +1.43%.

Quantity of balancing areas with differences over 15% and 100,000 kWh

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total Balancing Areas
Mar 2020	-	-	-	-	83
Apr 2020	-	-	-	-	83
May 2020	-	-	-	-	82
June 2020	-	-	-	-	84
July 2020	-	-	-	-	85

Month	Revision 1	Revision 3	Revision 7	Revision 14	Total Balancing Areas
Aug 2020	-	-	-	-	84
Sep 2020	-	-	-	-	84
Oct 2020	-	-	-	-	83
Nov 2020	-	-	-	-	81
Dec 2020	-	-	-		77
Jan 2021	-	-	-		77
Feb 2021	-	-	-		77
Mar 2021	-	-	-		75
Apr 2021	-	-	-		77
May 2021	-	-	-		77
June 2021	-	-	-		77
July 2021	-	-	-		77
Aug 2021	-		-		76
Sep 2021	-		-		78
Oct 2021	-	-			82
Nov 2021	-	-			82
Dec 2021	-	-			82
Jan 2022	-	-			82

The total variation between revisions at an aggregate level is shown below.

Month	Revision 1	Revision 3	Revision 7	Revision 14
Mar 2020	0.01%	3.11%	4.30%	4.47%

Month	Revision 1	Revision 3	Revision 7	Revision 14
April 2020	0.12%	7.56%	8.72%	8.90%
May 2020	-0.12%	-0.34%	-0.21%	-0.07%
June 2020	-0.60%	-0.84%	-0.91%	-0.86%
July 2020	-0.41%	-0.79%	-0.76%	-0.49%
Aug 2020	-0.10%	-0.30%	-0.54%	-0.46%
Sep 2020	-0.51%	-0.81%	-0.81%	-0.58%
Oct 2020	0.00%	0.43%	0.52%	0.75%
Nov 2020	-0.38%	0.18%	0.20%	0.53%
Dec 2020	-0.29%	-0.51%	-0.30%	
Jan 2021	0.00%	-0.01%	0.14%	
Feb 2021	0.19%	0.32%	0.44%	
Mar 2021	-0.34%	0.30%	0.42%	
Apr 2021	-0.48%	0.21%	0.39%	
May 2021	-0.28%	-0.69%	-0.58%	
June 2021	-0.04%	-0.40%	-0.35%	
July 2021	-0.11%	-0.55%	-0.45%	
Aug 2021	-0.91%		-0.94%	
Sep 2021	0.34%		1.43%	
Oct 2021	-1.63%	1.07%		
Nov 2021	-0.09%	1.25%		
Dec 2021	-0.04%	0.96%		

Month	Revision 1	Revision 3	Revision 7	Revision 14
Jan 2022	-0.19%	0.17%		

Audit outcome

Compliant

12.13.Compulsory meter reading after profile change (Clause 7 Schedule 15.3)

Code reference

Clause 7 Schedule 15.3

Code related audit information

If the reconciliation participant changes the profile associated with a meter, it must, when determining the volume information for that meter and its respective ICP, use a validated meter reading or permanent estimate on the day on which the profile change is to take effect.

The reconciliation participant must use the volume information from that validated meter reading or permanent estimate in calculating the relevant historical estimates of each profile for that meter.

Audit observation

The registry list and event detail reports were reviewed to identify any ICPs which have had profile changes. Each profile change was checked to determine whether there was an actual or permanent estimate read on profile change date.

Audit commentary

PRME

PRME has only used the RPS and PV1 profiles. One ICP underwent a change from RPS to RPS PV1 profiles upon addition of distributed generation. An actual read was recorded on the date of the profile change as the meter was changed on the same day.

PRMH

PRMH has only used the HHR profile, and no profile changes have occurred.

Audit outcome

Compliant

13. SUBMISSION FORMAT AND TIMING

13.1. Provision of submission information to the RM (Clause 8 Schedule 15.3)

Code reference

Clause 8 Schedule 15.3

Code related audit information

For each category 3 of higher metering installation, a reconciliation participant must provide half hour submission information to the reconciliation manager.

For each category 1 or category 2 metering installation, a reconciliation participant must provide to the reconciliation manager:

- *Half hour submission information; or*
- *Non half hour submission information; or*
- *A combination of half hour submission information and non-half hour submission information*

However, a reconciliation participant may instead use a profile if:

- *The reconciliation participant is using a profile approved in accordance with clause Schedule 15.5; and*
- *The approved profile allows the reconciliation participant to provide half hour submission information from a non-half hour metering installation; and*
- *The reconciliation participant provides submission information that complies with the requirements set out in the approved profile.*

Half hour submission information provided to the reconciliation manager must be aggregated to the following levels:

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *trading period*

The non-half hour submission information that a reconciliation participant submits must be aggregated to the following levels:

- *NSP code*
- *reconciliation type*
- *profile*
- *loss category code*
- *flow direction*
- *dedicated NSP*
- *consumption period or day*

Audit observation

Processes to ensure that information used to aggregate the reconciliation reports is consistent with the registry were reviewed in **section 2.1**. Aggregation of NHH volumes is discussed in **section 12.3**, and aggregation of HHR volumes is discussed in **section 11.4.**

Audit commentary

Submission information is provided to the reconciliation manager in the appropriate format and is aggregated to the following level:

- NSP code,
- reconciliation type,
- profile,
- loss category code,
- flow direction,
- dedicated NSP, and
- consumption period.

Audit outcome

Compliant

13.2. Reporting resolution (Clause 9 Schedule 15.3)

Code reference

Clause 9 Schedule 15.3

Code related audit information

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

I reviewed the rounding of data on the AV080 reports as part of the aggregation checks.

Audit commentary

PRME

I reviewed ten AV080 submissions[1] and found the following submissions had volumes rounded to more than two decimal places:

- September 2021 revision seven had one aggregation row with total estimate and historic estimate rounded to 11 decimal places,
- October 2021 revision three had two aggregation rows with total estimate and historic estimate rounded to four decimal places,
- November 2021 revision three had five aggregation rows with total estimate and historic estimate rounded to ten to 12 decimal places,
- December 2021 revision three had five aggregation rows with total estimate and historic estimate rounded to three to ten decimal places, and
- April 2022 revision one had three aggregation rows with total estimate and historic estimate rounded to 12 decimal places.

[1] October 2020 r14, November 2020 r14, December 2020 r14, July 2021 r7, August 2021 r7, September 2021 r7, October 2021 r3, November 2021 r3, December 2021 r3, and April 2022 r1.

PRME explained that the raw reports produced by Orion are rounded to two decimal places, but the raw files were not available to allow me to confirm this.

Prior to submission the raw text files are opened in Excel and checked against the registry list and previous submission, and zero rows are inserted where an aggregation factor combination appeared in a previous submission but not the current version. No other changes are expected to be made. PRME believes that opening the report in Excel and resaving it as text file results in some rows having extra decimal places recorded.

Excel sometimes invalidly produces results with large numbers of decimal places when performing calculations for numbers with a large number of digits, but addition of decimal places where there is no calculation seems unusual. I recommend that this is investigated, and processes are put in place to ensure that data is not unnecessarily changed during the review process, and that submission information is rounded to two decimal places.

Recommendation	Description	Audited party comment	Remedial action
PRME Rounding of AV080 submissions	Investigate why extra decimal places are added to some rows of AV080 submissions. Develop a process to ensure that all rows are correctly rounded to a maximum of two decimal places.	This is already under way. All submission from this month are checked to ensure its rounded to 2 decimal places. We also noticed some RM shape files are coming through with almost 8 decimal places which causes an issue for. Dealing with RM to resolve this as well.	Investigating

PRMH

Compliance is recorded in the AMS agent audit report, and review of 12 AV090 and AV140 reports confirmed that submission information is appropriately rounded to no more than two decimal places.

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 13.2 With: Clause 9 Schedule 15.3 From: 01-Sep-21 To: 30-Apr-22	**PRME** Some AV080 total and historic estimates were rounded to more than two decimal places. Potential impact: Low Actual impact: Low Audit history: None Controls: Moderate Breach risk rating: 2
Audit risk rating	**Rationale for audit risk rating**
Low	Controls are rated as moderate because five of the ten submissions checked contained some rows rounded to more than two decimal places. The impact is low because the files were accepted by the reconciliation manager's system.

Actions taken to resolve the issue	Completion date	Remedial action status
We are checking the final submission files for rounding & manually updating this to 2 decimal places (if required).	08/2022	Investigating
Preventative actions taken to ensure no further issues will occur	**Completion date**	
We are investigating to see where the rounding is failing & will propose a script change to include rounding to 2 decimal places	04/2023	

13.3. Historical estimate reporting to RM (Clause 10 Schedule 15.3)

Code reference

Clause 10 Schedule 15.3

Code related audit information

By 1600 hours on the 13th business day of each reconciliation period the reconciliation participant must report to the reconciliation manager the proportion of historical estimates per NSP contained within its non-half hour submission information.

The proportion of submission information per NSP that is comprised of historical estimates must (unless exceptional circumstances exist) be:

- *at least 80% for revised data provided at the month 3 revision (clause 10(3)(a))*
- *at least 90% for revised data provided at the month 7 revision (clause 10(3)(b))*
- *100% for revised data provided at the month 14 revision (clause 10(3)(c)).*

Audit observation

The timeliness of submissions of historic estimate was reviewed in **section 12.2**. I reviewed nine months of PRME AV080 reports to determine whether historic estimate requirements were met.

PRMH only supplies ICPs with HHR submission type.

Audit commentary

The quantity of historical estimates is contained in the submission file and is not a separate report. The proportion of HE in the revision files was checked for ten separate months, and the table below shows that compliance has not been achieved in all instances.

I investigated the reasons that the historic estimate thresholds were not met.

- For revision 14 I found forward estimate remained for unread ICPs for November 2020. Due to a change in responsibilities permanent estimates were not entered, and the issue was resolved prior to the December 2020 revision 14 being created.
- For revisions three and seven, the historic estimate thresholds were not met where reads could not be obtained. Read attainment and resolution of meter communication faults were affected by Covid-19 isolations for meters located inside, lockdowns and alert levels. One ICP was unable to have readings recorded due to late receipt of meter exchange paperwork. The meter reader identified that the meter had been replaced and advised PRME who followed up with the MEP.

Quantity of NSPs where revision targets were met:

Month	Revision 3 80% Met	Revision 7 90% Met	Revision 14 100% Met	Total
Oct 2020			121	121
Nov 2020			118	119
Dec 2020			115	115
Jul 2021		116		119
Aug 2021		114		120
Sep 2021		115		120
Oct 2021	119			127
Nov 2021	120			127
Dec 2021	118			126

The table below shows that the percentage HE at a summary level for all NSPs is at or above the required targets for all revisions except the November 2020 revision 14.

Month	Revision 3 80% Target	Revision 7 90% Target	Revision 14 100% Target
Oct 2020	-	-	100.00%
Nov 2020	-	-	99.96%
Dec 2020	-	-	100.00%
Jul 2021	-	99.10%	-
Aug 2021	-	97.64%	-
Sep 2021	-	98.04%	-
Oct 2021	96.53%	-	-
Nov 2021	96.95%	-	-
Dec 2021	96.56%	-	-

Audit outcome

Non-compliant

Non-compliance	Description
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: Nov-20 (r14), Jul-Sep-21 (r7) and Oct-Dec-21 (r3)	**PRME** Historic estimate thresholds were not met for some revisions. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Strong Breach risk rating: 1
Audit risk rating	**Rationale for audit risk rating**
Low	The controls are rated as strong, as read attainment processes are in place and permanent estimate reads are now consistently entered by revision 14. The impact is assessed to be low as effect on reconciliation is expected to be low.

Actions taken to resolve the issue	Completion date	Remedial action status
We have resumed permanent estimates in the system.	12/2021	Identified
Preventative actions taken to ensure no further issues will occur	**Completion date**	
This was a 1 off instance where staff missed the permanent but realised it & resumed the task for other upcoming r14 revisions.	12/2021	

CONCLUSION

Switching, status update and trader update timeliness and accuracy have improved. New connections have continued to be closely monitored and the process is well managed. Strong validation controls are in place, including to prevent inactive ICP days from being reported.

Eight of the non-compliances identified during the previous audit have been fully or partially cleared, and the recommendation to validate PRMH ANZSIC codes on switch in was adopted.

The impact of all non-compliances found during this audit was low. Nine of the 17 non-compliances had strong controls and five had moderate controls.

This audit found 18 non-compliances (a decrease from 20) and makes five recommendations. No issues were raised. The breach risk rating total is 31, which gives an indicative next audit due date of 12 months. I have considered this in conjunction with Prime's comments and recommend that the next audit be in a minimum of 15 months on 26 November 2023.

PARTICIPANT RESPONSE

Prime Energy Directors Perspective

I thought I would add my Directors perspective to this Audit Report given the past 2 Years of COVID interruptions that have severely impacted all Businesses in New Zealand.

Firstly, I am very proud of my Team for the way we efficiently and seamlessly (on 1 days' notice) transitioned from a Business operating from a centralised office to one with its employees working remotely from their respective homes. I believe the efficiency with which this was achieved is a testament to the overall Management System implemented by its Executive Team and the strict adherent of monthly KPI's by all employees.

That said it has been extremely turbulent times with access restrictions for reading meters, installing meters, capacity checks and any site related visits were made almost impossible. Interfacing with suppliers, Network Companies and other Retailers made extremely difficult with most opting for online support or remote call-centres... I'm sure you will have experienced the frustration first hand.

Lastly, this is not a plea for leniency but an opportunity to add context. This past 2 Years has not been without its challenges, but I see a clear horizon. I think the fact Prime is still forging a path for the independents and as previously stated... a testament to its excellent and dedicated staff.

Yours sincerely

Michael Skates

Director