

## Case Study:

### Invoice Reconciliation Identifies Improper Nomination Charges

#### OPPORTUNITY

Reconciling nominations and balancing for gas purchases is a critical component of actively managing a company's energy usage. During the reconciliation of monthly invoices for a long-term client that manufactures and sells refractory products, we discovered the client had mistakenly been penalized for incorrect supply.



#### SOLUTION

During our standard invoice review process, Fellon-McCord's natural gas analyst who is assigned to work on this client's account identified discrepancies between the gas supply nominated by Fellon-McCord and what the supplier nominated. To determine what had transpired, the analyst contacted the supplier and requested a copy of the previous month's detailed, daily nomination report for further review.

Upon review, the analyst discovered a significant discrepancy between the requested nomination and what the supplier actually nominated. Fellon-

McCord provided the supplier documentation to support our actual nomination requests and asked that they perform an internal review to identify what transpired. Once the supplier completed its internal audit, it recognized that it was at fault.

#### RESULT

Fellon-McCord's identification of incorrect nomination charges resulted in the client being relieved of a \$23,290 penalty and receiving a \$4,771 credit, for total savings of \$28,061.

#### CONCLUSION

Fellon-McCord has well-established processes for performing invoice reconciliations for our clients. As part of this process, our analysts supplement automated invoice reconciliations with a daily in-depth review to ensure there are no imbalances between our purchase recommendations and the suppliers' actual purchases. Additionally, Fellon McCord regularly reviews clients' nominations on pipelines to ensure our clients remain in balance. This continuous review by Fellon-McCord enabled the analyst to quickly spot the supplier's error.