

Compliance plan for Nova Energy Limited

Relevant information		
Non-compliance	Description	
<p>Audit Ref: 2.1</p> <p>With: Clause 10.6, 11.2, 15.2</p> <p>From: entire audit period</p>	<p>Some errors found in registry data.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate as they are sufficient to mitigate risk most of the time, but there is room for improvement.</p> <p>The audit risk rating is low as the overall volume of ICPs affected is low.</p>	
Actions taken to resolve the issue		Remedial action status

<p>This response is in relation to the 7 ICPs with consumption while disconnected and the creation of a new ICP.</p> <p>Other Non-compliances mentioned in section 2.1 have been addressed in their relevant section of the Audit Report.</p> <p>1. Seven ICPs with consumption while disconnected. Response: Non-Compliance accepted and remedial action on-going. Actions:</p> <ul style="list-style-type: none"> Nova will investigate the best course of action for each of the 7 ICPs. Corrective actions will be carried out and completed. <p>2. The creation of a new ICP rather than the correction of the incorrectly disconnected ICP. Response: Non-Compliance accepted. Comments:</p> <ul style="list-style-type: none"> Since the ICP 0015720028ELBE8 had a registry status of decommissioned the Nova employee applied for and followed a new connections process. Post audit, Veritek gained clarification from the EA and Jade. It was advised; as the ICP was never disconnected the associated decommissioning events should have been reversed. The original ICP should have been returned to an active status rather than create a new ICP. Nova believes this is a Technical non material, non-compliance. <p>Actions:</p> <ul style="list-style-type: none"> The Nova employee has been advised of the correct process. 	<p>Q1</p> <p>Completed December 2017</p>	<p>Identified</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	

<p>1. Seven ICPs with consumption while disconnected.</p> <ul style="list-style-type: none"> Once the investigation has taken place and reasons identified as to why the registry updates were not made, reporting will be updated. This will ensure these scenarios are caught and updates can occur within required time frames. 	Q1	
<p>2. The creation of a new ICP rather than the correcting of the incorrectly disconnected original ICP.</p> <ul style="list-style-type: none"> Existing processes will be updated to reflect the learning's advised by the EA. New process training will be given to employees undertaking this task type. 	Q1	

Electrical Connection of Point of Connection		
Non-compliance	Description	
<p>Audit Ref: 2.11</p> <p>With: 10.33A</p> <p>From: 01-Mar-17</p> <p>To: 31-Oct-17</p>	<p>Eight reconnected ICPs not certified within 5 business days of reconnection.</p> <p>38 reconnected ICPs with no certified metering in place.</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	
Low	<p>Controls are rated as weak as Nova was unaware of the reconnection meter certification requirement and therefore no specific controls were in place.</p> <p>The audit risk rating is low as there is no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Remedial action status

Changes to registry information			
Non-compliance	Description		
<p>Audit Ref: 3.3</p> <p>With:</p> <p>From: 01-Mar-17</p> <p>To: 30-Sep-17</p>	<p>Registry information not updated within 5 business days of the event.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls will mitigate risk most of the time but some room for improvement was identified.</p> <p>The audit risk rating is low as whilst the timeliness to update the registry has declined in this audit period this is due to data cleansing underway which is improving data accuracy.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Response: Non-Compliance accepted and remedial action is on-going.</p> <p>Comments:</p> <ul style="list-style-type: none"> • Since the last Audit Nova has commenced the commitment to improve the status updates for 'Change to electrically disconnected ready for decommissioning'. • We acknowledge that there is some room for improvement and continue to work on meeting the update timeframes. • It should be noted that a number of factors contribute to the Non-compliance; late paperwork from the field, data corrections with historical events, force majeure events and human error. <p>Actions:</p> <ul style="list-style-type: none"> • We continue to work with our industry stakeholders to improve our compliance time frames. • We will update reporting criteria to identify a broader range of scenarios which could result in late updates. 		On-going Q1	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> Our focus will continue to be on accuracy of event dates and minimising the time taken to update the registry. Nova's opinion is that a small number of Non-compliances will continue to occur. 	On-going	

Provision of information to the registry manager			
Non-compliance	Description		
Audit Ref: 3.5 With: 9 Schedule 11.1 From: 20-Mar-17 To: 28-Sep-17	Registry information not updated within 5 business days of the event for eight ICPs. Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Strong Breach risk rating: 1		
Audit risk rating	Rationale for audit risk rating		
Low	Nova's controls are robust. The seven late ICPs will have little impact on reconciliation hence the audit risk rating of low.		
Actions taken to resolve the issue		Completion date	Remedial action status

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>1. Seven ICPs not updated within five days. NA</p> <p>2. The creation of a new ICP rather than the correcting of the incorrectly disconnected original ICP.</p> <ul style="list-style-type: none"> Existing processes will be updated to reflect the learning's advised by the EA. New process training will be given to employees undertaking this task type. 	Q1	

ANZSIC codes		
Non-compliance	Description	
<p>Audit Ref: 3.6</p> <p>With: 9 (1(k) of Schedule 11.1</p> <p>From: 01-Oct-16</p> <p>To: 30-Sep-17</p>	<p>Incorrect ANZSIC code assigned.</p> <p>Potential impact: None</p> <p>Actual impact: None</p> <p>Audit history: None</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls will mitigate risk in relation to missing or non-specific codes but is not set up to check code validity.</p> <p>This has no direct impact on reconciliation.</p>	
Actions taken to resolve the issue		Remedial action status

Response: Non-Compliance accepted. Comments: <ul style="list-style-type: none"> Errors are in relation to commercial only. When sampling is taken at a given point in time, non-compliance is likely to still occur as there is a time lag from when incorrect ANZSIC codes are identified, corrections investigated and then updates, made. Actions: <ul style="list-style-type: none"> Nova has begun a data cleanse process to identify possible ANZSIC code misalignment. Sampling the outcomes will be carried out to determine accuracy of the newly identified code. Based on the outcomes a decision will be made on the updates we will/can undertake. As part of this process Nova will need to identify the most accurate resource (source of truth) to compare our data to. Tools such as Google Maps and business data bases can be outdated. 	Q3 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
As Above		

Management of “active” status	
Non-compliance	Description
Audit Ref: 3.8 With: 17 Schedule 11.1 From: 01-Oct-16 To: 30-Sep-17	Some ICPs with active status discrepancies Potential impact: Medium Actual impact: Low Audit history: Multiple Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating
Low	Controls will mitigate risk most of the time but some room for improvement was identified. The audit risk rating is low as the overall level of level of accuracy is 95% or higher.

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Part of the Non-Compliance for 3.8 (Seven ICPs with consumption while disconnected) has been addressed in 2.1. The response for 2.1 has been copied below.</p> <p>1. Seven ICPs with consumption while disconnected. Response: Non-Compliance accepted and remedial action on-going. Actions:</p> <ul style="list-style-type: none"> • Nova will investigate the best course of action for each of the 7 ICPs. • Corrective actions will be carried out and completed. <p>2. ICP 0001020104SN582 - New connection taken to active for the incorrect date. Response: Non-Compliance accepted remedial action completed. Comments:</p> <ul style="list-style-type: none"> • The cause of this discrepancy was due to human error. <p>Actions:</p> <ul style="list-style-type: none"> • Nova worked with the MEP to reverse the incorrect event. • A correct event update was made to the Registry made in 9 January 2018. 	<p>Q1</p> <p>Completed January 2018</p>	<p>Identified</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>1. Seven ICPs with consumption while disconnected.</p> <ul style="list-style-type: none"> Once the investigation has taken place and reasons identified as to why the registry updates were not made, reporting will be updated to ensure these scenarios are caught and updates can occur within time frames. 	Q1	
<p>2. ICP 0001020104SN582 - New connection taken too active for the incorrect date.</p> <ul style="list-style-type: none"> Existing Reporting will be refined to pick up errors of this nature. Action to correct the errors will then be taken. New process training will be given to employees undertaking this task type. 	Q1	

Retailers must use same reading - standard switch	
Non-compliance	Description
<p>Audit Ref: 4.4</p> <p>With: 6(1) and 6A Schedule 11.3</p> <p>From: 28-Aug-17</p> <p>To: 30-Sep-17</p>	<p>One read request sent without two validated reads.</p> <p>Two read request files were sent with AMI reads labelled as estimates.</p> <p>Nine late RR files sent.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Nova's controls are robust.</p> <p>The audit risk rating is low as this will have little to no impact on reconciliation, and the reads provided were correct.</p>

Preventative actions taken to ensure no further issues will occur	Completion date	
1. One read request sent without two validated reads • Team refresher training.	Q1	
2. Two read request files were sent with AML reads labelled as estimates. • Team refresher training.	Q1	
3. Nine late RR files As per our action above.	On -going	

Losing trader provides information - switch move			
Non-compliance	Description		
Audit Ref: 4.8 With: Clause 10(1) Schedule 11.3 From: 01-Oct-16 To: 30-Sep-17	Three ICPs sent with “AA” code instead of the “AD” code. PD code not used by Orion. Potential impact: None Actual impact: None Audit history: Twice Controls: Moderate Breach risk rating: 2		
Audit risk rating	Rationale for audit risk rating		
Low	Nova’s controls are robust but rated as moderate as the “PD” code is not used in Orion. This has no direct impact on reconciliation hence audit risk rating is low.		
Actions taken to resolve the issue		Completion date	Remedial action status

Response: Non-Compliance accepted. Comments: In Nova's view this non-compliance has no operational or material impact. Actions: Our action from last year was that we would; <ul style="list-style-type: none"> Review current state and identify options. Make a decision on the best solution to rectify the Non-compliance. We carried out the following; <ul style="list-style-type: none"> A solution was created, tested and implemented. Nova is now using an automated process employing best endeavours to apply the AN codes. 	Completed December 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> As above 	NA	

Losing trader must provide final information - switch move	
Non-compliance	Description
Audit Ref: 4.10 With: 11 Schedule 11.3 From: 26-Jun-17 To: 13-Jul-17	One CS file sent with reads incorrectly sent as actuals and with the incorrect last read date. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2
Audit risk rating	Rationale for audit risk rating
Low	Controls will mitigate risk most of the time but some room for improvement was identified. This will have a minor impact on reconciliation therefore the audit risk rating is low.

Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-compliance accepted and remedial action completed. Comments: <ul style="list-style-type: none"> The non-compliance is a result of a customer supplied read which an employee incorrectly labelled. The action by the employee resulted in the incorrect last actual read date being inserted into the CS. Action <ul style="list-style-type: none"> In this instance the process followed by the employee was not a Nova approved process and the staff member has been advised of their error. 	Completed December 2017	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> Process documentation will be updated to ensure clarity of compliance requirements and approved process. Nova continues to work with our employees to ensure they understand the processes and procedures to be followed. 	Q1	

Gaining trader changes to switch meter reading - switch move	
Non-compliance	Description
Audit Ref: 4.11 With: 12 Schedule 11.3 From: 01-Oct-16 To: 30-Sep-17	One read request sent without two validated reads. One read request file was sent with AMI reads labelled as estimates. Nine late RR files sent. 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 will mitigate risk most of the time. The audit risk rating is low as this will have little to no impact on reconciliation, and the reads provided were correct.

<p>3. Nine late RR files sent.</p> <p>Response: Non-Compliance accepted.</p> <p>Comments:</p> <ul style="list-style-type: none"> • In these cases all RR files were late due to the length of time taken to gain 2 validated meter readings. • The Code does not allow for the situations where rectifying an issue can exceed 4 calendar months. • We will continue with current practices, as the code requires a Trader to have 2 validated meter readings. <p>Actions:</p> <ul style="list-style-type: none"> • Nova commits to reviewing the process and reasons for delays and looking for opportunities to improve. 	On - going	
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>1. One read request sent without two validated reads</p> <ul style="list-style-type: none"> • Team refresher training. 	Q1	
<p>2. One read request file was sent with AML reads labelled as estimates.</p> <ul style="list-style-type: none"> • Process documentation will be updated to provide clarity of compliance requirements. • Nova will continue to work with our employees to ensure they understand the process and procedures to be followed. 	Q1	
<p>1. Nine late RR files sent.</p> <p>As per our action above.</p>	On- going	

Withdrawal of switch requests		
Non-compliance	Description	
Audit Ref: 4.15 With: 17 and 18 Schedule 11.3 From: 27-Aug-15 To: 27-Sep-17	Incorrect withdrawal reason sent for two ICPs. 21 late switch withdrawals. Potential impact: Low Actual impact: Low Audit history: Once Controls: Moderate Breach risk rating: 2	
Audit risk rating	Rationale for audit risk rating	
Low	Errors will be mitigated most of the time. Use of withdrawal codes training opportunity identified. The volume of backdated switch requests is very low (1%) therefore the impact on reconciliation will be low.	
Actions taken to resolve the issue		Remedial action status

<p>1. Incorrect withdrawal reason sent for two ICPs.</p> <p>Response: Non-Compliance accepted.</p> <p>Comments:</p> <ul style="list-style-type: none"> For both 0000120797EN629 and 0000122557TRA18 we submitted “WP” indicating the wrong premise. A more accurate code to use would have been “UA. <p>Actions:</p> <ul style="list-style-type: none"> Process documentation will be updated to help determine when a more accurate code may be used. Refresher training was carried out with the Switching Team in December 2017. 	Q1	Identified
<p>2. 21 late switch withdrawals.</p> <p>Response: Non-Compliance accepted</p> <p>Comments:</p> <ul style="list-style-type: none"> We have investigated the cause of the 21 ICPs and they were as a result of the time taken to resolve. Nova considers it is in the best interest of the customer to correct data to accurately bill the customer and ensures we comply with Clause 11.2 of part 11 “to provide complete and accurate information”. <p>Actions:</p> <ul style="list-style-type: none"> We believe no further action is required by Nova. 	NA	
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>1. Incorrect withdrawal reason sent for two ICPs.</p> <ul style="list-style-type: none"> As above. <p>2. 21 late switch withdrawals.</p> <ul style="list-style-type: none"> In last year’s audit response Nova suggested that these types of situations need to be considered for possible Code review. As part of the 2018 Code review programme a Nova representative is part of the EA Switching Technical Group. We believe this will include a review of the withdrawal process and timings. 	NA	

Electricity conveyed & notification by embedded generators			
Non-compliance	Description		
<p>Audit Ref: 6.1 With: Clause 10.13</p> <p>From: January to August 2017</p>	<p>While meters were bridged, energy was not metered and quantified according to the code for four ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate as they are sufficient to reduce the risk most of the time.</p> <p>Bridging only occurs where a soft reconnection cannot be performed after hours and the customer urgently requires their energy supply for health and safety reasons. In nine of the ten examples reviewed, corrections had been processed.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status
<p>Response: Non-Compliance accepted.</p> <p>Comments:</p> <ul style="list-style-type: none"> Nova has detailed reporting to identify occurrences of bridged meters when paper work is not received from the field. We have refined existing reporting and put additional controls in place. Nova does not initiate the bridging of meters and agrees that a bridged meter is not a desirable outcome when reconnecting a customer. Nova has a thorough process in place which describes the actions to be taken if a bridged meter is identified in both proactive and reactive scenarios. <p>Actions:</p> <ul style="list-style-type: none"> Nova will continue to work with our MEPs through service level agreements to ensure bridging of meters continues to be an undesirable outcome for Nova. 		Completed October 2017	Identified
Preventative actions taken to ensure no further issues will occur		Completion date	
<ul style="list-style-type: none"> As per our action above. Continue to peer review corrections for accuracy. 		On-going	

Interrogate meters once		
Non-compliance	Description	
<p>Audit Ref: 6.8</p> <p>With: Clause 7(1) and (2) Schedule 15.2</p> <p>From: entire audit period</p>	<p>Some ICPs were not read during the period of supply.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate because they will mitigate the risk most of the time, but ICPs may remain unread and the best endeavours requirement may not be met where ICPs are supplied for a short period.</p> <p>The impact is assessed as low because in half the cases reviewed, the best endeavours requirement had been met.</p>	
Actions taken to resolve the issue		Remedial action status
		Completion date

<p>Response: Non-Compliance accepted, remedial action is on-going</p> <p>Comments As per our past audit response;</p> <ul style="list-style-type: none"> Nova has put processes in place to use AMI reads post switch completion to improve compliance. Improvements in compliance have been achieved but this process is on-going and is dependent on an AMI meter being installed and communicating. We believe achieving 100% compliance remains unattainable on legacy meter sites when period of supply is short. <p>Nova agrees that in the 4 cases identified we did not meet the criteria of best endeavours or exceptional circumstances.</p> <p>Action Nova will investigate the following and action a solution;</p> <ul style="list-style-type: none"> Look at beginning our no reads process earlier than the current 90 days. Update our reporting criteria to identify those customers that require additional communication or have not received the expected. Introduced other methods of communication to increase our success in contacting the customer. 	On-going	Identified
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>As above.</p>	<p>On-going</p>	

Correction of NHH meter readings			
Non-compliance	Description		
<p>Audit Ref: 8.1</p> <p>With: Clause 19(1) Schedule 15.2</p> <p>From: entire audit period</p>	<p>Corrections were processed incorrectly for one defective meter and one bridged meter.</p> <p>Three incorrectly processed corrections for bridged meters identified during the last audit have not been re-processed correctly.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate as they are sufficient to reduce the risk of incorrect consumption most of the time. There is some room for improvement, particularly around the use of overlapping customer and occupier accounts.</p> <p>The risk rating is low, only two of the ICPs checked had corrections processed incorrectly during the audit period.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

Electronic meter readings and estimated readings		
Non-compliance	Description	
<p>Audit Ref: 9.6</p> <p>With: Clause 17 Schedule 15.2</p> <p>From: entire audit period</p>	<p>Stark meter events are not routinely reviewed by Nova.</p> <p>AMI event logs are not monitored for ARC meters.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Twice previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate, because in most cases metering issues will be identified through Nova's validation processes and the event logs will be checked.</p> <p>The risk rating is low, because there is a small risk that an event affecting meter accuracy may not be identified through the validation checks.</p>	
Actions taken to resolve the issue		Remedial action status
		Completion date

<p>1. Stark meter events are not routinely reviewed by Nova.</p> <p>Response:</p> <ul style="list-style-type: none"> • Non-compliance accepted. <p>Action</p> <ul style="list-style-type: none"> • A new monthly report has been created which summarises the meter event information for the Stark meters. • The report was reviewed for all the meter events during December 2017. While the issues identified by the report had already been identified and addressed via other validation reports, this report will provide an additional layer of validation should an error ever be missed by the other validation steps. <p>2. AMI event logs are not monitored for ARC meters.</p> <p>Response: Non-Compliance accepted remedial action is on-going.</p> <p>Comments</p> <ul style="list-style-type: none"> • As per our last Audit response, Nova worked with AMS and Metrix to ensure processes were applied across event logs. • ARC does not currently have event reporting in place. • We do receive AMI no-reads reporting from ARC (which includes non-communicating meters) on a regular basis which is interrogated by Nova. <p>Action</p> <ul style="list-style-type: none"> • ARC have committed to providing Nova an interim report on sites not recording consumption (which are not being picked up in their no-reads or non-communicating reporting) in January 2018. • Nova will implement immediate review and subsequent actions. 	<p>Completed December 2017</p> <p>Q1</p>	<p>Identified</p>
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Preventative actions taken to ensure no further issues will occur	Completion date	
<ol style="list-style-type: none"> Stark meter events are not routinely reviewed by Nova. <ul style="list-style-type: none"> Nova will use the report routinely to review the stark meter events. AMI event logs are not monitored for ARC meters. <ul style="list-style-type: none"> Nova will work with ARC on a longer term Event reporting solution. 	<p>On - going</p> <p>Q4</p>	

Calculation of ICP days			
Non-compliance	Description		
<p>Audit Ref: 11.2</p> <p>With: Clause 15.6 of part 15</p> <p>From: January 2016</p>	<p>One ICP days correction for HHR ICP 0900090793PCDD3 was not processed prior to the 14 month revision. It resulted in over reporting of 25 ICP days in January 2016.</p> <p>ICP days are reported for active, and inactive metered ICPs. According to the code ICP days should only be reported for active ICPs.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Moderate</p> <p>Breach risk rating: 2</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as moderate, as they are sufficient to mitigate the risk of incorrect ICP days most of the time, but there is room for improvement.</p> <p>The impact is rated as low because the number of ICP days affected is low. Because consumption is only reported where there are ICP days, Nova's method ensures that if any consumption occurs during an inactive period it will be reported.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

<p>1. One ICP day's correction for HHR ICP 0900090793PCDD3 was not processed prior to the 14 month revision. It resulted in over reporting of 25 ICP days in January 2016.</p> <p>Response:</p> <p>Non-Compliance accepted and remedial action completed.</p> <p>2. ICP days are reported for active, and inactive metered ICPs. According to the code ICP days should only be reported for active ICPs.</p> <p>Response:</p> <p>Non-Compliance accepted.</p> <p>Comments:</p> <ul style="list-style-type: none"> Nova will continue to report ICP days for TOU & NTOU inactive metered ICPs with consumption as this ensures any consumption that occurs during the inactive period is reported. 	<p>November 2016</p>	<p>Investigating</p>
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<p>1. One ICP day's correction for HHR ICP 0900090793PCDD3 was not processed prior to the 14 month revision. It resulted in over reporting of 25 ICP days in January 2016.</p> <ul style="list-style-type: none"> The submission process now requires all revisions to be washed-up and kWh & ICP days will be submitted even if there is no change. 	<p>November 2016</p>	

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
<p>Audit Ref: 11.4</p> <p>With: Clause 15.8</p> <p>From: entire audit period</p>	<p>HHR aggregates file does not contain electricity supplied information.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once previously</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as strong, and the impact as low, because the requirement to report electricity supplied information is an error in the code, and Nova is providing submission information as expected. In most cases, billed volumes would match reported volumes.</p>	
Actions taken to resolve the issue		Completion date
<p>Response:</p> <p>Non-Compliance not accepted.</p> <p>Comments:</p> <p>As per our last audit response;</p> <ul style="list-style-type: none"> Nova Energy will continue to prepare the HHR aggregates file at an ICP level based on submission information as required by the Reconciliation Manager. Nova supports a Code change to allow the aggregate files used in practice within the industry to remain unchanged. 		NA
Preventative actions taken to ensure no further issues will occur		Completion date
NA		NA
		Disputed

Forward estimate process			
Non-compliance	Description		
<p>Audit Ref: 12.12</p> <p>With: Clause 6 of Schedule 15.3</p> <p>From: entire audit period</p>	<p>The accuracy threshold was not met for all months and revisions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: None</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>		
Audit risk rating	Rationale for audit risk rating		
Low	<p>Controls are rated as strong, as they are sufficient to ensure data is within the accuracy threshold except where an ICP has changed submission type between revisions.</p> <p>Initial data is replaced with revised data, and washed up.</p>		
Actions taken to resolve the issue		Completion date	Remedial action status

Response: Non-Compliance not accepted. Comments: <ul style="list-style-type: none"> • The balancing areas where variations between revisions was more than $\pm 15\%$ and $\pm 100,000$ kWh were due to ICPs on RPS being migrated to AMI HHR submissions after the initial submission for that month had occurred. • The method used by the auditor to identify these variations was at a balancing area level, then additionally broken down by metering type. As noted by the auditor above, if the profile change ICPs are accounted for, the balancing areas would not have exceeded variations of more than $\pm 15\%$ and $\pm 100,000$ kWh. • Clause 6(3) of Schedule 15.3 states 'The methodology used for calculating a forward estimate may be determined at the discretion of the reconciliation participant, and only if the reconciliation participant ensures that the accuracy of its initial submission information against each subsequent revision cycle submission information for each balancing area is within the percentage of error specified and published, from time to time, by the Authority', it does not state that this comparison needs to be made at the metering type level. 	NA	Disputed
Preventative actions taken to ensure no further issues will occur	Completion date	
NA	NA	

Historical estimate reporting to RM		
Non-compliance	Description	
<p>Audit Ref: 13.3</p> <p>With: Clause 10 of Schedule 15.3</p> <p>From: entire audit period</p>	<p>Historic estimate thresholds were not met for some revisions.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Multiple times</p> <p>Controls: Strong</p> <p>Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
Low	<p>Controls are rated as moderate, as they are sufficient to mitigate the risk of not meeting the threshold most of the time.</p> <p>The audit risk rating is low, as Nova was close to the target in all cases.</p>	
Actions taken to resolve the issue		Completion date
<p>Response: Non-Compliance accepted.</p> <p>Comments:</p> <ul style="list-style-type: none"> 100% HE has been achieved for R14 from Jan 2016 to-date (Oct 2016 R14). Any Forward Estimates at R14 will continue to be checked. 'Permanent estimate' read types will continue to be applied. 		NA
Preventative actions taken to ensure no further issues will occur		Completion date
NA		NA