

<ul style="list-style-type: none"> • As an outcome of identifying the 2017 corrections not being completed, Nova will instigate a review of the data integrity reporting that supports identification of ICPs with incorrect status' • Update to the 10 ICPs is as follows: <ul style="list-style-type: none"> ○ 2 ICPs resolved ○ 8 ICPs switched out 3. One ICP was found to have an active date discrepancy <p>Response: Non-Compliance accepted and remedial action on-going.</p> <p>Actions:</p> <ul style="list-style-type: none"> • MEP information provided was incorrect for the 1 ICP with active date discrepancy • Nova employee believed they were compliant under Clause 10.33A so did not challenge the MEP metering install paperwork • ICP active date has been corrected 	<p>Q2</p>	
<p style="text-align: center;">Preventative actions taken to ensure no further issues will occur</p>	<p style="text-align: center;">Completion date</p>	
<ul style="list-style-type: none"> • Data integrity reporting to be reviewed further as opportunities to identify discrepancies needs refinement. • Further training was provided across the wider team to refresh understanding of what the issues are and how to resolve them, this is an on-going monthly topic. • Process documentation updated to provide clearer guidelines for follow up, through to correction, is occurring. • Our focus will continue to be on accuracy of event dates and complete and accurate information. 	<p>Q2</p>	

Audit trails		
Non-compliance	Description	
<p>Audit Ref: 2.4</p> <p>With: Clause 21 Schedule 15.2</p> <p>From: 01-Nov-18</p> <p>To: 22-Nov-18</p>	<p>Stark audit trails do not record the operator identifier for the person who completed the activity; there is only one operator identifier for Stark.</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>The controls are rated as strong and the impact as low.</p> <p>Audit trails are available and contain the required information, but the person who processed the change is not identifiable within the audit trail because there is only one operator identifier.</p> <p>A small number of users have access to Stark. For the sample of audit trails reviewed, it was simple to determine which person was responsible for processing the change from supporting information.</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"> Stark stored audit trails with a single system operator identifier due to a common login used by Stark users. The processes for modifying data resulted in files and/or records being stored outside of Stark that identified the person who processed the change. This was confirmed by the Auditor in the sample of audit trails reviewed. <p>Actions:</p> <ul style="list-style-type: none"> Nova has created individual logins for users of Stark. Any modifications to data will result in Audit trails containing a unique operator identifier that corresponds to the person responsible for making changes. 	N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
As Above	N/A

Electrical Connection of Point of Connection for an ICP that is not an NSP		
Non-compliance	Description	
Audit Ref: 2.11 With: 10.33A From: 01-Mar-18 To: 30-Sep-18	Two ICPs were not certified within 5 business days of electrical connection. 54 reconnected ICPs with no certified metering in place. Two ICPs were not recertified when their meters were unbridged. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as there are processes in place to identify and address ICPS without certification upon electrical connection. The audit risk rating is low as there is no direct impact on reconciliation.	
Actions taken to resolve the issue	Completion date	Remedial action status
1. 2 ICPs not certified within 5 business days of electrical connection. Response: Non-Compliance accepted. <ul style="list-style-type: none"> As described in the 2017 audit outcomes Nova reviewed all ICPs that were electrically connected without certified metering and confirm we instigated a program of work to address these and implemented processes to support actions moving forward. Action: <ul style="list-style-type: none"> ICP 0007183386RN7B2 was identified within our data integrity reporting suite. Action instigated with MEP to revisit site to certify metering. Certification completed, and registry updated March 2018. ICP 1002046503LC25F was identified within our data integrity reporting suite. 	March – June 2018	Identified

<ul style="list-style-type: none"> Processes created post 2017 audit reflect the actions to be taken if an ICP is reconnected with uncertified metering. Non-compliance will continue to occur until all uncertified metering across the industry has been certified. <p>3. 2 ICPs were not certified when their meters were unbridged.</p> <ul style="list-style-type: none"> Nova have updated our service request template to capture if uncertified metering was identified which will result in a request to the MEP to attend and recertify Nova will continue to reinforce with our MEPs through service level agreements and on-going performance reviews, bridging of meters is an undesirable outcome for Nova. 	<p>February 2019</p>	
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Changes to registry information		
Non-compliance	Description	
<p>Audit Ref: 3.3 With: Clause 10 Schedule 11.1</p> <p>From: 01-Mar-18 To: 30-Sep-18</p>	<p>Registry information not updated within 5 business days of the event.</p> <p>Potential impact: Low Actual impact: Low Audit history: Multiple Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>Controls are rated as strong with robust exception reporting and processes in place as is reflected by the high level of timely updates to the registry.</p> <p>The audit risk rating is low as the vast majority of updates to the registry occur within the required timeframe.</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 displays on-going commitment to timely status updates which is reflected in the improved compliance results. MEP nominations will be reviewed further to refine processes. 	<p>N/A</p>	<p>Identified</p>

<ul style="list-style-type: none"> In the instances where Nova corrected ANZSIC codes for a backdated period we have elected to provide complete and accurate information and acknowledge this creates contention with Clause 10 Schedule 11.1. <p>Actions:</p> <ul style="list-style-type: none"> We continue to work with our industry stakeholders to improve our compliance time frames and where required we will elect to provide complete and accurate information. 		
Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> A review of the MEP nomination process will be undertaken specifically within Smartco MEP areas to reduce multiple MEP nominations occurring. Our focus will continue to be on accuracy of event dates and complete and accurate information. 	N/A	

Management of “active” status		
Non-compliance	Description	
Audit Ref: 3.9 With: Clause 19 Schedule 11.1 From: 26-Feb-18 To: 28-Nov-18	Ten ICPs had inactive status during a period where consumption occurred. 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 assessed to be strong, because most ICPs have the correct status recorded. The impact was assessed to be low. There is no impact on submission; all inactive consumption is reported.	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Response: Non-Compliance not accepted.</p> <p>As per our detailed response in 2.1</p>	N/A	Cleared

Actions: ICP 1002047987LCBB3 <ul style="list-style-type: none"> MEP information provided was incorrect for 1 ICP with active date discrepancy. Nova rely on MEPs providing complete and accurate information. ICP active date has been corrected November 2018. 		
Preventative actions taken to ensure no further issues will occur	Completion date	
As per our detailed response in 2.1	N/A	

Management of "inactive" status		
Non-compliance	Description	
Audit Ref: 3.9 With: Clause 19 Schedule 11.1 From: 26-Feb-18 To: 28-Nov-18	Ten ICPs had inactive status during a period where consumption occurred. 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 assessed to be strong, because most ICPs have the correct status recorded. The impact was assessed to be low. There is no impact on submission; all inactive consumption is reported.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance accepted and remedial action on-going. As per detailed response in 2.1: 10 ICPs with consumption during a period with inactive status were identified. Actions: <ul style="list-style-type: none"> As an outcome of identifying the 2017 corrections not being completed, Nova will instigate a review 	November 2018	Identified

<p>of the data integrity reporting that supports identification of ICPs with incorrect status’.</p> <ul style="list-style-type: none"> • Update to the 10 ICPs is as follows: <ul style="list-style-type: none"> ○ 2 ICPs resolved ○ 8 ICPs switched out 		
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>As per our detailed response in 2.1</p> <ul style="list-style-type: none"> • Data integrity reporting to be reviewed further as opportunities to identify discrepancies needs refinement. • Further training was provided across the wider team to refresh understanding of what the issues are and how to resolve them, this is an on-going monthly topic • Process documentation updated to provide clearer guidelines for follow up, through to correction, is occurring. • Our focus will continue to be on accuracy of event dates and complete and accurate information. 	Q2	

Losing trader must provide final information - standard switch	
Non-compliance	Description
<p>Audit Ref: 4.3 With: Clause 5 Schedule 11.3 From: 21-Aug-18 To: 21-Aug-18</p>	<p>One late transfer CS file. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1</p>
Audit risk rating	Rationale for audit risk rating
Low	<p>Strong controls are in place to ensure that CS files are normally sent on time. The impact is low; one transfer CS file was sent one business day late.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Response: Non-Compliance accepted and remedial action completed.</p> <p>Comments:</p> <ul style="list-style-type: none"> The Nova employee manually stopped the ICP from being included in the CS file export process to ensure accurate actual read(s) were going to be used. By doing this the employee then omitted updating the effective event date which caused the non-compliance. <p>Actions:</p> <ul style="list-style-type: none"> Remedial training was provided to the employee. 	December 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> Remedial training was provided to the employee Nova will implement an additional CS export check across effective event dates by Q2 	Q2	

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: 20-Jun-18</p> <p>To: 27-Sep-17</p>	<p>One late RR file sent.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</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>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Response: Non-Compliance accepted.</p>	N/A	Identified

<p>Comments:</p> <ul style="list-style-type: none"> • The sending of an RR file was late due to the fact that it took >4months to ascertain that the switch in reads were incorrect. • Historical access issues both with Nova and previous provider meant it took an extended length of time to identify the gaining reads were incorrect and 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>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<ul style="list-style-type: none"> • Improved compliance has been observed during this audit period based on the outcomes of the 2017 audit. • No issues were found with the content of the RR files. • Nova will continue with on-going refresher training, review processes and where possible look for opportunities for improvement. 	<p>On-going</p>	

<p>Non-half hour switch event meter reading - standard switch</p>	
<p>Non-compliance</p>	<p>Description</p>
<p>Audit Ref: 4.5 With: Clause 6(2) and (3) Schedule 11.3 From: 05-Feb-18 To: 05-Feb-18</p>	<p>One RR issued under clause 6(2) and (3) of Schedule 11.3 was invalidly rejected. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1</p>
<p>Audit risk rating</p>	<p>Rationale for audit risk rating</p>
<p>Low</p>	<p>The controls are rated as strong, processes are robust and only one file was treated incorrectly. The impact was low, the file was accepted on reissue with the same reading.</p>

Actions taken to resolve the issue	Completion date	Remedial action status
<p>Response: Non-Compliance accepted and remedial action completed.</p> <p>Comments:</p> <ul style="list-style-type: none"> • The RR was incorrectly rejected by a Nova employee • The employee misinterpreted the fact that an actual read(s) for an AMI communicating meter provided by the gaining trader within 5 days must be used by the losing provider. • The acceptance of the RR was not within 5 days • The subsequent RR was accepted on reissue. 	February 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> • Remedial training provided to the employee and wider Nova Switching team. • Process documentation was reviewed and updated to provide clearer understanding and instruction. 	February 2019	

Gaining trader changes to switch meter reading - switch move		
Non-compliance	Description	
<p>Audit Ref: 4.11</p> <p>With: Clause 12 Schedule 11.3</p> <p>From: 05-Dec-17</p> <p>To: 20-Jun-18</p>	<p>Five late RR files sent.</p> <p>Potential impact: Low</p> <p>Actual impact: Low</p> <p>Audit history: Once</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>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Response: Non-Compliance accepted.</p> <p>Comments:</p> <ol style="list-style-type: none"> 1. Four late RR files sent 	N/A	Identified

<ul style="list-style-type: none"> • The sending of RR files was late due to the fact that it took >4months to ascertain that the switch in reads were incorrect. • An extended length of time to gain 2 validated meter readings has contributed to the non compliance. • The Code at the time of this audit period did not allow for the situations where rectifying an issue can exceed 4 calendar months from the event date. • We will continue with current practices, as The Code requires a Trader to have 2 validated meter readings. <p>2. One late RR file sent.</p> <ul style="list-style-type: none"> • One RR file sent late due to the losing provider rejecting Nova’s RR as they wanted to undertake their own investigations. • Post the losing provider completing their review Nova’s subsequent RR was accepted albeit both the RR’s for this ICP were recorded as late. 		
Preventative actions taken to ensure no further issues will occur		
<ul style="list-style-type: none"> • Nova will continue to work with our employees to ensure they understand the processes and procedures to be followed. • The revised Code (Clause 6A(1) effective 1 February 2019 amends the timeframe to rectify reads, now 4 months from the registry manager giving the gaining trader written notice under Clause 22(d) of having received information about the switch completion. <ul style="list-style-type: none"> a. We believe the revised code will have a positive impact on reducing the number of late RRs across the industry. 	On-going	

Gaining trader to advise the registry manager - gaining trader switch		
Non-compliance	Description	
Audit Ref: 4.14 With: Clause 16 Schedule 11.3 From: 17-Aug-18 To: 21-Aug-18	One late CS file. Potential impact: Low Actual impact: Low Audit history: None Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Strong controls are in place to ensure that CS files are normally sent on time. The impact is low; one HH CS file was sent three business days late.	
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"> Complete and accurate information was provided in the CS file. The ICP impacted was identified via data integrity reporting however the team member responsible did not follow the Nova approved process. Actions: <ul style="list-style-type: none"> The ICP was sent in the CS file but was late. 	November 2018	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> Remedial training was provided to the employee An additional review process was implemented within the team to pick up if any ICPs have been missed and take action before non compliance is observed Nova will continue to work with our employees to ensure they understand the processes and procedures to be followed. 	November 2018	

Withdrawal of switch requests		
Non-compliance	Description	
Audit Ref: 4.15 With: 17 and 18 Schedule 11.3 From: 02-Feb-18 To: 17-Oct-18	47 late switch withdrawals. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Nova have robust controls in place. The volume of backdated switch requests is very low (1.7%) therefore the impact on reconciliation will be low.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance accepted. Comments: <ul style="list-style-type: none"> We have investigated the cause of the 47 ICPs where the withdrawal process was instigated > 2 months from switch completion. Trends on late withdrawals are: <ol style="list-style-type: none"> WP wrong premise MI mixed metering CX customer cancellation Nova considers it is in the best interest of the customer to correct data to accurately invoice and that we comply with Clause 11.2 of part 11 "to provide complete and accurate information". Actions: <ul style="list-style-type: none"> We believe no further action is required by Nova. 	N/A	Identified
Preventative actions taken to ensure no further issues will occur	Completion date	
We believe no further action is required by Nova.	N/A	

Electricity conveyed & notification by embedded generators		
Non-compliance	Description	
Audit Ref: 6.1 With: Clause 10.13 From: 07-Nov-17 To: 16-Jul-18	While meters were bridged, energy was not metered and quantified according to the code for ten ICPs. Potential impact: Low Actual impact: Low Audit history: Three times previously Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong as they are sufficient to reduce the risk that meters will be bridged most of the time. 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. For all examples reviewed, corrections had been processed.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance accepted and remedial actions on-going. Comments: <ul style="list-style-type: none"> Nova recognise that the existence of bridged meters is non compliant. Nova does not initiate the bridging of meters except in extremely rare circumstances where energy supply is required for health and safety reasons. Nova agrees that a bridged meter is not a desirable outcome however at times these are also outside our control i.e. as a result of a failed remote reconnection from an alt trader. Nova take measures to act reasonably. Nova has a thorough process in place which describes the actions to be taken if a bridged meter is identified or initiated by Nova. Actions: <ul style="list-style-type: none"> Nova will continue to work with our MEPs through service level agreements and on-going regular operational meetings to ensure bridging of meters continues to be an undesirable outcome for Nova. 	On-going	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> Nova will complete a review of data integrity reporting criteria as we believe we can implement improvements to the identification of possible bridged meters in a more timely manner. Nova will continue to work with our MEPs through service level agreements and on-going regular operational meetings to ensure bridging of meters continues to be an undesirable outcome for Nova. 	Q2	

Interrogate meters once		
Non-compliance	Description	
Audit Ref: 6.8 With: Clause 7(1) and (2) Schedule 15.2 From: 01-Oct-17 To: 26-Oct-18	Some ICPs were not read during the period of supply. Potential impact: Low Actual impact: Low Audit history: Multiple times Controls: Weak Breach risk rating: 3	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as weak as the expected process was not followed for six of the eight examples checked suggesting that the process is haphazard. The impact is assessed as low as the vast majority of ICPs are read during the period of supply.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance accepted remedial action is on-going. Comments <ul style="list-style-type: none"> Nova acknowledges that the intended improvements identified as part of the 2017 audit outcomes have not improved compliance outcomes. 	N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
<p>Nova will:</p> <ul style="list-style-type: none"> • Adjust our no reads process to: <ul style="list-style-type: none"> ○ Automated text solution will be implemented for any site that has no actual read(s), <60days. ○ automated email solution will be implemented for any site that has no actual read(s) 61-90days. ○ Phone calls will be attempted for any site that has no actual read(s) >91 days. • Update our reporting criteria to support the changes to automate communication methods. • Nova continue to identify and implement solutions that support the use of AMI reads. 	Q2	

Buying and selling notifications		
Non-compliance	Description	
<p>Audit Ref: 11.1 With: Clause 15.3 From: 17-Apr-18 To: 06-Sep-18</p>	<p>No trading notification was provided when Nova ceased using the N8N and N8D profiles at KMO0331, TMI0331, WVY0111 and ROS0221.</p> <p>Potential impact: None Actual impact: None Audit history: None Controls: Strong Breach risk rating: 1</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<p>It was not possible for Nova to create the required trading notification using the reconciliation portal. There is no impact, the reconciliation manager's system recorded the profiles correctly.</p>	
Actions taken to resolve the issue	Completion date	Remedial action status
<p>Response: Non Compliance accepted.</p>	N/A	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
<p>Comment:</p> <ul style="list-style-type: none"> Nova has changed profiles for all ICPs on N8D N8N or NOD NON to either HHR or RPS. Following this change, Nova is using the following profiles for reconciliation: HHR, RPS, UML, EG1, or PV1. Participants are not required to notify the Reconciliation Manager under this clause if these profiles are used. 	March 2019

Calculation of ICP days		
Non-compliance	Description	
<p>Audit Ref: 11.2 With: Clause 15.6 of part 15</p> <p>From: January 2016 To: 22-Nov-18</p>	<p>Incorrect NHH ICP days were reported for two upgraded ICPs, and correct information will be provided for revision submissions. 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 Actual impact: Low Audit history: Twice Controls: Moderate Breach risk rating: 2</p>	
Audit risk rating	Rationale for audit risk rating	
<p>Low</p>	<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. Incorrect NHH ICP days were reported for two upgraded ICPs, and correct information will be provided for revision submissions</p> <p>Response: Non-Compliance accepted and remedial action completed</p> <p>Actions</p>	February 2019	Identified

<ul style="list-style-type: none"> • The process in carrying out upgrades/downgrades involved updating dates in a field used by the submission system to determine reporting dates. • In processing TOU upgrades, on 4 occasions the field was populated to end a day earlier than it should have resulting in the last ICP day not being reported. • This issue does not affect TOU downgrades due to the way Nova’s system operates. • Nova has correctly updated the dates for the ICPs identified above. <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>Actions:</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. 		
Preventative actions taken to ensure no further issues will occur	Completion date	
<p>1. Incorrect NHH ICP days were reported for two upgraded ICPs, and correct information will be provided for revision submissions.</p> <ul style="list-style-type: none"> • Nova has reviewed TOU upgrades/downgrades over the previous 14 months and found an additional 2 TOU Upgrades with a similar issue where the last ICP day was not being reported, we have made corrections to these as well. • These will be washed up in the upcoming revisions. • Process documentation created to support clear guidelines for the requirement of how to populate key system fields and training provided to the wider Nova team. • We have implemented reporting to our data integrity suite to actively identify any further instances of incorrect ICP days and correct. 	<p>February 2019</p>	

Electricity supplied information provision to the reconciliation manager			
Non-compliance		Description	
Audit Ref: 11.3 With: Clause 15.7 From: Sep-17 To: Oct-18		Some ICPs billed in AXOS were temporarily excluded from the AV120 submissions. 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, as they are sufficient to mitigate the risk of incorrect as billed data for most ICPs. The impact is rated as low because there is no impact on market submission, and a small proportion of ICPs were affected. The issue has now been resolved and AXOS billed data is imported into EnergyMarket prior to the AV120 submission being generated. Corrected data will be washed up.	
Actions taken to resolve the issue		Completion date	Remedial action status
Response: Non Compliance accepted and remedial action completed Comment: <ul style="list-style-type: none"> As billed data for Time Of Day (TOD) ICPs is generated from another system (AXOS) and is not automatically included in Nova's AV120 – as billed report submission unless it is imported into EnergyMarket prior to submissions. The automation of billed data from AXOS to EnergyMarket wasn't completed. This resulted in Nova's AV120 – as billed submissions excluding TOD billed volumes. Action: <ul style="list-style-type: none"> Nova has imported billed files from Axos from September 2017 onwards into EnergyMarket. These will be submitted in wash-up submissions. Once these have been washed-up, the variance between billed and submission for the year ending July 2018, falls under 1%. 		November 2018	Identified

Preventative actions taken to ensure no further issues will occur	Completion date
<ul style="list-style-type: none"> Nova has imported initial and wash-up billed data from Axos at the start of each month that aligns with the initial and wash-up AV120 – as billed submissions, that are made in the month. This ensures TOD billed volumes are reported in Nova’s AV120 – as billed report. 	March 2019

HHR aggregates information provision to the reconciliation manager		
Non-compliance	Description	
Audit Ref: 11.4 With: Clause 15.8 From: entire audit period	HHR aggregates file does not contain electricity supplied information. Potential impact: Low Actual impact: Low Audit history: Twice Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	The issue relating to content of the aggregates file is an error in the code, Nova is providing submission information as expected.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance not accepted. Comments: As per our prior audit response; <ul style="list-style-type: none"> Nova 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. 	N/A	Disputed

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

Forward estimate process		
Non-compliance	Description	
Audit Ref: 12.12 With: Clause 6 of Schedule 15.3 From/to: Nov-17 r1	The accuracy threshold was not met for all months and revisions. Potential impact: Low Actual impact: Low Audit history: Once Controls: Strong Breach risk rating: 1	
Audit risk rating	Rationale for audit risk rating	
Low	Controls are rated as strong, as they are sufficient to ensure almost all data is within the prescribed thresholds. Initial data is replaced with revised data, and washed up.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance accepted and remedial action taken. Comments: <ul style="list-style-type: none"> Nova has historically achieved a strong level of compliance regarding its accuracy of Forward estimates. As shown in the auditor's commentary above, only 1 balancing area was outside of the threshold prescribed due to a profile spike at the NSP. Additionally, at an aggregate level the average percentage change between the initial revision against subsequent revisions was well within the 15% threshold - indicating robustness in Nova's Forward estimate process. However, it will be difficult to always achieve full compliance with this clause due to factors such as legacy meters, mid-month reads and the effects of aggressive profiling. 	March 2019	Identified

Preventative actions taken to ensure no further issues will occur	Completion date	
<ul style="list-style-type: none"> Nova has started entering end of month reads for ICPs that already obtain monthly reads from AMI data sources. This will result in Nova's initial submissions being more accurate as the proportion of Historic estimates increase and Forward estimates decrease. In the February 2019 initial submission, Nova's Forward estimate percentage reduced by 53% because of this action. Additionally, the increased number of ICPs where consumption is calculated based on starting and ending end of months reads negate the effect of profiling in future submissions, further reducing the variance between the initial submission and subsequent revisions. 	March 2019	

Historical estimate reporting to RM		
Non-compliance	Description	
Audit Ref: 13.3 With: Clause 10 of Schedule 15.3 From: April 2018 (r3)	Historic estimate thresholds were not met for one revision. 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 they are sufficient to mitigate the risk of not meeting the threshold most of the time. The audit risk rating is low, as Nova was close to the target in all cases.	
Actions taken to resolve the issue	Completion date	Remedial action status
Response: Non-Compliance accepted. Comments: <ul style="list-style-type: none"> 100% HE has been achieved for R14 from Jan 2017 to-date (Dec 2017 R14). Any Forward Estimates at R14 will continue to be checked. 	N/A	Identified

<ul style="list-style-type: none"> • 'Permanent estimate' read types will continue to be applied. 		
<p>Preventative actions taken to ensure no further issues will occur</p>	<p>Completion date</p>	
<ul style="list-style-type: none"> • Nova has started entering end of month reads for ICPs that already obtain monthly reads from AMI data sources. • This will result in the proportion of Historic estimates increasing in Nova's submissions and assist Nova in meeting its historical estimate targets. 	<p>March 2019</p>	