

## Compliance plan for Norske Skog Tasman Limited

Non-compliance	Description		
Audit Ref: 2.1 With: 15.2  From: 01-Sep-17 To: 14-Sep-17	Not accurate information in three AV-110 files and submission volumes (incorrect month)  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. Audit risk rating is recorded as low. It is only one ICP. No real impact on settlement outcomes as the error was corrected.		
Actions taken to resolve the issue		Completion date	Remedial action status
More supervision of Agent and review of files		15 Mar 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Monitoring submission of files		15 Mar 2018	

Non-compliance	Description		
<p>Audit Ref: 2.2</p> <p>With: 15.35</p> <p>From: 01-May-17</p> <p>To: 07-Jun-17</p>	<p>Submission files for Apr'17 were not submitted in May'17. They were submitted on 7<sup>th</sup> June 2017</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Weak</p> <p>Breach risk rating:3</p>		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	<p>Controls are rated as weak. Pulse Utilities has not documented the process of submission reconciliation files on behalf of Norske Skog. It was noted that there is no written agreement between Norske Skog and Pulse Utilities regarding services provided. Audit risk rating is recorded as low. It is only one ICP, which average energy usage is 26,029 kWh. No real impact on settlement outcomes as the error was correct.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
Exercising more control and supervision of Agent		15 Mar 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Review and monitoring of files submitted		15 Mar 2018	

Non-compliance	Description		
Audit Ref: 2.8 With: 11.15B  From: 01-Mar-17 To: 31-Jan-18	No provision for 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  Potential impact: Low Actual impact: None Audit history: None Controls: Weak Breach risk rating:3		
Audit risk rating	Rationale for audit risk rating		
Low	We rated controls as weak. The contract with the school in place but this particular requirement is missing. The contract is signed every year therefore it should be not difficult to meet compliance. There is no impact on settlement outcomes. Audit risk rating is assigned as low.		
Actions taken to resolve the issue		Completion date	Remedial action status
Contract will be updated to allow the assignment of rights		31 Mar 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Contract template updated to include the ability for the EA to assign the rights		31 March 2018	

Non-compliance	Description		
Audit Ref: 6.1 With: 15.13  From: 01-Mar-17 To: 31-Jan-18	The reconciliation manager was not notified the school will not be receiving payment from the clearing manager or any other person through the point of connection to which the notification relates.  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. Reconciliation manager has not been notified but a customer does not receive payment from Norske Skog. Audit risk rating is rated as low because there is no impact on settlement outcomes		
Actions taken to resolve the issue		Completion date	Remedial action status
Norske Skog will notify the reconciliation manager		15 March 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Norske Skog will notify the reconciliation manager		15 March 2018	

Non-compliance	Description		
Audit Ref: 11.4 With: 15.8 From: 01-Mar-17 To: 31-Dec-17	HHRAGGR files do not contain electricity supplied information Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Norske Skog submits submissions volumes as per the reconciliation manager specification.		
Actions taken to resolve the issue		Completion date	Remedial action status
			Identified
Preventative actions taken to ensure no further issues will occur		Completion date	

Non-compliance	Description		
Audit Ref: 12.2 With: 15.4  From: 01-May-17 To: 07-Jun-17	Submission files for Apr'17 were not submitted in May'17 as per this clause requirements. They were submitted on 7 <sup>th</sup> June 2017  Potential impact: Low  Actual impact: Low  Audit history: None  Controls: Weak  Breach risk rating:3		
Audit risk rating	Rationale for audit risk rating		
<b>Low</b>	Controls are rated as weak. Pulse Utilities has not documented the process of submission reconciliation files on behalf of Norske Skog. It was noted that there is no written agreement between Norske Skog and Pulse Utilities regarding services provided. Audit risk rating is recorded as low. It is only one ICP, which average energy usage is 26,029 kWh therefore no real impact on settlement outcomes as the error was correct.		
Actions taken to resolve the issue		Completion date	Remedial action status
Norske Skog will review the files submitted each month		15 Mar 2018	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
Norske Skog will exercise more control over the Agent		15 Mar 2018	

Description	Recommendation	Audited party comment	Remedial action
Submission files for April'17 were not submitted in the timeframe specified by the Code.	Norske Skog should ask Pulse Utilities to provide them, every month, with copies of submission files.	Norske Skog agrees with the recommendation and will exercise more control and supervision of Agent.	Pulse Utilities will provide Norske Skog with submission files and NS will review.