

AER Retail Pty Ltd - Post Audit Implementation Plan

| OBLIGATION REF & SOURCE | NON- COMPLIANCE | AUDITOR'S RECOMMENDATIONS | ACTION PROPOSED BY LICENSEE | RESPONSIBLE PERSON(S) | TARGET COMPLETION DATE |
|---|--|---|---|-----------------------|------------------------|
| 29 <i>Electricity Industry Customer Transfer Code 2016</i> Clause 4.7 | Failure to nominate a transfer date in accordance with the specified timeframes. | 01/2021 - In order to ensure the nominated transfer date is compliant with the specified times frames in the Customer Transfer Code, the Licensee should strengthen control processes and revise relevant Customer Transfer Policy and Procedure. Undertake the following corrective actions: <ul style="list-style-type: none"> Update Customer Transfer Policy and Procedure to reflect the consideration of public holidays, meter types installed or required and the nominated transfer date to not be greater than 50 days after the date CTR submitted or to check if the CTR had previously been submitted. Update the New Customer Checklist and/or SUC - Non Standard Contract - Offer Document ((i.e., Commercial Terms) to include a check to confirm consideration has been given for times frames in particular public holidays. Noted that if the New Customer Checklist was not always used then the SUC - Non Standard Contract would be more effective control measure. Ensure the organisation has established a process for change management in relation to legislative | Update the Customer Transfer Policy and procedures to include public holidays. Update New Customer Checklist for further reminder to check public holidays | Operations Manager | May 2022 |

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| | | <p>and other requirements i.e., legislative changes, amendments to Build Pack.</p> <p>Notify the network operator of the issue relating to circumstances where CTRs that did not meet the specified timeframes could be submitted into the Web Portal and actively be involved in finding solutions. Submission of a Change to Build Pack Request is recommended</p> | | | | |
| 87 <i>Electricity Industry Customer Contracts Regulations 2005 - Regulation 13</i> | The NSC did not specifically include details of AERs obligations under clause 10.1(3) in relation to provision of tariff information within 8 business days clause. | 02/2021 -Include the requirement to give or make available to the customer reasonable information on the AER's tariffs, fees and charges, within 8 business days of the date of receipt. Reference to the requirement that if requested by the customer the information relating to tariffs, fees and charges must be given in writing. Establish internal control and monitoring process to ensure compliance with the 8 business day rule, Microsoft Teams To Do List and Key Tasks and establish internal audit program to review compliance requirements. | Update internal controls to monitor compliance requirement. Review and update NSC and Term and Conditions. | | Operations Manager and Billing Administrator | May 2022 |
| 108 <i>Electricity Industry Act 2004 - Licence Condition 6.4.</i> | Due to non-compliance with the following obligations the Licensee NSC was noted to be non-compliant with the <i>Electricity Industry Act 2004</i> : <ul style="list-style-type: none"> ➢ 87 ➢ 188 | Review the NSC as detailed in Recommendation 02/2021 and 07/2021 | Develop internal audit program to review compliance. Review of NSC and NSC Terms and Conditions. | | Operations Manager | May 2022 |

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| 124 <i>Electricity Industry Act 2004 - Licence Condition 4.5.1</i> 306 <i>Code Of Conduct 2018 - Clause 13.2</i> | The reporting requirements (including the Annual Performance Report required by the Clause 13.2 of the Code of Conduct) were submitted outside the prescribed timeframes on 3 occasions and the Licensee failed to include all the applicable the non-compliance in the subsequent annual compliance report. | 03/2021 - Develop Control Procedures in relation to the correct collection and handling of data that the Licensee supplies to ERA and/or compliance related activities in order to facilitate accurate and timely reporting of information to the ERA, for example a compliance register would facilitate this process. Incorporate change management processes in the corrective action as detailed in Recommendation 10/2021 (C). | Improve and update the control procedure for collection and handling of data. Implement Compliance Register. | Operations Manager | May 2022 |
| 133 <i>Code of Conduct - Clause 2.3(2)</i> | For the duration of the audit period when entering a NSC, the Licensee, did not include a reference to general information on the safe use of electricity in the NSC new contract process. The Licensee used a NSC and confirmation of inclusion of all information as specified in subclause 2.3(2) with the exception of 2.3(2)(j) was noted. | 04/2021 -Amend the Welcome Letter, NSC control procedure and other relevant documentation to reference the obligation and refers customers to Western Power Website for information. A reference to the information on the company's website by creating a link to Western Power's site. | Investigate adding link to AER website leading to Western Power's site. Review NSC control procedures. | Operations Manager | May 2022 |
| 139 <i>Code Of Conduct 2018 - Clause 2.5(2)</i> | The Licensee reported in the 2020 Annual Compliance Report, that on one occasion, a BDM did not have identity card and contact information for the customer to contact AER Retail and verify a query. | 05/2021 -Develop a Marketing Compliance process or other such appropriate control process to verify compliance | Update Marketing Policy and controls. | Operations Manager | May 2022 |

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| 155 <i>Code Of Conduct 2018 - Clause 4.5(1)</i> | Bills did not comply with particulars in relation to subclauses (h) (i) and (r) | 06/2021 - Review the billing process and ensure the particulars required on bills are included. | Review billing and control procedures. Update billing template. | | Billing Administrator | May 2022 |
| 188 <i>Code Of Conduct for the Supply of Electricity to Small Use Customers 2018 Clause 5.2</i> | Unless otherwise agreed with a customer, a retailer must offer the customer at least the payment methods prescribed in clause 5.2. | 07/2021 - Review the SUC bill template, NSC and AER Website and update as required to ensure accurate reflection of agreed payment options (i.e., include direct debit options). Ensure change management processes in relation to a change of contact details include the update requirements to the billing template. | Review and update billing procedures and NSC. Update SUC invoice to include more payment options. | | Billing Administrator | May 2022 |
| 189 <i>Code Of Conduct 2018 - Clause 5.3</i> | Agreement with the customer for the date of commencement of the direct debit facility was made; and the frequency of the direct debits was not able to be determined. A date of the direct debit being authorised. | 08/2021 - Update the Direct Debit form to ensure the requirements of the Code of Conduct are included. | Review and update the Direct Debit form and procedures. | | Billing Administrator. | May 2022 |
| 299 B2 <i>Code Of Conduct 2018 - Clause 12.1(2)</i> | AER Retail's internal process for handling complaints and resolution addressed Clauses 12.1(2)(b) but did not expressly comply with: ➤ Clause 12.1(2)(a) comply with Australian Standard AS/ISO 10002-2014; ➤ Clause 12.1(2)(c) detail how a retailer will handle complaints about the retailer* or marketing | 10/2021 (A) Review and amend the complaints handling process (including the Complaint Resolution Factsheet, the Complaint Dispute Register and relevant training requirements) and develop a flow chart that distinguishes 'complaints' from 'queries' ensure it accurately reflects the requirements of the Complaint Handling Process and aligns with the Code of | Review and amend the complaints handling process and document control procedures. Develop a flow chart for staff to distinguish complaints from queries. | | Operations Manager | May 2022 |

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| | <p>(the Licensee did not use electricity marketing agents); and</p> <ul style="list-style-type: none"> ➤ The Complaints Resolution Factsheet referenced the superseded AS/ISO 10002:2006 and not AS/ISO 10002-2014 as required by the Code of Conduct. | <p>Conduct PART 12 - Complaints and Dispute Resolution. Consideration of the following documents is also required:</p> <ul style="list-style-type: none"> ▪ Customer Complaint Guidelines – October 2016 ▪ SCONRRR Guideline - National Regulatory Reporting Requirements in its Final Paper, National Energy Retail Performance Indicators. <p>(B) Review and implement Document Control Procedures. Specifically, to ensure:</p> <ul style="list-style-type: none"> ▪ Record date document implemented ▪ Identify version control ▪ Record management approval and review <p>(C) Review and implement Change Management Procedures. Specifically, to ensure the Licensee can demonstrate review of documentation in consideration of;</p> <ul style="list-style-type: none"> ▪ Changes to legislations ▪ Changes to roles within or contractors supporting the organisation ▪ Outcomes from responses to complaints, incidents or corrective actions arising from audit processes. | | | | |

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| | | (D) Review the suitability of the implementation of a CRM to support in complaints handling process. | | | | | |
| 302 <i>Code Of Conduct 2018 - Clause 12.2</i> | AER during the development and implementation of the complaints handling process has not considered the Customer Complaint Guidelines – October 2016 approved by the ERA. Specifically, the obligation to differentiate customer 'queries' from 'complaints' was not evidenced or referenced in the complaints handling process. Awareness to the requirement was also not demonstrated as examples of communication which could be considered a complaint under the guideline were not recorded in the complaints handling process. | As for recommendation 10/2021. | As per 10/2021. | | | Operations Manager | May 2022 |