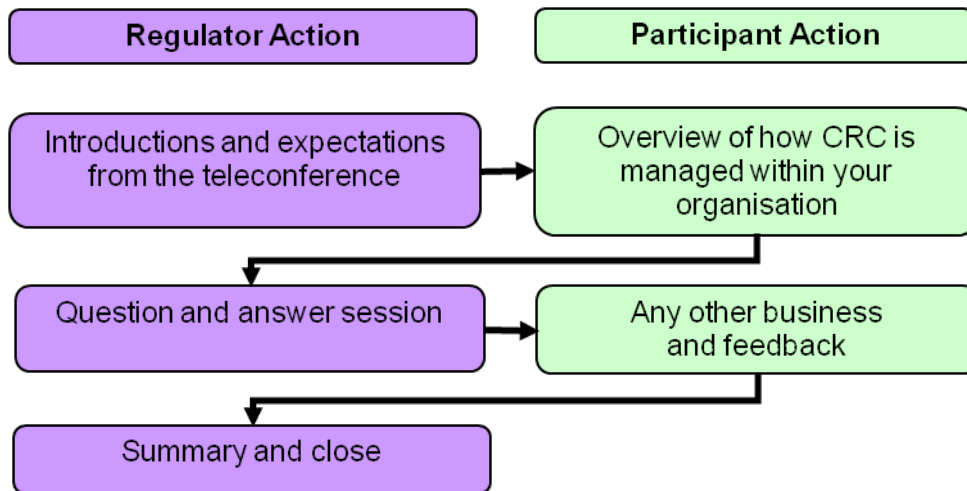


➔ Preparing For The Compliance Audit

This guide has been designed to help you best prepare for the compliance audit by providing you with an overview of what we look for when auditing participants. Using the information below can help to speed up the compliance audit process by making it run smoother and reduce the risk of complications arising. Please note that some sections may not be relevant to all participants.

➔ Audit Teleconference

The aim of the audit teleconference is to have a structured discussion with you about how you manage your CRC responsibilities within your organisation. We would encourage you to talk us through the processes and procedures your organisation implements to manage its CRC responsibilities. We may ask questions as they arise if we feel something needs clarifying. The teleconference will have the following structure:



During the audit teleconference we are particularly interested in finding out the following information and would encourage you to discuss these topics in further detail:

Internal Audit

- Has there been an internal audit and when did it take place?
- What does the internal audit procedure entail?
- What were the outcomes and recommendations?
- Who signs off the audit report and what is their role?

Evidence Pack and Primary Data

- In what format is the evidence pack and primary data?
- How is it structured and can it be accessed remotely?
- Can the evidence pack and primary data be sent electronically?
- What primary evidence of supplies is included in the evidence pack?
- Is the primary data held centrally at one site?

Site and supply arrangements

- Are any of your sites covered by CCA or EUETS?
- Are you claiming any CCA member exemptions?

- Are there any CCA non-exempt supplies?
- How many supply points do you have across your organisation (electricity and gas)

Error already reported to the regulator

- Have errors already been reported to the regulator?
- Have updated reports been submitted?

Organisational Structure

- Is the CRC organisational structure correct including the UK structure and ultimate overseas parent?
- Have any designated changes taken place, and if so when?
- Is the participant aware of the definition of a designated change and the process for informing the regulator of the changes?
- Have there been any other changes within the organisation, known as a small change below the SGU level?

SGU Emissions

- Do you have any SGUs?
- How have emissions for each SGU been calculated?

Member CCA

- Is the Participant claiming a Member CCA(s)?
- Is there an adequate justification for the Member Exemption?
- Does the Member Exemption accurately apply to just one company within a group?
- Is there adequate evidence of the CCA covering 25% of the Member's Emissions

Site Arrangements

- What are the ownership arrangements (Facilities Management Company/joint ownership/leases) for the land and assets (buildings/property/equipment)?
- Is there a process in place to ensure any changes are accurately documented in the Evidence Pack?

Supply Arrangements

- Who is responsible for the supply?
- Has an Annual Statement been requested?
- Are there multiple Energy Suppliers?
- Has there been any change in Energy Supplier?
- Is the supply split between different organisations on this site?

Electricity and Gas

- Is there any significant difference between electricity and/or gas supplies over the reporting years? If yes, what is the reason for this?
Are there adequate records to support the consumption of core electricity/gas across the Participant Organisation?
- What data/information do you use as Primary Evidence? (Information provided by the supplier, readings of meters or estimates taken by the participant or a person acting in their behalf)
- Is any of the supply estimated? If yes, have one of the accepted Estimation Techniques been used?
- Is there any part year supply?
- Is the supply information for whole Participant Organisation? (UK based)
- Have Electricity Generating Credits (EGC's) been claimed?
- If yes, is there adequate justification?

- Have any ROCs or FITs been claimed?

Special Events

- Are any special events adequately documented?
- Has appropriate action been taken in response to any special events (e.g. a meter failure)?

➔ What happens next?

Once we have concluded the telecon we will consider the responses. We will then follow this up with an information request, typically this will be a request for a sample of your primary evidence. We may also ask for clarification on any points that were not resolved during the telecon. Following assessment of your response we should be in a position to conclude the audit. There may be occasions though where further information is needed from a second telecon or site visit.

We will then issue you with an interim audit report which will detail any further action required by yourself. Once this has been completed then the audit will be closed and a final report issued. If there are any further enforcement actions then we will let you know what the next steps will be at this stage. Alternatively, if there is no further action required then we will issue the final report.

If you have any further queries about the compliance audit process then please refer to the [compliance audit page on our website](#), where you can download the 'Auditee Need to Know' and 'Compliance Audit Good Practice' guides.

Alternatively please contact our dedicated [CRC helpdesk](#).