**Section 556.110 Annual Internal Audit**

The utility shall submit annually to the Commission's Manager of the Accounting Department, no later than July 31 for the previous calendar year, an internal audit report that determines whether the QIP surcharge and information provided under the Annual Reconciliation in Section 556.100 have been calculated in accordance with this Part and Section 9-220.3 of the Act. The initial internal audit shall be submitted no later than July 31 of the year following the effective date of the QIP surcharge tariff. Internal audits conducted under this Part shall determine whether:

a) Internal controls are effectively preventing the double recovery of costs through the QIP surcharge and other approved tariffs;

b) The QIP surcharge percentage is being properly billed to customer bills;

c) QIP surcharges are properly calculated;

d) Costs recovered through the QIP surcharge are recorded in the appropriate accounts; and

e) Costs recovered through the QIP surcharge are properly reflected in the calculation of the QIP surcharge percentage and the annual reconciliation.