

**Alinta Sales Pty Ltd**  
**Electricity Retail Licence (ERL6)**  
**2012 Performance Audit**  
**(Independent Assurance) Report**  
**20 December 2012**

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Mr Domenic Capomolla  
Executive Director Retail  
Alinta Energy  
(on behalf of Alinta Sales Pty Ltd)  
Level 13 The Quadrant  
1 William Street  
PERTH WA 6000

20 December 2012

Dear Mr Capomolla

**Electricity Retail Licence (ERL6) 2012 Performance Audit Report**

We have completed the Electricity Retail Licence Performance Audit for Alinta Sales Pty Ltd for the period 1 June 2010 to 31 May 2012 and are pleased to submit our report to you.

I confirm that this report is an accurate presentation of findings and conclusions from our audit procedures.

If you have any questions or wish to discuss anything raised in the report, please contact Andrew Baldwin on 9365 7236 or myself on 9365 7024.

Yours sincerely

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**Richard Thomas**  
Partner

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# 1 Independent Auditor's report

With the Economic Regulation Authority's (**the Authority**) approval, Deloitte Touche Tohmatsu (**Deloitte**) was engaged to conduct a performance audit of Alinta Sales Pty Ltd's (Alinta) compliance with the conditions of its Electricity Retail Licence (**Licence**). The audit was conducted in accordance with the specific requirements of the Licence and the August 2010 issue of the *Audit Guidelines: Electricity, Gas and Water Licences* (**Audit Guidelines**).

## Alinta's responsibility for compliance with the conditions of the Licence

Alinta is responsible for:

- Putting in place policies, procedures and controls, which are designed to ensure compliance with the conditions of the Licence
- Implementing processes for assessing its compliance requirements and for reporting its level of compliance to the Authority.

## Our responsibility

Our responsibility is to express an opinion on Alinta's compliance with the conditions of the Licence based on our procedures. We conducted our engagement in accordance with the Audit Guidelines and Australian Standard on Assurance Engagements ASAE 3500 *Performance Engagements*<sup>1</sup> issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in our opinion, based on the procedures performed, the conditions of the Licence have been complied with.

Our engagement provides reasonable assurance as defined in ASAE 3500. Our procedures were set out in the Audit Plan reviewed by and agreed with the Authority on 11 June 2012 and set out in Appendix A.

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## Inherent limitations

Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as the following: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and its

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<sup>1</sup> ASAE 3500 also provides for our engagement to be conducted in accordance with relevant requirements of ASAE 3100 Compliance Engagements and ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

responsibility to prevent and detect irregularities, including fraud. Accordingly, readers of our reports should not rely on the report to identify all potential instances of non-compliance which may occur.

Any projection of the evaluation of the level of compliance to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with management procedures may deteriorate.

## Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

## Conclusion

In our opinion, based on the procedures performed, except for the effect of any issues set out below, Alinta has, in all material respects, complied with the conditions of its Licence for the period 1 June 2010 to 31 May 2012.

## Exceptions

The following performance criteria were assessed as non-compliant (rating 2):

Reporting manual no. & Licence condition		Issue
108	<i>Electricity industry Act section 54(1)</i> – A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract.	In November 2011, Alinta renewed a contract with a customer as a large use customer (under the Commercial Electricity Sale Agreement: Standard Terms and Conditions (160 MWh+)). As this customer had reverted to a small use customer status at the time of renewing the contract, Alinta did not comply with the requirement to use the complying non-standard form contract for small use commercial customers.
124	<i>Retail Licence condition 16.1</i> - A licensee must provide the Authority, in the manner prescribed, any information the Authority requires in connection with its functions under the Electricity Industry Act.	Alinta submitted its 2009/10 and 2010/11 Electricity Annual Performance Reports (in the form of electricity retail datasheets) to the Authority after the 20 September due date for each respective each year.
172	<i>Code of Conduct clause 4.8(1)</i> - A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter.	<p>Alinta's billing processes provide for estimated bills to be generated based on Western Power's relevant calculations in accordance with the requirements of the Code.</p> <p>However those processes currently do not:</p> <ul style="list-style-type: none"> <li>Identify which bills contain estimates to facilitate printing on the relevant bill</li> <li>Provide for customers to be notified that their bill has been calculated using estimated metering data.</li> </ul> <p>These obligations were also rated as non-compliant in the 2010 performance audit report. Alinta has not yet completed the identified corrective action (requiring billing system enhancements) to address the non-compliance.</p>
173	<i>Code of Conduct clause 4.8(2)</i> - A retailer must, in a visible and legible manner, specify the stated information on the customer's bill, in circumstances where the customer's bill is estimated.	

Reporting manual no. & Licence condition		Issue
277	<i>Code of Conduct clause 10.3A</i> - A retailer must give a customer, at least once a year, written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 and under any other legislation in Western Australia including the amount of the payment and the eligibility criteria for the payment.	Clause 10.3A of the Code came into effect from 1 July 2010, requiring Alinta to (at least once a year) provide all small use customers with written details of Alinta's obligation to make the service standard payments listed in Part 14 of the Code. During the period 1 July 2010 to 31 May 2012, Alinta had not provided the required notification, therefore not complying with the requirement for at least the first year.
269	<i>Code of Conduct clause 10.1(1)</i> - A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation, in the timeframes specified.	Although Alinta has attempted to demonstrate it has given appropriate notice to customers affected by tariff changes, the manner of notification does not fully comply with the Code requirement to give notice as soon as practicable after a specific variation is published and, in any event, no later than the next bill in a customer's billing cycle. That is, the "blanket" notification does not adequately inform affected customers of an actual tariff variation.

The 2012 Performance Audit report rated the licence conditions in the table below as non-compliant (rating 2). As the relevant processes were not identified as non-compliant and subsequently corrected until part way through the current audit period (effectively carried forward), this current audit retains the non-compliant rating.

During the period December 2010 to August 2011, Alinta addressed the causes of these non-compliances by implementing the action plans included in the 2010 post audit implementation plan. This audit focussed on testing the controls and processes since the implementation of those action plans and determined that no further recommendation or action plan is required to address the past non-compliance.

#	Licence condition
129	An electricity marketing agent must ensure that the information specified is provided to the customer before arranging a contract. <i>Code of Conduct Clause 2.3(1)</i>
130	Where a standard form contract is not entered into as a result of door to door marketing or for a non-standard contract initiated by telephone or electronic means by the customer, an electricity marketing agent must obtain and make a record of the customer's verifiable consent that the specified information has been given. <i>Code of Conduct Clause 2.3(2)</i>
131	Where a standard form contract is entered into as a result of door to door marketing or for a non-standard contract (other than that initiated by telephone or electronic means by the customer), an electricity marketing agent must obtain the customer's written acknowledgement that the specified information has been given. <i>Code of Conduct Clause 2.3(3)</i>

#	Licence condition
167	A retailer must include minimum prescribed information on the customer's bill, unless the customer agrees otherwise. <i>Code of Conduct clause 4.5(1)</i>

DELOITTE TOUCHE TOHMATSU

**Richard Thomas**

Partner

Perth, 20 December 2012

## 2 Executive summary

### 2.1 Introduction and background

The Economic Regulation Authority (the **Authority**) has under the provisions of the Electricity Industry Act 2004 (the **Act**) issued to Alinta Sales Pty Ltd (**Alinta**) an Electricity Retail Licence (the **Licence**).

The Licence relates to Alinta's operation of selling retail electricity to contestable customers who are connected to the South West Interconnect Systems (SWIS). Approximately 50% of Alinta's electricity customers are small use customers.

Section 13 of the Act requires Alinta to provide the Authority with an audit (the **audit**) conducted by an independent expert acceptable to the Authority not less than once in every 24 month period.

### 2.2 Observations

In considering Alinta's internal control procedures, structure and environment, its compliance attitude and its information systems specifically relevant to those licence obligations subject to audit, we observed that Alinta has:

- Maintained consistent procedures and controls designed to:
  - Meet its customer service standards relating to customer connections, contracts, billing, payment and complaints handling
  - Uphold the integrity of its reporting to the Authority and other statutory organisations on matters specific to its Licence obligations
- Implemented control improvements associated with elements of non-compliance and areas for improvement since the last audit. One action plan to address a non-compliance reported by the last audit has not yet been completed
- Maintained its delegation of responsibilities to specific managers and staff for meeting key Licence obligations
- Maintained support for its Gentrack customer information system
- Demonstrated a continued awareness of and commitment to regulatory compliance
- Recognised a number of elements of non-compliance throughout the audit period and implemented associated control improvements.

### 2.3 Findings

The following tables summarise the assessments made by the audit on Alinta's compliance with the obligations of the Licence. On a scale of 1 to 5, "5" is the highest compliance rating possible (defined as "Compliant with no further action required to maintain compliance") with the rating scale moving down through lower levels of compliance to "1", the lowest compliance rating possible (defined as "Significantly non-compliant: Significant weaknesses and/or serious action required").

**Table 2** at section 3 of this report provides further detail to the compliance rating scale.



**Table 1: Summary of findings, by audit priority and compliance rating**

No. of Obligations	Compliance Rating							Total
			Non-compliant		Compliant			
Audit Priority <sup>2</sup>	N/A <sup>3</sup>	Not rated <sup>4</sup>	1	2*	3	4	5	
Priority 1		-	-	-	-	-	-	-
Priority 2		1	-	-	-	-	1	2
Priority 3		-	-	8(4)	-	-	4	12
Priority 4		68	-	2(2)	1	3	134	208
Priority 5		17	-	-	-	-	20	37
N/A								
Total	30	86	-	10(6)	1	3	159	289

For the audit period 1 June 2010 to 31 May 2012, a total of 10 licence obligations were rated as non-compliant. Of those 10 non-compliant ratings, four related to obligations that were effectively carried forward from the 2010 performance audit period. In each case, the cause of the non-compliance was identified (via the 2010 performance audit) and subsequently not corrected until part way through the current audit period. Therefore the non-compliance rating also applies to this current audit period.

As Alinta addressed the causes of these non-compliances by implementing relevant action plans during the period December 2010 to August 2011:

- No further recommendation or action plan is required to address the non-compliance
- This audit focussed on testing controls and processes maintained since the implementation of the updated control/process.

\* The number in brackets represents those non-compliant ratings that:

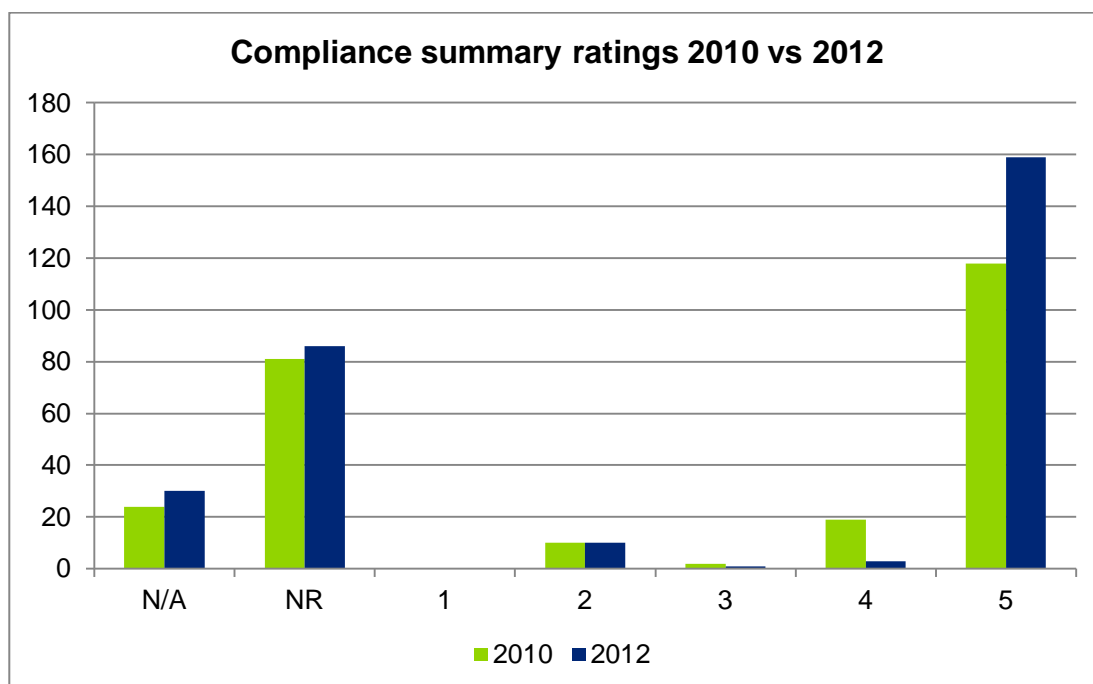
- Apply to the full audit period to 31 May 2012 (i.e. not those ratings carried forward from the previous audit period)
- Require the cause of the non-compliance to be recognised and corrected. This report details specific recommendations and action plans relevant to those items.

<sup>2</sup> Audit priority for each licence obligation was determined as an outcome of the risk assessment approach outlined in the Audit Plan at Appendix A

<sup>3</sup> Obligations assessed as not applicable to Alinta's operations are detailed in the Audit Plan at Appendix A

<sup>4</sup> Obligations for which there was no relevant activity during the audit period; therefore a compliance assessment could not be made

The following graph compares Alinta's overall compliance position, by compliance rating, for the current audit (2012) and the previous audit (2010).



Overall, this audit observed:

- Alinta's implementation of action plans designed to address the cause of eight of the 10 non-compliances raised by the 2010 Performance Audit, resulting in an improved level of compliance
- In comparison with the results of the 2010 Performance Audit:
  - A reduction in the number of licence obligations rated as non-compliant (after taking account of those non-compliant ratings carried forward from the 2010 performance audit)
  - A reduction in the number of licence obligations rated as compliant, but with recommendations to improve the strength of internal controls to maintain compliance
  - An increase in the number of licence obligations rated as compliant with no further action required to maintain compliance.

Specific assessments for each licence obligation are summarised at **Table 3** in the "Summary of findings" section of this report.

Detailed findings, including relevant observations, recommendations and action plans are located in section 4 "Detailed findings, recommendations and action plans" of this report.

## 2.4 Alinta's response to previous audit recommendations

This audit considered Alinta's progress in completing the action plans detailed in the 2010 performance audit report.

Through our examination of relevant documents, discussion with staff and consideration of the results of this audit's testing against the associated licence obligations, we determined that Alinta has completed 10 of the 11 action plans detailed in the 2010 performance audit report. For the one action plan not yet completed (5/2010 relating to notification of bills containing estimates: Code of Conduct clause 4.8, obligations 172 and 173), the issue has been re-emphasised at item 3/2012 of this report.

Refer to section 5 of this report for further detail.

**Deloitte:** Alinta ERL6 - 2012 Performance Audit

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## 2.5 Recommendations and action plans

	Reporting manual no. & Licence condition ref.	Audit Priority	Compliance Rating	Issue 1/2012
108	<p>A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract.</p> <p><i>Electricity Industry Act section 54(1)</i></p>	Priority 4	Non-compliant - 2	<p>Alinta's processes require electricity to be provided to small use customers through the complying non-standard form contract "Commercial Electricity Supply Agreement", with the accompanying Small Use Commercial Customer Standard Terms and Conditions.</p> <p>In November 2011, Alinta renewed a contract with a customer as a large use customer (under the Commercial Electricity Sale Agreement: Standard Terms and Conditions (160 MWh+)). As this customer had reverted to a small use customer status at the time of renewing the contract, Alinta did not comply with the requirement to use the complying non-standard form contract for small use commercial customers.</p>
	<p><b>Recommendation 1/2012</b></p> <p>Alinta strengthen its customer contract renewal processes to ensure it:</p> <ul style="list-style-type: none"> <li>(a) Identifies customers whose status changes between Large Use and Small Use</li> <li>(b) Advises such customers of any change in status, provides the appropriate information to those customers and effects any necessary change in the contractual arrangements.</li> </ul>			<p><b>Action Plan 1/2012</b></p> <p>Alinta will develop and implement additional customer contract renewal processes to:</p> <ul style="list-style-type: none"> <li>(a) Identify customers whose status changes between Large Use and Small Use at the commencement or renewal of the contract</li> <li>(b) Advise customers accordingly and provide the appropriate information to such customers.</li> </ul> <p><b>Responsible Person:</b> SME Sales Renewals Manager</p> <p><b>Target Date:</b> Completed by 30 November 2012</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 2/2012
125	A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified. <i>Retail Licence condition 17.1 and 17.2</i>	Priority 4	Compliant - 4	The General Manager Regulatory Affairs confirmed that Alinta published its 2009/10 and 2010/11 Code of Conduct performance reports, which set out the information required by Part 13 of the Code of Conduct to its website by 1 October each year and not less than 7 days after providing the reports to the Authority and the Minister.
318	A retailer and a distributor must prepare a report setting out the information required by Part 13 of the Code of Conduct, in respect of each year ending on 30 June. The report must be published no later than the following 1 October. <i>Code of Conduct clause 13.15(1)</i>			However, Alinta is currently unable to readily provide evidence of the Code of Conduct performance reports' submission to the Minister and subsequent publication date. Alinta has an opportunity to strengthen its procedures to record the date on which reports are provided to the Minister and the Authority and subsequently published, therefore evidencing compliance with the specified timeframes.
319	A copy of each report must be given to the Minister and the Authority not less than 7 days before it is published. <i>Code of Conduct clause 13.15(3)</i>			
<b>Recommendation 2/2012</b> Alinta establish a process for evidencing the date on which relevant performance reports are: <ul style="list-style-type: none"><li>Presented to the Authority and the Minister</li><li>Published on its website.</li></ul>				<b>Action plan 2/2012</b> Alinta will establish a process for evidencing the date on which relevant performance reports are presented to the Authority and Minister and subsequently published on its website. <b>Responsible person:</b> Manager Regulatory Compliance <b>Target date:</b> Completed by 14 September 2012

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 3/2012
172	<i>Code of Conduct clause 4.8(1) - A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter.</i>	Priority 4	Non-compliant - 2	Alinta's billing processes provide for estimated bills to be generated based on Western Power's relevant calculations in accordance with the requirements of the Code. However those processes currently do not: <ul style="list-style-type: none"> <li>Identify which bills contain estimates to facilitate printing on the relevant bill</li> <li>Provide for customers to be notified that their bill has been calculated using estimated metering data.</li> </ul>
173	<i>Code of Conduct clause 4.8(2) - A retailer must, in a visible and legible manner, specify the stated information on the customer's bill, in circumstances where the customer's bill is estimated.</i>	Priority 5		These obligations were also rated as non-compliant in the 2010 performance audit report. Alinta has not yet completed the identified corrective action (requiring billing system enhancements) to address the non-compliance. We acknowledge that Alinta has engaged with its billing system vendor to enable automated notification on customer bills when estimated metering data is used for the generation of bills. At the time of this audit, the required functionality had not been successfully implemented, with a priority for completion by October 2012.
<b>Recommendation 3/2012</b> As a matter of priority, Alinta finalise billing system enhancements to address the requirements of s.4.8(2) of the Code through notification of customers when an estimation has been used to produce a bill.				<b>Action Plan 3/2012</b> Alinta will finalise billing system enhancements to address the requirements of s.4.8(2) of the Code. <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> Completed by 31 October 2012

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 4/2012
269	<i>Code of Conduct clause 10.1(1)</i> - A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation, in the timeframes specified	Priority 3	Non-compliant - 2	Although Alinta has attempted to demonstrate it has given appropriate notice to customers affected by tariff changes, the manner of notification does not fully comply with the Code requirement to give notice as soon as practicable after a specific variation is published and, in any event, no later than the next bill in a customer's billing cycle. That is, the "blanket" notification does not adequately inform affected customers of an actual tariff variation.
<b>Recommendation 4/2012</b> Alinta implement the most appropriate method for notifying individual customers of any changes in tariffs on the customer's next bill, in accordance with the requirements of Clause 10.1 of the Code.				<b>Action Plan 4/2012</b> Alinta will investigate and establish a plan for implementing the most appropriate method for notifying individual customers of any changes in tariffs on the customer's next bill. <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> 31 March 2013

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 5/2012
277	<i>Code of Conduct clause 10.3A</i> - A retailer must give a customer, at least once a year, written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 and under any other legislation in Western Australia including the amount of the payment and the eligibility criteria for the payment.	Priority 3	Non-compliant - 2	Clause 10.3A of the Code came into effect from 1 July 2010, requiring Alinta to (at least once a year) provide all small use customers with written details of Alinta's obligation to make the service standard payments listed in Part 14 of the Code.  During the period 1 July 2010 to 31 May 2012, Alinta had not provided the required notification at any time, therefore not complying with the requirement for at least the first year. This issue was reported in Alinta's 2010/2011 ERL6 Licence Compliance report to the Authority, with a commitment to rectify the matter by providing customers with an appropriate written notice at least annually.  Alinta has also not yet confirmed the relevant "annual period" (e.g. financial year, calendar year, licence year).
<b>Recommendation 5/2012</b> Alinta implement a procedure to address the requirements of s.10.3A of the Code by notifying customers on an annual basis of Alinta's obligation to make service standard payments as listed in Part 14 of the Code. This procedure should specify what constitutes a "year" for the purposes of the Code requirement.				<b>Action Plan 5/2012</b> Alinta has updated the "Bill" templates and testing is currently underway. Once completed, appropriate notification relating to the requirements of s10.3A of the Code will be included with every electricity bill issued (therefore satisfying the "at least once a year" requirement). <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> Completed by 31 October 2012

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 6/2012
295	Code of Conduct clause 12.1(1) - A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	Priority 3	Compliant - 3	<p>We acknowledge that Alinta has enhanced its customer complaints handling process by implementing improvements per the 2010 audit post audit implementation plan. This audit highlights the following matter as requiring further attention:</p> <p>The Customer Complaints Report presented to us on 12 July 2012 contained 15 complaints records where the resolution status of the complaint was recorded as either “in progress” or “not known”, plus two records with no resolution status recorded. In all cases, the complaint had been received at least one month earlier than the status report. We understand that this situation occurred where the responsibility for complaint resolution was assigned to staff outside the Energy Billing team and no status update on the complaint was obtained to update the complaint status in Gentrack. A revised Customer Complaints Report presented to us on 9 August 2012 provided an updated record of the complaints resolution status and in one case, reclassification of the customer’s contact as an “enquiry”.</p> <p>In these circumstances, Alinta is not able to effectively demonstrate that its internal complaints handling processes are working as intended to ensure that complaints are appropriately recognised and resolved.</p>
<b>Recommendation 6/2012</b> Alinta: <ul style="list-style-type: none"> <li>(a) Amend the complaints handling process to include a feedback path to ensure the correct complaint status and details are captured in Gentrack, regardless of which department is handling the complaint</li> <li>(b) Implement exception reporting or alerts to follow up on all non resolved complaints with the necessary personnel and capture any progress updates in Gentrack.</li> </ul>		<b>Action Plan 6/2012</b> Alinta has reviewed the existing process for complaint management in relation to electricity customers and will: <ul style="list-style-type: none"> <li>(a) Update the process to ensure the complaint status is updated and captured in the Gentrack system</li> <li>(b) Allocate responsibility to appropriate staff members to manage complaints</li> <li>(c) Train appropriate staff for recording related information in the Gentrack system</li> <li>(d) Implement processes to identify and report on resolution timeframes</li> <li>(e) Allocate responsibility to a dedicated resource to manage and report on electricity complaints.</li> </ul> <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> Completed by 30 September 2012		

## 2.6 Scope and objectives

The audit is designed to gain reasonable assurance regarding Alinta's compliance with the conditions of its Licence during the period 1 June 2010 to 31 May 2012.

The Authority has summarised the requirements of the applicable legislation that it expects to be reported and included in the scope of the audit in its Electricity Compliance Reporting Manual (**Reporting Manual**).

The Audit Plan set out at Appendix A lists those Licence conditions confirmed to be included in the scope of the audit, along with the risk assessments made for and audit priority assigned to each licence obligation.

## 2.7 Approach

Our approach for this audit involved the following activities, which were undertaken during the period June to August 2012:

- Utilising the Audit Guidelines and Reporting Manual as a guide, development of a risk assessment which involved discussions with key staff and document review to assess controls
- Development of an Audit Plan (see **Appendix A**) for approval by the Authority and an associated work program
- Interviews with relevant site level Alinta staff to gain understanding of process controls (see **Appendix B** for staff involved)
- Review of documents, processes and controls to assess the overall compliance and effectiveness of those processes and controls in accordance with Licence obligations (see **Appendix B** for reference listing)
- Sample testing for obligations assessed as an audit priority 3 (or above) and where there was relevant activity to determine whether transactions complied with the requirements of the obligation
- Reporting of findings to Alinta for review and response.



### 3 Summary of findings

Table 2 sets out the rating scale defined by the Authority in the Audit Guidelines for the assessment of the level of compliance with the conditions of the Licence. For the highest possible compliance rating to be achieved, Alinta was required to demonstrate it has maintained mature processes and controls, which facilitate compliance with relevant obligations.

**Table 2: Compliance rating scale**

Level	Rating	Description
Compliant	5	Compliant with no further action required to maintain compliance
Compliant	4	Compliant apart from minor or immaterial recommendations to improve the strength of internal controls to maintain compliance
Compliant	3	Compliant with major or material recommendations to improve the strength of internal controls to maintain compliance
Non-compliant	2	Does not meet minimum requirements
Significantly non-compliant	1	Significant weaknesses and/or serious action required
Not applicable	N/A	Determined that the compliance obligation does not apply to Alinta's business operations
Not rated	N/R	No relevant activity took place during the audit period; therefore it is not possible to assess compliance.

The remainder of this report provides:

- A summary of the findings for the compliance obligations (at **Table 3** below).
- Detailed findings, including relevant observations, recommendations and action plans (at **section 4**).

Note that other than the two revisions noted below, the risk assessment presented in the audit plan remains unchanged as no issues or concerns were identified that would indicate a need to modify the nature and levels of testing:

- Correction of the obligation number references listed at “Section 8 Type 1 Reporting Obligations for all Licence Types”
- Recognition that obligation 326 (per the May 2011 version of the Reporting Manual) was not applicable to Alinta's operations

The risk assessment has been included in this summary to give context to the ratings that have been determined.

**Table 3: Compliance Summary**

Refer to Detailed Findings at section 4 and Audit Plan at Appendix A for descriptions of the obligations

							Compliance Rating					
#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
Section 8 Type 1 Reporting Obligations for all Licence Types												
235	7.6	Major	Unlikely	High	Moderate	Priority 2						✓
236	7.1(1)	Major	Unlikely	High	Moderate	Priority 2	✓					
251	9.6(1)	Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant										
252	9.6(2)											
Section 9 Electricity Industry Customer Transfer Code- Licence Conditions and Obligations												
6	3.2(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
7	4.3(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
8	3.5(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
9	3.6(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
16	3.9(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
17	3.9(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
18	9.3(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
19	3.9(4)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
23	4.2(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
24	4.3	Moderate	Unlikely	Medium	Strong	Priority 4						✓
25	4.4(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
26	4.4(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
27	4.5(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
28	4.6(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
29	4.7	Moderate	Unlikely	Medium	Strong	Priority 4						✓
30	4.8(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
34	4.9(6)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
39	4.11(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
40	4.12(3)	Minor	Unlikely	Low	Moderate	Priority 5						✓
43	4.15	Minor	Unlikely	Low	Moderate	Priority 5						✓
44	4.16	Moderate	Unlikely	Medium	Strong	Priority 4						✓
45	4.17	Moderate	Unlikely	Medium	Strong	Priority 4						✓
48	5.1(4)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
49	6.2	Moderate	Unlikely	Medium	Strong	Priority 4						✓
52	6.4(1)	Moderate	Unlikely	Medium	Strong	Priority 4	✓					
53	6.4(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
54	6.6	Moderate	Unlikely	Medium	Strong	Priority 4						✓
55	7.1(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
56	7.1(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
57	7.1(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
58	7.2(4)	Minor	Unlikely	Low	Moderate	Priority 5	✓					

#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
59	7.3(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
68	A6.2(a)	Minor	Unlikely	Low	Strong	Priority 5						✓
69	A6.2(b)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
70	A6.6	Minor	Unlikely	Low	Strong	Priority 5						✓
71	A6.7	Minor	Unlikely	Low	Strong	Priority 5						✓
<b>Section 11 Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations</b>												
78	Section 51	Moderate	Unlikely	Medium	Strong	Priority 4	✓					
79	Regulation 5	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
80	Regulation 6	Moderate	Probable	Medium	Moderate	Priority 4						✓
81	Regulation 7	Moderate	Probable	Medium	Moderate	Priority 4						✓
82	Regulation 8	Moderate	Probable	Medium	Moderate	Priority 4						✓
83	Regulation 9	Moderate	Probable	Medium	Moderate	Priority 4						✓
84	Regulation 10	Moderate	Probable	Medium	Moderate	Priority 4						✓
85	Regulation 11	Moderate	Probable	Medium	Moderate	Priority 4						✓
86	Regulation 12	Moderate	Probable	Medium	Moderate	Priority 4	✓					
87	Regulation 13	Moderate	Probable	Medium	Moderate	Priority 4						✓
88	Regulation 14	Moderate	Probable	Medium	Moderate	Priority 4						✓
89	Regulation 15	Moderate	Probable	Medium	Moderate	Priority 4						✓
90	Regulation 16 & 34	Moderate	Probable	Medium	Moderate	Priority 4						✓
91	Regulation 17	Moderate	Probable	Medium	Moderate	Priority 4						✓
92	Regulation 18	Moderate	Probable	Medium	Moderate	Priority 4						✓
93	Regulation 19	Moderate	Probable	Medium	Moderate	Priority 4						✓
94	Regulation 20	Moderate	Probable	Medium	Moderate	Priority 4						✓
95	Regulation 21	Moderate	Probable	Medium	Moderate	Priority 4						✓
96	Regulation 32	Moderate	Probable	Medium	Moderate	Priority 4						✓
97	Regulation 33(2)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
98	Regulation 33(3) & (4)	Moderate	Probable	Medium	Moderate	Priority 4						✓
100	Regulation 38	Moderate	Probable	Medium	Moderate	Priority 4	✓					
<b>Section 12 Electricity Industry Act – Licence and Obligations</b>												
101	13(1)	Minor	Unlikely	Low	Strong	Priority 5						✓
105	17(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
106	31(3)	Minor	Unlikely	Low	Strong	Priority 5						✓
107	41(6)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
108	54(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
109	54(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
110	76	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
111	101	Moderate	Unlikely	Medium	Strong	Priority 4						✓
113	115(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
<b>Section 13 Electricity Licences – Licence Conditions and Obligations</b>												
114	23.1	Moderate	Probable	Medium	Weak	Priority 3						✓

#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
115	23.2	Moderate	Probable	Medium	Weak	Priority 3						✓
116	24.2	Minor	Unlikely	Low	Moderate	Priority 5						✓
117	24.3	Minor	Unlikely	Low	Moderate	Priority 5						✓
118	25.1	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
119	12.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
120	13.4	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
121	14.2	Moderate	Unlikely	Medium	Strong	Priority 4						✓
123	15.1	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
124	16.1	Moderate	Probable	Medium	Moderate	Priority 4						✓
125	17.1	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
126	18.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
<b>Section 14 Code of Conduct – Licence Conditions and Obligations</b>												
127	2.1	Moderate	Probable	Medium	Weak	Priority 3						✓
128	2.2	Moderate	Unlikely	Medium	Weak	Priority 3						✓
129	2.3(1)	Moderate	Unlikely	Medium	Weak	Priority 3			✓			
130	2.3(2)	Moderate	Unlikely	Medium	Weak	Priority 3			✓			
131	2.3(3)	Moderate	Unlikely	Medium	Weak	Priority 3			✓			
132	2.4(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
133	2.4(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
134	2.4(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
135	2.4(4)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
136	2.5(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
137	2.5(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
138	2.5(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
139	2.5(4)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
140	2.5(5)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
141	2.6(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
142	2.6(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
143	2.6(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
144	2.6(4)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
145	2.6(5)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
146	2.6(6)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
147	2.6(7) & (8)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
148	2.7(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
149	2.7(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
150	2.7(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
151	2.7(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
152	2.7(5)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
153	2.8	Moderate	Unlikely	Medium	Strong	Priority 4						✓
154	2.11(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
155	2.11(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓

#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
156	3.1(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
157	3.1(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
158	4.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
159	4.2(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
160	4.2(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
161	4.2(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
162	4.2(5)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
163	4.2(6)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
164	4.3(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
165	4.3(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
166	4.4	Moderate	Unlikely	Medium	Strong	Priority 4						✓
167	4.5(1)	Moderate	Probable	Medium	Weak	Priority 3			✓			
168	4.5(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
169	4.6(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
170	4.6(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
171	4.7	Minor	Unlikely	Low	Strong	Priority 5						✓
172	4.8(1)	Moderate	Probable	Medium	Weak	Priority 3			✓			
173	4.8(2)	Moderate	Probable	Medium	Weak	Priority 3			✓			
174	4.8(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
175	4.9	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
176	4.1	Minor	Unlikely	Low	Moderate	Priority 5	✓					
177	4.11(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
178	4.11(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
179	4.12(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
180	4.13	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
181	4.14(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
182	4.14(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
183	4.15(1)	Minor	Unlikely	Low	Strong	Priority 5						✓
184	4.15(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
185	4.16	Moderate	Unlikely	Medium	Strong	Priority 4						✓
186	4.17(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
187	4.17(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
188	4.18(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
189	4.19(2)	Minor	Unlikely	Low	Moderate	Priority 5						✓
190	4.19(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
191	4.19(4)	Minor	Unlikely	Low	Moderate	Priority 5						✓
192	5.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
193	5.2(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
194	5.2(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
195	5.3	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
196	5.4	Moderate	Unlikely	Medium	Strong	Priority 4						✓

							Compliance Rating					
#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
197	5.5	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
198	5.6(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
199	5.6(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
200	5.6(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
201	5.6(4)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
202	5.7(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
203	5.7(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
204	5.7(4)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
205	5.8(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
206	5.8(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
207	5.8(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
208	6.1(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
209	6.1(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
210	6.1(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
211	6.2(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
212	6.2(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
213	6.2(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
214	6.3	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
215	6.4(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
216	6.4(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
217	6.6(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
218	6.6(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
219	6.7	Minor	Unlikely	Low	Moderate	Priority 5	✓					
220	6.8	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
221	7.6	Major	Unlikely	High	Moderate	Priority 2	✓					
222	7.1(1)	Major	Unlikely	High	Moderate	Priority 2	✓					
223	6.10(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
224	6.10(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
225	6.10(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
226	6.10(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
227	6.10(5)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
228	6.10(7)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
229	6.11	Moderate	Unlikely	Medium	Strong	Priority 4						✓
230	7.1	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
231	7.2	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
232	7.3	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
233	7.4	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
235	7.6	Major	Unlikely	High	Moderate	Priority 2						✓
236	7.7(1)	Major	Unlikely	High	Moderate	Priority 2	✓					
238	9.6(2)	Not applicable - clause applies to the Electricity Retail Corporation (Synergy Energy) only										
239	8.1(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓

#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
243	9.2(2)	Not Applicable. Alinta is not licenced to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.										
244	9.3(1)											
245	9.3(2)											
246	9.3(3)											
247	9.4											
248	9.5(1) & (2) & (3)											
250	9.5(5)											
251	9.6(1)											
252	9.6(2)											
254	9.7											
255	9.8											
256	9.9											
257	9.10(1)											
259	9.10(4)											
260	9.11(1)											
261	9.11(2) & (7)											
262	9.11(3)											
263	9.11(4)											
264	9.11(6)											
265	9.12											
266	9.13(1)											
267	9.13(2) & (3)											
268	9.14(2) & (3)											
269	10.1(1)	Moderate	Probable	Medium	Weak	Priority 3			✓			
270	10.1(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
271	10.1(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
272	10.2(1)	Not applicable. Clause applies to non-contestable customer only - Alinta is precluded from supplying non-contestable customers.										
273	10.2(2)											
274	10.2(3)											
275	10.2(4)											
276	10.3	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
277	10.3A	Moderate	Probable	Medium	Weak	Priority 3			✓			
278	10.4	Moderate	Unlikely	Medium	Strong	Priority 4						✓
279	10.5	Moderate	Unlikely	Medium	Strong	Priority 4						✓
287	10.9	Minor	Unlikely	Low	Strong	Priority 5						✓
288	10.10(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
289	10.10(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
290	10.10(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
291	10.11(1)	Moderate	Unlikely	Medium	Strong	Priority 4	✓					
292	10.11(2)	Moderate	Unlikely	Medium	Strong	Priority 4	✓					
294	10.12(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓



#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
295	12.1(1)	Moderate	Probable	Medium	Moderate	Priority 4				✓		
296	12.1(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
297	12.1(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
298	12.2	Moderate	Unlikely	Medium	Strong	Priority 4						✓
299	12.3	Moderate	Unlikely	Medium	Strong	Priority 4						✓
300	12.4	Moderate	Unlikely	Medium	Strong	Priority 4						✓
301	13.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
302	13.2	Moderate	Unlikely	Medium	Strong	Priority 4						✓
303	13.3(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
304	13.3(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
305	13.4	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
306	13.5	Moderate	Probable	Medium	Strong	Priority 4						✓
307	13.6	Moderate	Probable	Medium	Strong	Priority 4						✓
308	13.7	Not applicable. Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.										
318	13.15(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
319	13.15(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
320	14.1(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
322	14.2(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
324	14.3(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
325	14.3(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
328	14.6(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
<b>Section 15 Electricity Industry Metering Code – Licence Conditions and Obligations</b>												
349	3.11(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
361	3.16(5)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
363	3.18(1)	Not applicable - clause applies to the Electricity Retail Corporation (Synergy Energy) only										
372	3.27	Moderate	Unlikely	Medium	Strong	Priority 4						✓
379	4.4(1)	Minor	Unlikely	Low	Strong	Priority 5						✓
380	4.5(1)	Minor	Unlikely	Low	Moderate	Priority 5						✓
381	4.5(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
393	5.4(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
395	5.5(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
406	5.16	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
407	5.17(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
408	5.18	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
409	5.19(1)	Minor	Unlikely	Low	Strong	Priority 5						✓
410	5.19(2)	Minor	Unlikely	Low	Strong	Priority 5						✓
411	5.19(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
412	5.19(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
414	5.19(6)	Minor	Unlikely	Low	Strong	Priority 5						✓
420	5.21(15)	Moderate	Unlikely	Medium	Strong	Priority 4						✓



							Compliance Rating					
#	Obligation reference	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
421	5.21(6)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
439	5.27	Moderate	Unlikely	Medium	Strong	Priority 4						✓
446	6.1(2)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
448	7.2(1)	Minor	Unlikely	Low	Strong	Priority 5						✓
450	7.2(4)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
451	7.2(5)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
452	7.5	Moderate	Unlikely	Medium	Strong	Priority 4						✓
453	7.6(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
454	8.1(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
455	8.1(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
456	8.1(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
457	8.1(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
458	8.3(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
Obligations relevant to April 2011 (removed from the May 2011 version of the Reporting Manual)												
102*	Licence - 15.2	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
281*	CoC - 11.1(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
326*	Metering Code 3.5(6)	Not applicable - clause applies to network operators only										
Code of Conduct obligations relevant to June 2010 (removed from the July 2010 version of the Reporting Manual)												
264*	11.1(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
265*	11.2(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
266*	11.2(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓

\* obligation # per the relevant version of the Reporting Manual

## 4 Detailed findings, recommendations and action plans

The following sections are broken into the relevant Codes and Regulations that require an assessment of Alinta's compliance. The sections are:

1. Type 1 Reporting obligations for all licence types
2. Electricity Industry Customer Transfer Code 2004
3. Electricity Industry (Customer Contracts) Regulations
4. Electricity Industry Act 2004
5. Licence Conditions and Obligations
6. Code of Conduct for the Supply of Electricity to Small Use Customers
7. Electricity Industry Metering Code 2005.

Each section contains:

- **Background** – where it is deemed appropriate, a brief background is provided to assist in developing the context for the assessed levels of compliance
- **Not applicable obligations** – an outline of and the reasons as to why the obligations were assessed as not applicable
- **Not rateable obligations** – the obligations assessed as not rated for the audit period and reasons for this assessment
- **Assessment of compliance** – the conclusions from our audit procedures and a determination of Alinta's compliance with the applicable obligations. These tables include:
  - **Findings** – the auditor's understanding of the process and any issues that have been identified during the audit
  - **Recommendations** – recommendations for improvement or enhancement of the process or control
  - **Action plans** – Alinta's formal response to audit recommendations, providing details of action to be implemented to address the specific issue raised by the audit.

## 4.1 Type 1 Reporting obligations for all licence types

### Obligations determined to be not applicable

The following obligations are not applicable to Alinta's operations:

Obligation	Reason
251, 252	Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.

### Obligations determined to be not rateable

Alinta's compliance with the following obligation could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
236	<p>The Manager Customer Services confirmed that Alinta did not have any customers requiring life support equipment during the period 1 June 2010 to 31 May 2012. We also confirmed that of the 10 disconnections undertaken for the period 1 June 2010 to 31 May 2012, none were for supply addresses requiring life support equipment. Accordingly, Alinta had no related obligation subject to assessment for this audit period.</p> <p>Through discussions with the Team Leader – Credit Management and the Energy Billing Officer, and examination of the customer account establishment and disconnection process, we also determined that Alinta has the following processes in place to manage life support customers (if any):</p> <ul style="list-style-type: none"> <li>• Section 21(a) of Alinta's non-standard form contract states that a customer will not be disconnected if they have failed to pay a bill if the customer has notified Alinta they require supply for life support equipment</li> <li>• The non-standard form contract has been amended to require the customer to confirm that there is no life support equipment connected to the supply address</li> <li>• Gentrack has been modified where the Critical Code field is now a mandatory field when setting up a new customer</li> <li>• Alinta is to update the network operator via the Western Power portal of the supply addresses life support status</li> <li>• Alinta does not process service orders to disconnect supply from customers who are designated as life support.</li> </ul>

### Assessment of compliance

The table below summarises the audit's assessment of Alinta's compliance with the relevant obligations of the Type 1 Reporting Obligations for all Licence Types.

N/A	N/R	Non-compliant		Compliant			Total
		1	2	3	4	5	
2	1	-	-	-	-	1	4

The following table provides detailed findings for the applicable and rateable obligation with an individual assessment of compliance. Note that separate findings are not provided for the obligations that are not applicable or cannot be rated, as detailed in the table above.

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*This report is intended solely for the use of Alinta for the purpose of its reporting requirements under section 13 of the Act. We do not accept or assume responsibility to anyone other than Alinta for our work, for this report, or for any reliance which may be placed on this report by any third party for any other purpose*

No	Obligation under Condition	Compliance Rating	Findings
235	<p>A retailer or a distributor must not arrange for disconnection or to disconnect a customer's supply address in the circumstances specified, subject to the exception specified.</p> <p><i>Code of Conduct clause 7.6</i></p>	Compliant - 5	<p>Through discussions with the Team Leader – Credit Management and walkthrough of Alinta's disconnection processes, we observed that Alinta's processes and procedures are designed for:</p> <ul style="list-style-type: none"> <li>• Customers' supply addresses not to be disconnected until all required communication has been made regarding the cause of disconnection</li> <li>• Disconnections not to be arranged for a Friday, Saturday, Sunday, a public holiday, a day before a public holiday or after 3pm on other business days. We understand that Alinta's standard business practice is to arrange disconnections using the disconnection service order within the Metering Service Centre web portal maintained by Western Power, which also performs the physical disconnection.</li> </ul> <p>During the period 1 June 2010 to 31 May 2012, Alinta raised 10 service orders for Western Power to disconnect customers for failure to pay a bill. In all cases, the disconnection was not performed on a Friday, Saturday, Sunday, a public holiday, a day before a public holiday or after 3pm on other business days. Our testing of three such disconnections determined that all required communication had been made with the customer, in accordance with the requirements of the Code of Conduct.</p>

## 4.2 Electricity Industry (Customer Transfer) Code

### Obligations determined to be not applicable

All relevant obligations were determined to be applicable to Alinta's operations for the period subject to audit.

### Obligations determined to be not rateable

Alinta's compliance with the following obligations could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
52, 53	The Manager Customer Services confirmed that Western Power has not requested Alinta's contact details and there has been no change to Alinta's contact details during the period 1 June 2010 to 31 May 2012. Accordingly, an assessment of compliance with these clauses cannot be made for the period subject to audit.
55 - 59	The Manager Customer Services confirmed that there were no disputes in relation to customer transfers during the period 1 June 2010 to 31 May 2012. Accordingly, an assessment of compliance with these clauses cannot be made for the period subject to audit.

### Assessment of compliance

The table below summarises the audit's assessment of Alinta's compliance with the relevant obligations of the Electricity Industry (Customer Transfer) Code.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
-	7	-	-	-	-	29	36

The following table provides detailed findings for each applicable and rateable obligation with an individual assessment of compliance. Note that separate findings are not provided for the obligations that cannot be rated, as detailed in the table above.

No	Obligation under Condition	Compliance Rating	Findings
6	A retailer must submit a separate data request for each exit point unless otherwise agreed. <i>Electricity Industry Customer Transfer Code clause 3.2(2)</i>	Compliant - 5	<p><i>Obligation 6 and 7</i></p> <p>Through discussion with the Energy Billing Officer and walkthrough of the Metering Service Centre web portal, we determined that:</p> <ul style="list-style-type: none"> <li>Alinta submits a separate data request for each exit point through the Metering Service Centre web portal (maintained by Western Power), for which a unique identification is assigned</li> <li>The web portal has been configured to limit data requests submissions to the prescribed 20 requests per day however, more can be submitted to Western Power provided Alinta makes advance arrangement with Western Power.</li> </ul>
7	A retailer, unless otherwise agreed, must submit a data request electronically and must not submit more than a prescribed number of standing or historical data requests in a business day. <i>Electricity Industry Customer Transfer Code clause 3.4(1)</i>	Compliant - 5	
8	A retailer must withdraw a request for historical consumption data if the contestable customer's verifiable consent ceases to apply before the network operator provides the historical consumption data. <i>Electricity Industry Customer Transfer Code clause 3.5(3)</i>	Compliant - 5	<p><i>Obligation 8 and 9</i></p> <p>Through discussion with the Energy Billing Officer and consideration of Alinta's customer transfer procedures, we determined that:</p> <ul style="list-style-type: none"> <li>Alinta requires the contestable customer's verifiable consent before submitting a request for historical consumption data. If the customer consent ceases to apply, the pending request is withdrawn via an email to Western Power</li> <li>Western Power applies a standard charge designed to recover costs incurred for work performed.</li> </ul> <p>Alinta pays the reasonable costs incurred by Western Power.</p>
9	A retailer must pay any reasonable costs incurred by the network operator for work performed in relation to a withdrawn request for historical consumption data. <i>Electricity Industry Customer Transfer Code clause 3.6(2)</i>	Compliant - 5	
16	A retailer may only use data relating to a contestable customer to provide a contestable customer with a quotation for the supply of electricity by the retailer to the contestable customer or to initiate a transfer in relation to the contestable customer. <i>Electricity Industry Customer Transfer Code clause 3.9(1)</i>	Compliant - 5	<p>Through discussion with the Energy Billing Officer and Acting SME Sales Manager Sales and consideration of Alinta's customer pricing preparation process, we determined that Alinta's procedures provide for:</p> <ul style="list-style-type: none"> <li>Customer consent to be obtained prior to Alinta reviewing customer's data and providing a quotation</li> <li>Requests for the customer's consumption data to be made of Western Power before providing a quote.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
17	A retailer must not aggregate a contestable customer's historical consumption data with that of other contestable customers for the purposes of internal business development, if requested not to do so by the customer. <i>Electricity Industry Customer Transfer Code clause 3.9(2)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and Manager Sales and Marketing and consideration of Alinta's customer transfer procedures, we determined that Alinta's internal business development activity does not use aggregated historical consumption data.
18	A retailer must not disclose a contestable customer's data to any other person without the verifiable consent of the contestable customer, except in the circumstances defined. <i>Electricity Industry Customer Transfer Code clause 3.9(3)</i>	Compliant - 5	<i>Obligation 18 and 19</i> Through discussion with the Energy Billing Officer and consideration of Alinta's customer transfer procedures and privacy requirements, we determined that those procedures and requirements provide for: <ul style="list-style-type: none"> <li>Alinta to not disclose customer information to any other person or entity without the customer's verifiable consent</li> <li>Records of customer consent are maintained in Gentrack. Alinta's record retention protocols currently provide for those records to be retained indefinitely.</li> </ul>
19	A retailer must keep a copy of the verifiable consent received from a contestable customer for two years. <i>Electricity Industry Customer Transfer Code clause 3.9(4)</i>	Compliant - 5	
23	A retailer must submit a separate customer transfer request for each exit point unless otherwise agreed. <i>Electricity Industry Customer Transfer Code clause 4.2(2)</i>	Compliant - 5	Alinta submits separate customer transfer requests for each exit point through the Metering Service Centre web portal, for which a unique identification is assigned.
24	A retailer's reason for a transfer must be specified in the customer transfer request form as either to transfer a contestable customer to the retailer which submitted the customer transfer request or to reverse an erroneous transfer. <i>Electricity Industry Customer Transfer Code clause 4.3</i>	Compliant - 5	Through walkthrough of Alinta's procedures for utilising the Metering Service Centre web portal and discussion with the Energy Billing Officer, we observed that when submitting a customer transfer request, the web portal requires the "transfer type" of customer transfer requests to be nominated as either a new customer transfer or as a reversal of an erroneous transfer.

No	Obligation under Condition	Compliance Rating	Findings
25	A retailer may only submit a customer transfer request if it has an access contract for the network, unless it is to reverse an erroneous transfer. <i>Electricity Industry Customer Transfer Code clause 4.4(1)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's customer transfer procedures, we observed that existing procedures require Alinta to have the required network access contracts in place at the time of submitting customer transfer requests, except when an erroneous transfer is being corrected.
26	A retailer that submits a customer transfer request to reverse an erroneous transfer must ensure the transfer was made in error and, if it is an incoming retailer, confirm the identity of the previous retailer. <i>Electricity Industry Customer Transfer Code clause 4.4(2)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's customer transfer procedures, we observed that Alinta is informed by Western Power, the alternate retailer or the customer of erroneous transfers. Alinta's practices require the erroneous transfer to be reversed as soon as practicable.
27	A retailer, unless otherwise agreed, must submit a customer transfer request electronically and must not submit more than a prescribed number of customer transfer requests in a business day or with the same nominated transfer date. <i>Electricity Industry Customer Transfer Code clause 4.5(1)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's procedures for utilising the Metering Service Centre web portal, we observed that Alinta submits customer transfer requests electronically through the web portal and that the web portal does not allow more than the prescribed 20 requests per day to be entered, unless prior arrangement has been made with Western Power.
28	A retailer must withdraw a customer transfer request if the contestable customer's verifiable consent ceases to apply before the transfer occurs. <i>Electricity Industry Customer Transfer Code clause 4.6(3)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's customer transfer procedures, we observed that those procedures require: <ul style="list-style-type: none"> <li>Alinta to withdraw a customer transfer request involving contestable customers before the transfer date if the customer's verifiable consent ceases</li> <li>Contracts to be completed and signed before a customer transfer request can be acted upon.</li> </ul>



No	Obligation under Condition	Compliance Rating	Findings
29	A retailer must nominate a transfer date in a customer transfer request in accordance with specified timeframes, except if the customer transfer request is to reverse an erroneous transfer. <i>Electricity Industry Customer Transfer Code clause 4.7</i>	Compliant - 5	Through walkthrough of Alinta's procedures for utilising the Metering Service Centre web portal and discussion with the Energy Billing Officer, we observed that: <ul style="list-style-type: none"> <li>Existing procedures require Alinta to nominate a transfer date in a customer transfer request that complies with the specified timelines stated in the Code</li> <li>The web portal denies a customer transfer request if a date entered into the portal is less than three business days (in the case of an exit point in the metropolitan area) following the customer transfer request</li> <li>In the case of an exit point in a non-metropolitan area, as the web portal currently does not automatically deny a customer transfer request if a date entered into the portal is less than five business days, Alinta acknowledges that any such request will be rejected by Western Power staff responsible for validating and processing requests.</li> </ul>
30	A retailer must pay any reasonable costs incurred by a network operator for providing and/or installing a meter if a customer transfer request is withdrawn. <i>Electricity Industry Customer Transfer Code clause 4.8(2)</i>	Compliant - 5	Through walkthrough of Alinta's customer transfer procedures and discussion with the Energy Billing Officer, we observed that existing procedures require Alinta to pay the reasonable costs to Western Power for providing and/or installing a meter associated with a withdrawn customer transfer request.
34	A network operator and retailer must agree to a revised nominated transfer date in certain circumstances. <i>Electricity Industry Customer Transfer Code clause 4.9(6)</i>	Compliant - 5	Through walkthrough of Alinta's procedures for utilising the Metering Service Centre web portal and discussion with the Energy Billing Officer, we observed that: <ul style="list-style-type: none"> <li>Existing procedures provide for Alinta to agree with Western Power on a revised nominated transfer date in circumstances where any objection to the customer transfer request is resolved in a timeframe which would not otherwise meet the requirement for the original nominated transfer date to be within 50 business days of the transfer request</li> <li>The web portal and email systems are used as the mechanism for nominating and agreeing to a revised nominated transfer date.</li> </ul>
39	A network operator and the retailer must take certain action if the contestable customer's meter is not read on the nominated transfer date. <i>Electricity Industry Customer Transfer Code clause 4.11(3)</i>	Compliant - 5	Through walkthrough of Alinta's customer transfer procedures and discussion with the Energy Billing Officer, we observed that existing procedures provides for Western Power to inform Alinta of a new nominated transfer date in the event that the customer's meter is not read on the nominated transfer date.

No	Obligation under Condition	Compliance Rating	Findings
40	The parties to an access contract must negotiate in good faith any necessary amendments to the access contract arising from certain circumstances. <i>Electricity Industry Customer Transfer Code clause 4.12(3)</i>	Compliant - 5	Through walkthrough of Alinta's customer transfer procedures and discussion with the Energy Billing Officer, we observed that those procedures provide for Alinta to negotiate any necessary amendments to an access contract to facilitate the transfer in good faith using the web portal as the primary means of communication.
43	In the case of a transfer to reverse an erroneous transfer, a network operator and all affected retailers (and the independent market operator if applicable) must act in good faith to ensure that the rights and obligations of the affected contestable customer are as they would have been had the erroneous transfer not occurred. <i>Electricity Industry Customer Transfer Code clause 4.15</i>	Compliant - 5	Through walkthrough of Alinta's customer transfer procedures and discussion with the Energy Billing Officer, we observed that those procedures require Alinta, in the event of an erroneous transfer (for example due to NMI entry error): <ul style="list-style-type: none"> <li>To act in good faith while working with Western Power and the other retailer to maintain the customer's rights and obligations</li> <li>To submit a customer transfer request dated when the customer was erroneously churned.</li> </ul>
44	An incoming retailer must retain a copy of a verifiable consent given by a contestable customer in relation to the lodgement of a customer transfer request for two years, except in the case of a customer transfer request to reverse an erroneous transfer. <i>Electricity Industry Customer Transfer Code clause 4.16</i>	Compliant - 5	Through walkthrough of Alinta's customer transfer procedures and discussion with the Energy Billing Officer, we observed that Alinta's procedures provide for: <ul style="list-style-type: none"> <li>Customers' verifiable consent to be obtained through the customers' signing of the Alinta Commercial Electricity Sale Agreement Application and Contract</li> <li>Contracts dating back for two financial years are kept on site by the Energy Billing team and older contracts are archived.</li> </ul>
45	A previous retailer must not bill a contestable customer for charges incurred after the transfer time, except in the case of an erroneous transfer. <i>Electricity Industry Customer Transfer Code clause 4.17</i>	Compliant - 5	Through walkthrough of Alinta's customer transfer procedures and discussion with the Energy Billing Officer, we observed that: <ul style="list-style-type: none"> <li>Existing procedures require Alinta to cease billing customers after the transfer date</li> <li>The web portal notifies Alinta when details of transferring customers are released to the incoming retailer's system</li> <li>Alinta's procedures prevent the receipt of any data after a customer's churn date, in turn preventing Alinta from invoicing the customer</li> <li>Once a final bill is issued, the site is coded as a non-billable sequence within Gentrack.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
48	A network operator and a retailer must comply with approved communication rules. <i>Electricity Industry Customer Transfer Code clause 5.1(4)</i>	Compliant - 5	The Manager Customer Services confirmed that Alinta accepted and has continued to comply with the approved communication rules, which were submitted to the Authority in October 2005.  We also observed that Alinta's work procedures and Western Power's Metering Service Centre procedures manual address the key procedures and intent of the approved communication rules.
49	A licensee's notice in relation to a data request or customer transfer request must identify the exit point to which it relates. <i>Electricity Industry Customer Transfer Code clause 6.2</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's procedures for utilising the Metering Service Centre web portal, we observed that those procedures require Alinta to identify customer transfer requests via the relevant exit point NMI number and site address.
54	A network operator or a retailer must send required electronic communications to the applicable electronic communication address, in accordance with Annex 6. <i>Electricity Industry Customer Transfer Code clause 6.6</i>	Compliant - 5	In relation to customer transfer activity, Alinta and Western Power communicate through the Metering Service Centre web portal on a daily basis. We observed that the web portal maintains current electronic communication addresses and facilitates Alinta's discharge of its responsibilities relating to automated response messages (Annex 6, clause A6.3).
68	A network operator and a retailer must use reasonable endeavours to ensure that its information system on which electronic communications are made is operational 24 hours a day and 7 days a week. <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.2(a)</i>	Compliant - 5	Through walkthrough of the Metering Service Centre web portal and discussion with the Energy Billing Officer, we observed that Western Power operates the Metering Service Centre web portal 24 hours/day and seven days/week.

No	Obligation under Condition	Compliance Rating	Findings
69	A network operator and a retailer must establish a mechanism to generate an automated response message for each electronic communication (other than an automated response message) received at the electronic communication address.  <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.2(b)</i>	Compliant - 5	<p><i>Obligation 69 to 71</i></p> <p>The Metering Service Centre web portal acts as the electronic communication mechanism for acknowledging and recording all customer transfer communications. The web portal provides for:</p> <ul style="list-style-type: none"> <li>• Issue of email alerts to confirm transactions</li> <li>• All communication information, including the originator of the communication, to be loaded on to a market transaction list, which indicates where information has been changed or updated.</li> </ul>
70	The originator of an electronic communication must identify itself in the communication.  <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.6</i>	Compliant - 5	
71	The originator of an electronic communication must use reasonable endeavours to adopt a consistent data format for information over time, to facilitate any automated processing of the information by the addressee.  <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.7</i>	Compliant - 5	

## 4.3 Electricity Industry (Customer Contracts) Regulations

### Obligations determined to be not applicable

All relevant obligations were determined to be applicable to Alinta's operations for the period subject to audit.

### Obligations determined to be not rateable

Alinta's compliance with the following obligations could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
78	As Alinta does not supply electricity to small use customers under a standard form contract, an assessment of compliance with this clause cannot be made for the period subject to audit.
86	The Manager Customer Services confirmed that for the period 1 June 2010 to 31 May 2012 Alinta did not request or receive any deposits from customers for security of non-payment. Therefore, an assessment of compliance with this clause cannot be made for the period subject to audit.
97	Customer Contracts Regulation clause 33 addresses contracts "other than fixed term contracts". As Alinta engages only in fixed term contracts, there is no relevant activity subject to assessment for the period subject to audit.
100	During the period 1 June 2010 to 31 May 2012, Alinta did not make use of standard form contracts. Therefore, an assessment of compliance with this clause cannot be made for the period subject to audit.

### Assessment of compliance

The table below summarises the audit's assessment of Alinta's compliance with the relevant obligations of the Electricity Industry (Customer Contracts) Regulations.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
-	4	-	-	-	-	18	22

No	Obligation under Condition	Compliance Rating	Findings
79	A non-standard contract must be in a format that is easy to read and expressed in clear, simple and concise language. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 5</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we determined that those terms and conditions are presented in clear, simple and concise language and includes a list of definitions to provide further insight on terms used.  The Manager Customer Services confirmed that Alinta had obtained guidance from a professional media organisation when preparing the non-standard form contract and accompanying terms and conditions.
80	A non-standard contract must specify when it comes into effect and the period for which it has effect. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 6</i>	Compliant - 5	Through examination of Alinta's non-standard form contract for small use customers, we determined that the contract displays the commencement date and the length of the term that the contract is valid for.
81	A non-standard contract must specify certain information about the retailer. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 7</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we determined that the contract and terms and conditions specify the following information: <ul style="list-style-type: none"> <li>• Company name and ABN</li> <li>• Registered office address</li> <li>• Postal address</li> <li>• Company phone number</li> <li>• Company website</li> <li>• Company email.</li> </ul>
82	A non-standard contract must give an exact description of the goods and services the retailer will provide under the contract. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 8</i>	Compliant - 5	Examination of Alinta's non-standard form contract for small use customers indicated that customers will be provided with an unlimited supply of electricity, subject to the specifications of the customers' network equipment.
83	A non-standard contract must require the customer to pay for electricity supplied under the contract. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 9</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we determined that Alinta has indicated the requirement for customers to pay for electricity, together with the timeframes for payment, methods of payment and the price (per kwh) of electricity supplied.

No	Obligation under Condition	Compliance Rating	Findings
84	A non-standard contract must prohibit the customer from tampering with or bypassing network equipment or allowing any other person to do so.  <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 10</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clause 11) state that customers must not tamper, bypass or otherwise interfere with the meter, and that if the meter is tampered with the electricity supply will be disconnected.
85	A non-standard contract must describe the circumstances where a retailer has the right to disconnect supply and is required to reconnect supply.  <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 11</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clauses 20 – 23) outline the instances where Alinta can disconnect or reconnect a customer's electricity supply.
87	A non-standard contract must describe the retailer's obligations in relation to the provision of prices and tariff information.  <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 13</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clauses 3 and 9 (c)) outline the prices and fees that Alinta can charge and describes that information relating to prices and fees are available on request at no cost.
88	A non-standard contract must describe the procedures to be followed by the retailer in relation to the preparation, issue and review of customer bills.  <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 14</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clause 6) outline Alinta's procedures for billing its customers.
89	A non-standard contract must describe the matters relating to the termination of the contract specified in the regulation.  <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 15</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clause 25) outline information regarding the termination of a contract and steps to be taken following the termination of a contract.

No	Obligation under Condition	Compliance Rating	Findings
90	<p>A non-standard contract must inform the customer that the provisions of the contract may be amended without the customer's consent and describe the process for amendment of the contract including requirements for approval and the way in which the amendment will be published. The non-standard contract must require the retailer to notify the customer of any amendment to the contract.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 16 &amp; 34</i></p>	Compliant - 5	<p>Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clause 19) indicate that Alinta may amend the provisions of the contract without the customers consent and will notify the customer of any amendment.</p>
91	<p>A non-standard contract must deal with the assignment of rights and obligations including assignment without the customer's consent.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 17</i></p>	Compliant - 5	<p>Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that:</p> <ul style="list-style-type: none"> <li>At clauses 26 and 27, the terms and conditions specify the conditions in which Alinta and the customer are able to assign rights and obligations</li> <li>At clause 19, the terms and conditions specify that Alinta is able to assign/amend the rights and obligations under the contract without the customers consent. If the customer does not agree to the amendment, they can terminate the contract according to the manner specified in the terms and conditions of the contract</li> </ul>
92	<p>A non-standard contract must describe the procedures to be followed by the retailer in responding to a complaint made by the customer.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 18</i></p>	Compliant - 5	<p>Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clause 12) inform customers of the availability of Alinta's complaints handling process and the circumstances in which complaints can be made. The clause also informs the customer on escalation processes and who to escalate to.</p>
93	<p>A non-standard contract must specify the steps by the retailer to ensure the information held by the retailer is dealt with in a confidential manner.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 19</i></p>	Compliant - 5	<p>Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we observed that the terms and conditions (clause 30) identifies the instances where Alinta will or will not uphold confidentiality of customers' information.</p>



No	Obligation under Condition	Compliance Rating	Findings
94	A non-standard contract must deal with the governing law, the effect of an invalid or unenforceable provision, the way in which notice may be given and the use of electronic communication by the retailer. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 20</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we determined that <ul style="list-style-type: none"> <li>The information contained within the terms and conditions is set in accordance with: <ul style="list-style-type: none"> <li>Alinta's customer contracts regulations</li> <li>Alinta's customer charter</li> <li>Any other relevant codes and regulations</li> </ul> </li> <li>Clause 36.5 outlines the: <ul style="list-style-type: none"> <li>Mediums in which Alinta will issue notices, the timeframes for submission of notices and the use of electronic communication</li> <li>Effect of an invalid or unenforceable provision on other clauses within the contract.</li> </ul> </li> </ul>
95	A non-standard contract must not include a provision that excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers unless it is authorised by the Code. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 21</i>	Compliant - 5	Through examination of and comparison to the non-standard form contract terms and conditions, we observed no instances where the terms and conditions excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers.
96	A non-standard contract must include details about the cooling off period specified in the regulation. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 32</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we determined that the terms and conditions include sufficient information regarding the cooling off period such as: <ul style="list-style-type: none"> <li>When the period begins</li> <li>Fees associated with the period</li> <li>Transferring of contracts during the period</li> <li>Definition and timeframe of the cooling off period.</li> </ul>
98	A non-standard contract that is a fixed contract must describe the matters relating to the termination of the contract specified in the regulation. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 33(3) &amp; (4)</i>	Compliant - 5	Through examination of Alinta's non-standard form contract and accompanying terms and conditions, we determined that the terms and conditions: <ul style="list-style-type: none"> <li>Allow for customers to terminate the contract at any time, given 20 days' notice has been provided</li> <li>Specify an early termination charge the customer is to pay in the event that the customer terminates the contract before the expiry of the term of the contract.</li> </ul>

## 4.4 Electricity Industry Act 2004

### Obligations determined to be not applicable

All relevant obligations were determined to be applicable to Alinta's operations for the period subject to audit.

### Obligations determined to be not rateable

Alinta's compliance with the following obligations could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
107	The Manager Customer Services confirmed that for the purposes of the Electricity Retail Licence, Alinta did not have an interest in or an easement over land for the period subject to audit.
110	During the period 1 June 2010 to 31 May 2012, Alinta had not been designated as a supplier of last resort.
113	For the purpose of this obligation, Alinta as an electricity retailer does not have access to services and is unable to hinder/prohibit access to services belonging to Western Power.

### Assessment of compliance

The table below summarises the audit's assessment of Alinta's compliance with the relevant obligations of the Electricity Industry Act 2004.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
-	3	-	-	-	-	6	9

The following table provides detailed findings for each applicable and rateable obligation with an individual assessment of compliance.

No	Obligation under Condition	Compliance Rating	Findings
101	A licensee must, not less than once every 24 months, provide the Authority with a performance audit conducted by an independent expert acceptable to the Authority. <i>Electricity Industry Act section 13(1)</i>	Compliant - 5	This is the third audit conducted by an independent expert since the granting of the Licence in 2006. Deloitte was appointed with the Authority's approval to undertake this audit for the period 1 June 2010 to 31 May 2012.
105	A licensee must pay to the Authority the prescribed licence fee within one month after the day of grant or renewal of the licence and within one month after each anniversary of that day during the term of the licence. <i>Electricity Industry Act section 17(1)</i>	Compliant - 5	By sighting Alinta's financial records of licence fee payments processed, we determined that the annual licence fees payable in 2010 and 2011 were paid within one month of the 19 May anniversary date.  We also confirmed with the Manager Regulatory Compliance that the due date for the payment of the licence fee has been diarised in a Regulatory Obligations Register.
106	A licensee must take reasonable steps to minimise the extent or duration of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause. <i>Electricity Industry Act section 31(3)</i>	Compliant - 5	Alinta, as an electricity retailer servicing small use business and commercial customers, has the following arrangements in place which are designed to minimise the extent or duration of interruption or restriction of supply: <ul style="list-style-type: none"> <li>• Access to Western Power's supply outage procedures</li> <li>• Western Power is responsible for managing: <ul style="list-style-type: none"> <li>• Outages</li> <li>• The role of retailers in the event of a supply interruption, suspension or restriction.</li> </ul> </li> </ul>
108	A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract. <i>Electricity Industry Act section 54(1)</i>	Non-compliant - 2	Alinta's processes require electricity to be provided to small use customers through the complying non-standard form contract "Commercial Electricity Supply Agreement", with the accompanying Small Use Commercial Customer Standard Terms and Conditions.  Our testing of a sample of customer contracts indicated that in November 2011, Alinta renewed a contract with a customer as a large use customer (under the Commercial Electricity Sale Agreement: Standard Terms and Conditions (160 MWh+)). As this customer had reverted to a small use customer status at the time of renewing the contract, Alinta did not comply with the requirement to use the complying non-standard form contract for small use commercial customers.

No	Obligation under Condition	Compliance Rating	Findings
<b>Recommendation 1/2012</b> Alinta strengthen its customer contract renewal processes to ensure it: <ul style="list-style-type: none"> <li>(a) Identifies customers whose status changes between Large Use and Small Use</li> <li>(b) Advises such customers of any change in status, provides the appropriate information to those customers and effects any necessary change in the contractual arrangements.</li> </ul>			<b>Action Plan 1/2012</b> Alinta will develop and implement additional customer contract renewal processes to: <ul style="list-style-type: none"> <li>(a) Identify customers whose status changes between Large Use and Small Use at the commencement or renewal of the contract</li> <li>(b) Advise customers accordingly and provide the appropriate information to such customers.</li> </ul> <b>Responsible Person:</b> SME Sales Renewals Manager <b>Target Date:</b> Completed by 30 November 2012
109	A licensee must comply with any direction by the Authority to amend the standard form contract and do so within the period specified.  <i>Electricity Industry Act section 54(2)</i>	Compliant - 5	In January 2011, Alinta was directed by the Authority to amend its standard form contract to accommodate legislative changes regarding the Australian Consumer Law (Schedule 2 of the Competition and Consumer Act 2010). Via examination of Alinta's records of correspondence with the Authority and discussion with the Senior Regulatory Analyst and Manager Regulatory Compliance, we determined that Alinta had complied with the Authority's directions in relation to the scope, process, methodology and timing of the standard form contract review and amendment.
111	A retail, distribution or integrated regional licensee must not supply electricity to small use customers unless the licensee is a member of an approved scheme and is bound by and compliant with any decision or direction of the electricity ombudsman under the approved scheme.  <i>Electricity Industry Act section 101</i>	Compliant - 5	Alinta: <ul style="list-style-type: none"> <li>• Has been granted an electricity retail licence, which precludes Alinta from supplying electricity to small use contestable customers unless it is a member of an approved electricity ombudsman scheme</li> <li>• Is an industry member of the Energy Industry Ombudsman Scheme (admitted 12 May 2004).</li> </ul>

## 4.5 Electricity Licences – Licence Conditions and Obligations

### Obligations determined to be not applicable

All relevant obligations were determined to be applicable to Alinta's operations for the period subject to audit.

### Obligations determined to be not rateable

Alinta's compliance with the following obligations could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
102*	Alinta did not review and amend its Electricity Customer Service Charter during the period 1 June 2010 to 30 April 2011.
120	The General Manager Regulatory Affairs confirmed that Alinta has not been prescribed individual performance standards by the Authority.
123	During the period 1 June 2010 to 31 May 2012, Alinta was not under external administration and has not undergone any significant change in circumstances upon which it's Licence was granted, which may affect its ability to meet its Licence obligations.  Accordingly, there was no obligation to report to the Authority.

\* obligation 102 is relevant to 30 April 2011 only

### Assessment of compliance

The table below summarises the audit's assessment of Alinta's compliance with the relevant obligations of the Electricity Licences – Licence Conditions and Obligations.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
-	3	-	1	-	1	8	13

The following table provides detailed findings for each applicable and rateable obligation with an individual assessment of compliance. Note that separate findings are not provided for the obligations that cannot be rated, as detailed in the table above.

No	Obligation under Condition	Compliance Rating	Findings
114	A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable codes. <i>Retail Licence condition 23.1</i>	Compliant - 5	<p><i>Obligations 114 and 115</i></p> <p>Through discussion with the Manager Customer Services and examination of relevant training records, we determined that:</p> <ul style="list-style-type: none"> <li>Alinta staff are trained to provide services to customers in accordance with the Electricity Customer Code of Conduct</li> <li>Alinta expects all marketing representatives to comply with both the Electricity Customer Code of Conduct</li> <li>There have been no known breaches of the Electricity Customer Code of Conduct for the period 1 June 2010 to 31 May 2012.</li> </ul> <p>The Manager Customer Services also confirmed that Alinta had not engaged any external electricity marketing agent during the period 1 June 2010 to 31 May 2012.</p>
115	The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the Authority within the prescribed timeframe. <i>Retail Licence condition 23.2</i>	Compliant - 5	
116	A licensee must, if directed by the Authority, review the standard form contract and submit to the Authority the results of that review within the time specified by the Authority. <i>Retail Licence condition 24.2</i>	Compliant - 5	<p><i>Obligations 116 to 118</i></p> <p>In January 2011, Alinta was directed by the Authority to review and amend its standard form contract to accommodate legislative changes regarding the Australian Consumer Law (Schedule 2 of the Competition and Consumer Act 2010). Via examination of Alinta's records of correspondence with the Authority and discussion with the Senior Regulatory Analyst and Manager Regulatory Compliance, we determined that Alinta had complied with the Authority's directions in relation to the scope, process, methodology and timing of the standard form contract review and amendment.</p> <p>Alinta did not make any other amendment to its standard form contract during the period 1 June 2010 to 31 May 2012.</p>
117	A licensee must comply with any direction given by the Authority in relation to the scope, process and methodology of the standard form contract review. <i>Retail Licence condition 24.3</i>	Compliant - 5	
118	A licensee may only amend its standard form contract with the Authority's approval. <i>Retail Licence condition 25.1</i>	Compliant - 5	
119	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards. <i>Retail Licence condition 12.1</i>	Compliant - 5	<p>The Manager Accounting and Planning confirmed that:</p> <ul style="list-style-type: none"> <li>To the best of his knowledge, the Alinta group reporting structure in which the licensee (Alinta Sales Pty Ltd) is a subsidiary, has maintained accounting records that comply with Australian Accounting Standards during the period 1 June 2010 to 31 May 2012</li> <li>Alinta's financial reporting period is from 1 July to 30 June</li> <li>There are no significant accounting transactions or items that would currently jeopardise Alinta's compliance with accounting standards.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
121	A licensee must comply, and require its auditor to comply, with the Authority's standard audit guidelines dealing with the performance audit. <i>Retail Licence condition 14.2</i>	Compliant - 5	In relation to the 2010 performance audit Alinta and Deloitte (independent auditor) demonstrated their compliance with the prescribed audit guidelines and reporting manual issued by the Authority. In its report of October 2010, Deloitte confirmed that the 2010 audit was conducted in accordance with the specific requirements of the Licence and the July 2009 issue of the <i>Audit Guidelines: Electricity, Gas and Water Licences</i> issued by the Authority.
124	A licensee must provide the Authority, in the manner prescribed, any information the Authority requires in connection with its functions under the Electricity Industry Act. <i>Retail Licence condition 16.1</i>	Non-compliant - 2	<p>Through discussions with the Manager Regulatory Compliance, we determined that Alinta has processes in place to respond to requests for information from the Authority. We note that:</p> <ul style="list-style-type: none"> <li>The Manager Regulatory Compliance is responsible for: <ul style="list-style-type: none"> <li>Maintaining a log of communication with the Authority, including timing for submission of required information and reports</li> <li>Monitoring compliance with Alinta's licence obligations</li> </ul> </li> <li>On an annual basis Alinta is required to submit the following reports to the Authority: <ul style="list-style-type: none"> <li>Compliance reports, by 31 August. Alinta submitted its 2009/10 and 2010/11 compliance reports to the Authority by 31 August each year, therefore meeting the required timeframe</li> <li>Performance data sheets, by 20 September. The 2010/11 data sheets were not submitted until after 20 September 2011, therefore not complying with the required timeframe. Alinta's internal processes did not detect this omission prior to a follow-up request from the Authority's Secretariat</li> <li>Code of Conduct performance reports, by 23 September (and not less than 7 days prior to publishing the report). Alinta submitted its 2009/10 and 2010/11 Code of Conduct performance reports to the Authority and the Minister by 23 September each year. The Manager Regulatory Compliance also confirmed that those reports were provided not less than 7 days prior to publishing the report, therefore meeting the required timeframes.</li> </ul> </li> </ul> <p>In January 2012, Alinta diarised the key regulatory notification and reporting dates in its Regulatory Obligations Register, which is designed to ensure reports and required information are submitted within the specified timeframes. No further action is required to address the non-compliance described above.</p> <p>The Manager Regulatory Compliance and General Manager Regulatory Affairs confirmed that for the period subject to audit, the Authority has made ad hoc enquiries, but has not required Alinta to formally provide any further information.</p>

No	Obligation under Condition	Compliance Rating	Findings
125	<p>A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified.</p> <p><i>Retail Licence condition 17.1 &amp; 17.2</i></p>	Compliant - 4	<p>The General Manager Regulatory Affairs confirmed that Alinta published its 2009/10 and 2010/11 Code of Conduct performance reports to its website by 1 October each year and not less than 7 days after providing the reports to the Authority and the Minister.</p> <p>As Alinta is unable to readily provide evidence of the reports' publication date, it has an opportunity to strengthen its procedures to record the time and date of publication and therefore evidence of the reports being published within the timeframes specified.</p> <p><i>The recommendation and action plan below also apply to obligations 318 and 319.</i></p>
<p><b>Recommendation 2/2012</b></p> <p>Alinta establish a process for evidencing the date on which relevant performance reports are:</p> <ul style="list-style-type: none"> <li>Presented to the Authority and the Minister</li> <li>Published on its website.</li> </ul>			<p><b>Action plan 2/2012</b></p> <p>Alinta will establish a process for evidencing the date on which relevant performance reports are presented to the Authority and Minister and subsequently published on its website.</p> <p><b>Responsible person:</b> Manager Regulatory Compliance</p> <p><b>Target date:</b> Completed by 14 September 2012</p>
126	<p>Unless otherwise specified, all notices must be in writing.</p> <p><i>Retail Licence condition 18.1</i></p>	Compliant - 5	<p>The Manager Regulatory Compliance maintains manual and scanned records to evidence formal communications with the Authority, which have been made via post or email.</p>



## 4.6 Code of Conduct

### Obligations determined to be not applicable

The following obligations are not applicable to Alinta's operations:

Obligation	Reason
243 to 268 *	Alinta is not licenced to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.
272 to 275	Clause applies to non-contestable customer only - Alinta is precluded from supplying non-contestable customers.
308	Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.

\* Obligations 243, 246, 252 and 259 to 268 came into effect from 1 July 2010.

### Obligations determined to be not rateable

Alinta's compliance with the following obligations could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
134	As Alinta offers a non standard form contract instead of an approved standard form contract to its electricity customers, there are no relevant activities to enable assessment of this obligation for the period subject to audit.
138	Alinta currently does not supply electricity to residential customers, accordingly concessions do not apply to any of Alinta's customers.
150	The Manager Customer Services confirmed that during the period 1 June 2010 to 31 May 2012, Alinta had not received a request from the Electricity Ombudsman or the Authority for a record of customers who have requested not to be contacted.
151	The Manager Customer Services confirmed that during the period 1 June 2010 to 31 May 2012, no customer has requested written confirmation that Alinta will not contact the customer for the next two years.
152	The Manager Customer Services confirmed that during the period 1 June 2010 to 31 May 2012, Alinta did not perform mailbox dropping of unsolicited mail or marketing information.
159 – 163	Through discussions with the Team Leader – Credit Management and consideration of Alinta's billing processes, we determined that Alinta does not offer shortened billing cycles to small use electricity customers.
164 – 165	Through discussions with the Team Leader – Credit Management and examination of the Financial Hardship Policy, we determined that Alinta does not offer bill smoothing arrangements for small use electricity customers.
170	Through discussions with the Energy Billing Officer and consideration of Alinta's metering arrangements, we determined that due to the use of interval meters for all customers (which customers are unable to read), obligations relating to customer self reads are not relevant to Alinta's operations for the period subject to audit.
174	The Energy Billing Officer confirmed that no customers, during the period 1 June 2010 to 31 May 2012 have requested information relating to estimated reads.

Obligation	Reason
175 – 176	Through discussions with the Energy Billing Officer and consideration of Alinta's interval metering and estimated billing arrangements, we determined that as the nature of an interval meter is to record consumption for that interval period (in Alinta's case, a 30 minute period) and then re-set, there is no actual meter read retained to confirm or correct the estimated bill.
179 – 182	Through discussions with the Energy Billing Officer, consideration of Alinta's non-standard form contract and tariff arrangements, we determined that obligations referring to alternative tariffs (i.e. Division 5 of the Code) are not relevant to Alinta's operations.
195	The Manager Customer Services confirmed that, for the period 1 June 2010 to 31 May 2012, Alinta did not offer a direct debit facility to its electricity customers. Therefore, obligations relating to direct debits are not relevant to Alinta's operations for the period subject to audit.
197 – 201*	As: <ul style="list-style-type: none"> <li>Alinta is precluded from supplying small use non-contestable customers (i.e. customers who consume less than 50MWh per annum)</li> <li>Customers who consume more than 50MWh and less than 160MWh are deemed small use contestable customers who can be serviced by Alinta</li> <li>Alinta does not currently service small use residential customers who are deemed contestable (i.e. consume more than 50MWh per annum)</li> </ul> ...obligations relating to the supply of residential customers are not relevant to Alinta's operations for the period 1 June 2010 to 31 May 2012.
206, 208-226, 227*, 228*, 276, 291 and 292	As: <ul style="list-style-type: none"> <li>Section 5.8 (re. obligation 206), sections 6.1 to 6.10 (re. obligations 208 to 228 respectively) and sections 10.3 and 10.11 (re. obligations 276, 291, 292) directly refer to residential customers</li> <li>Residential customers are defined by s.1.5 of the Code as customers who consume electricity solely for domestic use</li> <li>Alinta does not currently service residential customers</li> </ul> ...obligations relating to the supply of residential customers are not relevant to Alinta's operations for the period 1 June 2010 to 31 May 2012.
232	The Manager Regulatory Compliance confirmed that, for the period 1 June 2010 to 31 May 2012, Alinta did not maintain any dual fuel contracts.
233	The Team Leader – Credit Management confirmed that Alinta has not disconnected any customers during the period 1 June 2010 to 31 May 2012 for denying access to a meter.

Obligation	Reason
236	<p>The Manager Customer Services confirmed that Alinta did not have any customers requiring life support equipment during the period 1 June 2010 to 31 May 2012. We also confirmed that of the 10 disconnections undertaken for the period 1 June 2010 to 31 May 2012, none were for supply addresses requiring life support equipment. Accordingly, Alinta had no related obligation subject to assessment for this audit period.</p> <p>Through discussions with the Team Leader – Credit Management and the Energy Billing Officer, and examination of the customer account establishment and disconnection process, we also determined that Alinta has the following processes in place to manage life support customers (if any):</p> <ul style="list-style-type: none"> <li>• Section 21(a) of Alinta's non-standard form contract states that a customer will not be disconnected if they have failed to pay a bill if the customer has notified Alinta they require supply for life support equipment</li> <li>• The non-standard form contract has been amended to require the customer to confirm that there is no life support equipment connected to the supply address</li> <li>• Gentrack has been modified where the Critical Code field is now a mandatory field when setting up a new customer</li> <li>• Alinta is to update the network operator via the Western Power portal of the supply addresses life support status</li> <li>• Alinta does not process service orders to disconnect supply from customers who are designated as life support.</li> </ul>
305	The Manager Customer Services confirmed that Alinta has not made any service standard payments for the period 1 June 2008 to 31 May 2010.
320, 322, 328	<p>As Alinta has not, for the period 1 June 2010 to 31 May 2012:</p> <ul style="list-style-type: none"> <li>• Reconnected customers outside the required timeframes</li> <li>• Wrongfully disconnected customers</li> <li>• Acknowledged or responded to written queries or complaints outside the required timeframes</li> </ul> <p>...these obligations are not relevant to Alinta's operations for the period 1 June 2010 to 31 May 2012.</p>
325	As written queries or complaints received for the period between 1 June 2010 and 31 May 2012 were acknowledged and responded in accordance with the timeframes prescribed by the Code, no consideration of compensation payments was required.

\* Obligation came into effect from 1 July 2010

## Assessment of compliance

The table below summarises the audit's assessment of Alinta's compliance with the relevant obligations of the Code of Conduct.

N/A	N/R	Non-compliant		Compliant			Total
		1	2	3	4	5	
28	59	-	8	1	1	80	177

The following table provides detailed findings for each applicable and rateable obligation with an individual assessment of compliance. Note that separate findings are not provided for the obligations that are not applicable or cannot be rated, as detailed in the table above.

No	Obligation under Condition	Compliance Rating	Findings
<b>PART 2 – Marketing</b>			
127	<p>A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct, subject to clause 2.1A.</p> <p><i>Code of Conduct Clause 2.1</i></p>	Compliant – 5	<p>Through discussion with the Manager Customer Services and Acting SME Sales Manager and examination of training material relating to marketing obligations of the Code of Conduct, we determined that:</p> <ul style="list-style-type: none"> <li>Alinta has assigned the responsibility for dealing with new and existing customer contracts to Alinta's Sales team</li> <li>Customer Service Representatives are trained to refer any customer enquiry relating to contracts to the Sales team</li> <li>Alinta has established the following procedures to ensure compliance with Part 2 of the Code of Conduct: <ul style="list-style-type: none"> <li>Marketing requirements of the Code of Conduct are included as part of the induction pack for new sales employees</li> <li>Each sales team member is required to attend and complete a feedback form for their attendance at Marketing Code Training</li> <li>Team Leaders listen in on phone calls of sales staff at a minimum of two times each month to ensure quality of service as well as compliance with the Code</li> <li>A “Call Flow” is provided to all sales staff to guide the staff in providing all the necessary information to the customers as required by the Code.</li> </ul> </li> </ul> <p>We examined the customer complaints register and did not observe any complaints relating to marketing.</p>

No	Obligation under Condition	Compliance Rating	Findings
128	<p>An electricity marketing agent must ensure that standard and non-standard contracts are entered into in the manner and satisfying the conditions specified.</p> <p><i>Code of Conduct Clause 2.2</i></p>	Compliant - 5	<p>Through discussion with the Acting SME Sales Manager and Energy Billing Officer and consideration of Alinta's sales and contract establishment processes, we determined that:</p> <ul style="list-style-type: none"> <li>• Alinta's electricity customers are only offered Alinta's non-standard contract "Commercial Electricity Supply Particulars of contract" and associated terms and conditions</li> <li>• All customer contracts must be in writing and signed prior to any transfers taking place</li> <li>• All Alinta's electricity customers are business customers</li> <li>• Alinta's sales team does not perform door to door marketing for small use customers</li> <li>• The date the contract is signed is deemed as the start date of the contract</li> <li>• Customer's verifiable consent is obtained when the customer signs the contract</li> <li>• The terms and conditions and customer service charter are provided together with the contract to the customer at no charge</li> <li>• The terms and conditions of the contract are also available on Alinta's website at no charge. The final contract signed by Alinta can also be provided to the customer if requested.</li> </ul> <p>From sample testing of 12 new customers contracted during the audit period, in each case valid, signed contracts were in place.</p>

No	Obligation under Condition	Compliance Rating	Findings
129	An electricity marketing agent must ensure that the information specified is provided to the customer before arranging a contract. <i>Code of Conduct Clause 2.3(1)</i>	Non-Compliant – 2 (*)	<p><i>Obligation 129 – 131</i></p> <p>The 2010 Performance Audit report rated these obligations as non-compliant (relating to non-compliance with 2010 obligations 115, 116 and 117 [current obligations 129, 130 and 131]). In July 2011 Alinta addressed the cause of this non-compliance by implementing action plan 3/2010 relating to strengthening their contract establishment procedures to ensure compliance with clause 2.3 of the code. As those processes (rated as non-compliant by the 2010 performance audit) were not identified as non-compliant and subsequently corrected until part way through the current audit period (effectively carried forward), this audit retains the non-compliant rating.</p> <p>This audit focussed on testing the controls and processes maintained since the implementation of action plan 3/2010.</p> <p>Through discussion with the Acting SME Sales Manager and examination of Alinta's revised non-standard contract, we observed that Alinta has revised its non-standard contract in July 2011 to be fully compliant with the requirements of clause 2.3(1) of the Code through the inclusion of the following information in the contract:</p> <ul style="list-style-type: none"> <li>• Customer acknowledges Alinta has provided a copy of the Electricity Supply Small Use Commercial Customer Standard Terms and Conditions by signing the contract</li> <li>• Customer may obtain a written copy of the Terms and Conditions and the contract upon request.</li> </ul> <p>From sample testing of 12 new customers contracted during the audit period, we observed that for all customers who signed contracts with Alinta after July 2011, the customer had provided written acknowledgement that the specified information listed in Clause 2.3(1) had been provided.</p>
130	Where a standard form contract is not entered into as a result of door to door marketing or for a non-standard contract initiated by telephone or electronic means by the customer, an electricity marketing agent must obtain and make a record of the customer's verifiable consent that the specified information has been given. <i>Code of Conduct Clause 2.3(2)</i>	Non-Compliant – 2 (*)	
131	Where a standard form contract is entered into as a result of door to door marketing or for a non-standard contract (other than that initiated by telephone or electronic means by the customer), an electricity marketing agent must obtain the customer's written acknowledgement that the specified information has been given. <i>Code of Conduct Clause 2.3(3)</i>	Non-Compliant – 2 (*)	

No	Obligation under Condition	Compliance Rating	Findings
132	Where the customer has entered into a new contractual relationship with a retailer or electricity marketing agent, the retailer or electricity marketing agent must offer to provide the customer with a copy of the contract and, where this offer is accepted by the customer, provide a copy of the contract at that time or as soon as possible thereafter. <i>Code of Conduct Clause 2.4(1)</i>	Compliant - 5	<p><i>Obligation 132 and 133</i></p> <p>As detailed at obligations 129 above, Alinta's sales and contract establishment processes require all contracts to be in writing, via its established non-standard form contract and associated terms and conditions. Further, those procedures provide for all potential customers to be presented with a copy of the related terms and conditions and the customer service charter generally via email prior to agreeing to the contract.</p>
133	Where the customer has entered into a new contractual relationship with a retailer or electricity marketing agent, the retailer or electricity marketing agent must give the information specified to the customer. <i>Code of Conduct Clause 2.4(2)</i>	Compliant - 5	
135	Subject to clause 2.4(5), in circumstances where a standard form contract is entered into as a result of door to door marketing or a non-standard contract, a retailer or electricity marketing agent must give the specified information and a copy of the contract before the customer has entered into the contract and the electricity marketing agent must obtain a written acknowledgement that the information has been given. <i>Code of Conduct Clause 2.4(4)</i>	Compliant - 5	<p>Through discussions with the Acting SME Sales Manager and examination of an email template that is sent out to a potential new customer, we determined that for the purposes of contracting with customers through the non-standard form contract, Alinta's processes provide for the customer to be provided with the following documents prior to signing the contractual terms:</p> <ul style="list-style-type: none"> <li>• A copy of the contract</li> <li>• The terms and conditions</li> <li>• The customer service charter.</li> </ul> <p>These documents include all of the required information as specified in Clause 2.4.</p> <p>Alinta's non-standard form contract includes provision for the customer to acknowledge that the customer has received the relevant information and the customer agrees to re-contract.</p>



No	Obligation under Condition	Compliance Rating	Findings
136	An electricity marketing agent must not, when marketing, engage in conduct that is misleading, deceptive or likely to mislead or deceive or that is unconscionable. <i>Code of Conduct Clause 2.5(1)</i>	Compliant - 5	<i>Obligation 136 and 137</i>  Alinta sales staff are required to complete Code of Conduct compliance training, which addresses the requirement for sales staff to not engage in conduct that is misleading, deceptive or likely to mislead or deceive or that is unconscionable.  Through discussion with the Acting SME Sales Manager, we also determined that Alinta instructs its staff not to pressure the customer once the customer expresses its disinterest in purchasing electricity from Alinta. While there are team sales targets, individual sales staff do not have personal incentives for signing up customers.
137	An electricity marketing agent must not exert undue pressure on a customer, nor harass or coerce a customer. <i>Code of Conduct Clause 2.5(2)</i>	Compliant - 5	We also determined that Alinta's procedures provide for Team Leaders to listen in on selected calls made by sales staff as a form of on-going monitoring and coaching process as well as to ensure compliance with the Code.
139	An electricity marketing agent must ensure that all standard form contracts that are entered into as a result of door to door marketing and all non-standard contracts are in writing. <i>Code of Conduct Clause 2.5(4)</i>	Compliant - 5	Through discussion with the Acting SME Sales Manager and walkthrough of Alinta's sales and contract establishment processes, we determined that Alinta requires all contracts to be in writing using one of Alinta's non-standard contracts and associated terms and conditions.
140	A retailer or other party must ensure that a customer is able to contact the retailer or other party on the retailer's or other party's telephone number during normal business hours for the purposes of enquiries, verifications and complaints. <i>Code of Conduct Clause 2.5(5)</i>	Compliant - 5	Through discussion with the Acting SME Sales Manager and examination of Alinta's customer service charter and website, we determined that Alinta's Sales and Marketing team are contactable on the advertised 13 13 58 number during normal business hours (8am-5pm).

No	Obligation under Condition	Compliance Rating	Findings
141	<p>An electricity marketing agent must provide the information specified to the customer when marketing by means other than face to face and after having identified the purpose of the contact, if the contact is not by electronic means, the electricity marketing agent must ask the customer whether they wish to proceed further.</p> <p><i>Code of Conduct Clause 2.6(1)</i></p>	Compliant – 5	<p>Through discussion with the Acting SME Sales Manager and examination of standard telephone scripts provided to sales staff, we observed that Alinta's sales staff provide the following information to a customer in the conversation:</p> <ul style="list-style-type: none"> <li>• The staff member's first name</li> <li>• Company the staff member is representing (i.e. Alinta)</li> <li>• Purpose of the contact.</li> </ul> <p>We also determined that Alinta's procedures provide for:</p> <ul style="list-style-type: none"> <li>• Sales staff to ask the customer if it is convenient for the phone call to proceed.</li> <li>• Team Leaders to listen in on selected calls made by sales staff as a form of on-going monitoring and coaching process as well as to ensure compliance with the Code.</li> </ul>
142	<p>An electricity marketing agent must, on request, provide the customer with the information specified.</p> <p><i>Code of Conduct Clause 2.6(2)</i></p>	Compliant - 5	<p>Through discussion with the Acting SME Sales Manager, we determined that Alinta has procedures in place to provide the following information to a customer, if requested:</p> <ul style="list-style-type: none"> <li>• Alinta's complaints telephone number</li> <li>• The staff member's marketing identification number.</li> </ul> <p>We also determined that Alinta's procedures provide for Team Leaders to listen in on selected calls made by sales staff as a form of on-going monitoring and coaching process as well as to ensure compliance with the Code.</p>
143	<p>An electricity marketing agent who meets with a customer face to face must:</p> <ul style="list-style-type: none"> <li>• As soon as practicable tell the customer the purpose of the visit</li> <li>• Wear a clearly visible and legible identity card showing the information specified</li> <li>• As soon as practicable provide the information specified in writing to the customer.</li> </ul> <p><i>Code of Conduct Clause 2.6(3)</i></p>	Complaint - 5	<p>Through discussion with the Acting SME Sales Manager, we determined that Alinta does not meet small use customers face to face as part of its contract establishment processes. All small use customers are contacted and signed up through the phone with documentation provided through email or fax.</p>

No	Obligation under Condition	Compliance Rating	Findings
144	If, when marketing to a customer, the customer indicates that they wish to end the contact, the electricity marketing agent must end the contact as soon as practicable and not attempt to contact the customer for the next 30 days unless the customer agrees otherwise. <i>Code of Conduct Clause 2.6(4)</i>	Compliant - 5	Through discussion with the Acting SME Sales Manager, we determined that once a customer expresses their disinterest in purchasing electricity from Alinta, sales staff are required to end the conversation as soon as practicable and update Gentrack to indicate the outcome of the discussion. The customer is then not be contacted for at least 30 days unless requested otherwise by the customer.
145	Unless requested by the customer, an electricity marketing agent must not make contact with a customer outside the permitted call times, unless the contact is by electronic means or the contact arises outside the customer's premises in circumstances where the customer initiates contact. <i>Code of Conduct Clause 2.6(5)</i>	Compliant - 5	<i>Obligation 145 and 146</i>  Through discussion with the Acting SME Sales Manager, we determined that while the sales team takes calls between 8am and 5pm Monday to Friday, calls to customers are only made between 9am and 4pm, hence it is unlikely calls to customers will continue for more than 15 minutes past the permitted call times.  No evidence was found of any complaint in relation to this obligation.
146	An electricity marketing agent must ensure that contact for the purposes of marketing does not continue for more than 15 minutes past the end of the permitted call times without the customer's verifiable consent unless the contact is by electronic means. <i>Code of Conduct Clause 2.6(6)</i>	Compliant - 5	
147	Except in response to a customer request or query, a retailer or other party must keep the specified records each time it initiates contact with a customer for the purposes of marketing. <i>Code of Conduct Clause 2.6(7)</i>	Compliant - 5	Through discussion with the Acting SME Sales Manager and examination of Alinta's CRM system, we observed that the following records are captured each time Alinta initiates contact with a customer for the purposes of marketing: <ul style="list-style-type: none"> <li>• Customer's name and contact number</li> <li>• Name of staff who made contact with the customer</li> <li>• Date and time of contact.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
148	<p>Where the customer requests not to be contacted for the purposes of marketing a retailer or other party must ensure that a customer is not contacted on its behalf in relation to the supply of electricity for a period of two years unless:</p> <ul style="list-style-type: none"> <li>The customer requests contact, or</li> <li>The customer has moved premises, or</li> <li>A retailer or other party has a legal obligation to contact the customer.</li> </ul> <p><i>Code of Conduct Clause 2.7(1)</i></p>	Compliant - 5	<p><i>Obligation 148 and 149</i></p> <p>Through discussion with the Acting SME Sales Manager, we determined that:</p> <ul style="list-style-type: none"> <li>Alinta maintains a Do Not Call register within CRM, enabling customers to be added to the register once requested not to be contacted.</li> <li>When the Alinta SME Sales team receives a new list of contacts for specific marketing campaigns, Alinta's procedures require the list to be checked against the Do No Call register to ensure the customer is not contacted within the 2 years of being included in the register.</li> </ul>
149	<p>A retailer or other party must keep a record of each customer who has requested not to be contacted, that includes the specified information.</p> <p><i>Code of Conduct Clause 2.7(2)</i></p>	Compliant - 5	
153	<p>A retailer and an electricity marketing agent must comply with the National Privacy Principles as set out in the Privacy Act 1998 in relation to information collected under Part 2 of the Code of Conduct.</p> <p><i>Code of Conduct Clause 2.8</i></p>	Compliant - 5	<p>The Manager Customer Services confirmed that Alinta's processes are designed to comply with the National Privacy Principles as set out in the Privacy Act 1988.</p> <p>Alinta's Privacy Policy states "Alinta respects and protects the privacy of its customers and is bound by, and complies with, the National Privacy Principles contained in the Privacy Act 1988 and any similar state legislation applicable to Alinta's operations".</p>
154 *	<p>An electricity marketing agent must keep a record of complaints about marketing carried out by or on behalf of the electricity marketing agent made by a customer or person contacted for the purposes of marketing and, on request, must give to the electricity ombudsman, within 28 days of receiving the request, all information that the electricity marketing agent has relating to the complaint.</p> <p><i>Code of Conduct clause 2.11(1)</i></p>	Compliant - 5	<p>Through discussion with the Acting SME Sales Manager and Team Leader – Customer Services, we determined that Alinta records all complaints from electricity customers in Gentrack and the CRM. Alinta treats complaints about marketing as contractual type complaints and are handled by the Alinta Sales team.</p> <p>The Manager Customer Services confirmed that Alinta has not received any request from the Ombudsman to provide information relating to marketing complaints received from Alinta's customers.</p>

No	Obligation under Condition	Compliance Rating	Findings
155 *	A record or other information that an electricity marketing agent is required, by the Code, to keep, must be kept for at least 2 years after the last time the person to whom the information relates was contacted by or on behalf of the electricity marketing agent.  <i>Code of Conduct clause 2.11(2)</i>	Compliant - 5	Through our receipt of requested information from Gentrack and the CRM during the course of this audit and discussion with the Acting SME Sales Manager and Team Leader – Customer Services, we determined that information recorded within Gentrack and the CRM is retained for a minimum of two years.  The Acting SME Sales Manager and Manager Customer Services confirmed that customer records are maintained for a minimum of two years.
Part 3 - Connection			
156	If a retailer agrees to sell electricity to a customer or arrange for the connection of the customer’s supply address, the retailer must forward the customer’s request for the connection to the relevant distributor.  <i>Code of Conduct clause 3.1(1)</i>	Compliant - 5	<i>Obligation 156 and 157</i>  Through discussions with Energy Billing Officer and walkthrough of Alinta’s customer transfer and connection processes, we determined that those processes provide for customer connection/transfer requests to: <ul style="list-style-type: none"><li>Have priority over other administration tasks and to be forwarded to Western Power via the Metering Service Centre web portal on the same day the requests are received or the next business day if the requests are received after 3 pm or on a Saturday, Sunday or public holiday</li><li>Only be processed if the contract application is complete and co-signed by both the customer and Alinta.</li></ul>
157	A retailer must forward the customer’s request for the connection to the relevant distributor in the timeframe specified unless the customer agrees otherwise.  <i>Code of Conduct clause 3.1(2)</i>	Compliant - 5	
Part 4 - Billing			
158	A retailer must issue a bill no more than once a month and at least once every three months unless the circumstances specified exist.  <i>Code of Conduct clause 4.1</i>	Compliant - 5	Through discussions with the Energy Billing Officer and walkthrough of Alinta’ billing processes, we determined that Alinta has the following systems and procedures in place to bill customers within the required timeframes: <ul style="list-style-type: none"><li>Gentrack is programmed to bill customers on a monthly calendar basis</li><li>Section 6.1 of the non-standard form contract states that Alinta will bill the customer within 7 business days of the end of each billing period</li><li>The unbilled installation report is run on a monthly basis to identify unbilled accounts. Billing staff review the report and resolve billing discrepancies as required.</li></ul> Alinta does not offer shortened billing cycles and does not seek to bill customers more frequently than monthly.

No	Obligation under Condition	Compliance Rating	Findings
166	A retailer must issue a bill to a customer at the customer's supply address, unless the customer has nominated another address or an electronic address. <i>Code of Conduct clause 4.4</i>	Compliant - 5	Through examination of Alinta's billing process and discussions with the Energy Billing Officer, we determined that Alinta's procedures provide for the customer to: <ul style="list-style-type: none"> <li>• Have bills sent to the default installation address unless requested by the customer to be sent to an alternative postal address</li> <li>• Have the installation address and alternative postal address recorded in Gentrack when the customer establishes an account with Alinta</li> <li>• Nominate a billing address in the non-standard contract.</li> </ul>
167	A retailer must include minimum prescribed information on the customer's bill, unless the customer agrees otherwise. <i>Code of Conduct clause 4.5(1)</i>	Non-compliant – 2 (*)	The 2010 Performance Audit report rated this obligation as non-compliant (relating to non-compliance with 2010 obligation 151 [current obligation 167]). In August 2011 Alinta addressed the cause of this non-compliance by implementing action plan 4/2010 relating to the amendment of its non-standard form contract so that customers consent to the information specified by 4.5(1) of the code not being provided on bills. As those processes (rated as non-compliant by the 2010 performance audit) were not identified as non-compliant and subsequently corrected until part way through the current audit period (effectively carried forward), this audit retains the non-compliant rating.  This audit focussed on testing the controls and processes maintained since the implementation of action plan 4/2010.  From an examination of the current bill template, we determined that Alinta's template includes the specified information as required by clause 4.5(1) of the Code, except for the: <ul style="list-style-type: none"> <li>• Date of the current meter reading or estimate [s.4.5(1)(a)]</li> <li>• Current meter reading or estimate [s.4.5(1)(b)].</li> </ul> However, as Alinta amended its non-standard form contract in August 2011 to provide for customers to consent to the information mentioned above not being provided on the bills, Alinta has demonstrated its current compliance with this obligation.
168	A retailer must advise the customer of the amount of historical debt and its basis before, with or on the customer's bill, if the retailer wishes to bill the customer for the historical debt. <i>Code of Conduct clause 4.5(3)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and Team Leader – Credit Management and consideration of Alinta's billing processes, we determined that in the event a historical debt is identified, Alinta's processes provide for: <ul style="list-style-type: none"> <li>• The debt to be recovered to appear under "other charges" on the standard bill in instances where the debt relates to the customer's current supply address</li> <li>• The customer to be notified (on the next bill) the basis for the historical debt.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
169	A retailer must base the customer's bill on the distributor's or metering agent's reading of the meter, or the customer's reading of the meter in the circumstances specified. <i>Code of Conduct clause 4.6(1)</i>	Compliant - 5	<p><i>Obligations 169 and 171</i></p> <p>Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta has the following processes and systems in place for generating bills based on metering reads:</p> <ul style="list-style-type: none"> <li>• Alinta requires all electricity customers to have interval meters installed</li> <li>• Interval meter data is received by Western Power on a 30 minute basis for those installations with a communications link</li> <li>• For interval meters without a communications link, a Western Power meter reader is required to download the interval data directly from the meter on a monthly basis</li> <li>• Alinta downloads interval meter data on a daily basis (which includes both the data obtained via the communications link and data uploaded from the meter reader) from the Western Power portal, which is then uploaded into Gentrack for billing purposes</li> <li>• Metering data received from Western Power is allocated by Gentrack based on NMI</li> <li>• Alinta does not accept customer self reads</li> <li>• An 'Unbilled Installations' report is produced every month identifying those installations that require billing.</li> </ul> <p>The June 2012 Gentrack Unbilled Installations report did not include any customer who had no meter reads in the previous 12 month period.</p>
171	A retailer must use its best endeavours to ensure that meter reading data is obtained as frequently as is required to prepare its bills and, in any event, at least once every twelve months in accordance with clause 4.6(1)(a) of the Code of Conduct. <i>Code of Conduct clause 4.7</i>	Compliant - 5	

No	Obligation under Condition	Compliance Rating	Findings
172	A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter. <i>Code of Conduct clause 4.8(1)</i>	Non-compliant - 2	<i>Obligations 172 and 173</i>  Through discussions with the Energy Billing Officer and walkthrough of Alinta’s billing processes, we determined that Alinta has the following arrangements in place for estimated bills: <ul style="list-style-type: none"><li>Alinta’s procedures provide for Western Power to generate an estimated value based on previous billed amounts in the event that a meter reading is not received</li><li>The estimated data provided by Western Power (via the web portal) is to be uploaded into Gentrack</li><li>Gentrack is to identify those interval periods where an estimation has been performed.</li></ul> However those processes currently do not: <ul style="list-style-type: none"><li>Identify which bills contain estimations to facilitate printing on the relevant bill</li><li>Provide for customers to be notified that their bill has been calculated using estimated metering data.</li></ul> These obligations were also rated as non-compliant in the 2010 performance audit report. Alinta has not yet completed the identified corrective action (requiring billing system enhancements) to address the non-compliance.  We acknowledge that Alinta has engaged with its billing system vendor to enable automated notification on customer bills when estimated metering data is used for the generation of bills. At the time of this audit, the required functionality had not been successfully implemented, with a priority for completion by October 2012.
173	A retailer must, in a visible and legible manner, specify the stated information on the customer’s bill, in circumstances where the customer’s bill is estimated. <i>Code of Conduct clause 4.8(2)</i>	Non-compliant - 2	
<b>Recommendation 3/2012</b> As a matter of priority, Alinta finalise billing system enhancements to address the requirements of s.4.8(2) of the Code through notification of customers when an estimation has been used to produce a bill.		<b>Action Plan 3/2012</b> Alinta will finalise billing system enhancements to address the requirements of s.4.8(2) of the Code. <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> Completed by 31 October 2012	



No	Obligation under Condition	Compliance Rating	Findings
177	A retailer must request the distributor or metering agent to test the meter if a customer requests the meter to be tested and pays any reasonable charge of the retailer for testing the meter. <i>Code of Conduct clause 4.11(1)</i>	Compliant - 5	<p><i>Obligation 177 and 178</i></p> <p>Through discussions with the Energy Billing Officer and consideration of Alinta's meter testing request procedures, we determined that Alinta has the following arrangements in place to engage Western Power to perform a meter test:</p> <ul style="list-style-type: none"> <li>• Alinta is required to request Western Power to verify the customer's data</li> <li>• The Energy Billing team is required to attempt to address the customers' concerns by analysing their consumption history and usage pattern</li> <li>• If the Energy Billing team fails to address the issue or at the customer's request, a service order is to be forwarded to Western Power requesting a meter test</li> <li>• Alinta's current processes require Alinta staff to inform customers of the fees involved with performing a meter test</li> <li>• Section 4.2 of Alinta's non-standard form contract outlines the customer's right to request a meter test</li> <li>• If the meter is found to not be defective, it is up to the discretion of the Sales Account Manager whether to charge the meter test fee</li> <li>• If the meter test fee was charged upfront, and the meter is found to be defective, the fee is to be either credited to the customer's account, or refunded via direct payment.</li> </ul>
178	If the meter is tested and found to be defective, the retailer's reasonable charge for testing the meter (if any) is to be refunded to the customer. <i>Code of Conduct clause 4.11(2)</i>	Compliant - 5	
183	A retailer must use reasonable endeavours to arrange for a final bill if a customer requests the retailer to issue a final bill at the customer's supply address. <i>Code of Conduct clause 4.15(1)</i>	Compliant - 5	<p>Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta has the following processes and procedures in place to finalise customer accounts at the customer's request:</p> <ul style="list-style-type: none"> <li>• Alinta staff are required to determine whether any early termination contract fee would apply</li> <li>• A final bill is then to be processed in Gentrack and the customer account closed.</li> </ul>
184	A retailer must repay the customer any amount in credit at the time of account closure. <i>Code of Conduct clause 4.15(2)</i>	Compliant - 5	Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta's approach is to refund the customer any amount owing at the time of account closure and after the final bill has been issued.

No	Obligation under Condition	Compliance Rating	Findings
185	A retailer must review the customer's bill on request by the customer, subject to the customer paying the lesser of the portion of the bill agreed to not be in dispute or an amount equal to the average of the customer's bill over the previous 12 months, and paying any future bills that are properly due. <i>Code of Conduct clause 4.16</i>	Compliant - 5	<p><i>Obligation 185 to 187</i></p> <p>Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta has the following processes in place to facilitate the review of a customer account on request:</p> <ul style="list-style-type: none"> <li>Alinta's Energy Billing Officers are trained to deal with customer requests to review a bill, enabling a review to be performed on request</li> <li>Requests for review of a customer's bill are resolved immediately, or referred to a relevant team for resolution</li> <li>Where the bill is assessed as correct by Alinta, depending on the issue relating to the bill, the Energy Billing Officer informs the customer of the options available where they are not happy with the assessment, including the use of the complaints handling processes</li> <li>Where the bill is assessed as incorrect by Alinta, the default process is for a credit to be applied to the customer account. Alternatively, the customer may request a refund.</li> </ul> <p>Such practices provide for customers to be informed of the outcome of a review within 20 business days from the date of receipt of the request however Alinta aims to provide a resolution within a week, where possible.</p>
186	A retailer must follow the procedures specified if a review of a bill has been conducted and the retailer is satisfied that the bill is correct or incorrect. <i>Code of Conduct clause 4.17(1)</i>	Compliant - 5	
187	A retailer must inform the customer of the outcome of the review of a bill as soon as practicable, but, in any event, within 20 business days from the date of receipt of the request for review. <i>Code of Conduct clause 4.17(2)</i>	Compliant - 5	
188	A retailer must recover an amount undercharged as a result of an act or omission by a retailer or distributor in the manner specified. <i>Code of Conduct clause 4.18(2)</i>	Compliant - 5	<p>Through discussions with Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta has the following procedures in place to manage accounts requiring adjustments:</p> <ul style="list-style-type: none"> <li>Where Alinta has undercharged the customer, the balance is automatically attached to the customer's next account, with a specific advice of the amount on the bill</li> <li>In the event of an undercharging, Alinta recognises that it can only recover the undercharged amount for up to 12 months from the date the customer is notified of the undercharge</li> <li>No interest or fee to be paid relevant to the correcting payment</li> <li>Alinta offers the customer to have either: <ul style="list-style-type: none"> <li>The current bill cancelled and re-issued with the correct value</li> <li>The current bill to remain unchanged and the adjusting amount to be included as an itemised portion of the next bill</li> <li>Alternative payment arrangements, including an instalment payment plan covering a period at least equal to the period of the undercharge.</li> </ul> </li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
189	A retailer must use its best endeavours to inform the customer (including a customer who has vacated the supply address) and repay or credit any amount overcharged as a result of an act or omission by a retailer or distributor, in the manner and period specified, subject to clause 4.19(6). <i>Code of Conduct clause 4.19(2)</i>	Compliant - 5	Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta has processes and procedures in place to manage the refund process including: <ul style="list-style-type: none"> <li>Utilising aged creditors report to identify customers Alinta has overcharged</li> <li>Immediately notifying the customer within 10 business days of any overcharge and offering resolution alternatives</li> <li>Energy Billing Officers attempting to make contact with customers who have been overcharged and have moved address.</li> <li>Asking the customer for instructions regarding repayment of an overcharged amount of less than \$45 and crediting the customer's account for the amount if the customer so instructs.</li> </ul> In the event where a customer has disconnected its service with Alinta and attempts to refund the customer have failed, Gentrack displays customer credits from previous installation when the new customer signs up with the same ABN or customer name.
190	A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions. <i>Code of Conduct clause 4.19(3)</i>	Compliant - 5	<i>Obligations 190 and 191</i> Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta's processes and procedures for managing the refunds process include:
191	A retailer must use reasonable endeavours to credit the amount overcharged within 20 business days of the customer making the request, in circumstances where instructions as to payment are not received. <i>Code of Conduct clause 4.19(4)</i>	Compliant - 5	<ul style="list-style-type: none"> <li>Refunds are processed via weekly cheque runs and made available to the customer within 12 business days of receiving the instructions</li> <li>Alinta's default approach is to apply the amounts overcharged as credit to the customer's account, if no specific instructions have been received from the customer within 20 business days of making the request</li> <li>If a customer requests a refund via cheque or the customer no longer has an active account with Alinta, the Energy Billing Officer will process the refund in Gentrack and submit a cheque refund request to the Payments team.</li> </ul> Examination of the customer complaint register did not identify instances of complaints in relation to repayment of an overcharged amount.

No	Obligation under Condition	Compliance Rating	Findings
<b>Part 5 - Payment</b>			
192	The due date on the bill must be at least 12 business days from the date of the bill, with the date of dispatch deemed to be the date of the bill, unless the retailer specifies a later date. <i>Code of Conduct clause 5.1</i>	Compliant - 5	As permitted by clause 1.10 of the Code, Alinta's non-standard form contract amends clause 5.1(1) "Due Dates for Payment" to an agreed-upon timeframe between the customer and Alinta. Section 7.1 of Alinta's non-standard form contract states that the amount is payable 14 days from the billing date.  Based on discussions with the Energy Billing Officer, we determined that Gentrack is programmed to issue bills with due dates based on 14 calendar days and that the date of dispatch is deemed to be the date of the bill.  We examined both a current standard bill and an estimated bill and observed that both had a minimum of 14 calendar days as their due dates.
193	A retailer must offer the specified minimum payment methods. <i>Code of Conduct clause 5.2(1)</i>	Compliant - 5	As permitted by clause 1.10 of the Code, Alinta's non-standard form contract amends clause 5.2(1) "Minimum payment methods" to a set of agreed-upon payment methods. Section 7.1 of Alinta's non-standard form contract outlines the following payment methods: <ul style="list-style-type: none"> <li>• Paying by Electronic Funds Transfer (EFT)</li> <li>• Paying by BPay</li> <li>• Paying by credit card over the telephone and online</li> <li>• Any other payment options Alinta may decide to make available to customer from time to time.</li> </ul> Examination of the current bill template indicated that Alinta offers the payment methods outlined by the non-standard form contract.
194	A retailer must comply with the Electronic Funds Transfer Code of Conduct in making an electronic payment. <i>Code of Conduct clause 5.2(2)</i>	Compliant - 5	Section 5.2(2) of the Electricity Customer Code states that 'all electronic payment arrangements must comply with the Electronic Funds Transfer Code of Conduct'. The Manager Customer Services confirmed that: <ul style="list-style-type: none"> <li>• Alinta complies with the Electronic Funds Transfer Code of Conduct</li> <li>• In establishing new banking arrangements during the 2011/12 financial year, Alinta obtained assurances from its new banking service that the services to be provided are in compliance with the Electronic Funds Transfer Code of Conduct.</li> </ul>
196	A retailer must accept payment in advance from a customer on request, in the circumstances specified. <i>Code of Conduct clause 5.4</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's payments process, we determined that Alinta: <ul style="list-style-type: none"> <li>• Accepts payment in advance for any amount (i.e. no minimum amount)</li> <li>• Places the customer's account into credit, where applicable.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
202	A retailer must not require a customer who has vacated a supply address to pay for electricity consumed at the customer's supply address in the circumstances specified. <i>Code of Conduct clause 5.7(1)</i>	Compliant - 5	Through discussions with the Energy Billing Officer and consideration of Alinta's billing processes, we determined that Alinta's processes and procedures for finalisation of customer accounts include: <ul style="list-style-type: none"> <li>• A customer is required to notify Alinta to request account closure</li> <li>• Energy Billing Officers initiate the account finalisation process</li> <li>• Customers are charged for consumption up to the account closure date (up to midnight).</li> </ul>
203	A retailer must not require a customer who was evicted or otherwise required to vacate a supply address to pay for electricity consumed at the customer's supply address in the circumstances specified. <i>Code of Conduct clause 5.7(2)</i>	Compliant - 5	Through discussions with the Team Leader – Credit Management and consideration of Alinta's billing processes, we determined that Alinta has processes and procedures to manage circumstances where customers are evicted or otherwise required to vacate a supply including: <ul style="list-style-type: none"> <li>• Credit management processes are designed to stop charges from the day the customer is evicted provided the customer can provide reasonable evidence</li> <li>• Alinta will not require a customer to pay for usage beyond the period of notice if the customer is forced to vacate the supply address and the customer notifies Alinta.</li> </ul>
204	A retailer must not require a previous customer to pay for electricity consumed at the supply address in the circumstances specified. <i>Code of Conduct clause 5.7(4)</i>	Compliant - 5	Through discussions with the Team Leader – Credit Management and consideration of Alinta's billing processes, we determined that Alinta has the following processes and procedures to manage the account finalisation process: <ul style="list-style-type: none"> <li>• The debt is recoverable only from the customer who entered into a contract with Alinta</li> <li>• Once a contract is established and formalised in Gentrack, the system does not permit an amount to be billed to the previous customer of the same supply address</li> <li>• The previous customer is not to be charged electricity consumption after the new customer becomes obliged to pay</li> <li>• For consumption after a customer has been disconnected and prior to commencement of a contract by a new customer, the consumption is considered as loss consumption.</li> </ul>
205	A retailer must comply with the Conduct Principles set out in the guideline on debt collection issued by the Australian Competition and Consumer Commission. <i>Code of Conduct clause 5.8(1)</i>	Compliant - 5	Section 5.8 (1) of the Electricity Customer Code states that 'a retailer must comply with Part 2 of the Debt collection guideline for collectors and creditors issued by the Australian Competition and Consumer Commission concerning Section 60 of the Trade Practices Act 1974 of the Commonwealth'.  The Manager Customer Services confirmed that Alinta complies with the Conduct Principles set out in the guidelines on debt collection issued by the ACCC.

No	Obligation under Condition	Compliance Rating	Findings
207	A retailer must not recover or attempt to recover a debt relating to a supply address from a person other than the customer with whom the retailer has or had entered into a contract for the supply of electricity to that supply address. <i>Code of Conduct clause 5.8(3)</i>	Compliant - 5	Through discussions with the Team Leader – Credit Management and consideration of Alinta's credit management processes, we determined that Alinta's procedures provide for collection of customer debt. We note that: <ul style="list-style-type: none"> <li>Alinta has processes in place to ensure any debt is only recovered from the customer of the supply address who incurred the debt</li> <li>The Gentrack system links an account to a customer name and not just the address, which means consumption from a supply address can only be billed to one customer at any given time.</li> </ul>
<b>Part 6 - Payment difficulties and financial hardship</b>			
229	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties. <i>Code of Conduct clause 6.11</i>	Compliant - 5	Through discussions with the Team Leader – Credit Management and walkthrough of Alinta's customer billing and collections processes, we determined that Alinta has the following processes and procedures in place to deal with small use business customer requests for alternative payment arrangements. In the event that Alinta determines that the customer is experiencing payment difficulties, Alinta offers: <ul style="list-style-type: none"> <li>As the first option, an extension of time to pay the bill. The Team Leader – Credit Management advised that this is the most common arrangement offered to small use business customer experiencing financial difficulty</li> <li>Payment instalment plans.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
<b>Part 7 – Disconnection and reconnection</b>			
230	<p>A retailer must give the customer a reminder notice, use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified, prior to arranging for disconnection of a customer's supply address for failure to pay a bill.</p> <p><i>Code of Conduct clause 7.1</i></p>	Compliant - 5	<p>Through discussions with the Team Leader – Credit Management and Retail Services Officer – Credit Control and consideration of the functionality of Alinta's Gentrack system, we determined that Alinta maintains the following processes to manage reminder notices and disconnection warnings issued to customers:</p> <ul style="list-style-type: none"> <li>• The Retail Services Officer – Credit Control is responsible for producing and reviewing a reminder notices report on a monthly basis. A reminder notices report is designed to highlight customers with bills which are outstanding for greater than 10 business days. Alinta's process is to not action any notices or warnings till the timeframes required by the Code</li> <li>• The Retail Services Officer – Credit Control is to utilise the reminder notices report to identify any customers that require disconnection warnings</li> <li>• Reminder notices are to be printed and posted by the mailing agent, whereas disconnection warnings are printed in house, processed manually, considered on a case by case basis and sent not less than 18 business days from the date of dispatch of the bill</li> <li>• Reminder notices and disconnection warnings are to be sent to customers using a standard template, matching the criteria specified by the Code of Conduct.</li> </ul> <p>We determined that Alinta generates customer bills on the 7th or 15th of every month and sends reminder notices on the 8th of every month, which provides its customers with a more generous time frame than that required by the Code (not less than 13 business days from the date of dispatch of the bill).</p> <p>Prior to disconnection, Alinta attempts to contact customers by phone or other contact methods, if provided by the customer, and record the communication details in Gentrack.</p>



No	Obligation under Condition	Compliance Rating	Findings
231	<p>A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified.</p> <p><i>Code of Conduct clause 7.2</i></p>	Compliant - 5	<p>Through discussion with the Team Leader – Credit Management and consideration of Alinta's disconnection and credit management processes, we determined that Alinta has the following processes and systems in place for managing the disconnection of customers:</p> <ul style="list-style-type: none"> <li>• Disconnecting a customer is the last resort Alinta will employ</li> <li>• Credit management staff are aware that they must only disconnect customers for specified reasons and only after one business day from the expiry of the period referred to in the disconnection warning</li> <li>• A customer will not be disconnected for amounts owing that do not relate to the supply of electricity</li> <li>• If the supply address does not relate to the bill, the customer will not be disconnected</li> <li>• Alinta does not offer customers concessions</li> <li>• The Authority has not prescribed a minimum amount to the outstanding balance, under which Alinta is not permitted to process the disconnection.</li> </ul> <p>From our sample testing of three disconnections for failure to pay a bill, we determined that none of the limitations outlined in clause 7.2 of the Code of Conduct were breached.</p>
235	<p>A retailer or a distributor must not arrange for disconnection or disconnect a customer's supply address in the circumstances specified, subject to the exception specified.</p> <p><i>Code of Conduct clause 7.6</i></p>	Compliant - 5	<p>Through discussions with the Team Leader – Credit Management and walkthrough of Alinta's disconnection processes, we observed that Alinta's processes and procedures are designed for:</p> <ul style="list-style-type: none"> <li>• Customers' supply addresses not to be disconnected until all required communication has been made regarding the cause of disconnection (including resolution of any complaint made by the customer directly related to the reason for the disconnection)</li> <li>• Disconnections not to be arranged for a Friday, Saturday, Sunday, a public holiday, a day before a public holiday or after 3pm on other business days. We understand that Alinta's standard business practice is to arrange disconnections using the disconnection service order within the Metering Service Centre web portal maintained by Western Power, which also performs the physical disconnection.</li> </ul> <p>During the period 1 June 2010 to 31 May 2012, Alinta raised 10 service orders for Western Power to disconnect customers for failure to pay a bill. In all cases, the disconnection was not performed on a Friday, Saturday, Sunday, a public holiday, a day before a public holiday or after 3pm on other business days. Our testing of three such disconnections determined that all required communication had been made with the customer, in accordance with the requirements of the Code of Conduct. In each case, there was no unresolved, relevant complaint.</p>



No	Obligation under Condition	Compliance Rating	Findings
238	A retailer must arrange for reconnection of the customer’s supply address if the customer has remedied its breach, makes a request for reconnection, pays the retailer’s reasonable charges (if any) or accepts an offer of an instalment plan for the retailer’s reasonable charges. <i>Code of Conduct clause 8.1(1)</i>	Compliant - 5	<i>Obligations 238 and 239</i> Through discussion with the Energy Billing Officer and consideration of Alinta’s disconnection and reconnection processes, we determined that Alinta has processes in place to: <ul style="list-style-type: none"><li>• Arrange for reconnection with Western Power for a supply address if the customer makes a request for reconnection and has addressed Alinta’s request for payment of reasonable charges by making an upfront payment or accepting an offer of an instalment plan for the payment</li><li>• Submit a reconnection service order to Western Power on the same day the request is received or the next business day if the request is received after 3 pm or on a Saturday, Sunday or public holiday .</li></ul>
239	A retailer must forward the request for reconnection to the relevant distributor within the timeframe specified. <i>Code of Conduct clause 8.1(2)</i>	Compliant - 5	
Part 10 - Information and communication			
269	A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation, in the timeframes specified. <i>Code of Conduct clause 10.1(1)</i>	Non-compliant – 2	The 2010 Performance Audit report rated this obligation as non-compliant (relating to non-compliance with 2010 obligation 238 [current obligation 269]). In December 2010 Alinta attempted to address the cause of this non-compliance by implementing action plan 9/2010 relating to including a statement regarding the adjustment of prices to reflect movements in the Consumer Price Index (CPI) and/or network charges on customers’ bills. Through discussions with the Manager Customer Services and the Energy Billing Officer and consideration of Alinta’s customer establishment process, we determined that Alinta has processes to offer customers either a bundled or unbundled contract. Alinta recognises: <ul style="list-style-type: none"><li>• A bundled contract to be where the consumption tariff and network charges (i.e. Western Power’s charge) are included in the price quoted to the customer. The amounts include any projections for variation therefore is not subject to change during the contract term</li><li>• An unbundled contract is where the contract establishes the consumption tariff, with Western Power’s network charge subject to change.</li></ul> Alinta has included the following statement on customer bills as a way of informing customers on an unbundled contract of any variation in its tariff: <i>“If provided for in your contract, the prices charged under the contract have been adjusted to reflect movements in the Consumer Price Index and/or network charges. Please call Alinta on 13 13 58 for further information”.</i> Although Alinta has attempted to demonstrate it has given appropriate notice to customers affected by tariff changes, the manner of notification does not fully comply with the Code requirement to give notice as soon as practicable after a specific variation is published and, in any event, no later than the next bill in a customer’s billing cycle. That is, the “blanket” notification does not adequately inform affected customers of an actual tariff variation.

No	Obligation under Condition	Compliance Rating	Findings
	<b>Recommendation 4/2012</b> Alinta implement the most appropriate method for notifying individual customers of any changes in tariffs on the customer's next bill, in accordance with the requirements of Clause 10.1 of the Code.		<b>Action Plan 4/2012</b> Alinta will investigate and establish a plan for implementing the most appropriate method for notifying individual customers of any changes in tariffs on the customer's next bill. <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> 31 March 2013
270	A retailer must give a customer on request, at no charge, reasonable information on the retailer's tariffs, including alternative tariffs. <i>Code of Conduct clause 10.1(2)</i>	Compliant - 5	The Manager Customer Services confirmed that should a customer contact the Alinta Call Centre requesting tariff information, Customer Service Representatives have been trained to: <ul style="list-style-type: none"> <li>• Provide information over the phone</li> <li>• Send an e-mail to the customer (if requested).</li> </ul> All services are provided to the customer at no charge.
271	A retailer must give a customer the information requested on tariffs in the manner and within the timeframes specified. <i>Code of Conduct clause 10.1(3)</i>	Compliant - 5	The Manager Customer Services confirmed that: <ul style="list-style-type: none"> <li>• Customer Service Representatives are trained to resolve the customer query whilst they are on the phone, therefore complying with the 8 business day requirement of the Code</li> <li>• Should the customer request the information in writing, the information will be sent the day of request.</li> </ul>
277 *	A retailer must give a customer, at least once a year, written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 and under any other legislation in Western Australia including the amount of the payment and the eligibility criteria for the payment. <i>Code of Conduct clause 10.3A</i>	Non - compliant - 2	Clause 10.3A of the Code came into effect from 1 July 2010, requiring Alinta to (at least once a year) provide all small use customers with written details of Alinta's obligation to make the service standard payments listed in Part 14 of the Code. During the period 1 July 2010 to 31 May 2012, Alinta had not provided the required notification at any time, therefore not complying with the requirement for at least the first year. This issue was reported in Alinta's 2010/2011 ERL6 Licence Compliance report to the Authority, with a commitment to rectify the matter by providing customers with an appropriate written notice at least annually. Alinta has also not yet confirmed the relevant "annual period" (e.g. financial year, calendar year, licence year).
	<b>Recommendation 5/2012</b> Alinta implement a procedure to address the requirements of s.10.3A of the Code by notifying customers on an annual basis of Alinta's obligation to make service standard payments as listed in Part 14 of the Code. This procedure should specify what constitutes a "year" for the purposes of the Code requirement.		<b>Action Plan 5/2012</b> Alinta has updated the "Bill" templates and testing is currently underway. Once completed, appropriate notification relating to the requirements of s10.3A of the Code will be included with every electricity bill issued (therefore satisfying the "at least once a year" requirement). <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> Completed by 31 October 2012

No	Obligation under Condition	Compliance Rating	Findings
278	A retailer must give a customer on request, at no charge, the general energy efficiency information specified. <i>Code of Conduct clause 10.4</i>	Compliant - 5	The Manager Customer Services confirmed that: <ul style="list-style-type: none"> <li>• Upon request, Energy Billing Officers are to provide electricity consumption and costing information to customers at no charge</li> <li>• If a customer requests information on an energy efficiency audit, Energy Billing Officers are to direct the call to Alinta Assist, which is able to assist customers by conducting an energy audit</li> <li>• Any specific requests for efficiency ratings are directed to the Sustainable Energy Development Office.</li> </ul>
279	A retailer must give information to the customer, or refer the customer to the relevant distributor for a response, if asked by a customer for information relating to the distribution of electricity. <i>Code of Conduct clause 10.5</i>	Compliant - 5	The Manager Customer Services confirmed that all requests for distribution-related information are directed to Western Power. The direct number is provided to the customer, or if requested, the customer is transferred directly to Western Power.
287	A retailer and distributor must, to the extent practicable, ensure that any written information that must be given to a customer by the retailer or distributor or its electricity marketing agent under the Code of Conduct is expressed in clear, simple, and concise language and is in a format that makes it easy to understand. <i>Code of Conduct clause 10.9</i>	Compliant - 5	The Manager Customer Services confirmed that the standard form contract was specifically prepared (with the guidance of a professional media organisation) to be presented in clear, simple and concise language and in a format that made it easy to understand. Section 36.3 of the standard form contract also confirms that the terms and conditions are written in a 'simple English' style.
288	A retailer and distributor must tell a customer on request how the customer can obtain a copy of the Code of Conduct. <i>Code of Conduct clause 10.10(1)</i>	Compliant - 5	<i>Obligations 288 to 290</i> The Manager Customer Services confirmed that a customer's request for information about the Code of Conduct will generally be forwarded to a Team Leader. Through discussion with the Manager Customer Services, and review of Alinta's website, we determined that Alinta has: <ul style="list-style-type: none"> <li>• Trained its Customer Service Representatives to provide the Electricity Customer Code to customers when requested</li> <li>• Published the Code of Conduct on its website</li> <li>• Electronic copies of the Code of Conduct available for issuing to customers via email</li> <li>• Copies of the Code available at its premises for review as required.</li> </ul>
289	A retailer and distributor must make electronic copies of the Code of Conduct available, at no charge, on their web sites. <i>Code of Conduct clause 10.10(2)</i>	Compliant - 5	
290	A retailer and distributor must make a copy of the Code of Conduct available for inspection, at no charge, at their offices. <i>Code of Conduct clause 10.10(3)</i>	Compliant - 5	

No	Obligation under Condition	Compliance Rating	Findings
294	A retailer must, if requested by a customer, advise the customer of the availability of different types of meters or refer the customer to the relevant distributor for a response. <i>Code of Conduct clause 10.12(2)</i>	Compliant - 5	The Manager Customer Services confirmed that Alinta's customer contact protocols provide for queries relating to meters to be directly referred to Western Power.
<b>Part 11 - Customer service charter</b>			
* Obligations relevant to April 2011 (removed from the May 2011 version of the Reporting Manual). Obligation number obtained from 2010 Reporting Manual.			
281 *	A retailer and distributor must produce and publish a Customer Service Charter.	Compliant - 5	Alinta had developed a Customer Service Charter for small use customers.  For the period 1 June 2010 to 30 April 2011, the relevant Customer Service Charter in effect was recognised by the Authority on 1 July 2009 and was available on Alinta's website.
** Obligations relevant to June 2010 (removed from the July 2010 version of the Reporting Manual). Obligation number obtained from 2008 Reporting Manual.			
264 **	A retailer and distributor must address the specified information in their Customer Service Charters.	Compliant - 5	Alinta's Electricity Customer Service Charter current in June 2010 addressed the following issues: <ul style="list-style-type: none"> <li>• A summary of the customer's rights and obligations under the Code of Conduct</li> <li>• A summary of Alinta's and Western Power's rights and obligations under the Code of Conduct (including, billing, connection, disconnection and reconnection procedures)</li> <li>• An explanation of the complaints handling process</li> <li>• An explanation of the difference between distribution and retail functions</li> <li>• Reference to key documents such as applicable legislation and forms of contract</li> <li>• Contact details for Alinta's Customer Services and Electrical Emergencies services, the Authority, Director of Energy Safety and the electricity ombudsman.</li> </ul>
265 **	A retailer and distributor must give a customer on request, at no charge, a copy of the Customer Service Charter.	Compliant - 5	We determined that for the period in which this obligation was relevant, Alinta's procedures provided for a copy of the Customer Service Charter to be provided to customers: <ul style="list-style-type: none"> <li>• As part of the contractual sign-off process</li> <li>• At no charge, when requested by customers (either via post or via direction to Alinta's website).</li> </ul>
266 **	A retailer and distributor must dispatch a copy of the Customer Service Charter to a customer who requests a copy, within two business days of the request.	Compliant - 5	We determined that for the period in which this obligation was relevant, Alinta's Call Centre staff were trained to post a copy of the Customer Service Charter the day of customer request, thereby meeting the two business day requirement.

No	Obligation under Condition	Compliance Rating	Findings
<b>PART 12 – Complaints and dispute resolution</b>			
295	<p>A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.</p> <p><i>Code of Conduct clause 12.1(1)</i></p>	Compliant - 3	<p>Through discussion with the Manager Customer Services and the Team Leader Customer Services; examination of Alinta's Complaints Handling Policy, Customer Service Charter and standard form contract; and examination of records of complaints maintained in Gentrack, we determined that:</p> <ul style="list-style-type: none"> <li>Alinta has maintained a Customer Complaints Handling Policy specifically for Electricity related activities designed to comply with AS ISO 10002 – 2006</li> <li>Alinta's complaints handling process provides for: <ul style="list-style-type: none"> <li>All customer complaints to be logged into the Gentrack system</li> <li>In instances where a customer is not pleased with the outcome offered, the matter can be escalated to relevant management representatives</li> <li>Energy Billing Officers to be trained in dealing with customer complaints</li> <li>In instances where a customer is not satisfied with the resolution offered by Alinta, an external party to be involved. The Customer Complaints Handling Policy requires the Manager Customer Services to inform the customer that they can seek assistance from the Energy Ombudsman.</li> </ul> </li> </ul> <p>We also acknowledge that Alinta has enhanced its customer complaints handling process by implementing improvements per the 2010 audit post audit implementation plan. This audit highlights the following matter as requiring further attention:</p> <p>The Customer Complaints Report of complaints received during the period 1 June 2010 to 31 May 2012 and first presented to us on 12 July 2012 contained 15 complaints records where the resolution status of the complaint was recorded as either "in progress" or "not known", plus two records with no resolution status recorded. In all cases, the complaint had been received at least one month earlier than the status report. We understand that this situation occurred where the responsibility for complaint resolution was assigned to staff outside the Energy Billing team and no status update on the complaint was obtained to update the complaint status in Gentrack. A revised Customer Complaints Report presented to us on 9 August 2012 provided an updated record of the complaints resolution status and in one case, reclassification of the customer's contact as an "enquiry". For each of these complaints, the actual acknowledgement and response timeframe was recorded. Refer to obligation 324 below for our findings relevant to Alinta's acknowledgement of and response to written complaints within the required timeframes.</p> <p>The Manager Customer Services and the Team Leader Customer Services confirmed that all complaints (including written complaints) received by Alinta during the period 1 June 2010 to 31 May 2012 were dealt with in accordance with Alinta's policy and standards. However in these circumstances, Alinta is not able to effectively demonstrate that its complaints handling processes are working as intended to ensure that complaints are appropriately recognised and resolved.</p>

No	Obligation under Condition	Compliance Rating	Findings
<b>Recommendation 6/2012</b> Alinta: (a) Amend the complaints handling process to include a feedback path to ensure the correct complaint status and details are captured in Gentrack, regardless of which department is handling the complaint (b) Implement exception reporting or alerts to follow up on all non resolved complaints with the necessary personnel and capture any progress updates in Gentrack.			<b>Action Plan 6/2012</b> Alinta has reviewed the existing process for complaint management in relation to electricity customers and will: (a) Update the process to ensure the complaint status is updated and captured in the Gentrack system (b) Allocate responsibility to appropriate staff members to manage complaints (c) Train appropriate staff for recording related information in the Gentrack system (d) Implement processes to identify and report on resolution timeframes (e) Allocate responsibility to a dedicated resource to manage and report on electricity complaints. <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> Completed by 30 September 2012
296	A retailer and distributor must develop, maintain and implement a complaints handling process that meets the specified requirements. <i>Code of Conduct clause 12.1(2)</i>	Compliant - 5	Through examination of Alinta's complaints handling process document and its complaints register, we determined that Alinta's complaints handling process was designed to be in line with AS ISO 10002-2006. The complaint handling process document provides for: <ul style="list-style-type: none"> <li>• Methods to lodge a complaint</li> <li>• Complaint handling procedures for retailer or marketing, including escalation of complaint to the appropriate employee</li> <li>• Response time frame</li> <li>• Methods of response.</li> </ul> The Alinta complaints handling process is available to its customers at no cost.
297	A retailer or distributor must at least provide the specified advice to a customer when handling a complaint. <i>Code of Conduct clause 12.1(3)</i>	Compliant - 5	Through examination of Alinta's complaints handling process document and its complaints register, we determined that Alinta's complaints handling process provides for: <ul style="list-style-type: none"> <li>• Escalation to a senior employee if the first line of contact was unsuccessful in resolving the complaint to a satisfactory manner</li> <li>• The customer to be notified of the outcome and the reason for the outcome in written form, upon request</li> <li>• The customer to raise the complaint with the electricity ombudsman and provide the telephone number of the electricity ombudsman, which is a free call number.</li> </ul> Alinta's Customer Service Charter also notifies customers of their right to refer their complaints to the ombudsman if the customers feel their complaints have not been resolved to their satisfaction.



No	Obligation under Condition	Compliance Rating	Findings
298	A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints. <i>Code of Conduct clause 12.2</i>	Compliant - 5	Through discussion with the Team Leader Customer Services and examination of Alinta's Complaints Handling Process, we determined that Alinta distinguishes between customer queries and customer complaints as required by the Customer Complaints Guidelines issued by the Authority. Relevant elements of the Complaints Handling Guide are: <ul style="list-style-type: none"> <li>A customer complaint is any expression of dissatisfaction with Alinta Sales policies, procedures, products, employees, agents or the quality of service provided (that cannot be resolved at the first point of contact) either explicitly or implicitly</li> <li>If the customer initially has a grievance or complaint and their enquiry is resolved through the provision of information, then this is not logged as a complaint</li> <li>If however, the customer is not satisfied with the explanation provided, then the matter must be logged as a complaint and it is either closed or escalated further.</li> </ul>
299	A retailer, distributor and electricity marketing agent must give a customer on request, at no charge, information that will assist the customer in utilising the respective complaints handling processes. <i>Code of Conduct clause 12.3</i>	Compliant - 5	Through discussion with the Team Leader Customer Services and examination of Alinta's customer handling process document, we observed that customer service representatives are trained to: <ul style="list-style-type: none"> <li>Provide information relating to the complaints process upon request at no charge</li> <li>Direct the customer to the Customer Service Charter which is available online or provide the customer with a copy of the Customer Service Charter through post.</li> </ul>
300	A retailer, distributor or electricity marketing agent who receives a complaint that does not relate to its functions, must refer the complaint to the appropriate entity and inform the customer of the referral. <i>Code of Conduct clause 12.4</i>	Compliant - 5	Through discussion with the Team Leader Customer Services and examination of Alinta's customer handling process document, we observed that Customer Service Representatives are trained to refer complaints to the appropriate party, for example if the complaint relates to the Network, the complaint will be referred to the Network Account Manager at Western Power and notify the customer of the referral.
<b>Part 13 - Record keeping</b>			
301	A retailer, distributor or electricity marketing agent must keep a record or other information as required to be kept by the Code of Conduct for at least two years from the last date on which the information was recorded, unless expressly provided otherwise. <i>Code of Conduct clause 13.1</i>	Compliant - 5	At the time of the audit, we observed that information required to be maintained by Alinta in accordance with each of the sub-clauses 13.2 to 13.6, has been retained in Alinta's Gentrack system, Call Management System, CRM and/or relevant manual files.  The Manager Customer Services confirmed that the information required by the Code is maintained for a minimum of two years.

No	Obligation under Condition	Compliance Rating	Findings
302	A retailer must keep a record of the total number of, and percentage of, customers under the affordability and access indicators specified. <i>Code of Conduct clause 13.2</i>	Compliant - 5	The Manager Customer Services confirmed that the affordability and access indicators specified at s.13.2(1)(b) of the Code are maintained within Gentrack.
303	A retailer must keep a record of the customer complaint indicators specified. <i>Code of Conduct clause 13.3(1)</i>	Compliant - 5	<i>Obligations 303 and 304</i> Through discussions with the Manager Customer Services and consideration of Alinta's customer complaints processes, we determined that Alinta has processes in place to maintain the customer complaints data required by s.13.3(1) of the Code. We note that: <ul style="list-style-type: none"> <li>Customer complaints are logged within Gentrack and CRM</li> <li>Types of customer complaints recorded by Alinta include the specified items of s.13.3(1)(b) of the Code. This manual process is completed once the complaint has been lodged</li> <li>Customer complaints data is available within Gentrack and CRM. These records are maintained indefinitely.</li> </ul>
304	A retailer must keep a copy of each complaint referred to in clause 13.3(1) (including complaints made directly to a retailer). <i>Code of Conduct clause 13.3(2)</i>	Compliant - 5	
306	A retailer must keep a record of the call centre performance indicators specified. <i>Code of Conduct clause 13.5</i>	Compliant - 5	Through discussions with the Manager Customer Services and observation of Alinta's call centre records, we determined that the following call centre metrics are maintained and reported: <ul style="list-style-type: none"> <li>The total number of telephone calls made to Alinta</li> <li>Alinta's Grade of Service (GOS) which is the total number and percentage of calls answered in less than 20 seconds. For reporting requirements to the Authority, the Call Centre Business Analyst maintains statistics on calls answered within 30 seconds</li> <li>The average duration (in seconds) of calls before a call is answered</li> <li>The percentage of calls that were unanswered/abandoned.</li> </ul>
307	A retailer must keep a record of the total number of residential and business accounts specified. <i>Code of Conduct clause 13.6</i>	Compliant - 5	Through discussions with the Manager Customer Services, we determined that the total number of business accounts held by contestable customers is recorded and reported to management on a monthly basis. Alinta does not currently service any residential or non-contestable customers.



No	Obligation under Condition	Compliance Rating	Findings
318 *	A retailer and a distributor must prepare a report setting out the information required by Part 13 of the Code of Conduct, in respect of each year ending on 30 June. The report must be published no later than the following 1 October. <i>Code of Conduct clause 13.15(1)</i>	Compliant - 4	<i>Obligations 318 and 319</i> The General Manager Regulatory Affairs confirmed that Alinta published its 2009/10 and 2010/11 Code of Conduct performance reports, which set out the information required by Part 13 of the Code of Conduct to its website by 1 October each year and not less than 7 days after providing the reports to the Authority and the Minister. As Alinta is unable to readily provide evidence of the reports' publication date, it has an opportunity to strengthen its procedures to record the time and date of publication and therefore evidence of the reports being published within the timeframes specified.
319 *	A copy of each report must be given to the Minister and the Authority not less than 7 days before it is published. <i>Code of Conduct clause 13.15(3)</i>	Compliant - 4	<i>Refer to findings, recommendation and action plan 2/2012 detailed at obligation 125 above.</i>
<b>Part 14 - Service standard payment</b>			
324	A retailer must acknowledge and respond to a written query or complaint by a customer within the timeframes prescribed. <i>Code of Conduct clause 14.3(1)</i>	Compliant - 5	Through discussions with the Energy Billing Officer and the Acting SME Sales Manager, consideration of Alinta's complaints handling process, we determined that Alinta's complaints handling process provides for: <ul style="list-style-type: none"> <li>• Written customer queries or complaints must be recorded accordingly in Gentrack or CRM</li> <li>• Staff are aware of the timeframe requirements of the Code in relation to written queries or complaints</li> <li>• Alinta's service standard is to respond to written queries or complaints within seven business days of receiving the query or complaint.</li> </ul> Testing of complaints received by Alinta during the period subject to audit indicated that all written complaints were acknowledged and responded to within 10 and 20 business days respectively from the receipt of the complaint.

\*Obligations were applicable from 1 July 2010

## 4.7 Electricity Industry Metering Code

### Obligations determined to be not applicable

The following obligation is not applicable to Alinta's operations:

Obligation	Reason
363	Clause applies to the Electricity Retail Corporation (Synergy Energy) only.
326*	Clause 3.5(6) of the Electricity Industry Metering Code applies to network operators only.

\* obligation applicable to April 2011 only.

### Obligations determined to be not rateable

Alinta's compliance with the following obligations could not be rated as there was no relevant activity in the period subject to audit.

Obligation	Reason
380, 381	The Manager Customer Services confirmed that Alinta has not knowingly permitted the registry to be materially inaccurate and has not needed to notify Western Power of a change to or inaccurate standing data in the registry for the period 1 June 2010 to 31 May 2012. Accordingly, an assessment of compliance with these clauses cannot be made for the period subject to audit.
393	The Manager Customer Services confirmed that Western Power has not requested Alinta's assistance in relation to performing a meter read for the period 1 June 2010 to 31 May 2012. Accordingly, an assessment of compliance with this clause cannot be made for the period subject to audit.
406	For the purpose of its electricity retail operations, Alinta relies on Western Power to collect energy data from all customer metering installations. The Manager Customer Services confirmed that Alinta did not collect or receive energy data from a metering installation other than from Western Power for the period 1 June 2010 to 31 May 2012. Accordingly, an assessment of compliance with this clause cannot be made for the period subject to audit.
408	For the purpose of its electricity retail operations, Alinta relies on Western Power to manage the energisation status of metering points. The Manager Customer Services confirmed that Alinta has not collected or received information regarding a change in the energisation status of a metering point, other than from Western Power for the period 1 June 2010 to 31 May 2012. Accordingly, Alinta's compliance with this obligation cannot be rated for the period subject to audit.
412	The Manager Customer Services confirmed that during the period 1 June 2010 to 31 May 2012, Alinta had not become aware of a sensitive load at a customer's site, other than for the customers already known to have sensitive loads. We observed that the Metering Service Centre web portal provides for the recording of a sensitive load against a customer's account in the event that Alinta becomes aware of such information. Alinta also notifies Western Power when such information is received.
451	The Manager Energy Sales confirmed that Alinta's contact details did not change during the period 1 June 2010 to 31 May 2012. Accordingly, there was no relevant activity to be assessed during the period subject to audit.

Obligation	Reason
454 - 458	For the purpose of the Metering Code, “disputes” refer to metering disputes between Alinta and Western Power as the network operator, another retailer, a generator, another relevant user or the IMO. The Manager Customer Services confirmed that no metering disputes have arisen during the period 1 June 2010 to 31 May 2012. Accordingly, an assessment of compliance with these clauses cannot be made for the period subject to audit.

## Assessment of compliance

The table below summarises the audit’s assessment of Alinta’s compliance with the relevant obligations of the Electricity Industry Metering Code.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
2	12	-	-	-	-	18	32

The following table provides detailed findings for each applicable and rateable obligation with an individual assessment of compliance. Note that separate findings are not provided for the obligations that are not applicable or cannot be rated, as detailed in the table above.

No	Obligation under Condition	Compliance Rating	Findings
349	A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable. <i>Electricity Industry Metering Code clause 3.11(3)</i>	Compliant – 5	Through discussions with the Energy Billing Officer, we determined that Alinta's procedures provide that in the event that Alinta receives information from a customer regarding an outage or malfunction of a metering installation: <ul style="list-style-type: none"> <li>The notification is to be recorded in the customer's account screen in Gentrack</li> <li>Alinta is required to notify Western Power via the web portal and request the meter to be investigated.</li> </ul>
361	A network operator or a user may require the other to negotiate and enter into a written service level agreement in respect of the matters in the metrology procedure dealt with under clause 3.16(4) of the Code. <i>Electricity Industry Metering Code clause 3.16(5)</i>	Compliant - 5	Western Power has established a Metering Code service level agreement with Alinta, addressing metrology procedures outlined in the Code.
372	A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration. <i>Electricity Industry Metering Code clause 3.27</i>	Compliant - 5	Alinta is not a registered metering installation provider. For the purpose of its electricity retail operations, Alinta relies on Western Power to install all required metering installations. The Manager Customer Services confirmed that Alinta has not installed a metering installation on the network.
379	A network operator and affected Code participants must liaise together to determine the most appropriate way to resolve a discrepancy between energy data held in a metering installation and data held in the metering database. <i>Electricity Industry Metering Code clause 4.4(1)</i>	Compliant - 5	Through discussions with the Energy Billing Officer, we determined that Alinta and Western Power communicate via phone and email in order to resolve discrepancies between energy data held in a metering installation and data held in the metering database. Specific procedures include: <ul style="list-style-type: none"> <li>For discrepancies in energy data, Alinta investigates to consider any potential trend or cause</li> <li>In the event that data held in the metering database or a metering installation is considered to be incorrect, Alinta requests Western Power to investigate the meter and to verify the accuracy of relevant data.</li> </ul>
395	A user must not impose any charge for the provision of the data under this Code unless it is permitted to do so under another enactment. <i>Electricity Industry Metering Code clause 5.5(3)</i>	Compliant - 5	The Manager Customer Services confirmed that Alinta does not charge for the provision of any information under the Metering Code.

No	Obligation under Condition	Compliance Rating	Findings
407	A user must provide standing data and validated (and where necessary substituted or estimated) energy data to the user's customer, to which that information relates, where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer. <i>Electricity Industry Metering Code clause 5.17(1)</i>	Compliant - 5	Through discussions with Energy Billing Officer and walkthrough of Alinta's billing procedures, we observed that those procedures provide for validated energy data (substituted or estimated where necessary) and standing data to be provided to the customer on the monthly bill.
409	A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in meeting its obligations described in the Code and elsewhere. <i>Electricity Industry Metering Code clause 5.19(1)</i>	Compliant - 5	Through discussions with the Energy Billing Officer and walkthrough of Alinta's customer transfer, connection and billing procedures, we observed that those procedures provide for: <ul style="list-style-type: none"> <li>• Relevant information regarding the attributes of the customer and metering installation to be obtained from the customer and recorded in Gentrack</li> <li>• Alinta to provide necessary assistance to Western Power upon request.</li> </ul>
410	A user must, to the extent that it is able, collect and maintain a record of the address, site and customer attributes, prescribed in relation to the site of each connection point, with which the user is associated. <i>Electricity Industry Metering Code clause 5.19(2)</i>	Compliant - 5	
411	A user must, after becoming aware of any change in a site's prescribed attributes, notify the network operator of the change within the timeframes prescribed. <i>Electricity Industry Metering Code clause 5.19(3)</i>	Compliant - 5	The Metering Service Centre web portal acts as the electronic communication mechanism for Alinta to notify Western Power in the event of any changes relevant to attributes of Alinta customers within one business day.
414	A user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute that results from the provision of standing data by the network operator to the user. <i>Electricity Industry Metering Code clause 5.19(6)</i>	Compliant - 5	The Metering Service Centre web portal acts as the electronic communication mechanism for Alinta to notify Western Power in the event of any changes relevant to Alinta customers' attributes, with the exception of changes to standing data already notified by Western Power.

No	Obligation under Condition	Compliance Rating	Findings
420	A Code participant must not request a test or audit unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO. <i>Electricity Industry Metering Code clause 5.21(5)</i>	Compliant - 5	Through discussion with the Energy Billing Officer and consideration of Alinta's procedures for utilising the Metering Service Centre web portal, we determined that Alinta, as a code participant/user, is entitled to request a test or audit of the accuracy of, energy data from, or the standing data for a metering installation that relates to a time when Alinta was the current user.  The Metering Code Service Level Agreement with Western Power also provides for Alinta to request a test or audit.
421	A Code participant must not make a test or audit request that is inconsistent with any access arrangement or agreement. <i>Electricity Industry Metering Code clause 5.21(6)</i>	Compliant - 5	
439	Upon request, a current user must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed. <i>Electricity Industry Metering Code clause 5.27</i>	Compliant - 5	Through discussion with the Energy Billing Officer and walkthrough of Alinta's customer transfer, connection and billing procedures, we observed that those procedures provide for, if requested by Western Power, additional relevant information regarding customer attributes to be obtained from the customer and submitted to Western Power via the web portal within two business days.
446	A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed. <i>Electricity Industry Metering Code clause 6.1(2)</i>	Compliant - 5	The prescribed obligations relate to: <ul style="list-style-type: none"> <li>• The Metering Code Communications Rules</li> <li>• The Metrology Procedure</li> <li>• A relevant Service Level Agreement</li> <li>• Mandatory Link Criteria.</li> </ul> Alinta's application of those rules and procedures relevant to its activities are demonstrated in its: <ul style="list-style-type: none"> <li>• Use of the Metering Service Centre web portal, in accordance with the instructions built into the system</li> <li>• Adherence to the requirements of the Metering Code Service Level Agreement with Western Power, which accommodate the Metering Code Communication Rules and the Approved Metrology Procedure.</li> </ul>

No	Obligation under Condition	Compliance Rating	Findings
448	Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code. <i>Electricity Industry Metering Code clause 7.2(1)</i>	Compliant - 5	Through discussions with the Energy Billing Officer and consideration of the role of the Metering Service Centre web portal, we observed that Alinta communicates with Western Power via telephone, email, post, facsimile and the web portal. Western Power has been notified of Alinta's relevant telephone number through the web portal registration.
450	A Code participant must notify its contact details to a network operator with whom it has entered into an access contract within 3 business days after the network operator's request. <i>Electricity Industry Metering Code clause 7.2(4)</i>	Compliant - 5	Western Power was notified of Alinta's contact details through the web portal registration and the Metering Code Service Level Agreement. Alinta's contact details have not changed during the period subject to audit.
452	A Code participant must not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code. <i>Electricity Industry Metering Code clause 7.5</i>	Compliant - 5	Sub-clause 7.4 of the Code defines "confidential information" as (a) metering database information (b) other information which is confidential or commercially sensitive. Through walkthrough of the Metering Service Centre web portal, we observed that security measures are in place to limit unauthorised use of metering database information or commercially sensitive information. Through discussion with the Energy Billing Officer, we understand Alinta's confidentiality requirements are addressed in training provided to new staff, which emphasise the need to verify the customer's identity over the phone prior to disclosing any details.
453	A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code. <i>Electricity Industry Metering Code clause 7.6(1)</i>	Compliant - 5	Sub-clause 7.6(2) of the Code outlines the circumstances in which confidential information may or must be disclosed, including to staff and advisors who have in place appropriate confidentiality arrangements. Through discussion with the Energy Billing Officer, we understand that: <ul style="list-style-type: none"> <li>Alinta applies a consistent approach to establishing confidentiality arrangements with staff and third party advisors and consultants</li> <li>Alinta's confidentiality requirements are addressed in training provided to new staff.</li> </ul>

## 5 Follow-up of previous audit action plans

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
1/2010	85	Alinta implement stronger controls to ensure that Licence fees are paid in compliance with the Act.	<p>Alinta will implement stronger controls to ensure that Licence fees are paid in compliance with the Act. Specifically, the Manager Regulatory Affairs will:</p> <ul style="list-style-type: none"> <li>(a) Diarise the due date for the Licence fee</li> <li>(b) Ensure an invoice has been received from the Authority</li> <li>(c) Ensure payment is processed by Accounts so that payment is made within the specified timeframe required by the Act.</li> </ul> <p><b>Responsible Person:</b> Manager Regulatory Affairs</p> <p><b>Target Date:</b> 31 December 2010</p>	<p><b>Complete</b></p> <p>The Manager Regulatory Compliance has diarised the due date for the payment of the licence fee to ensure the invoice for that year is received and paid within one month of the licence anniversary date, in compliance with the Act.</p>	N/A



Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
2/2010	113 122 123	Alinta: <ul style="list-style-type: none"> <li>Ensure that it fully addresses the intent of the Code of Conduct marketing related clauses relevant to Alinta's marketing activities</li> <li>Develop an appropriate training package that outlines the key marketing related Code requirements with which all relevant employees must comply on an on-going basis</li> <li>Implement a mechanism to facilitate effective monitoring to provide greater assurance of compliance with the Code of Conduct obligations.</li> </ul>	Alinta will <ol style="list-style-type: none"> <li>Ensure it fully addresses the intent of the Code of Conduct marketing related clauses relevant to Alinta's marketing activities</li> <li>Appoint a trainer within the Customer Services Branch in late October 2010</li> <li>Develop an appropriate training package that outlines the key marketing related Code of Conduct requirements with which all relevant employees must comply on an on-going basis</li> <li>Implement a mechanism to facilitate the effective monitoring to provide greater assurance of compliance with the Code of Conduct obligations.</li> </ol> <p><b>Responsible Person:</b> Manager Customer Services, and Manager Sales and Marketing</p> <p><b>Target Date:</b> 31 March 2011</p>	<b>Complete</b> In July 2011, Alinta commenced a roll-out of its "SALT" on-line training tool to Sales and Marketing staff. A customised "Alinta Electricity and Gas" training unit, comprised of a number of Code of Conduct modules has now been rolled out to Sales and Marketing and other relevant staff.	N/A
3/2010	115 116 117	Alinta strengthen its contract establishment procedures to ensure compliance with clause 2.3 of the Code of Conduct.	Alinta will strengthen its contract establishment procedures to ensure compliance with clause 2.3 of the Code of Conduct, except for notifying customers of the availability of a standard form contract or the differences between a standard form and a non-standard contract, as Alinta is not obliged to supply any small use customer under the approved standard form contract.  <b>Responsible Person:</b> Manager Sales and Marketing  <b>Target Date:</b> 31 December 2010	<b>Complete</b> Alinta has strengthened its contract establishment procedures to comply with clause 2.3(1) (c) and (d) of the Code of Conduct. In particular, the 'Particulars of Contract' form now includes the following information: <ol style="list-style-type: none"> <li>How and when the terms of the contract will be given or made available to the customer</li> <li>The customer is entitled to a written copy of the contract when requested.</li> </ol>	N/A

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
4/2010	151	Alinta update the non-standard form contract to enable customers to provide verifiable consent for the information specified by 4.5(1) of the Code to not be listed on bills.	Alinta will amend its non-standard form contract so that by entering the contract, customers consent to the information specified by 4.5(1) of the Code not being provided on bills. <b>Responsible Person:</b> Manager Regulatory Compliance <b>Target Date:</b> 31 December 2010	<b>Complete</b> Changes to Alinta's non-standard form contract have been made to enable customers to agree to the information specified by 4.5 (1)(a) and 4.5(1)(b) of the Code not being provided on bills.	N/A
5/2010	156 157	Alinta implement a procedure to address the requirements of s.4.8 (2) of the Code by notifying customers when estimation has been used to produce a bill.	Alinta will implement a procedure to notify customers when estimated metering data has been used to produce a bill, addressing the requirements of s.4.8(2) of the Code. <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> 31 December 2010	<b>In progress</b> Alinta has engaged with its billing system vendor to enable automated notification on customer bills when estimated metering data is used for the generation of bills. At the time of the audit, the required functionality had not been successfully implemented, with a priority for completion by October 2012.	<i>Refer to Action Plan 3/2012</i>

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
6/2010	171 173 174 175 212	Alinta: (a) Investigate the feasibility of implementing an exception reporting and monitoring regime, particularly for obligations where a time frame is prescribed  (b) Refine its existing repertoire of standard reports to support effective monitoring of its business operations.	Alinta will: (a) Investigate the feasibility of implementing an exception reporting and monitoring regime, particularly for obligations where a time frame is prescribed  (b) Refine its existing repertoire of standard reports to support effective monitoring of its business operations.  <b>Responsible Person:</b> Manager Customer Services  <b>Target Date:</b> 31 March 2011	<b>(a) Complete</b> <b>(b) Closed out</b>  After investigating the feasibility of modifying its existing electricity customer information and billing system to implement an exception reporting and monitoring regime for obligations where a time frame is prescribed, Alinta concluded that implementing automated monitoring and reporting for these obligations cannot be readily achieved without incurring significant costs.  Instead, Alinta has incorporated these business monitoring and reporting requirements in the functional specification for the new customer information system, expected to be implemented in late 2012  We also determined that Alinta has reviewed and updated its internal processes to further support compliance with obligations where a timeframe is prescribed.	N/A

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
7/2010	211	<p>Alinta either:</p> <p>(a) Automate the reminder notice and disconnection warning processes within Gentrack</p> <p>(b) Update its procedures to:</p> <ul style="list-style-type: none"> <li>Formalise the reminder notices and disconnection warnings process, so that customers are only sent a disconnection warning once a reminder notice has been issued</li> <li>Ensure that the customer profile is updated to reflect communication with the customer so as to facilitate monitoring and reporting.</li> </ul>	<p>Alinta will:</p> <p>(a) Update its procedures to</p> <ul style="list-style-type: none"> <li>Formalise the reminder notices and disconnection warnings process</li> <li>Ensure that the customer profile is updated to reflect communication with the customer so as to facilitate monitoring and reporting.</li> </ul> <p>(b) Investigate the automation of reminder notices and disconnection warning notices within its replacement customer system (due in December 2011)</p> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 December 2010</p>	<p><b>Complete</b></p> <p>Alinta has:</p> <p>(a) Updated its procedures to</p> <ul style="list-style-type: none"> <li>Formalise the reminder notices and disconnection warning process</li> <li>Implement manual processes and checks to review all notices being issued to ensure compliance</li> <li>Ensure that customer records are updated to reflect communication with the customer and to facilitate monitoring and reporting.</li> </ul> <p>(b) Committed to automating the issuing of reminder notices and disconnection warning notices in its replacement customer system (proposed for late 2012).</p>	N/A

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
8/2010	217	Alinta: (a) Update current account connection procedures to specifically request confirmation from the client that there are no life support requirements connected to the supply address (b) Update Gentrack to require the 'critical code' option on a customer profile to be a mandatory field (c) Train staff in the requirements of establishing, monitoring and reporting on life support requirements.	Alinta will: (a) Update current account connection and contract renewal procedures to specifically require confirmation from the customer that there are no life support requirements connected to the supply address (b) Update Gentrack to require the 'critical code' option on a customer profile to be a mandatory field (c) Train staff in the requirements of establishing, monitoring and reporting on life support requirements. <b>Responsible Person:</b> Manager Sales and Marketing, and Manager Customer Services <b>Target Date:</b> 30 June 2011	<b>Complete</b> By July 2011, Alinta had: (a) Updated current account connection and contract renewal procedures to specifically require confirmation from the customer that there is no life support equipment connected at the supply address (b) Trained staff in the requirements of establishing, monitoring and reporting on life support requirements (c) Implemented system changes for the critical code option to be a mandatory field.	N/A
9/2010	238	Alinta implement a method of communicating to customers any changes that will affect the customer.	Alinta will include the following statement on the bills of affected customers in the billing cycle following an adjustment to prices: <b>"Adjustment to prices</b> If provided for in your contract, the prices charged under the contract have been adjusted to reflect movements in the Consumer Price Index and/or network charges. Please call Alinta on 13 13 58 for further information." <b>Responsible Person:</b> Manager Customer Services <b>Target Date:</b> 31 December 2010	<b>Complete</b> Alinta has included the following statement on the bills of customers on unbundled contracts: "If provided for in your contract, the prices charged under the contract have been adjusted to reflect movements in the Consumer Price Index and/or network charges. Please call Alinta on 13 13 58 for further information."	N/A

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
10/2010	267	<p>Alinta:</p> <p>(a) Designate responsibility for reviewing complaints data</p> <p>(b) Update the Customer Complaints Handling Policy so that:</p> <ul style="list-style-type: none"> <li>The service standards required by the Code of Conduct are acknowledged</li> <li>Complaints are reviewed on a monthly basis by the designated staff member</li> </ul> <p>(c) Update the Management Operational report so that electricity complaints indicators are reported</p> <p>(d) Roll out complaints handling training to relevant staff member to ensure complaints are correctly handled and recorded.</p>	<p>Alinta will:</p> <p>(a) Designate responsibility for reviewing electricity complaints data on a monthly basis to an identified position</p> <p>(b) Update its Complaints Handling Policy to explicitly recognise the service standards specified in the Code of Conduct</p> <p>(c) Update the Management Operational report to include electricity complaints indicators</p> <p>(d) Provide ongoing complaints handling training to relevant staff member to ensure complaints are correctly handled and recorded.</p> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 December 2010</p>	<p><b>Complete</b></p> <p>Alinta has implemented the following enhancements:</p> <ul style="list-style-type: none"> <li>Electricity complaints data is reported to and reviewed by management on a monthly basis (where relevant, complaints information is included in the Management Operational report)</li> <li>Service standards specified in the Code of Conduct are explicitly stated in Alinta's Customer Complaints Handling Process document</li> <li>Complaints handling forms part of the core training program required by a Customer Service Representative.</li> </ul>	N/A

Rec. No	Ref	Recommendation	Previous Audit Action Plan	Status	Revised action plan
11/2010	268 269	<p>Alinta:</p> <ul style="list-style-type: none"> <li>• Update the Customer Complaints Handling Policy to include the requirements of s.12.1 of the Code of Conduct</li> <li>• Formally communicate the updated Customer Complaints Handling Policy to staff.</li> </ul>	<p>Alinta will:</p> <ul style="list-style-type: none"> <li>• Update its Customer Complaints Handling Policy to explicitly detail the requirements of s.12.1 of the Code of Conduct</li> <li>• Formally communicate the updated Customer Complaints Handling Policy to staff.</li> </ul> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 January 2011</p>	<p><b>Complete</b></p> <p>Alinta has:</p> <ul style="list-style-type: none"> <li>• Updated its Customer Complaints Handling policy to detail the requirements of s.12.1 of the Code of Conduct</li> <li>• Formally communicated the updated Customer Complaints Handling Policy to staff.</li> </ul>	N/A

# Appendix A – Audit Plan



**Alinta Sales Pty Ltd**  
**Electricity Retail Licence (ERL6)**  
**2012 Performance Audit**  
**Audit Plan**  
**July 2012**

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# 1 Introduction

## Overview

The Economic Regulation Authority (**the Authority**) has under the provisions of the Electricity Industry Act 2004 (**Electricity Act**), issued to Alinta Sales Pty Ltd (**Alinta**) an Electricity Retail Licence (**the Licence**).

Section 13 of the Electricity Act requires Alinta to provide to the Authority a performance audit (**the audit**) conducted by an independent expert acceptable to the Authority not less than and in every 24 month period. With the Authority's approval, Deloitte Touche Tohmatsu (**Deloitte**) has been appointed to conduct the audit for the period 1 June 2010 to 31 May 2012.

The Licence relates to Alinta's operation of selling electricity to contestable customers who are connected to the South West Interconnected System (SWIS).

The audit will be conducted in accordance with the August 2010 issue of the *Audit Guidelines: Electricity, Gas and Water Licences* (**Audit Guidelines**). In accordance with the Audit Guidelines this document represents the Audit Plan (**the Plan**) that is to be agreed upon by Deloitte and Alinta and presented to the Authority for approval.

## Objective

The performance audit is defined as an examination of the measures taken by Alinta to meet the performance criteria specified in its Licence.

The audit is designed to provide reasonable assurance regarding the assessment of appropriateness, effectiveness and efficiency associated with Alinta's compliance with its Licence. The audit will specifically consider the following:

- Process compliance - the effectiveness of systems and procedures in place throughout the audit period, including assessing the adequacy of internal controls
- Outcome compliance - the actual performance against standards prescribed in the Licence throughout the audit period
- Output compliance - the existence of the output from systems and procedures throughout the audit period (that is, proper records exist to provide assurance that procedures are being consistently followed and controls are being maintained).
- Integrity of performance - the completeness and accuracy of the performance reporting to the Authority
- Compliance with any individual licence conditions - the requirements imposed on Alinta by the Authority or specific issues for follow-up that are advised by the Authority.

## Scope

The Authority provides guidance on those aspects of the Licence and Alinta's performance criteria, which it expects to be reported upon and included in the scope of the performance audit in its *Electricity Compliance Reporting Manual* (**Reporting Manual**).

The audit approach applies the singular audit priority assessment approach to identify all applicable licence obligations. Each of the compliance requirements identified in the Reporting Manual have been evaluated for applicability to Alinta and used as the basis for determining the performance criteria to be considered for the audit.

The audit period is 1 June 2010 to 31 May 2012.

Since Alinta's previous ERL audit in 2010, the Reporting Manual has undergone two revisions. For the period subject to audit, the three versions of the Reporting Manual are applicable to the periods outlined below:

Reporting Manual version	Applicable period
April 2008	1 June 2010 – 30 June 2010
July 2010	1 July 2010 – 30 April 2011
May 2011	1 May 2011 – 31 May 2012

The July 2010 Reporting Manual was revised to accommodate:

- Amendments to the Code of Conduct as a result of reviews by the Electricity Code Consultative Committee. The reviews resulted in eight new obligations (relevant from 1 July 2010) and three obligations being removed (all relating to the Customer Service Charter, relevant to 30 June 2010 only).

The current Reporting Manual was released in May 2011 with the following changes:

- The addition of 22 obligations from the Electricity Industry (Customer Contracts) Regulations 2005 (Customer Contracts Regulation) (relevant for the period 1 May 2011 to 31 May 2012)
- Removal of two obligations relating to the Customer Service Charter (relevant to 30 April 2011)
- Four obligations, which are no longer considered as relevant to the electricity retail licence (relevant to 30 April 2011).

As a result, there have been a number of additions, updates or removal of obligations resulting from structural revisions and corrections to the Reporting Manual (refer to **Appendix 3** for a list of obligation changes).

As Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, this audit plan does not consider the impact of changes to Part 9 of the Code of Conduct for which pre-payment meters are relevant.

Table 1 below outlines the compliance requirements that apply to Alinta's operations during the period subject to audit. Where necessary, further explanation is provided to describe the extent of application of those obligations. The assessment is made against the current (May 2011) Reporting Manual.

**Table 1 – Application of legislative elements to Alinta's electricity retail operations**

Legislative element	Application to Alinta's operations
Type 1 reporting obligations for all licence types	All type 1 obligations fall under the Code of Conduct for the Supply of Electricity to Small Use Customers (Code of Conduct), which is designed to address standards of conduct in the supply and marketing of electricity to customers. Four of the seven obligations are applicable to Alinta as a Retailer.
Electricity Industry Customer Transfer Code	Each of the 36 obligations are applicable to Alinta's operations.
Electricity Industry (Customer Contracts) Regulations	Each of the 22 obligations are applicable to Alinta's operations.

Legislative element	Application to Alinta's operations
Electricity Industry Act	Each of the nine obligations are applicable to Alinta's operations.
Licence conditions and obligations	Each of the 12 obligations are applicable to Alinta's operations.
Code of Conduct	<p>Of the 173 Code of Conduct obligations relevant to holders of an ERL:</p> <ul style="list-style-type: none"> <li>• 24 are not applicable to Alinta's operations as Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant</li> <li>• Four are not applicable to Alinta's operations as they relate to the supply of electricity to non-contestable customers, to whom Alinta is not licensed to supply</li> <li>• The balance are applicable to Alinta's operations.</li> </ul>
Electricity Industry Metering Code	<p>Of the 31 Metering Code obligations relevant to holders of an ERL:</p> <ul style="list-style-type: none"> <li>• One specifically relates to the Electricity Retail Corporation (Synergy), therefore is not applicable to Alinta's operations</li> <li>• The balance are applicable to Alinta's operations.</li> </ul>

# Responsibility

## Alinta's responsibility for compliance with the conditions of the Licence

Alinta is responsible for:

- Putting in place policies, procedures and controls, which are designed to ensure compliance with the conditions of the Licence
- Implementing processes for assessing its compliance requirements and for reporting its level of compliance to the Authority.

## Deloitte's responsibility

Our responsibility is to express a conclusion on Alinta's compliance with the conditions of the Licence based on our procedures. We will conduct our engagement in accordance with the Audit Guidelines and the Australian Standard on Assurance Engagements (ASAE) 3500 *Performance Engagements*<sup>1</sup> issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in our opinion, based on the procedures performed, the conditions of the Licence have been complied with. Our engagement will provide reasonable assurance as defined in ASAE 3500.

## Limitations of use

Our report will be produced solely for the management of Alinta, for the purpose of their reporting requirements under section 13 of the Act. We disclaim any assumption of responsibility for any reliance on our report to any person other than the management of Alinta, or for any purpose other than that for which it was prepared. We disclaim all liability to any other party for all costs, loss, damages, and liability that the other party might suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party, or the reliance on our report by the other party.

## Inherent limitations

Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as the following: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, readers of our report should not rely on the report to identify all potential instances of non-compliance which may occur.

## Independence

In conducting our engagement, we will comply with the independence requirements of the Australian professional accounting bodies.

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<sup>1</sup> ASAE 3500 also provides for our engagement to be conducted in accordance with relevant requirements of ASAE 3100 *Compliance Engagements* and ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

## 2 Approach

The audit will be conducted in three distinct phases, being a risk assessment, system analysis and testing and review. From the audit results, a report will be produced to outline findings, overall compliance assessments and recommendations for improvement in line with the Audit Guidelines. Each step of the audit is discussed in detail below.

### Risk assessment

The audit will focus on identifying or assessing those activities and management control systems to be examined and the matters subject to audit. Therefore, the purpose of conducting the risk assessment as a preliminary phase enables the auditor to focus on pertinent/high risk areas of Alinta's licence obligations. The risk assessment gives specific consideration to the status of post audit action plans devised in response to previous audit recommendations, changes to Alinta's systems and processes and any matters of significance raised by the Authority and/or Alinta. The level of risk and materiality of the process determine the level of audit required i.e. the greater the materiality and the higher the risk, the more audit effort to be applied.

The first step of the risk assessment is the rating of the potential consequences of Alinta not complying with its licence obligations, in the absence of mitigating controls. As the Reporting Manual is prescriptive in its criteria for classifying the consequences of non-compliance (refer to **Appendix 1-1**) the risk assessment applies the Reporting Manual's classifications for each obligation subject to audit. Reference is also made to the consequence rating descriptions listed at Table 10 of the Audit Guidelines (refer to **Appendix 1-2**), providing the risk assessment with context to ensure the appropriate consequence rating is applied to each obligation subject to audit.

Once the consequence has been determined, the likelihood of Alinta not complying with its obligations is assessed using the likelihood rating listed at Table 11 of the Audit Guidelines (refer to **Appendix 1-3**). The assessment of likelihood is based on the expected frequency of Alinta's non-compliance with the relevant licence obligation over a period of time.

Table 2 below (sourced from Table 12 of the Audit Guidelines) outlines the combination of consequence and likelihood ratings to determine the level of inherent risk associated with each individual obligation.

**Table 2: Inherent risk rating**

Likelihood	Consequence		
	Minor	Moderate	Major
Likely	Medium	High	High
Probable	Low	Medium	High
Unlikely	Low	Medium	High

Once the level of inherent risk has been determined, the adequacy of existing controls is assessed in order to determine the level of control risk. Controls are assessed and prioritised as weak, moderate or strong dependant on their suitability to mitigate the risks identified. The control adequacy ratings used by this risk assessment are aligned to the ratings listed at Table 14 of the Audit Guidelines (refer to **Appendix 1-4**).

Once inherent risks and control risks are established, the audit priority can then be determined using the matrix listed at Table 15 of the Audit Guidelines (refer to **Table 3** below). Essentially, the higher the level of risk the more substantive testing is required.

**Table 3: Assessment of Audit Priority**

	Adequacy of existing controls		
Inherent Risk	Weak	Moderate	Strong
High	Audit priority 1	Audit priority 2	
Medium	Audit priority 3	Audit priority 4	
Low	Audit priority 5		

The following table outlines the audit requirement for each level of audit priority. Testing can range from extensive substantive testing around the controls and activities of particular processes to confirming the existence of controls through discussions with relevant staff.

**Table 4: Audit Priority Table**

Priority rating and resulting audit procedures	
Rating	Audit requirement
Audit Priority 1	<ul style="list-style-type: none"> <li>Controls testing and extensive substantive testing of activities and/or transactions</li> <li>Follow-up and if necessary, re-test matters previously reported.</li> </ul>
Audit Priority 2	<ul style="list-style-type: none"> <li>Controls testing and moderate substantive testing of activities and/or transactions</li> <li>Follow-up and if necessary, re-test matters previously reported.</li> </ul>
Audit Priority 3	<ul style="list-style-type: none"> <li>Limited controls testing (moderate sample size). Only substantively test transactions if further control weakness found</li> <li>Follow-up of matters previously reported.</li> </ul>
Audit Priority 4	<ul style="list-style-type: none"> <li>Confirmation of existing controls via observation and walk through testing</li> <li>Follow-up of matters previously reported.</li> </ul>
Audit Priority 5	<ul style="list-style-type: none"> <li>Confirmation of existing controls via observation, discussions with key staff and/or reliance on key references (“desktop review”).</li> </ul>

The risk assessment has been discussed with stakeholders to gain their input as to the appropriateness and factual accuracy of risk and control ratings and associated explanations. The key sources considered in reaching our preliminary assessment of the risk and control ratings were:

- The previous performance audit report (October 2010) and associated audit plan and risk assessment
- 2010 and 2011 compliance reports provided to the Authority
- Initial interviews with key Alinta staff
- Communications with the Authority’s Secretariat
- Consideration of relevant documentation.

At this stage, the risk assessment can only be a preliminary assessment based on reading of documentation and interviews by the auditors. It is possible that the ratings and risk assessment comments may be revised as we conduct our work and new evidence comes to light. Accordingly the risk assessment for the performance audit is a preliminary draft, not a final report, and no reliance should be placed on its findings. It is however an invaluable tool for focussing the audit effort.

The performance audit risk assessment is attached at **Appendix 2**.



## Systems analysis/walkthrough

The systems analysis required will be determined utilising the audit priority scale outlined above. Once the priority level has been defined the testing component will take place by way of interviewing key operational and administrative staff who will outline information that displays compliance with the Licence requirements.

In performing our analysis/walkthrough of Alinta's systems and processes, we will consider the following:

- The control environment: Alinta's management philosophy and operating style, organisational structure, assignment of authority and responsibilities, the use of internal audit, the use of information technology and the skills and experience of key staff members
- Information systems: the appropriateness of Alinta's information systems (in particular, those relating to customer service, billing and relationship management) to record the information needed to comply with the licence, the accuracy of data, the security of data and documentation describing the information system
- Control procedures: the presence of systems and procedures to ensure compliance with the licence, effectiveness of Alinta's internal control structure to detect and correct non-compliance. Specific consideration will be given to and significant changes in relevant systems and procedures implemented during the period subject to audit
- Compliance attitude: action taken by Alinta in response to any previous audit recommendations. Consideration will be given to the timing of action taken during the period subject to audit and whether the action has a permanent impact on Alinta's level of compliance
- Outcome compliance: actual performance against standards prescribed in the licence throughout the audit period.

Where required, an observation of processes, procedures and operations and review of key documents will occur to assist in the determination of Alinta's compliance with Licence obligations. Key documents, which may be subject to audit, are not specifically disclosed in this plan. A list of documents examined will be included in the audit report.

## Testing/review

Using the results of the risk assessment and systems analysis, detailed testing and analysis will be performed to compare those standards maintained by Alinta with the relevant sections and schedules of the Licence.

Controls testing is performed for those elements with an audit priority 3 and above (refer to table 4), and where there is relevant activity (e.g. number of connections, disconnections, reconnections). This method of testing will involve:

- Understanding the population of transactions
- Selecting a sample of transactions to examine compliance with relevant sections of applicable Codes/Regulations

Comparing the sample selected to expected requirements as mandated by relevant sections of applicable Codes/Regulations.

A full work program will be completed to record the specific aspects of our testing and analyses for each licence obligation. This work program will be based on:

- The audit priority determined by the risk assessment to be applicable each licence obligation
- The results of the systems analysis performed, as described above

- Deloitte’s pre-determined sampling methodology, which takes account of the volume and frequency (e.g. daily, weekly, monthly, annual) of relevant transactions. Sample sizes typically range from 1 to 30, increasing with the volume and frequency of transactions
- The location of personnel and transactions to be tested.

## Reporting

In accordance with the Audit Guidelines, all aspects of compliance with the Licence will be assessed according to the rating scale based on the work performed. Refer to **Table 5** below for the compliance levels that will be used for the performance audit.

**Table 5: Operational/performance compliance rating scale**

Name	Rating	Description
Compliant	5	Compliant with no further action required to maintain compliance
Compliant	4	Compliant apart from minor or immaterial recommendations to improve the strength of internal controls to maintain compliance
Compliant	3	Compliant with major or material recommendations to improve the strength of internal controls to maintain compliance
Non-compliant	2	Does not meet minimum requirements
Significantly non-compliant	1	Significant weaknesses and/or serious action required
Not applicable	N/A	Determined that the compliance obligation does not apply to the licensee’s business operations
Not rated	N/R	No relevant activity took place during the audit period; therefore it is not possible to assess compliance.

The performance audit report will also be structured to address all key components expected by the Audit Guidelines, including:

- An executive summary containing all elements listed in section 11 of the Audit Guidelines
- Response to previous audit recommendations (refer to **Appendix 4**)
- Performance/compliance summary and rating for each licence condition – in tabular form
- Audit observations
- Where appropriate, recommendations on actions required to address areas of non-compliance.

Where appropriate, Alinta will provide a post audit implementation plan for incorporation into the report.

# 3 General information

All aspects of the audit will undergo quality assurance and review procedures as outlined in our previous communications. Before delivery of a final report, full quality procedures will be applied, including second partner review.

## Key Alinta contacts

The key contacts for this audit are:

- Catherine Rousch      Manager Regulatory Affairs
- Ray Myles              Customer Services Manager
- Derek Chapman      Senior Sales Executive I&C

The audit also expects to receive assistance from the following Alinta functions/teams:

- Customer Service Centre
- Sales and Marketing
- Finance.

Note that all work is expected to be completed at Alinta's Perth offices, located at The Quadrant.

## Deloitte staff

Deloitte staff who will be involved with this assignment are:

- Richard Thomas      Partner
- Andrew Baldwin      Account Director
- Jin Sua                  Senior Analyst
- Amit Grover            Senior Analyst
- Emlyn King            Analyst
- Duy Vo                  QA Account Director

Resumes for key Deloitte staff are outlined in the proposal accepted by Alinta and subsequently presented to the Authority.

## Timing

The initial risk assessment phase was completed on 6 June 2012. On 11 June 2012 the audit plan and detailed risk assessment were presented to the Authority for review and comment.

The remainder of the fieldwork phase is scheduled to be performed in June and July 2012.

Deloitte's time and staff commitment to the completion of the audit is outlined in the proposal accepted by Alinta and subsequently presented to the Authority.

# Appendix 1 – Risk assessment key

## 1-1 Criteria for classification

Source: *Electricity Compliance Reporting Manual May 2011*

Rating (type)	Classification of Non-Compliance	Criteria for classification
1	Major	<p>Classified on the basis that:</p> <ul style="list-style-type: none"> <li>the consequences of non-compliance would cause major damage, loss or disruption to customers; or</li> <li>the consequences of non-compliance would endanger or threaten to endanger the safety or health of a person.</li> </ul>
2	Moderate	<p>Classified on the basis that:</p> <ul style="list-style-type: none"> <li>the consequences of non-compliance impact the efficiency and effectiveness of the licensee's operations or service provision but do not cause major damage, loss or disruption to customers; or</li> <li>the regulatory obligation is not otherwise classified as a Type 1 or a Type NR non-compliance.</li> </ul> <p>Reclassification of Type 2 as a Type 1 may occur in circumstances of systematic non-compliance.</p>
NR	Minor	<p>Classified on the basis that:</p> <ul style="list-style-type: none"> <li>the consequences of non-compliance are relatively minor – i.e. non-compliance will have minimal impact on the licensee's operations or service provision and do not cause damage, loss or disruption to customers; or</li> <li>compliance with the obligation is immeasurable; or</li> <li>the non-compliance is required to be reported to the Regulator under another instrument, guideline or code 6; or</li> <li>the non-compliance is identified by a party other than the licensee ; or</li> <li>the licensee only needs to use its reasonable endeavours or best endeavours to achieve compliance or where the obligation does not otherwise impose a firm obligation on the licensee.</li> </ul> <p>Reclassification of Type NR as a Type 2 may occur in circumstances of:</p> <ul style="list-style-type: none"> <li>systemic non-compliance; or</li> <li>a failure to resolve non-compliance promptly.</li> </ul>

## 1-2 Consequence ratings

Source: Audit Guidelines: Electricity, Gas and Water Licences August 2010

	Rating	Examples of non-compliance			
		Supply Quality	Supply Reliability	Consumer Protection	Breaches of legislation or other licence conditions
1	Minor	Minor public health and safety issues.  Breach of quality standards minor - minimal impact on customers.	System failure or connection delays affecting only a few customers.  Some inconvenience to customers.	Customer complaints procedures not followed in a few instances.  Nil or minor costs incurred by customers.	Licence conditions not fully complied with but issues have been promptly resolved.
2	Moderate	Event is restricted in both area and time e.g., supply of service to one street is affected up to one day.  Some remedial action is required.	Event is restricted in both area and time e.g., supply of service to one street is affected up to one day. Some remedial action is required.	Lapse in customer service standards is clearly noticeable but manageable.  Some additional costs may be incurred by some customers.	Clear evidence of one or more breaches of legislation or other licence conditions and/or sustained period of breaches.
3	Major	Significant system failure.  Life-threatening injuries or widespread health risks.  Extensive remedial action required.	Significant system failure.  Extensive remedial action required.		

## 1-3 Likelihood ratings

Source: Audit Guidelines: Electricity, Gas and Water Licences August 2010

	Level	Criteria
A	Likely	Non-compliance is expected to occur at least once or twice a year
B	Probable	Non-compliance is expected to occur every three years
C	Unlikely	Non-compliance is expected to occur at least once every 10 years or longer

## 1-4 Adequacy ratings for existing controls

Source: Audit Guidelines: Electricity, Gas and Water Licences August 2010

Rating	Description
Strong	Strong controls that are sufficient for the identified risks
Moderate	Moderate controls that cover significant risks; improvement possible
Weak	Controls are weak or non-existent and have minimal impact on the risks

# Appendix 2 – Risk assessment

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
Section 8 Type 1 Reporting Obligations for all Licence Types							
221	Code of Conduct clause 7.6	A retailer or a distributor must not arrange for disconnection or to disconnect a customer’s supply address in the circumstances specified, subject to the exception specified.	Major	Unlikely	High	Moderate	Priority 2
222	Code of Conduct clause 7.7(1)	A retailer must undertake the actions specified in circumstances where the customer provides the retailer with confirmation that a person residing at the customer’s supply address requires life support equipment.	Major	Unlikely	High	Moderate	Priority 2
237	Code of Conduct clause 9.6(1)	A retailer must not operate a pre-payment meter at the supply address of a residential customer if the residential customer, or a person residing at the residential customer’s supply address, requires life support equipment.	Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant				
238	Code of Conduct clause 9.6(2)	If a pre-payment meter customer notifies a retailer that a person residing at the supply address depends on life support equipment, the retailer must undertake the actions specified.					
Section 9 Electricity Industry Customer Transfer Code- Licence Conditions and Obligations							
6	Electricity Industry Customer Transfer Code clause 3.2(2)	A retailer must submit a separate data request for each exit point unless otherwise agreed.	Moderate	Unlikely	Medium	Strong	Priority 4
7	Electricity Industry Customer Transfer Code clause 3.4(1)	A retailer, unless otherwise agreed, must submit a data request electronically and must not submit more than a prescribed number of standing or historical data requests in a business day.	Moderate	Unlikely	Medium	Strong	Priority 4
8	Electricity Industry Customer Transfer Code clause 3.5(3)	A retailer must withdraw a request for historical consumption data if the contestable customer’s verifiable consent ceases to apply before the network operator provides the historical consumption data.	Moderate	Unlikely	Medium	Moderate	Priority 4
9	Electricity Industry Customer Transfer Code clause 3.6(2)	A retailer must pay any reasonable costs incurred by the network operator for work performed in relation to a withdrawn request for historical consumption data.	Moderate	Unlikely	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
16	Electricity Industry Customer Transfer Code clause 3.9(1)	A retailer may only use data relating to a contestable customer to provide a contestable customer with a quotation for the supply of electricity by the retailer to the contestable customer or to initiate a transfer in relation to the contestable customer.	Moderate	Unlikely	Medium	Moderate	Priority 4
17	Electricity Industry Customer Transfer Code clause 3.9(2)	A retailer must not aggregate a contestable customer's historical consumption data with that of other contestable customers for the purposes of internal business development, if requested not to do so by the customer.	Moderate	Unlikely	Medium	Strong	Priority 4
18	Electricity Industry Customer Transfer Code clause 3.9(3)	A retailer must not disclose a contestable customer's data to any other person without the verifiable consent of the contestable customer, except in the circumstances defined.	Moderate	Unlikely	Medium	Moderate	Priority 4
19	Electricity Industry Customer Transfer Code clause 3.9(4)	A retailer must keep a copy of the verifiable consent received from a contestable customer for two years.	Moderate	Unlikely	Medium	Moderate	Priority 4
23	Electricity Industry Customer Transfer Code clause 4.2(2)	A retailer must submit a separate customer transfer request for each exit point unless otherwise agreed.	Moderate	Unlikely	Medium	Strong	Priority 4
24	Electricity Industry Customer Transfer Code clause 4.3	A retailer's reason for a transfer must be specified in the customer transfer request form as either to transfer a contestable customer to the retailer which submitted the customer transfer request or to reverse an erroneous transfer.	Moderate	Unlikely	Medium	Strong	Priority 4
25	Electricity Industry Customer Transfer Code clause 4.4(1)	A retailer may only submit a customer transfer request if it has an access contract for the network, unless it is to reverse an erroneous transfer.	Moderate	Unlikely	Medium	Moderate	Priority 4
26	Electricity Industry Customer Transfer Code clause 4.4(2)	A retailer that submits a customer transfer request to reverse an erroneous transfer must ensure the transfer was made in error and, if it is an incoming retailer, confirm the identity of the previous retailer.	Moderate	Unlikely	Medium	Moderate	Priority 4
27	Electricity Industry Customer Transfer Code clause 4.5(1)	A retailer, unless otherwise agreed, must submit a customer transfer request electronically and must not submit more than a prescribed number of customer transfer requests in a business day or with the same nominated transfer date.	Moderate	Unlikely	Medium	Strong	Priority 4
28	Electricity Industry Customer Transfer Code clause 4.6(3)	A retailer must withdraw a customer transfer request if the contestable customer's verifiable consent ceases to apply before the transfer occurs.	Moderate	Unlikely	Medium	Strong	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
29	Electricity Industry Customer Transfer Code clause 4.7	A retailer must nominate a transfer date in a customer transfer request in accordance with specified timeframes, except if the customer transfer request is to reverse an erroneous transfer.	Moderate	Unlikely	Medium	Strong	Priority 4
30	Electricity Industry Customer Transfer Code clause 4.8(2)	A retailer must pay any reasonable costs incurred by a network operator for providing and/or installing a meter if a customer transfer request is withdrawn.	Moderate	Unlikely	Medium	Strong	Priority 4
34	Electricity Industry Customer Transfer Code clause 4.9(6)	A network operator and retailer must agree to a revised nominated transfer date in certain circumstances.	Moderate	Unlikely	Medium	Strong	Priority 4
39	Electricity Industry Customer Transfer Code clause 4.11(3)	A network operator and the retailer must take certain action if the contestable customer's meter is not read on the nominated transfer date.	Moderate	Unlikely	Medium	Strong	Priority 4
40	Electricity Industry Customer Transfer Code clause 4.12(3)	The parties to an access contract must negotiate in good faith any necessary amendments to the access contract arising from certain circumstances.	Minor	Unlikely	Low	Moderate	Priority 5
43	Electricity Industry Customer Transfer Code clause 4.15	In the case of a transfer to reverse an erroneous transfer, a network operator and all affected retailers (and the independent market operator if applicable) must act in good faith to ensure that the rights and obligations of the affected contestable customer are as they would have been had the erroneous transfer not occurred.	Minor	Unlikely	Low	Moderate	Priority 5
44	Electricity Industry Customer Transfer Code clause 4.16	An incoming retailer must retain a copy of a verifiable consent given by a contestable customer in relation to the lodgement of a customer transfer request for two years, except in the case of a customer transfer request to reverse an erroneous transfer.	Moderate	Unlikely	Medium	Strong	Priority 4
45	Electricity Industry Customer Transfer Code clause 4.17	A previous retailer must not bill a contestable customer for charges incurred after the transfer time, except in the case of an erroneous transfer.	Moderate	Unlikely	Medium	Strong	Priority 4
48	Electricity Industry Customer Transfer Code clause 5.1(4)	A network operator and a retailer must comply with approved communication rules.	Moderate	Unlikely	Medium	Moderate	Priority 4



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
49	Electricity Industry Customer Transfer Code clause 6.2	A licensee's notice in relation to a data request or customer transfer request must identify the exit point to which it relates.	Moderate	Unlikely	Medium	Strong	Priority 4
52	Electricity Industry Customer Transfer Code clause 6.4(1)	A retailer must notify its contact details to a network operator within three business days of a request.	Moderate	Unlikely	Medium	Strong	Priority 4
53	Electricity Industry Customer Transfer Code clause 6.4(2)	A retailer must notify any change in its contact details to a network operator at least three business days before the change takes effect.	Moderate	Unlikely	Medium	Moderate	Priority 4
54	Electricity Industry Customer Transfer Code clause 6.6	A network operator or a retailer must send required electronic communications to the applicable electronic communication address, in accordance with Annex 6.	Moderate	Unlikely	Medium	Strong	Priority 4
55	Electricity Industry Customer Transfer Code clause 7.1(1)	For a dispute in respect of a matter under or in connection with the Electricity Industry Customer Transfer Code, any disputing party must meet within five business days of a request from another disputing party and attempt to resolve the dispute by negotiations in good faith.	Minor	Unlikely	Low	Moderate	Priority 5
56	Electricity Industry Customer Transfer Code clause 7.1(2)	If the negotiations in 7.1(1) of the Electricity Industry Customer Transfer Code do not resolve the dispute within 10 days after the first meeting, the dispute must be referred to the senior executive officer of each disputing party who must attempt to resolve the dispute by negotiations in good faith.	Minor	Unlikely	Low	Moderate	Priority 5
57	Electricity Industry Customer Transfer Code clause 7.1(3)	If the dispute is resolved, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	Moderate	Unlikely	Medium	Moderate	Priority 4
58	Electricity Industry Customer Transfer Code clause 7.2(4)	A disputing party that refers a dispute to the Authority must give notice to the Authority of the nature of the dispute, including specified details.	Minor	Unlikely	Low	Moderate	Priority 5
59	Electricity Industry Customer Transfer Code clause 7.3(2)	A disputing party must at all times conduct itself in a manner which is directed towards achieving the objectives in clause 7.3(1) of the Electricity Industry Customer Transfer Code.	Minor	Unlikely	Low	Moderate	Priority 5
68	Electricity Industry Customer Transfer Code Annex 6 clause A6.2(a)	A network operator and a retailer must use reasonable endeavours to ensure that its information system on which electronic communications are made is operational 24 hours a day and 7 days a week.	Minor	Unlikely	Low	Strong	Priority 5

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
69	Electricity Industry Customer Transfer Code Annex 6 clause A6.2(b)	A network operator and a retailer must establish a mechanism to generate an automated response message for each electronic communication (other than an automated response message) received at the electronic communication address.	Moderate	Unlikely	Medium	Strong	Priority 4
70	Electricity Industry Customer Transfer Code Annex 6 clause A6.6	The originator of an electronic communication must identify itself in the communication.	Minor	Unlikely	Low	Strong	Priority 5
71	Electricity Industry Customer Transfer Code Annex 6 clause A6.7	The originator of an electronic communication must use reasonable endeavours to adopt a consistent data format for information over time, to facilitate any automated processing of the information by the addressee.	Minor	Unlikely	Low	Strong	Priority 5
<b>11 Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations</b>							
78	Electricity Industry Act section 51 Electricity Industry (Customer Contracts) Regulations 2005	Where the licensee supplies electricity under a standard form contract, the standard form contract must comply with the licensee's approved standard form contract on the Authority's website.	Moderate	Unlikely	Medium	Strong	Priority 4
79	Electricity Industry (Customer Contracts) Regulations 2005 regulation 5	A non standard contract must be in a format that is easy to read and expressed in clear, simple and concise language.	Moderate	Unlikely	Medium	Moderate	Priority 4
80	Electricity Industry (Customer Contracts) Regulations 2005 regulation 6	A non standard contract must specify when it comes into effect and the period for which it has effect.	Moderate	Probable	Medium	Moderate	Priority 4
81	Electricity Industry (Customer Contracts) Regulations 2005 regulation 7	A non standard contract must specify certain information about the retailer.	Moderate	Probable	Medium	Moderate	Priority 4
82	Electricity Industry (Customer Contracts) Regulations 2005 regulation 8	A non standard contract must give an exact description of the goods and services the retailer will provide under the contract.	Moderate	Probable	Medium	Moderate	Priority 4
83	Electricity Industry (Customer Contracts) Regulations 2005 regulation 9	A non standard contract must require the customer to pay for electricity supplied under the contract.	Moderate	Probable	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
84	Electricity Industry (Customer Contracts) Regulations 2005 regulation 10	A non standard contract must prohibit the customer from tampering with or bypassing network equipment or allowing any other person to do so.	Moderate	Probable	Medium	Moderate	Priority 4
85	Electricity Industry (Customer Contracts) Regulations 2005 regulation 11	A non standard contract must describe the circumstances where a retailer has the right to disconnect supply and is required to reconnect supply.	Moderate	Probable	Medium	Moderate	Priority 4
86	Electricity Industry (Customer Contracts) Regulations 2005 regulation 12	A non standard contract must require the retailer to deal with security deposits and the payment of interest in the manner specified.	Moderate	Probable	Medium	Moderate	Priority 4
87	Electricity Industry (Customer Contracts) Regulations 2005 regulation 13	A non standard contract must describe the retailer's obligations in relation to the provision of prices and tariff information.	Moderate	Probable	Medium	Moderate	Priority 4
88	Electricity Industry (Customer Contracts) Regulations 2005 regulation 14	A non standard contract must describe the procedures to be followed by the retailer in relation to the preparation, issue and review of customer bills.	Moderate	Probable	Medium	Moderate	Priority 4
89	Electricity Industry (Customer Contracts) Regulations 2005 regulation 15	A non standard contract must describe the matters relating to the termination of the contract specified in the regulation.	Moderate	Probable	Medium	Moderate	Priority 4
90	Electricity Industry (Customer Contracts) Regulations 2005 regulation 16 and 34	A non standard contract must inform the customer that the provisions of the contract may be amended without the customer's consent and describe the process for amendment of the contract including requirements for approval and the way in which the amendment will be published. The non standard contract must require the retailer to notify the customer of any amendment to the contract.	Moderate	Probable	Medium	Moderate	Priority 4
91	Electricity Industry (Customer Contracts) Regulations 2005 regulation 17	A non standard contract must deal with the assignment of rights and obligations including assignment without the customer's consent.	Moderate	Probable	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
92	Electricity Industry (Customer Contracts) Regulations 2005 regulation 18	A non standard contract must describe the procedures to be followed by the retailer in responding to a complaint made by the customer.	Moderate	Probable	Medium	Moderate	Priority 4
93	Electricity Industry (Customer Contracts) Regulations 2005 regulation 19	A non standard contract must specify the steps by the retailer to ensure the information held by the retailer is dealt with in a confidential manner.	Moderate	Probable	Medium	Moderate	Priority 4
94	Electricity Industry (Customer Contracts) Regulations 2005 regulation 20	A non standard contract must deal with the governing law, the effect of an invalid or unenforceable provision, the way in which notice may be given and the use of electronic communication by the retailer.	Moderate	Probable	Medium	Moderate	Priority 4
95	Electricity Industry (Customer Contracts) Regulations 2005 regulation 21	A non standard contract must not include a provision that excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers unless it is authorised by the Code,	Moderate	Probable	Medium	Moderate	Priority 4
96	Electricity Industry (Customer Contracts) Regulations 2005 regulation 32	A non standard contract must include details about the cooling off period specified in the regulation.	Moderate	Probable	Medium	Moderate	Priority 4
97	Electricity Industry (Customer Contracts) Regulations 2005 regulation 33(2)	A non standard contract must authorise the customer to terminate the contract at any time with no less than 5 days notice.	Moderate	Probable	Medium	Moderate	Priority 4
98	Electricity Industry (Customer Contracts) Regulations 2005 regulation 33(3) & (4)	A non standard contract that is a fixed contract must describe the matters relating to the termination of the contract specified in the regulation.	Moderate	Probable	Medium	Moderate	Priority 4
100	Electricity Industry (Customer Contracts) Regulations 2005 regulation 38	Where the licensee becomes aware of a customer taking a supply of electricity that is deemed to be supplied under the licensee's standard form contract, the licensee must, within 5 days after becoming aware notify the customer of the specified information.	Moderate	Probable	Medium	Moderate	Priority 4
<b>12 Electricity Industry Act – Licence and Obligations</b>							
101	Electricity Industry Act section 13(1)	A licensee must, not less than once every 24 months, provide the Authority with a performance audit conducted by an independent expert acceptable to the Authority.	Minor	Unlikely	Low	Strong	Priority 5

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
105	Electricity Industry Act section 17(1)	A licensee must pay to the Authority the prescribed licence fee within one month after the day of grant or renewal of the licence and within one month after each anniversary of that day during the term of the licence.	Moderate	Probable	Medium	Moderate	Priority 4
106	Electricity Industry Act section 31(3)	A licensee must take reasonable steps to minimise the extent or duration of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	Minor	Unlikely	Low	Strong	Priority 5
107	Electricity Industry Act section 41(6)	A licensee must pay the costs of taking an interest in land or an easement over land.	Moderate	Unlikely	Medium	Moderate	Priority 4
108	Electricity Industry Act section 54(1)	A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract.	Moderate	Unlikely	Medium	Strong	Priority 4
109	Electricity Industry Act section 54(2)	A licensee must comply with any direction by the Authority to amend the standard form contract and do so within the period specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
110	Electricity Industry Act section 76	If a designation under section 71(1) of the Electricity Industry Act is in force a licensee must perform the functions of a retailer of last resort and must carry out the supplier of last resort plan if it comes into operation under section 70 of the Electricity Industry Act.	Moderate	Unlikely	Medium	Moderate	Priority 4
111	Electricity Industry Act section 101	A retail, distribution or integrated regional licensee must not supply electricity to small use customers unless the licensee is a member of an approved scheme and is bound by and compliant with any decision or direction of the electricity ombudsman under the approved scheme.	Moderate	Unlikely	Medium	Strong	Priority 4
113	Electricity Industry Act section 115(2)	A licensee that has, or is an associate of a person that has, access to services under an access agreement must not engage in conduct for the purpose of hindering or prohibiting access.	Moderate	Unlikely	Medium	Moderate	Priority 4
<b>13 Electricity Licences – Licence Conditions and Obligations</b>							
114	Retail Licence condition 23.1	A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable codes.	Moderate	Probable	Medium	Weak	Priority 3
115	Retail Licence condition 23.2	The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the Authority within the prescribed timeframe.	Moderate	Probable	Medium	Weak	Priority 3

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
116	Retail Licence condition 24.2	A licensee must, if directed by the Authority, review the standard form contract and submit to the Authority the results of that review within the time specified by the Authority.	Minor	Unlikely	Low	Moderate	Priority 5
117	Retail Licence condition 24.3	A licensee must comply with any direction given by the Authority in relation to the scope, process and methodology of the standard form contract review.	Minor	Unlikely	Low	Moderate	Priority 5
118	Retail Licence condition 25.1	A licensee may only amend the standard form contract with the Authority's approval.	Moderate	Unlikely	Medium	Moderate	Priority 4
119	Retail Licence condition 12.1	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards.	Moderate	Unlikely	Medium	Strong	Priority 4
120	Retail Licence condition 13.4	A licensee must comply with any individual performance standards prescribed by the Authority.	Moderate	Unlikely	Medium	Moderate	Priority 4
121	Retail Licence condition 14.2	A licensee must comply, and require its auditor to comply, with the Authority's standard audit guidelines dealing with the performance audit.	Moderate	Unlikely	Medium	Strong	Priority 4
123	Retail Licence condition 15.1	A licensee must report to the Authority, in the manner prescribed, if a licensee is under external administration or there is a significant change in the circumstances upon which the licence was granted which may affect a licensee's ability to meet its obligations.	Moderate	Unlikely	Medium	Moderate	Priority 4
124	Retail Licence condition 16.1	A licensee must provide the Authority, in the manner prescribed, any information the Authority requires in connection with its functions under the Electricity Industry Act.	Moderate	Probable	Medium	Moderate	Priority 4
125	Retail Licence condition 17.1 and 17.2	A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
126	Retail Licence condition 18.1	Unless otherwise specified, all notices must be in writing.	Moderate	Unlikely	Medium	Strong	Priority 4
<b>14 Code of Conduct – Licence Conditions and Obligations</b>							
127	Code of Conduct clause 2.1	A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct, subject to clause 2.1A.	Moderate	Probable	Medium	Weak	Priority 3



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
128	Code of Conduct clause 2.2	An electricity marketing agent must ensure that standard and non-standard contracts are entered into in the manner and satisfying the conditions specified.	Moderate	Unlikely	Medium	Weak	Priority 3
129	Code of Conduct clause 2.3(1)	An electricity marketing agent must ensure that the information specified is provided to the customer before arranging a contract.	Moderate	Unlikely	Medium	Weak	Priority 3
130	Code of Conduct clause 2.3(2)	Where a standard form contract is not entered into as a result of door to door marketing or for a non-standard contract initiated by telephone or electronic means by the customer, an electricity marketing agent must obtain and make a record of the customer's verifiable consent that the specified information has been given.	Moderate	Unlikely	Medium	Weak	Priority 3
131	Code of Conduct clause 2.3(3)	Where a standard form contract is entered into as a result of door to door marketing or for a non-standard contract (other than that initiated by telephone or electronic means by the customer), an electricity marketing agent must obtain the customer's written acknowledgement that the specified information has been given.	Moderate	Unlikely	Medium	Weak	Priority 3
132	Code of Conduct clause 2.4(1)	Where the customer has entered into a new contractual relationship with a retailer or electricity marketing agent, the retailer or electricity marketing agent must offer to provide the customer with a copy of the contract and, where this offer is accepted by the customer, provide a copy of the contract at that time or as soon as possible thereafter.	Moderate	Unlikely	Medium	Strong	Priority 4
133	Code of Conduct clause 2.4(2)	Where the customer has entered into a new contractual relationship with a retailer or electricity marketing agent, the retailer or electricity marketing agent must give the information specified to the customer.	Moderate	Unlikely	Medium	Strong	Priority 4
134	Code of Conduct clause 2.4(3)	Subject to clause 2.4(5), in circumstances where a standard form contract is not entered into as a result of door to door marketing, a retailer or electricity marketing agent must give the specified information no later than with, or on, the customer's first bill and if requested by the customer, and the customer has not previously been provided a copy of the contract, a copy of the contract must be provided to the customer at no charge.	Moderate	Unlikely	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
135	Code of Conduct clause 2.4(4)	Subject to clause 2.4(5), in circumstances where a standard form contract is entered into as a result of door to door marketing or a non-standard contract, a retailer or electricity marketing agent must give the specified information and a copy of the contract before the customer has entered into the contract and the electricity marketing agent must obtain a written acknowledgement that the information has been given.	Moderate	Unlikely	Medium	Strong	Priority 4
136	Code of Conduct clause 2.5(1)	An electricity marketing agent must not, when marketing, engage in conduct that is misleading, deceptive or likely to mislead or deceive or that is unconscionable.	Moderate	Unlikely	Medium	Moderate	Priority 4
137	Code of Conduct clause 2.5(2)	An electricity marketing agent must not exert undue pressure on a customer, nor harass or coerce a customer.	Moderate	Unlikely	Medium	Moderate	Priority 4
138	Code of Conduct clause 2.5(3)	An electricity marketing agent must ensure that the inclusion of concessions is made clear to customers and any prices that exclude concessions are disclosed.	Moderate	Unlikely	Medium	Moderate	Priority 4
139	Code of Conduct clause 2.5(4)	An electricity marketing agent must ensure that all standard form contracts that are entered into as a result of door to door marketing and all non-standard contracts are in writing.	Moderate	Unlikely	Medium	Strong	Priority 4
140	Code of Conduct clause 2.5(5)	A retailer or other party must ensure that a customer is able to contact the retailer or other party on the retailer's or other party's telephone number during normal business hours for the purposes of enquiries, verifications and complaints.	Moderate	Unlikely	Medium	Strong	Priority 4
141	Code of Conduct clause 2.6(1)	An electricity marketing agent must provide the information specified to the customer when marketing by means other than face to face and after having identified the purpose of the contact, if the contact is not by electronic means, the electricity marketing agent must ask the customer whether they wish to proceed further.	Moderate	Unlikely	Medium	Moderate	Priority 4
142	Code of Conduct clause 2.6(2)	An electricity marketing agent must, on request, provide the customer with the information specified.	Moderate	Unlikely	Medium	Strong	Priority 4



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
143	Code of Conduct clause 2.6(3)	An electricity marketing agent who meets with a customer face to face must: <ul style="list-style-type: none"> <li>• as soon as practicable tell the customer the purpose of the visit;</li> <li>• wear a clearly visible and legible identity card showing the information specified; and</li> <li>• as soon as practicable provide the information specified in writing to the customer.</li> </ul>	Moderate	Unlikely	Medium	Moderate	Priority 4
144	Code of Conduct clause 2.6(4)	If, when marketing to a customer, the customer indicates that they wish to end the contact, the electricity marketing agent must end the contact as soon as practicable and not attempt to contact the customer for the next 30 days unless the customer agrees otherwise.	Moderate	Unlikely	Medium	Moderate	Priority 4
145	Code of Conduct clause 2.6(5)	Unless requested by the customer, an electricity marketing agent must not make contact with a customer outside the permitted call times, unless the contact is by electronic means or the contact arises outside the customer's premises in circumstances where the customer initiates contact.	Moderate	Unlikely	Medium	Moderate	Priority 4
146	Code of Conduct clause 2.6(6)	An electricity marketing agent must ensure that contact for the purposes of marketing does not continue for more than 15 minutes past the end of the permitted call times without the customer's verifiable consent unless the contact is by electronic means.	Moderate	Unlikely	Medium	Moderate	Priority 4
147	Code of Conduct clause 2.6(7) and 2.6(8)	Except in response to a customer request or query, a retailer or other party must keep the specified records each time it initiates contact with a customer for the purposes of marketing.	Moderate	Unlikely	Medium	Strong	Priority 4
148	Code of Conduct clause 2.7(1)	Where the customer requests not to be contacted for the purposes of marketing a retailer or other party must ensure that a customer is not contacted on its behalf in relation to the supply of electricity for a period of two years unless: <ul style="list-style-type: none"> <li>• the customer requests contact; or</li> <li>• the customer has moved premises; or</li> <li>• a retailer or other party has a legal obligation to contact the customer.</li> </ul>	Moderate	Probable	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
149	Code of Conduct clause 2.7(2)	A retailer or other party must keep a record of each customer who has requested not to be contacted, that includes the specified information.	Moderate	Unlikely	Medium	Strong	Priority 4
150	Code of Conduct clause 2.7(3)	A retailer or other party must give a copy of the record to the Electricity Ombudsman or the Authority on request.	Minor	Unlikely	Low	Moderate	Priority 5
151	Code of Conduct clause 2.7(4)	A retailer or other party must provide the customer on request with written confirmation that the customer will not be contacted for the next two years.	Moderate	Unlikely	Medium	Moderate	Priority 4
152	Code of Conduct clause 2.7(5)	An electricity marketing agent must comply with a notice on or near premises indicating that the customer does not wish to receive unsolicited mail or other marketing information.	Moderate	Unlikely	Medium	Moderate	Priority 4
153	Code of Conduct clause 2.8	A retailer and an electricity marketing agent must comply with the National Privacy Principles as set out in the Privacy Act 1998 in relation to information collected under Part 2 of the Code of Conduct.	Moderate	Unlikely	Medium	Strong	Priority 4
154	Code of Conduct clause 2.11(1)	An electricity marketing agent must keep a record of complaints about marketing carried out by or on behalf of the electricity marketing agent made by a customer or person contacted for the purposes of marketing and, on request, must give to the electricity ombudsman, within 28 days of receiving the request, all information that the electricity marketing agent has relating to the complaint.	Moderate	Probable	Medium	Moderate	Priority 4
155	Code of Conduct clause 2.11(2)	A record or other information that an electricity marketing agent is required, by the Code, to keep, must be kept for at least 2 years after the last time the person to whom the information relates was contacted by or on behalf of the electricity marketing agent.	Moderate	Probable	Medium	Moderate	Priority 4
156	Code of Conduct clause 3.1(1)	If a retailer agrees to sell electricity to a customer or arrange for the connection of the customer's supply address, the retailer must forward the customer's request for the connection to the relevant distributor.	Moderate	Unlikely	Medium	Strong	Priority 4
157	Code of Conduct clause 3.1(2)	A retailer must forward the customer's request for the connection to the relevant distributor in the timeframe specified unless the customer agrees otherwise.	Moderate	Unlikely	Medium	Strong	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
158	Code of Conduct clause 4.1	A retailer must issue a bill no more than once a month and at least once every three months unless the circumstances specified exist.	Moderate	Unlikely	Medium	Strong	Priority 4
159	Code of Conduct clause 4.2(2)	A retailer may only place a customer on a shortened billing cycle, without the customer's verifiable consent, in the circumstances specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
160	Code of Conduct clause 4.2(3)	A retailer must give the customer written notice of a decision to shorten the customer's billing cycle within 10 business days of making the decision.	Moderate	Unlikely	Medium	Moderate	Priority 4
161	Code of Conduct clause 4.2(4)	A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days.	Moderate	Unlikely	Medium	Moderate	Priority 4
162	Code of Conduct clause 4.2(5)	A retailer must return a customer, who is subject to a shortened billing cycle and has paid three consecutive bills by the due date, on request, to the billing cycle that previously applied to the customer.	Moderate	Unlikely	Medium	Moderate	Priority 4
163	Code of Conduct clause 4.2(6)	A retailer must inform a customer, who is subject to a shortened billing cycle, at least once every three months, of the conditions upon which a customer can be returned to its previous billing cycle.	Moderate	Unlikely	Medium	Moderate	Priority 4
164	Code of Conduct clause 4.3(1)	In respect of any 12 month period, on receipt of a request by a customer, a retailer may provide a customer with estimated bills under a bill smoothing arrangement.	Moderate	Unlikely	Medium	Moderate	Priority 4
165	Code of Conduct clause 4.3(2)	If a retailer provides a customer with estimated bills under a bill smoothing arrangement the retailer must ensure that the conditions specified are met.	Moderate	Unlikely	Medium	Moderate	Priority 4
166	Code of Conduct clause 4.4	A retailer must issue a bill to a customer at the customer's supply address, unless the customer has nominated another address or an electronic address.	Moderate	Unlikely	Medium	Strong	Priority 4
167	Code of Conduct clause 4.5(1)	A retailer must include minimum prescribed information on the customer's bill, unless the customer agrees otherwise.	Moderate	Probable	Medium	Weak	Priority 3
168	Code of Conduct clause 4.5(3)	A retailer must advise the customer of the amount of historical debt and its basis before, with or on the customer's bill, if the retailer wishes to bill the customer for the historical debt.	Moderate	Unlikely	Medium	Strong	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
169	Code of Conduct clause 4.6(1)	A retailer must base the customer's bill on the distributor's or metering agent's reading of the meter, or the customer's reading of the meter in the circumstances specified.	Moderate	Unlikely	Medium	Strong	Priority 4
170	Code of Conduct clause 4.6(2)	A retailer must give the customer information that explains to that customer how to read a meter correctly (if applicable) in clear, simple and concise language.	Moderate	Unlikely	Medium	Moderate	Priority 4
171	Code of Conduct clause 4.7	A retailer must use its best endeavours to ensure that meter reading data is obtained as frequently as is required to prepare its bills and, in any event, at least once every twelve months in accordance with clause 4.6(1)(a) of the Code of Conduct.	Minor	Unlikely	Low	Strong	Priority 5
172	Code of Conduct clause 4.8(1)	A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter.	Moderate	Probable	Medium	Weak	Priority 3
173	Code of Conduct clause 4.8(2)	A retailer must, in a visible and legible manner, specify the stated information on the customer's bill, in circumstances where the customer's bill is estimated.	Moderate	Probable	Medium	Weak	Priority 3
174	Code of Conduct clause 4.8(3)	A retailer must tell a customer, on request, the basis and reason for the estimation.	Moderate	Unlikely	Medium	Moderate	Priority 4
175	Code of Conduct clause 4.9	Where the retailer gives a customer an estimated bill and the meter is subsequently read the retailer must include an adjustment on the next bill to take account of the actual meter reading.	Moderate	Unlikely	Medium	Moderate	Priority 4
176	Code of Conduct clause 4.10	A retailer must use its best endeavours to replace an estimated bill with a bill based on an actual reading if the customer satisfies the requirements as specified.	Minor	Unlikely	Low	Moderate	Priority 5
177	Code of Conduct clause 4.11(1)	A retailer must request the distributor or metering agent to test the meter if a customer requests the meter to be tested and pays any reasonable charge of the retailer for testing the meter.	Moderate	Unlikely	Medium	Strong	Priority 4
178	Code of Conduct clause 4.11(2)	If the meter is tested and found to be defective, the retailer's reasonable charge for testing the meter (if any) is to be refunded to the customer.	Moderate	Unlikely	Medium	Strong	Priority 4
179	Code of Conduct clause 4.12(1)	A retailer must change the customer to an alternate tariff within the period specified if the customer applies to receive an alternate tariff and demonstrates to the retailer that they satisfy the conditions of eligibility.	Moderate	Unlikely	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
180	Code of Conduct clause 4.13	A retailer must give the customer written notice prior to changing the customer to an alternative tariff if the customer's electricity use has changed and the customer is no longer eligible to continue to receive an existing, more beneficial tariff.	Moderate	Unlikely	Medium	Moderate	Priority 4
181	Code of Conduct clause 4.14(1)	A retailer may recover any amounts undercharged to a customer as a result of a change in the customer's electricity use for the period of up to 12 months prior to the date on which the retailer provided notice in the specified manner.	Minor	Unlikely	Low	Moderate	Priority 5
182	Code of Conduct clause 4.14(2)	A retailer must repay any amounts overcharged to a customer as a result of a change in the customer's electricity use.	Moderate	Unlikely	Medium	Moderate	Priority 4
183	Code of Conduct clause 4.15(1)	A retailer must use reasonable endeavours to arrange for a final bill if a customer requests the retailer to issue a final bill at the customer's supply address.	Minor	Unlikely	Low	Strong	Priority 5
184	Code of Conduct clause 4.15(2)	A retailer must repay the customer any amount in credit at the time of account closure.	Moderate	Unlikely	Medium	Strong	Priority 4
185	Code of Conduct clause 4.16	A retailer must review the customer's bill on request by the customer, subject to the customer paying the lesser of the portion of the bill agreed to not be in dispute or an amount equal to the average of the customer's bill over the previous 12 months, and paying any future bills that are properly due.	Moderate	Unlikely	Medium	Strong	Priority 4
186	Code of Conduct clause 4.17(1)	A retailer must follow the procedures specified if a review of a bill has been conducted and the retailer is satisfied that the bill is correct or incorrect.	Moderate	Unlikely	Medium	Strong	Priority 4
187	Code of Conduct clause 4.17(2)	A retailer must inform the customer of the outcome of the review of a bill as soon as practicable, but, in any event, within 20 business days from the date of receipt of the request for review.	Moderate	Unlikely	Medium	Moderate	Priority 4
188	Code of Conduct clause 4.18(2)	A retailer must recover an amount undercharged as a result of an act or omission by a retailer or distributor in the manner specified.	Moderate	Unlikely	Medium	Strong	Priority 4
189	Code of Conduct clause 4.19(2)	A retailer must use its best endeavours to inform the customer (including a customer who has vacated the supply address) and repay or credit any amount overcharged as a result of an act or omission by a retailer or distributor, in the manner and period specified, subject to clause 4.19(6).	Minor	Unlikely	Low	Moderate	Priority 5

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
190	Code of Conduct clause 4.19(3)	A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.	Moderate	Unlikely	Medium	Moderate	Priority 4
191	Code of Conduct clause 4.19(4)	A retailer must use reasonable endeavours to credit the amount overcharged within 20 business days of the customer making the request, in circumstances where instructions as to payment are not received.	Minor	Unlikely	Low	Moderate	Priority 5
192	Code of Conduct clause 5.1	The due date on the bill must be at least 12 business days from the date of the bill, with the date of dispatch deemed to be the date of the bill, unless the retailer specifies a later date.	Moderate	Unlikely	Medium	Strong	Priority 4
193	Code of Conduct clause 5.2(1)	A retailer must offer the specified minimum payment methods.	Moderate	Unlikely	Medium	Strong	Priority 4
194	Code of Conduct clause 5.2(2)	A retailer must comply with the Electronic Funds Transfer Code of Conduct in making an electronic payment.	Moderate	Unlikely	Medium	Strong	Priority 4
195	Code of Conduct clause 5.3	A retailer must, prior to commencing a direct debit, obtain the customer's verifiable consent and agree to the specified conditions for the direct debit.	Moderate	Unlikely	Medium	Moderate	Priority 4
196	Code of Conduct clause 5.4	A retailer must accept payment in advance from a customer on request, in the circumstances specified.	Moderate	Unlikely	Medium	Strong	Priority 4
197	Code of Conduct clause 5.5	A retailer must, at no charge, offer a residential customer a redirection of the customer's bill to a third person, if requested by a customer who is unable to pay by a minimum payment method, due to illness or absence.	Moderate	Unlikely	Medium	Moderate	Priority 4
198	Code of Conduct clause 5.6(1)	A retailer must not charge a residential customer a late payment fee in the circumstances specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
199	Code of Conduct clause 5.6(2)	A retailer must not charge an additional late payment fee in relation to the same bill within five business days from the date of receipt of the previous late payment fee notice.	Moderate	Unlikely	Medium	Moderate	Priority 4
200	Code of Conduct clause 5.6(3)	A retailer must not charge a residential customer more than two late payment fees in relation to the same bill and more than 12 late payment fees in a year.	Moderate	Unlikely	Medium	Moderate	Priority 4



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
201	Code of Conduct clause 5.6(4)	A retailer must, if a residential customer has been assessed as being in financial hardship, retrospectively waive any late payment fee charged pursuant to the residential customer's last bill prior to the assessment being made.	Moderate	Probable	Medium	Moderate	Priority 4
202	Code of Conduct clause 5.7(1)	A retailer must not require a customer who has vacated a supply address to pay for electricity consumed at the customer's supply address in the circumstances specified.	Moderate	Unlikely	Medium	Strong	Priority 4
203	Code of Conduct clause 5.7(2)	A retailer must not require a customer who was evicted or otherwise required to vacate a supply address to pay for electricity consumed at the customer's supply address in the circumstances specified.	Moderate	Unlikely	Medium	Strong	Priority 4
204	Code of Conduct clause 5.7(4)	A retailer must not require a previous customer to pay for electricity consumed at the supply address in the circumstances specified.	Moderate	Unlikely	Medium	Strong	Priority 4
205	Code of Conduct clause 5.8(1)	A retailer must comply with the Conduct Principles set out in the guideline on debt collection issued by the Australian Competition and Consumer Commission.	Moderate	Unlikely	Medium	Strong	Priority 4
206	Code of Conduct clause 5.8(2)	A retailer must not commence proceedings for recovery of a debt in the circumstances specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
207	Code of Conduct clause 5.8(3)	A retailer must not recover or attempt to recover a debt relating to a supply address from a person other than the customer with whom the retailer has or had entered into a contract for the supply of electricity to that supply address.	Moderate	Unlikely	Medium	Strong	Priority 4
208	Code of Conduct clause 6.1(1)	A retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within three business days from when the residential customer informs a retailer that they are experiencing payment problems.	Moderate	Unlikely	Medium	Moderate	Priority 4
209	Code of Conduct clause 6.1(2)	A retailer must give reasonable consideration to the information and advice specified when undertaking an assessment regarding payment difficulties or financial hardship.	Minor	Unlikely	Low	Moderate	Priority 5
210	Code of Conduct clause 6.1(3)	A retailer must advise a residential customer on request of the details of an assessment.	Moderate	Unlikely	Medium	Moderate	Priority 4
211	Code of Conduct clause 6.2(1)	A retailer may not unreasonably deny a residential customer's request for a temporary suspension of actions in the circumstances specified.	Moderate	Unlikely	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
212	Code of Conduct clause 6.2(2)	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	Moderate	Unlikely	Medium	Moderate	Priority 4
213	Code of Conduct clause 6.2(3)	A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative organisation to allow additional time to assess a residential customer's capacity to pay.	Minor	Unlikely	Low	Moderate	Priority 5
214	Code of Conduct clause 6.3	A retailer must offer the alternative payment arrangements, and advise the residential customers that additional assistance may be available, in circumstances where a residential customer is assessed as experiencing payment difficulties or financial hardship.	Moderate	Unlikely	Medium	Moderate	Priority 4
215	Code of Conduct clause 6.4(1)	A retailer must offer a residential customer who is experiencing payment difficulties or financial hardship at least the specified payment arrangements.	Moderate	Unlikely	Medium	Moderate	Priority 4
216	Code of Conduct clause 6.4(2)	A retailer must take into account and specify the stated information and take the specified actions when offering an instalment plan to a residential customer experiencing payment difficulties or financial hardship.	Moderate	Unlikely	Medium	Moderate	Priority 4
217	Code of Conduct clause 6.6(1)	A retailer must give reasonable consideration to a request by a customer, or a relevant consumer representative organisation, for a reduction of the customer's fees, charges, or debt.	Minor	Unlikely	Low	Moderate	Priority 5
218	Code of Conduct clause 6.6(2)	In giving reasonable consideration under clause 6.6(1), a retailer should refer to the guidelines in its hardship policy referred to in clause 6.10(2)(d).	Moderate	Unlikely	Medium	Moderate	Priority 4
219	Code of Conduct clause 6.7	A retailer must give reasonable consideration to offering a customer an instalment plan or offering to revise an existing instalment plan, in circumstances where it is reasonably demonstrated to the retailer that the customer is unable to meet its previously elected payment arrangement.	Minor	Unlikely	Low	Moderate	Priority 5
220	Code of Conduct clause 6.8	A retailer must advise the customer of the specified assistance information.	Moderate	Unlikely	Medium	Moderate	Priority 4
221	Code of Conduct clause 6.9(1)	A retailer must determine the minimum payment in advance amount for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representative organisations.	Moderate	Unlikely	Medium	Moderate	Priority 4



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
222	Code of Conduct clause 6.9(2)	A retailer may apply different minimum payment in advance amounts for residential customers experiencing payment difficulties or financial hardship and other customers.	Minor	Unlikely	Low	Moderate	Priority 5
223	Code of Conduct clause 6.10(1)	A retailer must develop a hardship policy to assist customers in meeting their financial obligations and responsibilities to the retailer.	Moderate	Unlikely	Medium	Moderate	Priority 4
224	Code of Conduct clause 6.10(2)	A retailer must ensure that the hardship policy complies with the specified criteria.	Moderate	Unlikely	Medium	Moderate	Priority 4
225	Code of Conduct clause 6.10(3)	A retailer must give residential customers, financial counsellors and relevant consumer representative organisations details of the financial hardship policy, at no charge. The retailer must provide all residential customers identified as experiencing financial hardship, details of the hardship policy, including by post, if requested.	Moderate	Unlikely	Medium	Moderate	Priority 4
226	Code of Conduct clause 6.10(4)	A retailer must keep a record of the specified information related to the hardship policy.	Moderate	Unlikely	Medium	Moderate	Priority 4
227	Code of Conduct clause 6.10(5)	A retailer must, unless otherwise notified in writing by the Authority, review its hardship policy at least annually and submit to the Authority the results of that review within 5 business days after it is completed.	Moderate	Probable	Medium	Moderate	Priority 4
228	Code of Conduct clause 6.10(7)	Any review of a retailer's hardship policy must have regard to the Authority's Financial Hardship Policy Guidelines.	Moderate	Probable	Medium	Moderate	Priority 4
229	Code of Conduct clause 6.11	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.	Moderate	Unlikely	Medium	Strong	Priority 4
230	Code of Conduct clause 7.1	A retailer must give the customer a reminder notice, use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified, prior to arranging for disconnection of a customer's supply address for failure to pay a bill.	Moderate	Unlikely	Medium	Moderate	Priority 4
231	Code of Conduct clause 7.2	A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
232	Code of Conduct clause 7.3	In relation to dual fuel contracts, a retailer must not arrange for disconnection of the customer's supply address for failure to pay a bill within 15 business days from arranging for disconnection of the customer's gas supply.	Moderate	Unlikely	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
233	Code of Conduct clause 7.4	A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified are satisfied.	Moderate	Unlikely	Medium	Moderate	Priority 4
235	Code of Conduct clause 7.6	A retailer or a distributor must not arrange for disconnection or disconnect a customer's supply address in the circumstances specified, subject to the exception specified.	Major	Unlikely	High	Moderate	Priority 2
236	Code of Conduct clause 7.7(1)	A retailer must undertake the actions specified in circumstances where the customer provides the retailer with confirmation that a person residing at the customer's supply address requires life support equipment.	Major	Unlikely	High	Moderate	Priority 2
238	Code of Conduct clause 8.1(1)	A retailer must arrange for reconnection of the customer's supply address if the customer has remedied its breach, makes a request for reconnection, pays the retailer's reasonable charges (if any) or accepts an offer of an instalment plan for the retailer's reasonable charges.	Moderate	Unlikely	Medium	Strong	Priority 4
239	Code of Conduct clause 8.1(2)	A retailer must forward the request for reconnection to the relevant distributor within the timeframe specified.	Moderate	Unlikely	Medium	Strong	Priority 4
243	Code of Conduct clause 9.2(2)	A distributor may only operate a pre-payment meter at a residential customer's supply address and a retailer may only offer a pre-payment meter service in an area that has been declared by the Minister by notice in the Government Gazette.	Not Applicable. Alinta is not licenced to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.				
244	Code of Conduct clause 9.3(1)	A retailer must not provide a pre-payment meter service at a residential customer's supply address without the verifiable consent of the customer or the customer's nominated representative.					
245	Code of Conduct clause 9.3(2)	A retailer must establish an account for each pre-payment meter operating at a residential customer's supply address.					
246	Code of Conduct clause 9.3(3)	A retailer must not, in relation to the offer of, or provision of, a pre-payment meter service engage in conduct that is misleading, deceptive or likely to mislead or deceive or that is unconscionable, or exert undue pressure on a customer, nor harass or coerce a customer.					
247	Code of Conduct clause 9.4	A retailer must provide the prescribed information to a pre-payment meter customer in the manner stated at no charge.					

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
248	Code of Conduct clause 9.5(1), (2), (3)	If a pre-payment meter customer notifies a retailer that it wants to revert the pre-payment meter to a standard meter, the retailer must provide the specified information to the customer and make arrangements with the distributor in the manner stated at no charge to the customer unless allowed under the clause.	Not Applicable. Alinta is not licenced to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.				
250	Code of Conduct clause 9.5(5)	A retailer must send a written notice and prescribed information to a pre-payment meter customer within the time frames specified advising the customer of the customer's rights to revert to a standard meter at no charge.					
251	Code of Conduct clause 9.6(1)	A retailer must not provide a pre-payment service at the supply address of a residential customer if the residential customer, or a person residing at the residential customer's supply address, requires life support equipment.					
252	Code of Conduct clause 9.6(2)	If a pre-payment meter customer notifies a retailer that a person residing at the supply address depends on life support equipment, the retailer must undertake the actions specified.					
254	Code of Conduct clause 9.7	A retailer must ensure that a pre-payment meter service complies with the prescribed requirements.					
255	Code of Conduct clause 9.8	A retailer must ensure that recharge facilities are located and capable of being accessed in the manner specified.					
256	Code of Conduct clause 9.9	A retailer must ensure that the pre-payment meter customer receives a benefit of a concession if the pre-payment meter customer demonstrates to the retailer that the customer is entitled to receive a concession.					
257	Code of Conduct clause 9.10(1)	If requested by a pre-payment meter customer, a retailer must make immediate arrangements to check the metering data, test the pre-payment meter or arrange for a test of the metering installation.					
259	Code of Conduct clause 9.10(4)	If a pre-payment meter is found to be inaccurate or not operating correctly, a retailer must immediately arrange for the repair or replacement of the pre-payment meter, correct any overcharging or undercharging and refund any charges payable by the customer for testing the pre-payment meter.					

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
260	Code of Conduct clause 9.11(1)	A retailer must ensure that a pre-payment meter customer (including a pre-payment meter customer who has vacated the supply address) can retrieve all remaining credit at the time the pre-payment meter customer vacates the supply address, in circumstances where notification of the proposed vacation date has been provided.	Not Applicable. Alinta is not licenced to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.				
261	Code of Conduct clause 9.11(2), (7)	If a pre-payment meter customer has been overcharged as a result of an act or omission of a retailer or distributor, the retailer must use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the error and seek reimbursement instructions from the customer or credit the customer's account if permitted.					
262	Code of Conduct clause 9.11(3)	The retailer must pay the amount in accordance with the pre-payment meter customer's instructions within 12 business days of receiving the instructions.					
263	Code of Conduct clause 9.11(4)	If a retailer does not receive reimbursement instructions within 20 business days of making the request, the retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.					
264	Code of Conduct clause 9.11(6)	If a retailer proposes to recover an amount undercharged as a result of an act or omission by the retailer or distributor, the retailer must comply with the conditions specified.					
265	Code of Conduct clause 9.12	A retailer may only adjust the tariff payable by a pre-payment meter customer to recover a debt owing by that customer to recover a maximum of \$20 at a rate of no more than \$2 per day.					
266	Code of Conduct clause 9.13(1)	A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative organisation for a waiver of any fee to replace or switch a pre-payment meter to a standard meter.					
267	Code of Conduct clause 9.13(2), (3)	Where a retailer is informed by a pre-payment meter customer that the customer is experiencing payment difficulties or financial hardship or the retailer identifies the customer has been disconnected as specified, the retailer must use best endeavours to contact the customer as soon as reasonably practicable to provide the prescribed information in the manner stated.					
268	Code of Conduct clause 9.14(2), (3)	Where a grandfathered pre-payment meter (as prescribed) is upgraded or modified, the modified or upgraded pre-payment meter must comply with the applicable requirements.					

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
269	Code of Conduct clause 10.1(1)	A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation, in the timeframes specified.	Moderate	Probable	Medium	Weak	Priority 3
270	Code of Conduct clause 10.1(2)	A retailer must give a customer on request, at no charge, reasonable information on the retailer's tariffs, including alternative tariffs.	Moderate	Unlikely	Medium	Strong	Priority 4
271	Code of Conduct clause 10.1(3)	A retailer must give a customer the information requested on tariffs in the manner and within the timeframes specified.	Moderate	Unlikely	Medium	Strong	Priority 4
272	Code of Conduct clause 10.2(1)	A retailer must, on request, give a non-contestable customer its billing data.	Not applicable. Clause applies to non-contestable customer only - Alinta is precluded from supplying non-contestable customers.				
273	Code of Conduct clause 10.2(2)	A retailer must give the requested billing data at no charge in the circumstances specified.					
274	Code of Conduct clause 10.2(3)	A retailer must give the requested billing data within 10 business days of the receipt of the request or payment of the retailer's reasonable charge for providing the billing data.					
275	Code of Conduct clause 10.2(4)	A retailer must keep a non-contestable customer's billing data for seven years.					
276	Code of Conduct clause 10.3	A retailer must give a residential customer on request, at no charge, the concession information specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
277	Code of Conduct clause 10.3A	A retailer must give a customer, at least once a year, written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 and under any other legislation in Western Australia including the amount of the payment and the eligibility criteria for the payment.	Moderate	Probable	Medium	Weak	Priority 3
278	Code of Conduct clause 10.4	A retailer must give a customer on request, at no charge, the general energy efficiency information specified.	Moderate	Unlikely	Medium	Strong	Priority 4
279	Code of Conduct clause 10.5	A retailer must give information to the customer, or refer the customer to the relevant distributor for a response, if asked by a customer for information relating to the distribution of electricity.	Moderate	Unlikely	Medium	Strong	Priority 4
287	Code of Conduct clause 10.9	A retailer and distributor must, to the extent practicable, ensure that any written information that must be given to a customer by the retailer or distributor or its electricity marketing agent under the Code of Conduct is expressed in clear, simple, and concise language and is in a format that makes it easy to understand.	Minor	Unlikely	Low	Strong	Priority 5

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
288	Code of Conduct clause 10.10(1)	A retailer and distributor must tell a customer on request how the customer can obtain a copy of the Code of Conduct.	Moderate	Unlikely	Medium	Strong	Priority 4
289	Code of Conduct clause 10.10(2)	A retailer and distributor must make electronic copies of the Code of Conduct available, at no charge, on their web sites.	Moderate	Unlikely	Medium	Strong	Priority 4
290	Code of Conduct clause 10.10(3)	A retailer and distributor must make a copy of the Code of Conduct available for inspection, at no charge, at their offices.	Moderate	Unlikely	Medium	Strong	Priority 4
291	Code of Conduct clause 10.11(1)	A retailer and distributor must make available to a residential customer on request, at no charge, services that assist the residential customer in interpreting information provided by the retailer or distributor.	Moderate	Unlikely	Medium	Strong	Priority 4
292	Code of Conduct clause 10.11(2)	A retailer and, where appropriate a distributor, must include in relation to residential customers, the telephone number for their TTY services and for independent multi-lingual services and the National Interpreter Symbol with the words “Interpreter Services”, on the documents specified.	Moderate	Unlikely	Medium	Strong	Priority 4
294	Code of Conduct clause 10.12(2)	A retailer must, if requested by a customer, advise the customer of the availability of different types of meters or refer the customer to the relevant distributor for a response.	Moderate	Unlikely	Medium	Strong	Priority 4
295	Code of Conduct clause 12.1(1)	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	Moderate	Probable	Medium	Moderate	Priority 4
296	Code of Conduct clause 12.1(2)	A retailer and distributor must develop, maintain and implement a complaints handling process that meets the specified requirements.	Moderate	Probable	Medium	Moderate	Priority 4
297	Code of Conduct clause 12.1(3)	A retailer or distributor must at least provide the specified advice to a customer when handling a complaint.	Moderate	Probable	Medium	Moderate	Priority 4
298	Code of Conduct clause 12.2	A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints.	Moderate	Unlikely	Medium	Strong	Priority 4
299	Code of Conduct clause 12.3	A retailer, distributor and electricity marketing agent must give a customer on request, at no charge, information that will assist the customer in utilising the respective complaints handling processes.	Moderate	Unlikely	Medium	Strong	Priority 4



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
300	Code of Conduct clause 12.4	A retailer, distributor or electricity marketing agent who receives a complaint that does not relate to its functions, must refer the complaint to the appropriate entity and inform the customer of the referral.	Moderate	Unlikely	Medium	Strong	Priority 4
301	Code of Conduct clause 13.1	A retailer, distributor or electricity marketing agent must keep a record or other information as required to be kept by the Code of Conduct for at least two years from the last date on which the information was recorded, unless expressly provided otherwise.	Moderate	Unlikely	Medium	Strong	Priority 4
302	Code of Conduct clause 13.2	A retailer must keep a record of the total number of, and percentage of, customers under the affordability and access indicators specified.	Moderate	Unlikely	Medium	Strong	Priority 4
303	Code of Conduct clause 13.3(1)	A retailer must keep a record of the customer complaint indicators specified.	Moderate	Probable	Medium	Strong	Priority 4
304	Code of Conduct clause 13.3(2)	A retailer must keep a copy of each complaint referred to in clause 13.3(1) (including complaints made directly to a retailer).	Moderate	Probable	Medium	Strong	Priority 4
305	Code of Conduct clause 13.4	A retailer must keep a record of the total number of payments and data on the average amount of payments made under the compensation indicators specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
306	Code of Conduct clause 13.5	A retailer must keep a record of the call centre performance indicators specified.	Moderate	Probable	Medium	Strong	Priority 4
307	Code of Conduct clause 13.6	A retailer must keep a record of the total number of residential and business accounts specified.	Moderate	Probable	Medium	Strong	Priority 4
308	Code of Conduct clause 13.7	A retailer must keep a record of the number of pre-payment meter customers, complaints information and other pre- payment meter information specified.	Not applicable. Alinta is not licensed to supply electricity in those remote or town reserve communities addressed in Part 9 of the Code of Conduct, for which pre-payment meters are relevant.				
318	Code of Conduct clause 13.15(1)	A retailer and a distributor must prepare a report setting out the information required by Part 13 of the Code of Conduct, in respect of each year ending on 30 June. The report must be published no later than the following 1 October.	Moderate	Probable	Medium	Moderate	Priority 4
319	Code of Conduct clause 13.15(3)	A copy of each report must be given to the Minister and the Authority not less than 7 days before it is published.	Moderate	Probable	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
320	Code of Conduct clause 14.1(1)	Subject to clause 14.5, a retailer must pay the stated compensation to a customer where the customer is not reconnected in the manner specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
322	Code of Conduct clause 14.2(1)	Subject to clause 14.5, a retailer must pay the stated compensation to a customer where the retailer has failed to follow any of the specified procedures prior to disconnection for a failure to pay.	Moderate	Unlikely	Medium	Moderate	Priority 4
324	Code of Conduct clause 14.3(1)	A retailer must acknowledge and respond to a written query or complaint by a customer within the timeframes prescribed.	Moderate	Unlikely	Medium	Strong	Priority 4
325	Code of Conduct clause 14.3(2)	Subject to clause 14.5, a retailer must pay the stated compensation to a customer where the retailer has failed to acknowledge or respond to a query or complaint within the timeframes prescribed.	Moderate	Unlikely	Medium	Moderate	Priority 4
328	Code of Conduct clause 14.6(1)	A retailer who is required to make a compensation payment for failing to satisfy a service standard, must do so in the manner specified.	Moderate	Unlikely	Medium	Moderate	Priority 4
<b>15 Electricity Industry Metering Code – Licence Conditions and Obligations</b>							
349	Electricity Industry Metering Code clause 3.11(3)	A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.	Moderate	Unlikely	Medium	Strong	Priority 4
361	Electricity Industry Metering Code clause 3.16(5)	A network operator or a user may require the other to negotiate and enter into a written service level agreement in respect of the matters in the metrology procedure dealt with under clause 3.16(4) of the Code.	Moderate	Unlikely	Medium	Strong	Priority 4
363	Electricity Industry Metering Code clause 3.18(1)	If the Electricity Retail Corporation supplies electricity to a contestable customer at a connection point under a non-regulated contract, and in circumstances where immediately before entering into the contract, the electricity retail corporation supplied electricity to the contestable customer under a regulated contract, then the metering installation for the connection point must comply with the prescribed wholesale market metering installation requirements.	Not applicable - clause applies to the Electricity Retail Corporation (Synergy Energy) only				
372	Electricity Industry Metering Code clause 3.27	A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.	Moderate	Unlikely	Medium	Strong	Priority 4



No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
379	Electricity Industry Metering Code clause 4.4(1)	A network operator and affected Code participants must liaise together to determine the most appropriate way to resolve a discrepancy between energy data held in a metering installation and data held in the metering database.	Minor	Unlikely	Low	Strong	Priority 5
380	Electricity Industry Metering Code clause 4.5(1)	A Code participant must not knowingly permit the registry to be materially inaccurate.	Minor	Unlikely	Low	Moderate	Priority 5
381	Electricity Industry Metering Code clause 4.5(2)	If a Code participant (other than a network operator) becomes aware of a change to or an inaccuracy in an item of standing data in the registry, then it must notify the network operator and provide details of the change or inaccuracy within the timeframes prescribed.	Moderate	Unlikely	Medium	Moderate	Priority 4
393	Electricity Industry Metering Code clause 5.4(2)	A user must, when reasonably requested by a network operator, use reasonable endeavours to assist the network operator to comply with the network operator's obligation.	Minor	Unlikely	Low	Moderate	Priority 5
395	Electricity Industry Metering Code clause 5.5(3)	A user must not impose any charge for the provision of the data under this Code unless it is permitted to do so under another enactment.	Moderate	Unlikely	Medium	Strong	Priority 4
406	Electricity Industry Metering Code clause 5.16	A user that collects or receives energy data from a metering installation must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.	Moderate	Unlikely	Medium	Moderate	Priority 4
407	Electricity Industry Metering Code clause 5.17(1)	A user must provide standing data and validated (and where necessary substituted or estimated) energy data to the user's customer, to which that information relates, where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer.	Moderate	Unlikely	Medium	Strong	Priority 4
408	Electricity Industry Metering Code clause 5.18	A user that collects or receives information regarding a change in the energisation status of a metering point must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.	Moderate	Unlikely	Medium	Moderate	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
409	Electricity Industry Metering Code clause 5.19(1)	A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in meeting its obligations described in the Code and elsewhere.	Minor	Unlikely	Low	Strong	Priority 5
410	Electricity Industry Metering Code clause 5.19(2)	A user must, to the extent that it is able, collect and maintain a record of the address, site and customer attributes, prescribed in relation to the site of each connection point, with which the user is associated.	Minor	Unlikely	Low	Strong	Priority 5
411	Electricity Industry Metering Code clause 5.19(3)	A user must, after becoming aware of any change in a site's prescribed attributes, notify the network operator of the change within the timeframes prescribed.	Moderate	Unlikely	Medium	Strong	Priority 4
412	Electricity Industry Metering Code clause 5.19(4)	A user that becomes aware that there is a sensitive load at a customer's site must immediately notify the network operator's Network Operations Control Centre of the fact.	Moderate	Unlikely	Medium	Moderate	Priority 4
414	Electricity Industry Metering Code clause 5.19(6)	A user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute that results from the provision of standing data by the network operator to the user.	Minor	Unlikely	Low	Strong	Priority 5
420	Electricity Industry Metering Code clause 5.21(5)	A Code participant must not request a test or audit unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO.	Moderate	Unlikely	Medium	Strong	Priority 4
421	Electricity Industry Metering Code clause 5.21(6)	A Code participant must not make a test or audit request that is inconsistent with any access arrangement or agreement.	Moderate	Unlikely	Medium	Strong	Priority 4
439	Electricity Industry Metering Code clause 5.27	Upon request, a current user must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	Moderate	Unlikely	Medium	Strong	Priority 4
446	Electricity Industry Metering Code clause 6.1(2)	A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.	Moderate	Unlikely	Medium	Strong	Priority 4

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
448	Electricity Industry Metering Code clause 7.2(1)	Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.	Minor	Unlikely	Low	Strong	Priority 5
450	Electricity Industry Metering Code clause 7.2(4)	A Code participant must notify its contact details to a network operator with whom it has entered into an access contract within 3 business days after the network operator's request.	Moderate	Unlikely	Medium	Strong	Priority 4
451	Electricity Industry Metering Code clause 7.2(5)	A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator at least 3 business days before the change takes effect.	Moderate	Unlikely	Medium	Moderate	Priority 4
452	Electricity Industry Metering Code clause 7.5	A Code participant must not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code.	Moderate	Unlikely	Medium	Strong	Priority 4
453	Electricity Industry Metering Code clause 7.6(1)	A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.	Moderate	Unlikely	Medium	Strong	Priority 4
454	Electricity Industry Metering Code clause 8.1(1)	Representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties and attempt to resolve the dispute under or in connection with the Electricity Industry Metering Code by negotiations in good faith.	Minor	Unlikely	Low	Moderate	Priority 5
455	Electricity Industry Metering Code clause 8.1(2)	If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	Minor	Unlikely	Low	Moderate	Priority 5
456	Electricity Industry Metering Code clause 8.1(3)	If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	Minor	Unlikely	Low	Moderate	Priority 5

No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
457	Electricity Industry Metering Code clause 8.1(4)	If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	Moderate	Unlikely	Medium	Moderate	Priority 4
458	Electricity Industry Metering Code clause 8.3(2)	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective of dispute resolution with as little formality and technicality and with as much expedition as the requirements of Part 8 of the Code and a proper hearing and determination of the dispute permit.	Minor	Unlikely	Low	Moderate	Priority 5

Obligations removed from the 2011 Reporting Manual, but were included in the 2008 and 2010 Reporting Manual							
No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
102*	Retail Licence condition 15.2	A licensee must, unless otherwise notified in writing by the Authority, review the customer service charter within the timeframe specified, and submit to the Authority the results of that review within 5 days after it is completed.	Moderate	Unlikely	Medium	Moderate	Priority 4
281*	Code of Conduct clause 11.1(1)	A retailer and distributor must produce and publish a Customer Service Charter.	Moderate	Unlikely	Medium	Moderate	Priority 4
326*	Retail Licence condition 5.1	A network operator may only impose a charge for providing, installing, operating or maintaining a metering installation in accordance with the applicable service level agreement between it and the user.	Moderate	Probable	Medium	Moderate	Priority 4

\*Obligation number obtained from 2010 Reporting Manual

Obligations removed from the 2010 Reporting Manual but were included in the 2008 Reporting Manual							
No.	Obligation reference	Obligation Description	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
264*	Code of Conduct clause 11.1(2)	A retailer and distributor must address the specified information in their Customer Service Charters.	Moderate	Unlikely	Medium	Strong	Priority 4
265*	Code of Conduct clause 11.2(1)	A retailer and distributor must give a customer on request, at no charge, a copy of the Customer Service Charter.	Moderate	Unlikely	Medium	Strong	Priority 4
266*	Code of Conduct clause 11.2(2)	A retailer and distributor must dispatch a copy of the Customer Service Charter to a customer who requests a copy, within two business days of the request.	Moderate	Unlikely	Medium	Strong	Priority 4

\*Obligation number obtained from 2008 Reporting Manual.

# Appendix 3 – New and superseded obligations

Legislative Element	New obligations <sup>2</sup> Relevant period: 1 Jul '10 – 31 May '12	New obligations <sup>2</sup> Relevant period: 1 May '11 – 31 May '12	Superseded obligations <sup>3</sup> Relevant period: 1 Jun '10 – 30 Jun '10	Superseded obligations <sup>4</sup> Relevant period: 1 Jun '10 – 30 Apr '11
Electricity Industry (Licence Conditions) Regulations	N/A	N/A	N/A	78: Regulation 6 79: Regulation 7 80: Regulation 8(8)
Electricity Industry (Customer Contracts) Regulations	N/A	78: Regulations 2005 79: Regulation 5 80: Regulation 6 81: Regulation 7 82: Regulation 8 83: Regulation 9 84: Regulation 10 85: Regulation 11 86: Regulation 12 87: Regulation 13 88: Regulation 14 89: Regulation 15 90: Regulation 16, 34 91: Regulation 17 92: Regulation 18 93: Regulation 19 94: Regulation 20 95: Regulation 21 96: Regulation 32 97: Regulation 33(2) 98: Regulation 33(3), (4) 100: Regulation 38	N/A	N/A
Electricity Licences – Licence Conditions and Obligations	N/A	N/A	N/A	102: Retail Licence condition 15.2
Code of Conduct for	154: Clause 2.11(1) 155: Clause 2.11(2)	N/A	264: Clause 11.1(2) 265: Clause 11.2(1)	281: Clause 11.1(1)

<sup>2</sup> Obligation number is based on the current Electricity Compliance Reporting Manual (May 2011).

<sup>3</sup> Obligation number is based on the previous Electricity Compliance Reporting Manual (March 2008).

<sup>4</sup> Obligation number is based on the previous Electricity Compliance Reporting Manual (July 2010).

Legislative Element	New obligations <sup>2</sup> Relevant period: 1 Jul '10 – 31 May '12	New obligations <sup>2</sup> Relevant period: 1 May '11 – 31 May '12	Superseded obligations <sup>3</sup> Relevant period: 1 Jun '10 – 30 Jun '10	Superseded obligations <sup>4</sup> Relevant period: 1 Jun '10 – 30 Apr '11
the Supply of Electricity to Small Use Customers	201: Clause 5.6(4) 227: Clause 6.10(5) 228: Clause 6.10(7) 277: Clause 10.3A 318: Clause 13.15(1) 319: Clause 13.15(3)		266: Clause 11.2(2)	
Electricity Industry Metering Code – Licence Conditions and Obligations	N/A	N/A	N/A	326: Clause 3.5(6)

# Appendix 4 – Previous audit recommendations

Recommendations are drawn from the Alinta Sales Pty Ltd 2010 Electricity Retail Licence Performance Audit Report dated 20 October 2010.

<b>Issue 1/2010</b> <b>Obligation 85 - Electricity Industry Acts.17(1)</b> For the two licence fee periods subject to audit, the annual licence fees were not paid within the timeframe required by the Act (i.e. by 19 June each year, being one month after the anniversary of the Licence issue).	
<b>Recommendation 1/2010</b> Alinta implement stronger controls to ensure that Licence fees are paid in compliance with the Act.	<b>Action Plan 1/2010</b> Alinta will implement stronger controls to ensure that Licence fees are paid in compliance with the Act. Specifically, the Manager Regulatory Affairs will: <ul style="list-style-type: none"> <li>(a) Diarise the due date for the Licence fee</li> <li>(b) Ensure an invoice has been received from the Authority</li> <li>(c) Ensure payment is processed by Accounts so that payment is made within the specified timeframe required by the Act.</li> </ul> <b>Responsible Person:</b> Manager Regulatory Affairs <b>Target Date:</b> 31 December 2010

<b>Issue 2/2010</b> <b>Obligation 113, 122, 123 – Code of Conduct clause 2.1, 2.5(1) and 2.5(2)</b> Although Alinta has provided training to its employees on the marketing requirements of the Code of Conduct, its training program is not structured to accommodate the ongoing needs of its Customer Service and Sales & Marketing teams. For example, the training register prepared for the Customer Service team does not provide a clear or consistent record of the training provided to employees. Alinta also has not yet established a mechanism for active monitoring of the performance of relevant staff against the requirements of the Code of Conduct. Therefore it is difficult for Alinta to demonstrate staff awareness of the Code of Conduct.	
<b>Recommendation 2/2010</b> Alinta: <ul style="list-style-type: none"> <li>• Ensure that it fully addresses the intent of the Code of Conduct marketing related clauses relevant to Alinta's marketing activities</li> <li>• Develop an appropriate training package that outlines the key marketing related Code requirements with which all relevant employees must comply on an on-going basis</li> <li>• Implement a mechanism to facilitate effective monitoring to provide greater assurance of compliance with the Code of Conduct obligations.</li> </ul>	<b>Action Plan 2/2010</b> Alinta will <ul style="list-style-type: none"> <li>(a) Ensure it fully addresses the intent of the Code of Conduct marketing related clauses relevant to Alinta's marketing activities</li> <li>(b) Appoint a trainer within the Customer Services Branch in late October 2010</li> <li>(c) Develop an appropriate training package that outlines the key marketing related Code of Conduct requirements with which all relevant employees must comply on an on-going basis</li> <li>(d) Implement a mechanism to facilitate the effective monitoring to provide greater assurance of compliance with the Code of Conduct obligations.</li> </ul> <b>Responsible Person:</b> Manager Customer Services and Manager Sales and Marketing <b>Target Date:</b> 31 March 2011

Note: The combined issues, recommendations and action plans detailed for obligations 113, 122 and 123 above also relate to the following obligations:



- 97, 98, 115, 116, 117, 127, 128, 129, 130, 131, 132, 134, 135, 137 and 138

<b>Issue 3/2010</b> <b>Obligation 115, 116 and 117 - Code of Conduct clause 2.3(1), 2.3(2) and 2.3(3)</b> Alinta's sales and contract establishment processes and procedures do not include the offering of a standard form contract to prospective customers. Accordingly: <ul style="list-style-type: none"> <li>• Customers are not notified of the availability of the standard form contract or the differences between a standard form and a non-standard contract</li> <li>• Alinta does not obtain the customers verifiable consent or written acknowledgement that the information as specified in clause 2.3(1) has been provided.</li> </ul>	
<b>Recommendation 3/2010</b> Alinta strengthen its contract establishment procedures to ensure compliance with clause 2.3 of the Code of Conduct.	<b>Action Plan 3/2010</b> Alinta will strengthen its contract establishment procedures to ensure compliance with clause 2.3 of the Code of Conduct, <b>except for</b> notifying customers of the availability of a standard form contract or the differences between a standard form and a non-standard contract, as Alinta is not obliged to supply any small use customer under the approved standard form contract. <b>Responsible Person:</b> Manager Sales and Marketing <b>Target Date:</b> 31 December 2010

<b>Issue 4/2010</b> <b>Obligation 151 - Code of Conduct clause 4.5(1)</b> Alinta's bill templates include the specified information required by clause 4.5(1) of the Code of Conduct except for: <ul style="list-style-type: none"> <li>• The date of the current meter reading or estimate (cl.4.5(1)(a))</li> <li>• The current meter reading or estimate (cl. 4.5(1)(b)).</li> </ul> As Alinta's entire electricity customer base is subject to consumption calculations via 30 minute interval meter reads, up to 1448 meter reads are aggregated for each monthly bill. In these circumstances, Alinta's ability to provide "current" meter reads or estimates is unclear. Alinta's 2008/09 ERL compliance report describes non-compliance with this requirement and outlines Alinta's consideration of a resolution through amendment to the non-standard contract (to enable the customer's agreement to the exclusion of the requirement). The most recent amendment to Alinta's non-standard contract (November 2009 edition) does not accommodate this matter.	
<b>Recommendation 4/2010</b> Alinta update the non-standard form contract to enable customers to provide verifiable consent for the information specified by 4.5(1) of the Code to not be listed on bills.	<b>Action Plan 4/2010</b> Alinta will amend its non-standard form contract so that by entering the contract, customers consent to the information specified by 4.5(1) of the Code not being provided on bills. <b>Responsible Person:</b> Manager Regulatory Affairs <b>Target Date:</b> 31 December 2010

<b>Issue 5/2010</b> <b>Obligation 156 and 157 - Code of Conduct clause 4.8(1) and 4.8(2)</b> Alinta's billing processes provide for estimated bills to be generated based on Western Power's relevant calculations in accordance with the requirements of the Code. However those processes currently do not: <ul style="list-style-type: none"> <li>• Identify which bills contain estimations to facilitate printing on the relevant bill</li> <li>• Provide for customers to be notified that their bill has been calculated using estimated metering data.</li> </ul>	
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<p><b>Recommendation 5/2010</b></p> <p>Alinta implement a procedure to address the requirements of s.4.8(2) of the Code by notifying customers when an estimation has been used to produce a bill.</p>	<p><b>Action plan 5/2010</b></p> <p>Alinta will implement a procedure to notify customers when estimated metering data has been used to produce a bill, addressing the requirements of s.4.8(2) of the Code.</p> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 December 2010</p>
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<p><b>Issue 6/2010</b></p> <p><b>Obligation 171, 173-175 and 212 - Code of Conduct clause 4.17(2), 4.19(2), 4.19(3), 4.19(5) and 7.2</b></p> <p>Alinta has a number of obligations under the Electricity Code of Conduct, which have associated target timeframes or require action to be taken in a specified sequence. For example, clause 4.19(3) of the Electricity Code of Conduct requires Alinta to repay any overcharged amount to a customer within 12 days of receiving instructions from the customer. In these cases, Alinta is exposed to breaching its obligations if its standard business processes are not upheld.</p> <p>Alinta uses a standard set of reports to facilitate the monitoring of its business operations; however those reports do not encapsulate monitoring of Alinta's timeframe requirements under the Electricity Code of Conduct.</p> <p>An effective exception reporting arrangement will provide Alinta with greater certainty that breaches have not occurred, as well as the opportunity to forecast transactions at risk of breaching target timeframes.</p>	
<p><b>Recommendation 6/2010</b></p> <p>Alinta:</p> <ol style="list-style-type: none"> <li>Investigate the feasibility of implementing an exception reporting and monitoring regime, particularly for obligations where a time frame is prescribed</li> <li>Refine its existing repertoire of standard reports to support effective monitoring of its business operations.</li> </ol>	<p><b>Action Plan 6/2010</b></p> <p>Alinta will:</p> <ol style="list-style-type: none"> <li>Investigate the feasibility of implementing an exception reporting and monitoring regime, particularly for obligations where a time frame is prescribed</li> <li>Refine its existing repertoire of standard reports to support effective monitoring of its business operations.</li> </ol> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 March 2011</p>

<p><b>Issue 7/2010</b></p> <p><b>Obligation 211 - Code of Conduct clause 7.1</b></p> <p>We determined that:</p> <ul style="list-style-type: none"> <li>Alinta has manual processes in place to manage the issuance of reminder notices and disconnection warnings to customers</li> <li>The single disconnection that took place during the audit period was handled in a manner that complied with the timeframes specified by the Code.</li> </ul> <p>As Alinta's existing manual processes are exposed to breaching the required timeframes, Alinta can strengthen its processes and its ability to demonstrate compliance with the requirements of the Code.</p>	
<p><b>Recommendation 7/2010</b></p> <p>Alinta either:</p> <ol style="list-style-type: none"> <li>Automate the reminder notice and disconnection warning processes within Gentrack</li> <li>Update its procedures to: <ul style="list-style-type: none"> <li>Formalise the reminder notices and disconnection warnings process, so that customers are only sent a reminder notice once a reminder notice has been issued</li> <li>Ensure that the customer profile is updated to reflect communication with the customer so as to facilitate monitoring and reporting.</li> </ul> </li> </ol>	<p><b>Action Plan 7/2010</b></p> <p>Alinta will:</p> <ol style="list-style-type: none"> <li>Update its procedures to <ul style="list-style-type: none"> <li>Formalise the reminder notices and disconnection warnings process</li> <li>Ensure that the customer profile is updated to reflect communication with the customer so as to facilitate monitoring and reporting.</li> </ul> </li> <li>Investigate the automation of reminder notices and disconnection warning notices within its replacement customer system (due in December 2011)</li> </ol> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 December 2010</p>

<b>Issue 8/2010</b> <b>Obligation 217 - Code of Conduct clause 7.7(1)</b> <p>As Alinta has no records of customers providing confirmation that a person residing at the customer's supply address requires life support equipment, this obligation was not triggered during the audit period. However, we observed that Alinta has the following opportunities to be in a better position to demonstrate its compliance in future:</p> <ul style="list-style-type: none"> <li>• The current contract establishment process does not prompt Alinta staff to obtain the customer's advice on whether life support equipment is required by a person residing at the customer's premises. We recognise that Alinta's current non-standard contract informs customers of the customer's obligation to inform Alinta in such circumstances</li> <li>• The critical code requirement on the Gentrack customer account profile is not a mandatory field to be completed (either at or subsequent to the contract establishment)</li> <li>• Alinta has not developed policy or procedural guidance to records of customers requiring life support equipment.</li> </ul>	
<b>Recommendation 8/2010</b> <p>Alinta:</p> <ul style="list-style-type: none"> <li>(a) Update current account connection procedures to specifically request confirmation from the client that there are no life support requirements connected to the supply address</li> <li>(b) Update Gentrack to require the 'critical code' option on a customer profile to be a mandatory field</li> <li>(c) Train staff in the requirements of establishing, monitoring and reporting on life support requirements.</li> </ul>	<b>Action Plan 8/2010</b> <p>Alinta will:</p> <ul style="list-style-type: none"> <li>(a) Update current account connection and contract renewal procedures to specifically require confirmation from the customer that there are no life support requirements connected to the supply address</li> <li>(b) Update Gentrack to require the 'critical code' option on a customer profile to be a mandatory field</li> <li>(c) Train staff in the requirements of establishing, monitoring and reporting on life support requirements.</li> </ul> <p><b>Responsible Person:</b> Manager Sales and Marketing and Manager Customer Services</p> <p><b>Target Date:</b> 30 June 2011</p>
<b>Issue 9/2010</b> <b>Obligation 238 - Code of Conduct clause 10.1(1)</b> <p>During the period subject to audit, Alinta had not communicated increases in Western Power network charges to customers subject to an unbundled contract.</p>	
<b>Recommendation 9/2010</b> <p>Alinta implement a method of communicating to customers any changes that will affect the customer.</p>	<b>Action Plan 9/2010</b> <p>Alinta will include the following statement on the bills of affected customers in the billing cycle following an adjustment to prices:</p> <p><b>“Adjustment to prices</b>          If provided for in your contract, the prices charged under the contract have been adjusted to reflect movements in the Consumer Price Index and/or network charges.          Please call Alinta on 13 13 58 for further information.”</p> <p><b>Responsible Person:</b> Manager Customer Services</p> <p><b>Target Date:</b> 31 December 2010</p>

<p><b>Issue 10/2010</b></p> <p><b>Obligation 267 - Code of Conduct clause 12.1(1)</b></p> <p>Alinta has developed a Customer Complaints Handling Policy specifically for electricity related activities and designed to comply with AS ISO 10002 – 2006. We also recognise that the volume of complaints received from Alinta's electricity customers is low, enabling staff and management to have greater visibility of all complaints received.</p> <p>However, we note the following opportunities for Alinta to better monitor its complaints related activities and to manage compliance with specific requirements of the Code of Conduct:</p> <ul style="list-style-type: none"> <li>• The policy document does not reflect the complaint acknowledgement and response service standards to be achieved (we note the general service standard to respond to all complaints within 7 days)</li> <li>• The responsibility for reviewing complaints has not been delegated to a responsible person</li> <li>• Complaints handling data/performance for electricity customers does not form part of management reporting</li> <li>• Complaints were not recorded in a consistent manner within Gentrack, which resulted in an incomplete complaints report being presented to the audit.</li> </ul>	
<p><b>Recommendation 10/2010</b></p> <p>Alinta:</p> <ul style="list-style-type: none"> <li>(a) Designate responsibility for reviewing complaints data</li> <li>(b) Update the Customer Complaints Handling Policy so that: <ul style="list-style-type: none"> <li>• The service standards required by the Code of Conduct are acknowledged</li> <li>• Complaints are reviewed on a monthly basis by the designated staff member</li> </ul> </li> <li>(c) Update the Management Operational report so that electricity complaints indicators are reported</li> <li>(d) Roll out complaints handling training to relevant staff member to ensure complaints are correctly handled and recorded.</li> </ul>	<p><b>Action Plan 10/2010</b></p> <p>Alinta will:</p> <ul style="list-style-type: none"> <li>(a) Designate responsibility for reviewing electricity complaints data on a monthly basis to an identified position</li> <li>(b) Update its Complaints Handling Policy to explicitly recognise the service standards specified in the Code of Conduct</li> <li>(c) Update the Management Operational report to include electricity complaints indicators</li> <li>(d) Provide ongoing complaints handling training to relevant staff member to ensure complaints are correctly handled and recorded.</li> </ul> <p><b>Responsible Person:</b> Manager Customer Services  <b>Target Date:</b> 31 December 2010</p>
<p><b>Issue 11/2010</b></p> <p><b>Obligation 268 and 269 - Code of Conduct clause 12.1(2) and 12.1(3)</b></p> <p>Although we did not observe any evidence to indicate Alinta's complaints handling process does not comply with the specific requirements of the Code of Conduct, we observed the following aspects of the process and formal documentation which can be strengthened to enable Alinta to better demonstrate its compliance with the requirements of the Code of Conduct:</p> <ul style="list-style-type: none"> <li>• The information that will provided to a customer when a complaint is made (s.12.1(2)(b)(ii)(B))</li> <li>• How Alinta will handle complaints about a marketer or marketing activities (s.12.1(2)(c))</li> <li>• Providing the reasons for an outcome relating to a customer complaint and on request providing such reasons in writing (s.12.1(3)(b)).</li> </ul>	
<p><b>Recommendation 11/2010</b></p> <p>Alinta:</p> <ul style="list-style-type: none"> <li>• Update the Customer Complaints Handling Policy to include the requirements of s.12.1 of the Code of Conduct</li> <li>• Formally communicate the updated Customer Complaints Handling Policy to staff.</li> </ul>	<p><b>Action Plan 11/2010</b></p> <p>Alinta will:</p> <ul style="list-style-type: none"> <li>• Update its Customer Complaints Handling Policy to explicitly detail the requirements of s.12.1 of the Code of Conduct</li> <li>• Formally communicate the updated Customer Complaints Handling Policy to staff.</li> </ul> <p><b>Responsible Person:</b> Manager Customer Services  <b>Target Date:</b> 31 January 2011</p>

# Appendix B – References

## Key Alinta staff participating in the audit

- Michelle Shepherd                      General Manager Regulatory Affairs
- Catherine Rousch                      Manager Regulatory Compliance
- Ray Myles                                Manager Customer Services
- Senior Regulatory Analyst
- Large Accounts Manager
- Acting Sales Manager SME
- Manager Accounting and Planning
- Energy Billing Officer
- Customer Care Coordinator
- Coordinator Contact Centre
- Team Leader – Customer Service
- Team Leader – Billing & Payments
- Team Leader – Credit Management
- Retail Sales Officer – New Connections.

## Deloitte staff participating in the audit

Name	Position	Hours
• Richard Thomas	Partner	12
• Andrew Baldwin	Account Director	109
• Jin Sua	Senior Analyst	118
• Amit Grover	Senior Analyst	61
• Emlyn King	Analyst	89
• Darren Gerber	Partner (Quality Assurance Review)	2

## Key Documents and other information sources examined

- Alinta Sales Pty Ltd 2009/10 Annual Electricity Performance Report
- Alinta Sales Pty Ltd 2010/11 Annual Electricity Compliance Report
- Confirmations from Manager Customer Services, Manager Regulatory Compliance, General Manager Regulatory Affairs, Senior Regulatory Analyst, Manager Accounting & Planning and Energy Billing Officer
- Alinta Sales Pty Ltd Electricity Supply Standard Form Contract – July 2011
- Alinta Sales Pty Ltd Commercial Electricity Supply Small Use Commercial Customer - Standard Terms and Conditions
- Correspondence between Alinta and the Authority regarding standard form contracts review 20 April 2011
- Alinta Sales Pty Ltd Customer Complaint Handling Process – Electricity
- Customer complaints report 2012
- Status update report for complaints as at August 2012
- Alinta Sales Pty Ltd Electricity Customer Service Charter September 2009
- Alinta Sales Pty Ltd Electricity Customer Service Charter April 2012
- Records of payment of Alinta's Electricity Retail Licence ERL6 invoice from the Authority
- Electricity Retail Licence Performance Reporting Handbook - May 2012

- Correspondence with the Authority regarding submission of reports
- Unbilled installations report - June 2012
- Gentrack reconciliation document – April 2011
- Alinta “SALT” training folio
- Examples of bills to customers
- Examples of reminder notices to customers
- Examples of disconnection warning notices template
- Disconnection warning notices and reminder notices for disconnections due to failure to pay a bill
- Standard bill template
- Alinta Sales Hardship Policy – Electricity
- Electricity Industry Metering Code 2005
- Code of Conduct for the Supply of Electricity to Small Use Customers
- Electricity Industry Customer Transfer Code 2004
- Electricity Industry Act 2004
- Electricity Industry (Licence Conditions) Regulations 2005
- Electricity Industry (Obligation to Connect) Regulations 2005
- Electricity Industry (Licensing Fees) Regulations 2005
- Electricity Industry (Customer Contracts) Regulations 2005
- Alinta Electricity Retail Licence ERL6.

# Appendix C – Post Audit Implementation Plan

## Issue 1/2012

### Obligation 108

#### *Electricity Industry Act section 54(1)*

Alinta's processes require electricity to be provided to small use customers through the approved non-standard form contract "Commercial Electricity Supply Agreement", with the accompanying Small Use Commercial Customer Standard Terms and Conditions.

In November 2011, Alinta renewed a contract with a customer as a large use customer (under the Commercial Electricity Sale Agreement: Standard Terms and Conditions (160 MWh+)). As this customer had reverted to a small use customer status at the time of renewing the contract, Alinta did not comply with the requirement to use the approved non-standard form contract for small use commercial customers.

### Recommendation 1/2012

Alinta strengthen its customer contract renewal processes to ensure it:

- (a) Identifies customers whose status changes between Large Use and Small Use
- (b) Advises such customers of any change in status, provides the appropriate information to those customers and effects any necessary change in the contractual arrangements.

### Action Plan 1/2012

Alinta will develop and implement additional customer contract renewal processes to:

- (a) Identify customers whose status changes between Large Use and Small Use at the commencement or renewal of the contract
- (b) Advise customers accordingly and provide the appropriate information to such customers.

**Responsible Person:** SME Sales Renewals Manager

**Target Date:** Completed by 30 November 2012

## Issue 2/2012

### Obligations 125, 318 and 319

#### *Retail Licence condition 17.1 and 17.2, Code of Conduct clauses 13.15(1) and 13.15(3)*

The General Manager Regulatory Affairs confirmed that Alinta published its 2009/10 and 2010/11 Code of Conduct performance reports, which set out the information required by Part 13 of the Code of Conduct to its website by 1 October each year and not less than 7 days after providing the reports to the Authority and the Minister.

However, Alinta is currently unable to readily provide evidence of the Code of Conduct performance reports' submission to the Minister and subsequent publication date. Alinta has an opportunity to strengthen its procedures to record the date on which reports are provided to the Minister and the Authority and subsequently published, therefore evidencing compliance with the specified timeframes.

### Recommendation 2/2012

Alinta establish a process for evidencing the date on which relevant performance reports are:

- Presented to the Authority and the Minister
- Published on its website.

### Action plan 2/2012

Alinta will establish a process for evidencing the date on which relevant performance reports are presented to the Authority and Minister and subsequently published on its website.

**Responsible person:** Manager Regulatory Compliance

**Target date:** Completed by 14 September 2012



**Issue 3/2012****Obligations 172 and 173****Code of Conduct clauses 4.8(1) and 4.8(2)**

Alinta's billing processes provide for estimated bills to be generated based on Western Power's relevant calculations in accordance with the requirements of the Code.

However those processes currently do not:

- Identify which bills contain estimates to facilitate printing on the relevant bill
- Provide for customers to be notified that their bill has been calculated using estimated metering data.

These obligations were also rated as non-compliant in the 2010 performance audit report. Alinta has not yet completed the identified corrective action (requiring billing system enhancements) to address the non-compliance.

We acknowledge that Alinta has engaged with its billing system vendor to enable automated notification on customer bills when estimated metering data is used for the generation of bills. At the time of this audit, the required functionality had not been successfully implemented, with a priority for completion by October 2012.

**Recommendation 3/2012**

As a matter of priority, Alinta finalise billing system enhancements to address the requirements of s.4.8(2) of the Code through notification of customers when an estimation has been used to produce a bill.

**Action Plan 3/2012**

Alinta will finalise billing system enhancements to address the requirements of s.4.8(2) of the Code.

**Responsible Person:** Manager Customer Services

**Target Date:** Completed by 31 October 2012

**Issue 4/2012****Obligation 269****Code of Conduct clause 10.1(1)**

Although Alinta has attempted to demonstrate it has given appropriate notice to customers affected by tariff changes, the manner of notification does not fully comply with the Code requirement to give notice as soon as practicable after a specific variation is published and, in any event, no later than the next bill in a customer's billing cycle. That is, the "blanket" notification does not adequately inform affected customers of an actual tariff variation.

**Recommendation 4/2012**

Alinta implement the most appropriate method for notifying individual customers of any changes in tariffs on the customer's next bill, in accordance with the requirements of Clause 10.1 of the Code.

**Action Plan 4/2012**

Alinta will investigate and establish a plan for implementing the most appropriate method for notifying individual customers of any changes in tariffs on the customer's next bill.

**Responsible Person:** Manager Customer Services

**Target Date:** 31 March 2013



**Issue 5/2012****Obligation 277****Code of Conduct clause 10.3A**

Clause 10.3A of the Code came into effect from 1 July 2010, requiring Alinta to (at least once a year) provide all small use customers with written details of Alinta's obligation to make the service standard payments listed in Part 14 of the Code.

During the period 1 July 2010 to 31 May 2012, Alinta had not provided the required notification at any time, therefore not complying with the requirement for at least the first year. This issue was reported in Alinta's 2010/2011 ERL6 Licence Compliance report to the Authority, with a commitment to rectify the matter by providing customers with an appropriate written notice at least annually.

Alinta has also not yet confirmed the relevant "annual period" (e.g. financial year, calendar year, licence year).

**Recommendation 5/2012**

Alinta implement a procedure to address the requirements of s.10.3A of the Code by notifying customers on an annual basis of Alinta's obligation to make service standard payments as listed in Part 14 of the Code. This procedure should specify what constitutes a "year" for the purposes of the Code requirement.

**Action Plan 5/2012**

Alinta has updated the "Bill" templates and testing is currently underway.

Once completed, appropriate notification relating to the requirements of s10.3A of the Code will be included with every electricity bill issued (therefore satisfying the "at least once a year" requirement).

**Responsible Person:** Manager Customer Services

**Target Date:** Completed by 31 October 2012

**Issue 6/2012****Obligation 295****Code of Conduct clause 12.1(1)**

We acknowledge that Alinta has enhanced its customer complaints handling process by implementing improvements per the 2010 audit post audit implementation plan. This audit highlights the following matter as requiring further attention:

The Customer Complaints Report presented to us on 12 July 2012 contained 15 complaints records where the resolution status of the complaint was recorded as either “in progress” or “not known”, plus two records with no resolution status recorded. In all cases, the complaint had been received at least one month earlier than the status report. We understand that this situation occurred where the responsibility for complaint resolution was assigned to staff outside the Energy Billing team and no status update on the complaint was obtained to update the complaint status in Gentrack. A revised Customer Complaints Report presented to us on 9 August 2012 provided an updated record of the complaints resolution status and in one case, reclassification of the customer’s contact as an “enquiry”.

In these circumstances, Alinta is not able to effectively demonstrate that its internal complaints handling processes are working as intended to ensure that complaints are appropriately recognised and resolved.

**Recommendation 6/2012**

Alinta:

- (a) Amend the complaints handling process to include a feedback path to ensure the correct complaint status and details are captured in Gentrack, regardless of which department is handling the complaint
- (b) Implement exception reporting or alerts to follow up on all non resolved complaints with the necessary personnel and capture any progress updates in Gentrack.

**Action Plan 6/2012**

Alinta has reviewed the existing process for complaint management in relation to electricity customers and will:

- (a) Update the process to ensure the complaint status is updated and captured in the Gentrack system
- (b) Allocate responsibility to appropriate staff members to manage complaints
- (c) Train appropriate staff for recording related information in the Gentrack system
- (d) Implement processes to identify and report on resolution timeframes
- (e) Allocate responsibility to a dedicated resource to manage and report on electricity complaints.

**Responsible Person:** Manager Customer Services

**Target Date:** Completed by 30 September 2012