

ELECTRICITY INDUSTRY PARTICIPATION CODE
DISTRIBUTED UNMETERED LOAD AUDIT REPORT

VERITEK

For

FAR NORTH DISTRICT COUNCIL JETTY
AND WHARF LIGHTS
CONTACT ENERGY

Prepared by: Steve Woods

Date audit commenced: 5 October 2022

Date audit report completed: 20 October 2022

Audit report due date: 13-Aug-22

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EXECUTIVE SUMMARY

This audit of the **Far North District Council Jetty and Wharf Lights (FNDC)** DUML database and processes was conducted at the request of **Contact Energy (Contact)**, in accordance with clause 15.37B. The purpose of this audit is to verify that the volume information is being calculated accurately, and that profiles have been correctly applied.

The audit was conducted in accordance with the audit guidelines for DUML audits version 1.1.

This audit covers the Far North District Council Jetty and Wharf Lights (FNDC) DUML ICP that is managed by Contact. Since the last audit Contact in consultation with Far North Holdings, Far North District Council and Top Energy has created an excel spreadsheet for the management of these lights. It has been determined that the lights on the Opuia and Russell wharves are metered, so these lights have been removed from the spreadsheet and the associated ICPs decommissioned.

The audit found seven non-compliances, six of which relate to inaccuracies in the database and two recommendations are made.

The 100% field audit undertaken on 12th October 2022 found that the Contact excel spreadsheet data was 38.13% higher than the field data. The total wattage recorded in the Contact excel spreadsheet was 1,623 watts. The total wattage found in the field was 1,175 watts, a difference of 448 watts. This will result in estimated over submission of 1,913.41 kWh per annum (based on annual burn hours of 4,271 as detailed in the DUML database auditing tool). The discrepancies found in the field are due to incorrect wattage information recorded in the excel spreadsheet, and light changes which took place since the last audit that had not been recorded.

The future risk rating of 23 indicates that the next audit be completed in three months. I have considered this in conjunction with Contact's responses and recommend that the next audit be in six months.

The matters raised are detailed below:

AUDIT SUMMARY

NON-COMPLIANCES

Subject	Section	Clause	Non-Compliance	Controls	Audit Risk Rating	Breach Risk Rating	Remedial Action
DUML Audit	1.10	16A.26(1)(b)	Audit not completed within the required timeframe.	Strong	Low	1	Cleared
Deriving submission information	2.1	11(1) of Schedule 15.3	The Contact excel spreadsheet data was 38.13% higher than the field data indicating over submission of 1,913.41 kWh per annum. The Contact excel spreadsheet does not track changes on a daily basis.	Weak	Low	3	Identified
Description and capacity of load	2.4	11(2)(c) and (d) of Schedule 15.3	Insufficient lamp type details recorded in the database. No gear wattage recorded in the database for six fluorescent lights.	Weak	Low	3	Identified
Tracking of load changes	2.6	11(3) of Schedule 15.3	Tracking of load change not carried out.	None	Low	5	Identified
Audit trail	2.7	11(4) of Schedule 15.3	Tracking of load change not carried out and therefore no audit trail of changes.	None	Low	5	Identified
Database accuracy	3.1	11(2A) of Schedule 15.3	The Contact excel spreadsheet data was 38.13% higher than the field data indicating over submission of 1,913.41 kWh per annum.	Weak	Low	3	Identified
Volume information accuracy	3.2	15.2 and 15.37B(c)	The Contact excel spreadsheet data was 38.13% higher than the field data indicating over submission of 1,913.41 kWh per annum.	Weak	Low	3	Identified

			The Contact excel spreadsheet does not track changes on a daily basis.				
Future Risk Rating						23	

Future risk rating	0	1-4	5-8	9-15	16-18	19+
Indicative audit frequency	36 months	24 months	18 months	12 months	6 months	3 months

RECOMMENDATIONS

Subject	Section	Description	Remedial Action
Database Accuracy	3.1	Conduct an audit of all load items to correct the database information.	Identified
		Review tracking of load change process.	Identified

ISSUES

Subject	Section	Description	Issue
		Nil	

1. ADMINISTRATIVE

1.1. Exemptions from Obligations to Comply with Code

Code reference

Section 11 of Electricity Industry Act 2010.

Code related audit information

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

Audit observation

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

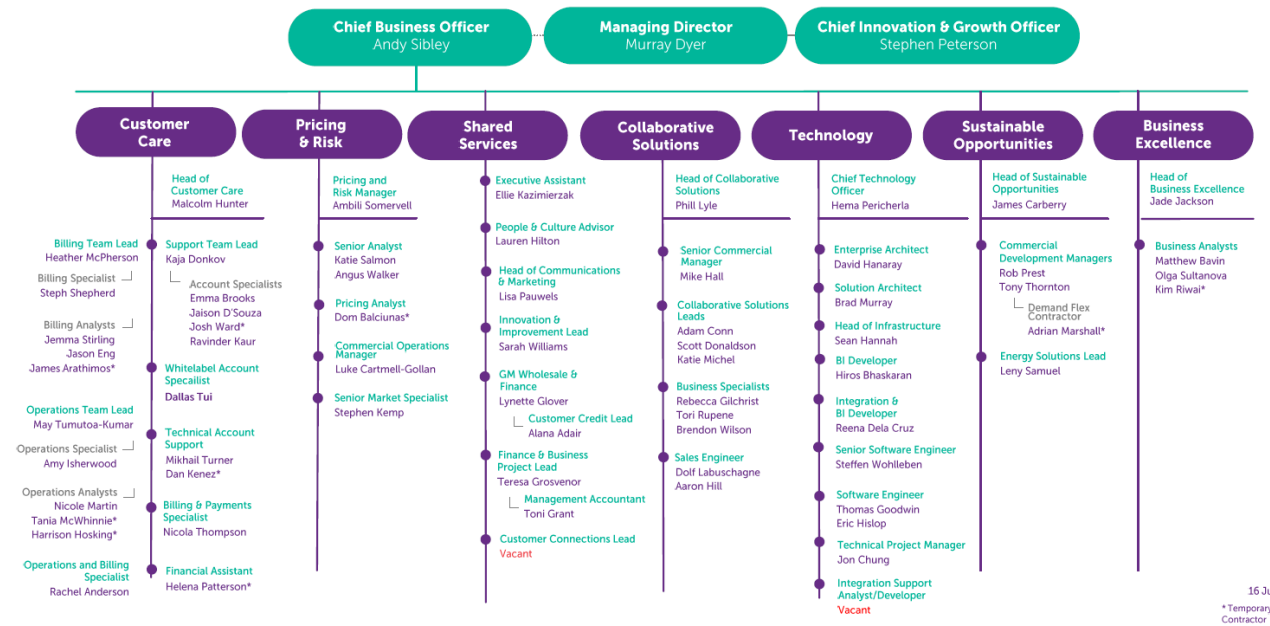
Audit commentary

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

1.2. Structure of Organisation

Contact provided their current organisational structure:

Our people & structure



16 July 2021
* Temporary, Fixed Term or Contractor

1.3. Persons involved in this audit

Auditors:

Steve Woods – Lead Auditor

Brett Piskulic – Supporting Auditor

Veritek Limited

Electricity Authority Approved Auditors

Other personnel assisting in this audit were:

Name	Title	Company
Luke Cartmell-Gollan	Commercial Operations Manager	Simply Energy
Darren James	Asset Manager - District Facilities	Far North District Council

1.4. Hardware and Software

The streetlight data is held in an excel spreadsheet. This is backed up in accordance with standard industry procedures. Access to the spreadsheet is restricted by way of user log on into the computer drive.

Systems used by the trader and their agents to calculate submissions are assessed as part of their reconciliation participant audits.

1.5. Breaches or Breach Allegations

There are no breach allegations relevant to the scope of this audit.

1.6. ICP Data

ICP Number	Description	NSP	Profile	Number of items of load	Database wattage (watts)
0000003946TEC6B	JETTY LIGHTS	KOE1101	DST	20	1,623

1.7. Authorisation Received

All information was provided directly by Contact Energy.

1.8. Scope of Audit

This audit of the Far North District Council Jetty and Wharf Lights (FNDC) DUML database and processes was conducted at the request of Contact Energy (Contact), in accordance with clause 15.37B. The purpose of this audit is to verify that the volume information is being calculated accurately, and that profiles have been correctly applied.

The audit was conducted in accordance with the audit guidelines for DUML audits version 1.1.

The ICPs are each managed in an excel spreadsheet held by Contact Energy.

The scope of the audit encompasses the collection, security and accuracy of the data, including the preparation of submission information based on the database reporting.

A field audit of all items of load was conducted to determine the Contact Energy excel spreadsheet accuracy on October 12th, 2022.

1.9. Summary of previous audit

The previous audit was completed in April 2022 by Rebecca Elliot of Veritek Limited. The current status of that audit's findings is detailed below:

Table of Non-Compliance

Subject	Section	Clause	Non-compliance	Status
DUML Audit	1.10	16A.26(1)(b)	Audit not completed within the required timeframe.	Still existing
Deriving submission information	2.1	11(1) of Schedule 15.3	The TOPE excel spreadsheet was 61.32% of the submission information indicating over submission of 9,900 kWh per annum. The TOPE excel spreadsheet data was 89.78% of the field data indicating under submission of 1,785.28 kWh per annum. The registry figures are used for submission, and this does not track load on a daily basis.	Still existing
Description and capacity of load	2.4	11(2)(c) and (d) of Schedule 15.3	3 x no input wattage recorded.	Still existing for inaccurate information
All load recorded in database	2.5	11(2A) of Schedule 15.3	19 items of load not recorded in the database.	Cleared
Tracking of load changes	2.6	11(3) of Schedule 15.3	Tracking of load change not carried out.	Still existing
Audit trail	2.7	11(4) of Schedule 15.3	Tracking of load change not carried out and therefore no audit trail of changes.	Still existing
Database accuracy	3.1	11(2A) of Schedule 15.3	The TOPE excel spreadsheet data was 89.78% of the field data indicating under submission of 1,785.28 kWh per annum.	Still existing

Subject	Section	Clause	Non-compliance	Status
Volume information accuracy	3.2	15.2 and 15.37B(c)	<p>The TOPE excel spreadsheet was 61.32% of the submission information indicating over submission of 9,900 kWh per annum.</p> <p>The TOPE excel spreadsheet data was 89.78% of the field data indicating under submission of 1,785.28 kWh per annum.</p> <p>The registry figures are used for submission, and this does not track load on a daily basis.</p>	Still existing

Table of Recommendations

Subject	Section	Clause	Recommendation for improvement	Status
Database Accuracy	3.1	15.2 and 15.37B(b)	Conduct an audit of all load items to correct the database information.	Still existing
			Review tracking of load change process	Still existing

1.10. Distributed unmetered load audits (Clause 16A.26 and 17.295F)

Code reference

Clause 16A.26 and 17.295F

Code related audit information

Retailers must ensure that DUML database audits are completed:

1. by 1 June 2018 (for DUML that existed prior to 1 June 2017)
2. within three months of submission to the reconciliation manager (for new DUML)
3. within the timeframe specified by the Authority for DUML that has been audited since 1 June 2017.

Audit observation

Contact have requested Veritek to undertake this streetlight audit.

Audit commentary

This audit report confirms that the requirement to conduct an audit has been met for this database. Contact were unable to complete this audit by the required timeframe as a database extract was not able to be obtained within time to complete the audit by the due date. Contact are now managing the database themselves using an excel spreadsheet.

Audit outcome

Non-compliant

Non-compliance	Description
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<p>Audit Ref: 1.10 With: Clause 16A(1)(b) of Part 16A & 17.295F From: 13-Aug-22 To: 20-Oct-22</p>	<p>Audit not completed within the required timeframe. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
<p>Low</p>	<p>The controls are rated as strong, as Contact were previously reliant on external parties to supply the data but are now managing the database themselves. The impact is assessed to be low, as this has no direct impact on reconciliation.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Audit commissioned as soon as switching to Simply/CTCS for management</p>			<p>Cleared</p>
Preventative actions taken to ensure no further issues will occur		Completion date	
<p>This Database is now managed by Simply Energy DUML team (effective 1/9/22).</p>		<p>1/9/22</p>	

2. DUML DATABASE REQUIREMENTS

2.1. Deriving submission information (Clause 11(1) of Schedule 15.3)

Code reference

Clause 11(1) of Schedule 15.3

Code related audit information

The retailer must ensure the:

- *DUML database is up to date*
- *methodology for deriving submission information complies with Schedule 15.5.*

Audit observation

The process for calculation of consumption was examined and the application of profiles was checked. The database was checked for accuracy.

Audit commentary

This clause requires that the distributed unmetered load database must satisfy the requirements of schedule 15.5 regarding the methodology for deriving submission information. Contact reconciles this DUML load using the DST profile. The Contact excel spreadsheet is used to determine the submission information. The 100% field audit undertaken found that the Contact excel spreadsheet data was 38.13% higher than the field data. The total wattage recorded in the Contact excel spreadsheet was 1,623 watts. The total wattage found in the field was 1,175 watts, a difference of 448 watts. This will result in estimated over submission of 1,913.41 kWh per annum (based on annual burn hours of 4,271 as detailed in the DUML database auditing tool). This is recorded as non-compliance and discussed in **sections 3.1** and **3.2**.

On 18 June 2019, the Electricity Authority issued a memo 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.

The current Contact excel spreadsheet does not track load changes. I recommend in **section 3.1**, that this process be reviewed.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.1 With: Clause 11(1) of Schedule 15.3 From: 24-May-17 To: 12-Oct-22	<p>The Contact excel spreadsheet data was 38.13% higher than the field data indicating over submission of 1,913.41 kWh per annum.</p> <p>The Contact excel spreadsheet does not track changes on a daily basis.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice</p> <p>Controls: Weak</p> <p>Breach risk rating: 3</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as weak as the Contact excel spreadsheet has not been updated to reflect the field information.</p> <p>The risk is low due to the impact on submission.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Veritek Field audit completed 12/10/22, all discrepancies found by Veritek have been implemented effective 1/10/22.		19/10/22	Identified
Inventory database of DUML assets established in September 2022 which includes an audit log of any changes made.		1/9/2022	
Preventative actions taken to ensure no further issues will occur		Completion date	
Inventory database passed to FNDC operations department (FNHL) to maintain and update database and audit log.		12/10/22	

2.2. ICP identifier and items of load (Clause 11(2)(a) and (aa) of Schedule 15.3)

Code reference

Clause 11(2)(a) and (aa) of Schedule 15.3

Code related audit information

The DUML database must contain:

- *each ICP identifier for which the retailer is responsible for the DUML*
- *the items of load associated with the ICP identifier.*

Audit observation

The Contact excel spreadsheet was checked to confirm an ICP was recorded against each item of load.

Audit commentary

The analysis found that all items of load had the correct ICP recorded against them in the database.

Audit outcome

Compliant

2.3. Location of each item of load (Clause 11(2)(b) of Schedule 15.3)

Code reference

Clause 11(2)(b) of Schedule 15.3

Code related audit information

The DUMML database must contain the location of each DUMML item.

Audit observation

The Contact excel spreadsheet was checked to confirm the location is recorded for all items of load.

Audit commentary

The location of each item of load was recorded in the Contact excel spreadsheet. The lights are located on small wharfs and jetties. The Contact excel spreadsheet records the name of the wharf or jetty and the numbers of each type of lamp at each location.

Audit outcome

Compliant

2.4. Description and capacity of load (Clause 11(2)(c) and (d) of Schedule 15.3)

Code reference

Clause 11(2)(c) and (d) of Schedule 15.3

Code related audit information

The DUMML database must contain:

- a description of load type for each item of load and any assumptions regarding the capacity
- the capacity of each item in watts.

Audit observation

The Contact excel spreadsheet was checked to confirm that it contained a field for lamp type and wattage capacity and included any ballast or gear wattage and that each item of load had a value recorded in these fields.

Audit commentary

The Contact excel spreadsheet contains a "Lamp type" field and a "Wattage" field. These fields were populated for all items of load with "Twin fluorescent", "LED" or "HPS". I have recorded non-compliance as the details recorded are insufficient to determine the type and wattage of each light. There is no gear wattage field so gear wattage is not recorded for the six fluorescent lights on the Waitangi Jetty. The accuracy of the database is discussed in **section 3.1**.

Audit outcome

Non-compliant

Non-compliance	Description
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Audit Ref: 2.4 With: Clause 11(2)(c) and (d) of Schedule 15.3 From: 01-Sep-22 To: 13-Oct-22	Insufficient lamp type details recorded in the database. No gear wattage recorded in the database for six fluorescent lights. 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 as the Contact excel spreadsheet does not contain accurate details of each item of load. The impact on settlement and participants is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
lamp type and associated wattage will be updated in the database by FNHL operations team.		30/11/2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
FNDC plan to remove lamp assets from the DUML through metering in FY24		31/3/2024	

2.5. All load recorded in database (Clause 11(2A) of Schedule 15.3)

Code reference

Clause 11(2A) of Schedule 15.3

Code related audit information

The retailer must ensure that each item of DUML for which it is responsible is recorded in this database.

Audit observation

The field audit was undertaken of all 20 items of load on 12th October 2022.

Audit commentary

Details of the field audit findings are detailed in the table below:

Street/Area	Database count	Field count	Light count differences	Wattage recorded incorrectly	Comments
Waitangi Jetty	9	9	-	8	Database = 1x 30W LED, 6x 58W twin fluorescent @ 58W each, 2x 150W HPS

Street/Area	Database count	Field count	Light count differences	Wattage recorded incorrectly	Comments
					Field count = 1 x 30W LED, 6 x 58W twin fluorescent @ 144W each incl. ballast, 1 x 27W LED, 1x 21W LED
Public Jetty Whangaroa	2	2	-	1	Database = 2x 21W LED Field count = 1 x 36W LED, 1x 21W LED
Ruato Rd Wharf	4	4	-	2	Database = 2 x 20W LED, 2 x 21W LED Field count = 2 x 20W LED navigation lights, 2 x 26W LED
Totara North Wharf	5	4	-1	4	Database = 2 x 150W HPS, 2 x 250W HPS, 1 x 21W LED Field count = 4 x 21W LED, 1x21W LED recorded in database is owned by FNDC
Total	20	19	-1	15	

The field audit found no additional lights in the field therefore compliance is recorded in this section.

The database accuracy is discussed in **section 3.1**.

Audit outcome

Compliant

2.6. Tracking of load changes (Clause 11(3) of Schedule 15.3)

Code reference

Clause 11(3) of Schedule 15.3

Code related audit information

The DUMML database must track additions and removals in a manner that allows the total load (in kW) to be retrospectively derived for any given day.

Audit observation

The process for tracking of changes in the Contact spreadsheet was examined.

Audit commentary

There is no mechanism in the Contact excel spreadsheet for recording changes that occur in the field. The field audit identified eight light changes which took place since the last audit that had not been recorded in the spreadsheet.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.6 With: Clause 11(3) of Schedule 15.3 From: 24-May-17 To: 12-Oct-22	Tracking of load change not carried out. Potential impact: Low Actual impact: Low Audit history: Twice Controls: None Breach risk rating: 5		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as none as there is no mechanism for tracking load changes. The field audit identified eight lights had been replaced since the last audit indicating that the Contact excel spreadsheet has not been kept up to date. The impact on settlement and participants is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Effective 1/9/2022 the database implemented has an audit log that identifies changes and the effective date.		1/9/2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
N/a – believe above is sufficient			

2.7. Audit trail (Clause 11(4) of Schedule 15.3)

Code reference

Clause 11(4) of Schedule 15.3

Code related audit information

The DUML database must incorporate an audit trail of all additions and changes that identify:

- the before and after values for changes
- the date and time of the change or addition
- the person who made the addition or change to the database.

Audit observation

The Contact excel spreadsheet was checked for audit trails.

Audit commentary

There is no mechanism in the Contact excel spreadsheet for recording changes that occur in the field. The field audit identified eight light changes which took place since the last audit that had not been recorded in the spreadsheet.

I recommend in **section 3.1**, that this process is reviewed.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 2.7 With: Clause 11(4) of Schedule 15.3 From: 24-May-17 To: 12-Oct-22	Tracking of load change not carried out and therefore no audit trail of changes. Potential impact: Low Actual impact: Low Audit history: Twice Controls: None Breach risk rating: 5		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as none as there is no mechanism for tracking load changes. The field audit identified eight lights had been replaced since the last audit indicating that the Contact excel spreadsheet has not been kept up to date. The impact on settlement and participants is minor; therefore, the audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Effective 1/9/2022 the database implemented has an audit log that identifies changes and the effective date.		1/9/2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
N/a – believe above is sufficient			

3. ACCURACY OF DUML DATABASE

3.1. Database accuracy (Clause 15.2 and 15.37B(b))

Code reference

Clause 15.2 and 15.37B(b)

Code related audit information

Audit must verify that the information recorded in the retailer's DUML database is complete and accurate.

Audit observation

A field audit of all items of load was conducted to determine the database accuracy.

Wattages were checked for alignment with the published standardised wattage table produced by the Electricity Authority against the database or in the case of LED lights against the LED light specification.

The change management process and timeliness of database updates was evaluated.

Audit commentary

Database accuracy based on the field audit

The Contact excel spreadsheet data was 38.13% higher than the field data. The total wattage recorded in the Contact excel spreadsheet was 1,623 watts. The total wattage found in the field was 1,175 watts, a difference of 448 watts. This will result in estimated over submission of 1,913.41 kWh per annum (based on annual burn hours of 4,271 as detailed in the DUML database auditing tool).

The inaccuracies found in the Contact excel spreadsheet detailed in **sections 2.4** and **2.5** were as follows:

- six twin fluorescent lamps with 58W recorded in the spreadsheet and no gear wattage added, the standardised wattage table wattage records these as 144 W each including a ballast wattage of 28W for each fitting,
- one 21W LED recorded in database is owned by Far North District Council and is recorded in the council's RAMM streetlighting database,
- eight incorrect lamp types recorded in the Contact spreadsheet due to changes being made in the field, and
- two items with incorrect wattage recorded in the Contact excel spreadsheet.

Changes made in the field are not being communicated to Contact hence the number of discrepancies found. I repeat the recommendation from the last audits to undertake a full audit of all lights to correct the discrepancies found in the field audit.

Recommendation	Description	Audited party comment	Remedial action
Database accuracy	Conduct an audit of all load items to correct the database information.	Lamp type manufacturers details and model will be updated in the database by FNHL operations team.	Identified

I also repeat the recommendation that the tracking of load changes be reviewed to ensure that these are captured accurately and in a timely manner to maintain database accuracy going forward.

Recommendation	Description	Audited party comment	Remedial action
Database accuracy	Review tracking of load change process.	This was implemented effective 1/9/2022 in the new database that was created by FNDC and Simply.	Identified

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.1 With: Clause 11(2A) of Schedule 15.3 From: 24-May-17 To: 12-Oct-22	The Contact excel spreadsheet data was 38.13% higher than the field data indicating over submission of 1,913.41 kWh per annum. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak as the Contact excel spreadsheet has not been updated to reflect the field information. The risk is low due to the impact on submission.		
Actions taken to resolve the issue		Completion date	Remedial action status
Veritek Field audit completed 12/10/22, all discrepancies found by Veritek have been implemented effective 1/10/22.		19/10/2022	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

3.2. Volume information accuracy (Clause 15.2 and 15.37B(c))

Code reference

Clause 15.2 and 15.37B(c)

Code related audit information

The audit must verify that:

- *volume information for the DUML is being calculated accurately*
- *profiles for DUML have been correctly applied.*

Audit observation

The submission was checked for accuracy for the month the database extract was supplied. This included:

- checking the registry to confirm that the ICP has the correct profile and submission flag, and
- checking the database extract combined with the burn hours against the submitted figure to confirm accuracy.

Audit commentary

As detailed in **section 2.1** Contact reconciles this DUML load using the DST profile. The Contact excel spreadsheet is used to determine the submission information. As noted in **section 3.1** the 100% field audit undertaken found that the Contact excel spreadsheet data was 38.13% higher than the field data. The total wattage recorded in the Contact excel spreadsheet was 1,623 watts. The total wattage found in the field was 1,175 watts, a difference of 448 watts. This will result in estimated over submission of 1,913.41 kWh per annum (based on annual burn hours of 4,271 as detailed in the DUML database auditing tool).

On 18 June 2019, the Electricity Authority issued a memo 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.

The current Contact excel spreadsheet does not track load changes. I recommend in **section 3.1**, that this process be reviewed.

Audit outcome

Non-compliant

Non-compliance	Description		
Audit Ref: 3.2 With: Clause 15.2 and 15.37B(c) From: 24-May-17 To: 12-Oct-22	The Contact excel spreadsheet data was 38.13% higher than the field data indicating over submission of 1,913.41 kWh per annum. The Contact excel spreadsheet does not track changes on a daily basis. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Weak Breach risk rating: 3		
Audit risk rating	Rationale for audit risk rating		
Low	Controls are rated as weak as the Contact excel spreadsheet has not been updated to reflect the field information. The risk is low due to the impact on submission.		
Actions taken to resolve the issue		Completion date	Remedial action status
Veritek Field audit completed 12/10/22, all discrepancies found by Veritek have been implemented effective 1/10/22. Effective 1/9/2022 the database implemented has an audit log that identifies changes and the effective date.		19/10/2022	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	

CONCLUSION

This audit covers the Far North District Council Jetty and Wharf Lights (FNDC) DUMML ICP that is managed by Contact. Since the last audit Contact in consultation with Far North Holdings, Far North District Council and Top Energy has created an excel spreadsheet for the management of these lights. It has been determined that the lights on the Opuia and Russell wharves are metered, so these lights have been removed from the spreadsheet and the associated ICPs decommissioned.

The audit found seven non-compliances, six of which relate to inaccuracies in the database and two recommendations are made.

The 100% field audit undertaken on 12th October 2022 found that the Contact excel spreadsheet data was 38.13% higher than the field data. The total wattage recorded in the Contact excel spreadsheet was 1,623 watts. The total wattage found in the field was 1,175 watts, a difference of 448 watts. This will result in estimated over submission of 1,913.41 kWh per annum (based on annual burn hours of 4,271 as detailed in the DUMML database auditing tool). The discrepancies found in the field are due to incorrect wattage information recorded in the excel spreadsheet and light changes which took place since the last audit that had not been recorded.

The future risk rating of 23 indicates that the next audit be completed in three months. I have considered this in conjunction with Contact's responses and recommend that the next audit be in six months.

PARTICIPANT RESPONSE

Effective 1/9/2022 Far North District Council have taken over ownership of the DUMML ICPs that covers the piers and wharves in the Far North region which are operationally managed by Far North Holdings.

Since taking ownership of the ICP,

1. An audit was commissioned and now completed; and
2. A database has been established by FNDC in consultation with Simply Energy and findings from previous audits which tracks any changes at a daily level; and
3. Communication has been completed with Top Energy to allow amalgamation of the DUMML assets onto a single ICP, with the other two previously audited now decommissioned; and
4. Started planning a CAPEX works programme to have the remaining wharves on this DUMML ICP metered in the 2024 FY; and
5. Commissioned their operational arm, Far North Holdings Ltd to complete a field audit of remaining assets; and
6. Made changes to their database integrating new information from this audit.

Overall we are comfortable that this is now being proactively managed and accuracy will continue to improve, with the long term goal of having this ICP decommissioned once assets become metered.