

Horizon Power

**Electricity Integrated Regional
Licence (EIRL 2)**

**2013 Performance Audit
(Independent Assurance) Report**

August 2013

Mr Christo van Rensburg
Manager Risk, Audit and Governance
Horizon Power
18 Brodie-Hall Drive
Bentley WA 6102

7 August 2013

Dear Christo

Electricity Integrated Regional Licence (EIRL 2) Performance Audit Report

We have completed the Electricity Integrated Regional Licence Performance Audit for Horizon Power for the period 1 April 2011 to 31 March 2013 and are pleased to submit our report to you.

I confirm that this report is an accurate presentation of the 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



Richard Thomas
Partner
Deloitte Touche Tohmatsu

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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 Regional Power Corporation's (**Horizon Power**) compliance with the conditions of its Electricity Integrated Regional 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**).

Horizon Power's responsibility for compliance with the conditions of the Licence

Horizon Power 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
- Implementing corrective actions for instances of non-compliance (if any).

Deloitte's responsibility

Our responsibility is to express a conclusion on Horizon Power's compliance with the conditions of the Licence based on our audit procedures. We conducted our engagement in accordance with the Audit Guidelines and the Australian Standard on Assurance Engagements (**ASAE**) 3500 *Performance Engagements*¹ 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 and set out in Appendix A.

Limitations of use

This report is made solely to the management of Horizon Power for the purpose of its reporting requirements under section 13 of the Electricity Industry Act 2004 (**the Act**). We disclaim any assumption of responsibility for any reliance on this report to any person other than the management of Horizon Power, 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.

¹ 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*.

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 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, Horizon Power has, in all material respects, complied with the conditions of its Licence for the period 1 April 2011 to 31 March 2013.

Exceptions

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

Reporting manual no. & Licence condition	Issue
<p>75 <i>Electricity Industry (Obligation to Connect) Regulations reg 6 -</i> A distributor that is obliged to attach or connect premises to the distribution system under regulation 4 of the Electricity Industry (Obligation to Connect) Regulations must do so within a defined timeframe.</p>	<p>In accordance with the action plan devised in response to the non-compliance reported by the 2011 performance audit, Horizon Power was to extend its connection processes through a letter for distribution to customers where, through discussion with the relevant electrical contractor, it is identified that the expected connection completion date would fall outside the 20 day timeframe. The letter was designed to enable Horizon Power to have obtained customers' acceptance of a revised connection timeframe and therefore to maintain compliance with the Regulations. However this process has not been implemented.</p> <p>A summary report of all 3,965 completed connection service orders for the period 1 April 2011 to 31 March 2013 evidenced that 15 new connections were not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.</p>

Reporting manual no. & Licence condition	Issue
<p>114 <i>Integrated Regional Licence condition 23.1 -</i> A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable Codes.</p> <p>129 <i>Code of Conduct clause 2.1</i> “Retailers to ensure electricity marketing agents comply with this Part”</p> <p>133 <i>Code of Conduct clause 2.3(2)-</i> “Information to be given before entering into a contract”</p> <p>135 <i>Code of Conduct clause 2.4(1)</i></p> <p>136 <i>Code of Conduct clause 2.4(2)</i></p> <p>137 <i>Code of Conduct clause 2.4(3)</i> “Information to be given at the time of or after entering into a contract”</p>	<p>The requirements of Part 2 of the Code of Conduct, which are relevant to Horizon Power's operations relate to dealings with customer contracts and the provision of required information to customers when establishing an account.</p> <p>Following a severe flood event that destroyed the Warmun community and all of Horizon Power's prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.</p> <p>In relation to the requirements of Part 2 of the Code of Conduct, neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts. We interpret the Code of Conduct to mean that the Department of Housing acted as a customer representative in establishing new connections and advising customers of relevant tariffs for credit meters.</p> <p>We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.</p> <p>As a continued theme from the 2009 and 2011 performance audits, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code's requirements in relation to the Warmun community's customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.</p>
<p>124 <i>Integrated Regional Licence condition 23.1 -</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.</p>	<p>Horizon Power is required to submit compliance reports to the Authority by 31 August each year. Horizon Power submitted its 2011 compliance report to the Authority on-time, however although a copy of the 2012 compliance report was emailed to the Authority by 31 August 2012, the required hard copy was submitted one business day late.</p>

Reporting manual no. & Licence condition		Issue
148	Code of Conduct clause 4.1 – A retailer must issue a bill no more than once a month and at least once every three (3) months, unless under the circumstances specified.	<p>Upon examination of monthly unbilled installation reports and confirmation from the Manager Customer Service, we determined that:</p> <ul style="list-style-type: none"> • Following the 2011 performance audit, there have been no known instances of a customer being systematically billed more than once per month, other than in the instance of a special bill (for which specific agreement is reached with the customer) • Despite efforts to manage the volume of unbilled installations, Horizon Power has continued to consistently breach the 'at least one bill every three months' Code requirement. The volume of unbilled installations greater than 90 days fluctuated from month to month throughout the audit period • Horizon Power's processes do not provide for obtaining the customer's verifiable consent for billing outside the required timeframes. Horizon Power has verbally notified the Authority's Secretariat of its non-compliance with the Code of Conduct.
162 407 408	Code of Conduct clause 4.7 <i>"Frequency of meter readings"</i> Metering Code clause 5.4(1) Metering Code clause 5.4(1A) <i>"Network operator must do at least one meter reading that provides an actual value per year that passes validation"</i>	<p>In January 2012, Horizon Power implemented an improved process for managing the volume of meters that had not had an actual meter read within the 12 month timeframe specified by the Code. Despite a reduction in the volume of breaches of this requirement, Horizon Power has continued to experience a volume of breaches which it considers to be unacceptably high.</p>

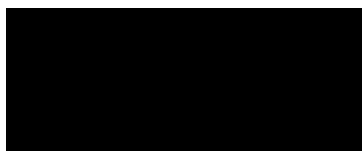
Reporting manual no. & Licence condition	Issue
<p>180 Code of Conduct clause 4.18(2) - If a customer (including a customer who has vacated the supply address) has been overcharged as a result of an error, defect, or default for which a retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must use its best endeavours to inform the customer within 10 business days of a retailer becoming aware of the error, defect, or default, and, subject to subclause 4.18(6), ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.</p>	<p>Section 4.18(6) of the Code allows, where a customer has been overcharged by an amount less than \$75, Horizon Power to credit the amount to the customer's account and notify the customer by the next bill. However, for amounts overcharged that are greater than \$75, Horizon Power must ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer. For overcharge amounts greater than \$75, Horizon Power's procedures do not provide for the customer to be informed of the refund option available. By default, Horizon Power will credit the amount to the customer's account unless requested otherwise.</p>
<p>197 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.</p>	<p>Testing of a sample of final read service orders completed during the audit period identified that, based on records of customer correspondence in Velocity, two customers were billed for consumption outside the Code requirements (one and two business days late respectively). Horizon Power has not established a compliance monitoring system to identify customers who have been billed for consumption outside the timeframes required by the Code.</p>
<p>222 Code of Conduct clause 6.10(5) - Unless otherwise notified in writing by the Authority, a retailer must review its hardship policy at least annually and submit to the Authority the results of that review within five (5) business days of its completion.</p>	<p>After the Authority completed its review of the 2010 Horizon Power Financial Hardship Policy in September 2011, Horizon Power believed that it would not be required to review its policy for submission to the Authority for the year ending 31 December 2011. Upon confirmation from the Authority in February 2012 that the review was required, Horizon Power initiated the review process and submitted the revised policy to the Authority in April 2012. As such, Horizon Power breached its obligation to review its Hardship Policy and to submit to the Authority within the required timeframe. Horizon Power's compliance calendar did not adequately recognise this annual compliance obligation, however has since been updated to accurately reflect this requirement.</p>

	Reporting manual no. & Licence condition	Issue
225	Code of Conduct clause 7.1(1) – Prior to arranging for disconnection of a customer's supply address for failure to pay a bill, a retailer must give the customer a reminder notice not less than 13 business days from the date of dispatch of the bill, including the information specified, use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified.	<p>Our testing of 30 of 3,276 disconnection service orders raised during the period 1 April 2011 to 31 March 2013, identified the following:</p> <ul style="list-style-type: none"> Although all reminder and disconnection notices were issued in the appropriate timeframes, for two disconnection service orders, a reminder notice was issued for the total outstanding debt owed by the customer, including an amount billed less than 13 business days from the date of that reminder notice. These exceptions appear to be a recurrence of the Velocity system issues noted by the 2011 performance audit where reminder notices contain total overdue amounts relating to multiple bills.
231	Code of Conduct clause 7.7(1) - Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment the retailer must comply with subclause 7.7(1).	<p>Clause 7.7(1)(b) of the Code, which came into effect on 1 January 2013, requires Horizon Power to (upon the appropriate confirmation) register the life support equipment required by the customer.</p> <p>At the time of this audit, Horizon Power's Life Support Customer Register did not include details of the life support equipment required by the customer. Accordingly, for those new life support customers recognised and registered from 1 January 2013, Horizon Power has not complied with the Code's requirements.</p>
237	Code of Conduct clause 8.2 – A distributor must reconnect the customer's supply address upon the request of a retailer, within the timeframes specified.	<p>During the period 1 April 2011 to 31 March 2013, Horizon Power made six service standard payments for not reconnecting a customer's supply address in the timeframes specified by section 8.2 of the Code. Our testing of 20 of 4,137 reconnection service orders processed for the period 1 April 2011 to 31 March 2013 did not identify any further instances of non-compliance with those timeframes.</p>

Reporting manual no. & Licence condition	Issue
<p>340 Metering Code clause 3.1 <i>"Meters must comply with metrology procedure and National Measurement Act"</i></p> <p>348 Metering Code clause 3.5(3) <i>"Requirements for a metering installation"</i></p> <p>351 Metering Code clause 3.5(9) <i>"Requirements for a metering installation"</i></p> <p>354 Metering Code clause 3.9(3) <i>"Metering installation types and accuracy requirements"</i></p> <p>355 Metering Code clause 3.9(7) <i>"Metering installation types and accuracy requirements"</i></p>	<p>The 2011 performance audit recognised Horizon Power's doubts whether its meters were compliant with relevant requirements and specifications. A Metering Management Plan was developed detailing Horizon Power's approach to testing its meters, including sample sizes, metrology requirements subject to testing and reporting of the results.</p> <p>The results of the sample meter testing performed by Formway Group Metering Pty Ltd (Formway Group) in February and June 2011, for both single and three phase meters were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010.</p> <p>Clause 3.14(1) and (2) provides an exemption to all meters installed pre the 2005 Metering Code, or committed to and installed within 18 months after the 2005 Metering Code commenced. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.</p> <p>Action has not yet been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.</p> <p>At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.</p>

Reporting manual no. & Licence condition	Issue
<p>370 <i>Metering Code clause 3.14(3)</i> – If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.</p>	<p>Clause 3.14 of the Metering Code provides for transitional arrangements for metering installations commissioned prior to the commencement of the 2005 Metering Code.</p> <p>The Manager Customer Service confirmed that Horizon Power has audited approximately half of its relevant power station and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> • Horizon Power has doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1. We note that those installations currently fall within the transitional arrangements outlined in clause 3.14, with the exception of clauses 3.3A and 3.11A, which are applicable to all licensees regardless of when the metering installations were commissioned • One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1. Horizon Power is currently developing a cost estimate to rectify the affected metering installation.
<p>494 <i>Network Quality & Reliability of Supply Code 2005 clause 19</i> – A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe if a supply interruption exceeds 12 hours.</p>	<p>The Electricity Industry (Network Quality & Reliability of Supply) Code requires extended outage payments to be made within 30 days of the customer's application. For the period between 1 April 2011 and 31 March 2013, Horizon Power made 60 extended outage payments, of which one was made outside of the 30 day timeframe. This breach was not formally recognised by the officer responsible for maintaining Horizon Power's Extended Outage Payment Scheme Spreadsheet. Further, the spreadsheet is currently not structured to measure the timeframe since application and therefore to monitor compliance with the payment timeframe requirements.</p>

DELOITTE TOUCHE TOHMATSU



Richard Thomas
Partner
Perth, August 2013

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 Regional Power Corporation (**Horizon Power**) an Electricity Integrated Regional Licence (the **Licence**). The Licence relates to Horizon Power's electricity generation, transmission, distribution and retail operations.

Horizon Power is the sole supplier and retailer of electricity services to two major interconnected systems, the North West Interconnected System (**NWIS**) in the Pilbara and the interconnected transmission network between Kununurra and Wyndham, as well as 38 non-interconnected or islanded systems in regional towns and remote communities.

Section 13 of the Act requires Horizon Power 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 Horizon Power's internal control procedures, structure and environment, its compliance culture and its information systems specifically relevant to those licence obligations subject to audit, we observed that Horizon Power has:

- Implemented control improvements associated with elements of non-compliance and areas for improvement since the last audit
- Otherwise maintained consistent procedures and controls designed to:
 - Meet its customer service standards relating to customer connections, billing communication and complaint handling
 - Uphold the integrity of its reporting to the Authority and other statutory organisations on matters specific to its Licence obligations
- Recognised further instances of non-compliance throughout the audit period. As a result, associated control improvements were implemented and/or the matter of non-compliance was brought to the attention of this audit
- Continued to demonstrate an awareness of and commitment to regulatory compliance, although some further attention is still required to fully develop a suitable compliance management framework, which will ensure full compliance
- Allocated responsibilities to specific Managers and staff for meeting key Licence obligations. Although significant reliance is still placed on the Manager Customer Service for managing and monitoring the majority of Horizon Power's compliance activities, there is evidence of other staff and managers playing a more effective compliance management and monitoring role
- Maintained full support for its Gentrack Velocity Customer Information System (**Velocity**) and Metering system (**mDATA21**).

2.3 Findings

The following tables summarise the assessments made by the audit on Horizon Power'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							
			Non-compliant		Compliant			Total
Audit Priority ²	N/A ³	Not rated ⁴	1	2	3	4	5	
Priority 1	55	-	-	-	-	-	-	-
Priority 2		3	-	7	-	2	10	22
Priority 3		-	-	4	-	-	4	8
Priority 4		158	-	12	-	8	224	402
Priority 5		32	-	2	1	-	27	62
N/A								
Total	55	193	-	25	1	10	265	549

For the audit period 1 April 2011 to 31 March 2013, a total of 25 licence obligations were rated as non-compliant. Of those non-compliant ratings:

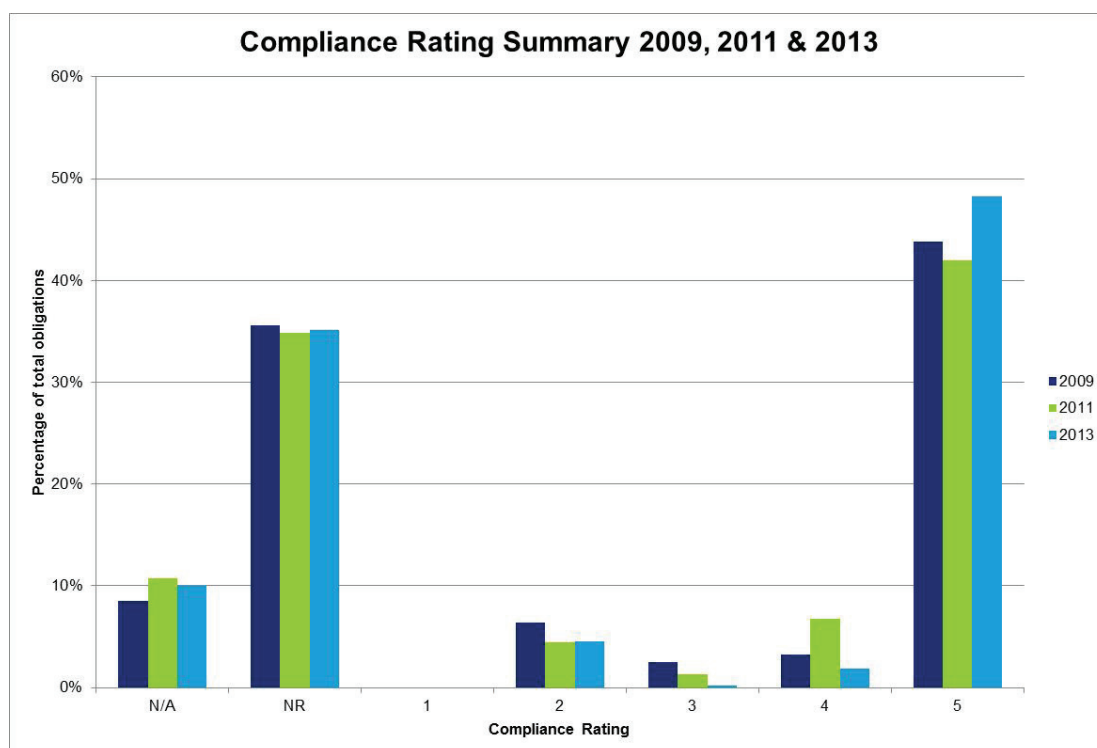
- 12 related to obligations that were also non-compliant for the 2011 performance audit period. In these cases, while action has been taken to address the root cause of the non-compliance, that action either remains outstanding or has not been effective. This report details updated action plans relevant to those items
- One related to a new requirement of the Electricity Industry (Metering) Code 2012, effective 7 December 2012
- One related to a new requirement of the Code of Conduct 2012, effective 1 January 2013
- Six related to a single matter surrounding the establishment of contracts and provision of information to customers within one community
- The remaining five related to new issues identified during this audit period.

The following graph compares Horizon Power's overall compliance position, by compliance rating, for the current audit (2013) and the previous two audits (2011 and 2009). In order to draw a normalised comparison between the three audit periods, the total for each compliance rating has been calculated as a percentage of the total number of obligations for each respective audit period.

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

³ Obligations assessed as not applicable to Horizon Power's operations are detailed in the Audit Plan at Appendix A

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



Graph 1: Summary of findings, by audit priority (2009, 2011 and 2013 comparison)

Overall, this audit observed:

- A slight increase since 2011 in the number of obligations with a compliance rating of 2, which is indicative of a number of recurring non-compliant obligations, plus the four new compliance requirements that came into effect in the latest revisions of the Metering Code (7 December 2012) and the Code of Conduct (1 January 2013)
- A reduction in the number of obligations with a compliance rating of 3 and 4, combined with an increase in the number of obligations with no further action required to maintain compliance. This result suggests that Horizon Power has continued to make incremental progress toward an improved compliance environment.

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 Horizon Power’s response to previous audit recommendations

This audit considers how Horizon Power has progressed against the post audit implementation plan (PAIP) detailed in the 2011 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 Horizon Power has either Completed or Closed out 22 of the 28 action plans detailed in the 2011 performance audit report. The remaining six action plans are assessed to be Superseded with a new recommendations and action plans captured in the 2013 performance audit.

Refer to section 5 of this report for further detail.

2.5 Recommendations and action plans

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 1/2013
75	<p><i>Electricity Industry (Obligation to Connect) Regulations reg 6 -</i></p> <p>A distributor that is obliged to attach or connect premises to the distribution system under regulation 4 of the Electricity Industry (Obligation to Connect) Regulations must do so within a defined timeframe.</p>	Priority 4	Non-compliant - 2	<p>In accordance with the action plan devised in response to the non-compliance reported by the 2011 performance audit, Horizon Power was to extend its connection processes through a letter for distribution to customers where, through discussion with the relevant electrical contractor, it is identified that the expected connection completion date would fall outside the 20 day timeframe. The letter was designed to enable Horizon Power to have obtained customers' acceptance of a revised connection timeframe and therefore to maintain compliance with the Regulations. However this process has not been implemented.</p> <p>A summary report of all 3,965 completed connection service orders for the period 1 April 2011 to 31 March 2013 evidenced that 15 new connections were not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.</p>
<p>Recommendation 1/2013</p> <p>Horizon Power further amend its new connection procedures to appropriately prioritise new connection service orders and, where Horizon Power identifies that the 20 day timeframe will be breached, obtain the customer's verifiable consent.</p>				<p>Action Plan 1/2013</p> <p>(a) The new connections process will be reviewed with the intent that no new connections reach the 20 day timeframe. A component of this review is to find the root cause of these 15 late connections</p> <p>(b) Preliminary investigations found that 8 of these exceptions are as a result of contractors completing notices ahead of the work required and as a result field crew are unable to connect. Further investigation is required</p> <p>(c) Once the causes of this issue are confirmed, solutions will be considered within the customer services improvement plan, including improved reporting to monitor for compliance. The plan will be developed and then reviewed with the Authority.</p> <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 31 December 2013</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 2/2013
114	<i>Integrated Regional Licence condition 23.1 -</i> A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable Codes.	Priority 3	Non-Compliant - 2	<p>The relevant requirements of Part 2 of the Code of Conduct, relate to dealings with customer contracts and the provision of required information to customers when establishing an account.</p> <p>Following a severe flood event that destroyed the Warmun community and all of Horizon Power’s prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.</p> <p>Neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts.</p> <p>We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.</p> <p>Further, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code’s requirements in relation to the Warmun community’s customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.</p>
129	<i>Code of Conduct clause 2.1</i> <i>“Retailers to ensure electricity marketing agents comply with Part 2”</i>	Priority 3		
133	<i>Code of Conduct clause 2.3(2)</i> <i>“Information to be given before entering into a contract”</i>	Priority 4		
135	<i>Code of Conduct clause 2.4(1)</i>	Priority 4		
136	<i>Code of Conduct clause 2.4(2)</i>	Priority 4		
137	<i>Code of Conduct clause 2.4(3)</i> <i>“Information to be given at the time of or after entering into a contract”</i>	Priority 4		
Recommendation 2/2013 Horizon Power establish mechanisms to: (a) Ensure all new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained (b) Determine the full breadth of staff, contractors and other parties that would be required to participate in training on the marketing components of the Code (c) Actively monitor compliance levels for the marketing components of the Code.			Action Plan 2/2013 Horizon Power has recently appointed an Aboriginal Service Coordinator to focus on service improvements to Aboriginal communities. (a) To ensure new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained, a connections pack and process for engagement for new community connections will be developed (b) A training plan will be developed for all staff, contractors and other parties as required to achieve compliance requirements (c) Monitoring processes will be reviewed to determine where improvement can be made. Responsible Person: Customer Service Framework Coordinator Target Date: 30 September 2013	

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 3/2013
124	<p><i>Integrated Regional Licence condition 23.1 -</i></p> <p>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.</p>	Priority 4	Non-Compliant - 2	Horizon Power is required to submit compliance reports to the Authority by 31 August each year. Horizon Power submitted its 2011 compliance report to the Authority on-time, however although a copy of the 2012 compliance report was emailed to the Authority by 31 August 2012, the required hard copy was submitted one business day late.
	<p>Recommendation 3/2013</p> <p>Horizon Power modify its compliance calendar to include the requirement to submit the hard copy of compliance reports to the Authority by the 31 August deadline.</p>			<p>Action Plan 3/2013</p> <p>Modify the compliance action monitoring system to include automated notifications/reminders to submit hard copies of compliance reports.</p> <p>Responsible Person: Regulation Compliance Coordinator</p> <p>Target Date: 31 August 2013</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 4/2013
144	Code of Conduct clause 2.9(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 upon 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.	Priority 4	Compliant - 4	<p>The 2011 performance audit identified the opportunity for CSRs to more effectively record complaints.</p> <p>From a site visit to ServiceWorks, plus consideration of an increase in recorded complaints, we observed an improvement in Horizon Power's effectiveness in identifying and recording customer complaints. However, we identified instances of customer contact that suggest further improvement regarding practical interpretation of the complaint identification criteria can be achieved. Examples include:</p> <ul style="list-style-type: none"> • Instead of CSRs consistently applying the Authority's complaints recognition guidelines, ServiceWorks work practices do not mandate CSRs to record complaints unless it is either escalated to a Team Leader, or the customer agrees to formally record a complaint • A customer who was wrongfully disconnected (the correct disconnection was for another supply address) on a Friday and not reconnected until the following Monday. Although it would be reasonable to expect the customer to have expressed dissatisfaction and expected reconnection to occur immediately, there was no recorded complaint on the customer's account. In instances of wrongful disconnection, Horizon Power's usual practice is to treat the matter as a priority service task and to process a service standard payment, rather than to record and manage as a complaint • During our site visit to ServiceWorks, we observed a contact from a customer who had previously contacted Horizon Power regarding a dispute on their account. The second contact was escalated to the Team Leader, however the complaint was not recorded in Velocity.
294	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 4		
297	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.	Priority 4		

<p>Recommendation 4/2013</p> <p>Horizon Power further strengthen its complaints handling process by:</p> <ul style="list-style-type: none"> (a) More effectively training ServiceWorks' CSRs to recognise a complaint based on the key criteria from the Authority's Guidelines (b) Recording all avenues of complaints where a customer has expressed dissatisfaction, including customer service activity involving a priority resolution and associated service standard payment. 	<p>Action Plan 4/2013</p> <ul style="list-style-type: none"> (a) Horizon Power acknowledges that the process for managing complaints is relatively new and not consistent or integrated within Horizon Power. Initially a training plan will be developed to ensure all customer facing staff recognise a complaint based on the key criteria from the Authority's Guidelines (b) The required improvements include monitoring of all avenues for complaints including social media. A business case for an integrated system, based on the mainframe and available to all staff (regions, Bentley & ServiceWorks), that captures complaints from all sources and allows visibility for all customer facing staff will be developed. <p>Responsible Person:</p> <ul style="list-style-type: none"> (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator <p>Target Date:</p> <ul style="list-style-type: none"> (a) 31 December 2013 (b) 30 June 2014
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Reporting manual no. & Licence condition ref.	Audit Priority	Compliance Rating	Issue 5/2013
148	<p>Code of Conduct clause 4.1</p> <p>A retailer must issue a bill no more than once a month and at least once every three (3) months, unless under the circumstances specified.</p>	<p>Priority 2</p> <p>Non-Compliant - 2</p>	<p>Upon examination of monthly unbilled installation reports and confirmation from the Manager Customer Service, we determined that:</p> <ul style="list-style-type: none"> • Following the 2011 performance audit, there have been no known instances of a customer being systematically billed more than once per month, other than in the instance of a special bill (for which specific agreement is reached with the customer) • Despite efforts to manage the volume of unbilled installations, Horizon Power has continued to consistently breach the 'at least one bill every three months' Code requirement. As at 31 March 2013, there were 163 installations unbilled for greater than 90 days. That volume fluctuated from month to month throughout the audit period • Horizon Power's processes do not provide for obtaining the customer's verifiable consent for billing outside the required timeframes. Horizon Power has verbally notified the Authority's Secretariat of its non-compliance with the Code of Conduct.

	<p>Recommendation 5/2013</p> <p>Horizon Power establish a plan for:</p> <ul style="list-style-type: none"> (a) Further improving its billing validation and exception reporting practices to minimise the backlog of unprocessed bills and to proactively identify those accounts at risk of breaching billing frequency requirements (b) Determining what may constitute an acceptable volume of unbilled installations in order to achieve effective compliance with clause 4.1 of the Code. 	<p>Action Plan 5/2013</p> <p>Horizon Power intends to improve performance so that it does not bill outside the required timeframe (i.e. no unbilled installations in a three month period). To achieve this, a working group with ServiceWorks has been formed to review all validations and exception reporting processes. The findings from this review will be included in a customer services improvement plan that is being developed encompassing exception management, reporting and other causes of billing performance issues.</p> <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 31 December 2013</p>
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Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 6/2013
162	Code of Conduct clause 4.7 <i>“Frequency of meter readings”</i>	Priority 4	Non-Compliant - 2	In January 2012, Horizon Power implemented an improved process for managing the volume of meters that had not had an actual meter read within the 12 month timeframe specified by the Code. Despite a reduction in the volume of breaches of this requirement, Horizon Power has continued to experience a volume of breaches which it considers to be unacceptably high.
407	Metering Code clause 5.4(1)	Priority 5		
408	Metering Code clause 5.4(1A) <i>“Network operator must do at least one meter reading that provides an actual value per year that passes validation”</i>	Priority 4		
Recommendation 6/2013 Horizon Power establish a plan for: <ul style="list-style-type: none"> (a) Further improving its “must read” and exception reporting practices to minimise those accounts at risk of breaching actual meter reading data frequency requirements (b) Determining what may constitute an acceptable volume of unread meters in order to achieve effective compliance with clause 5.4 of the Code. 			Action Plan 6/2013 Horizon Power intends to improve performance so that it does not read meters outside the required timeframe (i.e. all meters are read annually). To achieve this, management meetings have been set up to report on meter reading performance. Further reporting and a process for escalation will be developed to ensure the Code is not breached. Responsible Person: Field Services and Metering Coordinator Target Date: 31 March 2014	

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 7/2013
180	<p>Code of Conduct clause 4.18(2) –</p> <p>If a customer (including a customer who has vacated the supply address) has been overcharged as a result of an error, defect, or default for which a retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must use its best endeavours to inform the customer within 10 business days of a retailer becoming aware of the error, defect, or default, and, subject to subclause 4.18(6), ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.</p>	Priority 5	Non-Compliant - 2	<p>Section 4.18(6) of the Code allows, where a customer has been overcharged by an amount less than \$75, Horizon Power to credit the amount to the customer's account and notify the customer by the next bill. However, for amounts overcharged that are greater than \$75, Horizon Power must ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.</p> <p>For overcharge amounts greater than \$75, Horizon Power's procedures do not provide for the customer to be informed of the refund option available. By default, Horizon Power will credit the amount to the customer's account unless requested otherwise.</p>
<p>Recommendation 7/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Train CSRs to advise all customers, where an overcharge greater than \$75 is identified, of the option to refund the overcharged amount as well as the option of a future credit to their account (b) Update its Payments and Billing work instructions to reflect the requirements of the Code. 		<p>Action Plan 7/2013</p> <ul style="list-style-type: none"> (a) Specific work instructions will be issued to all staff (Regions, Bentley & ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge. A training plan will also be developed to ensure CSR's are fully trained (b) Appropriate reporting to monitor compliance to this requirement/work instruction will be developed and monitored regularly. <p>Responsible Person: Customer Service Framework Coordinator</p> <p>Target Date: 31 December 2013</p>		

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 8/2013
181	Code of Conduct clause 4.18(3) – A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.	Priority 4	Compliant - 4	In instances where customers elect the option to request a cheque refund of an amount overcharged, Horizon Power's procedures include: <ul style="list-style-type: none"> Cheques are generated by a contracted, external print house and provided to Horizon Power to on-forward to the relevant customer's supply/alternate mailing address. Previously, cheques were sent directly from the print house to the customer As cheques are processed on a fortnightly basis, there is the potential for customers to receive the cheque up to 15 business days after Horizon Power received payment instructions, in contravention of the 12 business day requirement. <p>To rectify the timing issue, Horizon Power plans to better utilise EFT facilities so that customers can be refunded immediately.</p> <p>Horizon Power has not implemented a compliance monitoring process to identify customers who have been overcharged, or the timeframes that customers were refunded. Examination of the customer complaint register did not identify complaints in relation to the late repayment of an overcharged amount.</p>
186	Code of Conduct clause 4.19(3) – If a retailer received instructions under subclause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	Priority 4		
Recommendation 8/2013 Horizon Power: <ul style="list-style-type: none"> (a) Fully implement the EFT payment program to limit the need for cheque payments (b) Revise the cheque payment process such that all cheques are mailed to the customer within 10 business days of the receipt of a request, therefore considered to be received by the customer within 12 business days (c) Consider the implementation of an exception report to monitor compliance with the Code. 				Action Plan 8/2013 <ul style="list-style-type: none"> (a) Improvements to the systems and structures are required to allow customer services to issue cheques or credits to bank accounts. To achieve this, the customer services improvement program will develop options to facilitate payments to customers according to the Code (b) Specific work instructions will be issued to all staff (Regions, Bentley & ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge (c) Improvement options to be considered include IT system changes to use the customer system to process non-energy transactions and refunds with associated process and training redevelopment. The implementation of compliance reports will be considered depending upon the payment options to be made available. <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 31 December 2013</p>

	Reporting manual no. & Licence condition ref.	Audit Priority	Compliance Rating	Issue 9/2013
197	<p>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 in subclause 5.7(1).</p>	Priority 3	Non-Compliant - 2	<p>Testing of a sample of final read service orders completed during the audit period identified that, based on records of customer correspondence in Velocity, two customers were billed for consumption outside the Code requirements (one and two business days late respectively).</p> <p>Horizon Power has not established a compliance monitoring system to identify customers who have been billed for consumption outside the timeframes required by the Code.</p>
	<p>Recommendation 9/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Reinforce the requirement for CSRs to maintain complete and timely customer contact logs (b) Establish a compliance monitoring system to identify vacated customers who have been billed for consumption outside the specified timeframes in the Code (c) Where necessary, rectify any instances where customers have been incorrectly billed for consumption after vacating a supply address. 			<p>Action Plan 9/2013</p> <ul style="list-style-type: none"> (a) Training plans will be reviewed to reinforce the requirement for CSRs to maintain complete and timely customer contact logs (b) Preliminary investigations show that ServiceWorks have not followed process. An action plan to fully investigate and address this issue will be developed. <p>Responsible Person:</p> <ul style="list-style-type: none"> (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator <p>Target Date: (a) 30 September 2013 (b) 31 December 2013</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 10/2013
210	Code of Conduct clause 6.3(1)(b) - In circumstances where a residential customer is assessed as experiencing financial hardship, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and assistance in accordance with clauses 6.6 to 6.9.	Priority 2	Compliant - 4	Section 3.7 of the Hardship Policy outlines customers' rights and responsibilities and identifies the provision of information requirements of s.6.8 of the Code. Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's Hardship Policy, we determined that Horizon Power provides the necessary advice to a customer, either over the phone, by email or in writing, except for advising customers of the option for an energy efficiency audit.
216	Code of Conduct clause 6.8 A retailer must advise a customer experiencing financial hardship of the following: a customer's right to have the bill redirected to a third person, at no charge; payment methods available to the customer; concessions available to the customer and how to access them; different types of meters available to the customer; energy efficiency information available to the customer, including the option of an energy efficiency audit; independent financial counselling available to the customer; and the availability of any other financial assistance and grants schemes.	Priority 4		Note that on 8 June 2012 the government made a decision to stop funding energy efficiency audits. The Compliance and Billing Support Coordinator advised that in response to this option ceasing, Horizon Power has attempted to recruit individuals in remote communities who can advise residents on energy efficiency initiatives. Also, if requested, CSRs will direct the customer to energy efficiency information on Horizon Power's website.
Recommendation 10/2013 Horizon Power consider amending its procedures so that CSRs advise the customer experiencing financial hardship whether there is an option for an energy efficiency audit and the location of any energy efficiency information on its website.				Action Plan 10/2013 (a) Horizon Power's website will be upgraded to ensure that customers are advised of the option for an energy efficiency audit (b) The relevant stakeholders will be engaged to determine the practicality of and reasonable parameters for provision of energy audits in Horizon Power's jurisdiction. Responsible Person: (a) Customer Service Framework Coordinator (b) Aboriginal Service Coordinator Target Date: 31 December 2013

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 11/2013
222	<p>Code of Conduct clause 6.10(5)</p> <p>Unless otherwise notified in writing by the Authority, a retailer must review its hardship policy at least annually and submit to the Authority the results of that review within five (5) business days of its completion.</p>	Priority 4	Non-Compliant - 2	<p>After the Authority completed its review of the 2010 Horizon Power Financial Hardship Policy in September 2011, Horizon Power believed that it would not be required to review its policy for submission to the Authority for the year ending 31 December 2011. Upon confirmation from the Authority in February 2012 that the review was required, Horizon Power initiated the review process and submitted the revised policy to the Authority in April 2012. As such, Horizon Power breached its obligation to review its Hardship Policy and to submit to the Authority within the required timeframe.</p> <p>Horizon Power's compliance calendar did not adequately recognise this annual compliance obligation, however has since been updated to accurately reflect this requirement.</p>
<p>Recommendation 11/2013</p> <p>n/a - no further action is required.</p>				<p>Action Plan 11/2013</p> <p>n/a - no further action is required.</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 12/2013
225	<p>Code of Conduct clause 7.1(1) -</p> <p>Prior to arranging for disconnection of a customer's supply address for failure to pay a bill, a retailer must give the customer a reminder notice not less than 13 business days from the date of dispatch of the bill, including the information specified in subclause 7.1(1)(a), use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified in subclause 7.1(1)(c).</p>	Priority 4	Non-Compliant - 2	<p>Our testing of 30 of 3,276 disconnection service orders raised during the period 1 April 2011 to 31 March 2013, identified the following:</p> <ul style="list-style-type: none"> Although all reminder and disconnection notices were issued in the appropriate timeframes, for two disconnection service orders, a reminder notice was issued for the total outstanding debt owed by the customer, including an amount billed less than 13 business days from the date of that reminder notice. These exceptions appear to be a recurrence of the Velocity system issues noted by the 2011 performance audit where reminder notices contain total overdue amounts relating to multiple bills.
<p>Recommendation 12/2013</p> <p>Horizon Power revise its process for generating reminder notices to ensure that customer consumption charges less than 13 business days overdue are not included in the reminder notice.</p>				<p>Action Plan 12/2013</p> <p>(a) For the two service orders where the total debt has been included on the warning, identify root cause</p> <p>(b) Develop a business case to make the appropriate changes in Velocity should this be required.</p> <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 31 March 2014</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 13/2013
230	<p>Code of Conduct clause 7.6</p> <p>A retailer or distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer's supply address.</p>	Priority 2	Compliant - 4	<p>Clause 7.6 of the Code requires disconnections to not be arranged:</p> <ul style="list-style-type: none"> • If the customer has made a complaint directly related to the reason for the proposed disconnection and the matter is unresolved • For Fridays (after 12pm), Saturdays, Sundays, public holidays, the day before a public holiday or after 3pm on all other business days. <p>Our testing of 30 of 3,276 disconnections processed for the audit period:</p> <ul style="list-style-type: none"> • Did not identify any disconnections in breach of Code requirements • Identified instances of: <ul style="list-style-type: none"> ○ A customer being wrongfully disconnected for non-application prior to 12pm on a Friday ○ A supply address being disconnected for non-application the day before a public holiday. <p>Although these disconnections were not breaches in themselves, they occurred outside Horizon Power's normal business rules because they were for non-application, not for failure to pay a bill. Therefore, in the event that Horizon Power wrongfully disconnects a customer for non-application, there is a greater risk that Horizon Power breaches the Code requirements.</p> <p>The Manager Customer Service confirmed that field officers are fully aware to not disconnect a customer after 12pm on a Friday.</p>
<p>Recommendation 13/2013</p> <p>Horizon Power amend its disconnection processes to:</p> <ol style="list-style-type: none"> Not arrange for any disconnections on a Friday or the day before a public holiday Specifically account for public holidays that do not fall on a constant day each consecutive year (e.g. Australia day and ANZAC day). 		<p>Action Plan 13/2013</p> <ol style="list-style-type: none"> Investigate a system driven way to limit the issuing of service orders, at specific times, to stay within Horizon Power's normal business rules Review business rules to ensure compliance with the Code requirements Ensure the Code requirements for disconnections are incorporated into the Field Service Officer training package. <p>Responsible Person: Field Services and Metering Coordinator</p> <p>Target Date: 31 March 2014</p>		

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 14/2013
231	<p>Code of Conduct clause 7.7(1) –</p> <p>Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer’s supply address requires life support equipment the retailer must comply with subclause 7.7(1).</p>	Priority 2	Non-Compliant - 2	<p>Clause 7.7(1)(b) of the Code, which came into effect on 1 January 2013, requires Horizon Power to (upon the appropriate confirmation) register the life support equipment required by the customer.</p> <p>At the time of this audit, Horizon Power’s Life Support Customer Register did not include details of the life support equipment required by the customer. Accordingly, for those new life support customers recognised and registered from 1 January 2013, Horizon Power has not complied with the Code’s requirements.</p>
<p>Recommendation 14/2013</p> <p>Horizon Power:</p> <p>(a) Update its Life Support Customer Register with details of the life support equipment required by its current life support customers</p> <p>(b) Revise its procedures to ensure details of the life support equipment required by new life support customers are obtained and included in the Life Support Customer Register.</p>				<p>Action Plan 14/2013</p> <p>Horizon Power will:</p> <p>(a) Strengthen its procedures to ensure that details of customers’ life support equipment, which are currently recorded in the (spreadsheet) register maintained by ServiceWorks, are captured in the Life Support Customer Register in a timely manner</p> <p>(b) Investigate how life support customer information can be captured in Velocity.</p> <p>Responsible Person:</p> <p>(a) Manager Customer Service</p> <p>(b) Systems Change Coordinator</p> <p>Target Date:</p> <p>(a) 31 July 2013</p> <p>(b) 31 December 2013</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 15/2013
234	<p>Code of Conduct clause 7.7(4) –</p> <p>Where the distributor has already provided notice of a planned interruption under the Network Quality and Reliability of Supply Code 2005 that will affect a supply address and has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, the distributor must use best endeavours to contact that customer prior to the planned interruption.</p>	Priority 5	Compliant - 3	<p>Horizon Power's Planned Outage Procedure outlines the action to be taken when organising a planned interruption, including regional depots to inform life support customers of the planned interruption.</p> <p>The Manager Customer Service confirmed that in instances where Horizon Power receives confirmation of a life support customer after Horizon Power has provided notice of a planned interruption, but before the planned interruption event, current processes do not provide for that customer to be contacted prior to the planned interruption. This audit did not identify specific instances where a new life support customer was required to be notified of an existing planned outage.</p>

	<p>Recommendation 15/2013</p> <p>Horizon Power amend its Planned Outage Procedure so that upon notification of a new life support customer, Horizon Power identifies whether there is a planned interruption to that customer's supply address and if so, arrange for sufficient notice of the planned interruption to the customer.</p>	<p>Action Plan 15/2013</p> <p>(a) Develop a system driven process to ensure that every time a new customer is added, the regions' outage schedules are reviewed and the relevant customer is notified. Links to ENMAC to be considered</p> <p>(b) Train relevant customer service staff.</p> <p>Responsible Person: Customer Service Framework Coordinator</p> <p>Target Date: 31 December 2013</p>
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Reporting manual no. & Licence condition ref.	Audit Priority	Compliance Rating	Issue 16/2013
237	<p>Code of Conduct clause 8.2</p> <p>A distributor must reconnect the customer's supply address upon the request of a retailer, within the timeframes specified.</p>	Priority 3	<p>During the period 1 April 2011 to 31 March 2013, Horizon Power made six service standard payments for not reconnecting a customer's supply address in the timeframes specified by section 8.2 of the Code. Our testing of 20 of 4,137 reconnection service orders processed for the period 1 April 2011 to 31 March 2013 did not identify any further instances of non-compliance with those timeframes.</p>
	<p>Recommendation 16/2013</p> <p>Horizon Power establish a plan for:</p> <p>(a) Further improving its reconnection service order and exception reporting practices to minimise those accounts at risk of breaching reconnection timeframes</p> <p>(b) Determining what may constitute an acceptable volume of reconnection timeframe breaches in order to achieve effective compliance with clause 8.2 of the Code.</p>		<p>Action Plan 16/2013</p> <p>(a) Horizon Power aims to improve service order exception reporting practices. A comprehensive customer services improvement plan encompassing meter to cash processes is being developed to address this</p> <p>(b) Develop a reporting process to effectively monitor compliance with clause 8.2 of the Code</p> <p>(c) Arrange rollout of targets to Field based staff to help ensure delivery is in line with the required targets.</p> <p>Responsible Person:</p> <p>(a) Manager Customer Service</p> <p>(b) Customer Service Framework Coordinator</p> <p>(c) Customer Service Framework Coordinator</p> <p>Target Date: 31 December 2013</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 17/2013
340	Metering Code clause 3.1 <i>Meters must comply with metrology procedure and National Measurement Act</i>	Priority 2	Non-Compliant - 2	<p>The 2011 performance audit recognised Horizon Power’s doubts whether its meters were compliant with relevant requirements and specifications. A Metering Management Plan was developed detailing Horizon Power’s approach to testing its meters, including sample sizes, metrology requirements subject to testing and reporting of the results.</p> <p>The results of the sample meter testing performed by Formway Group in February and June 2011, for both single and three phase meters were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010.</p> <p>Clause 3.14(1) and (2) provides an exemption to all meters installed pre the 2005 Metering Code, or committed to and installed within 18 months after the 2005 Metering Code commenced. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.</p> <p>Action has not yet been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.</p> <p>At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.</p>
348	Metering Code clause 3.5(3) <i>Requirements for a metering installation</i>			
351	Metering Code clause 3.5(9) <i>Requirements for a metering installation</i>			
354	Metering Code clause 3.9(3) <i>Metering installation types and accuracy requirements</i>			
355	Metering Code clause 3.9(7) <i>Metering installation types and accuracy requirements</i>			
Recommendation 17/2013 Horizon Power: <ul style="list-style-type: none"> (a) Formalise its strategy for the replacement of all non-compliant meters on its networks (b) Liaise with the Authority and Public Utilities Office to reach agreement on actions to be taken. 				Action Plan 17/2013 <ul style="list-style-type: none"> (a) Horizon Power has developed a draft business case for replacement of meters with Advanced Meter Infrastructure (smart meters). The initial phase to implement pre-payment meters in Aboriginal Communities has been approved and is in progress (b) The strategy for full replacement of all non-compliant meters is awaiting budget approval (c) Horizon Power will formally notify the Authority and the Public Utilities Office of the status of its Metering Management Plan and associated findings reach agreement on actions to be taken.

		Responsible Person: Manager Customer Service Target Date: (a) and (b) 31 March 2014 (c) 30 June 2014
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Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 18/2013
344	<p>Metering Code clause 3.3A(1) –</p> <p>A network operator must ensure that bidirectional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.</p>	Priority 4	Compliant - 4	<p>Horizon Power’s procedures provide for:</p> <ul style="list-style-type: none">• No party to be authorised to connect into its networks without approval• Inspectors to inspect installations according to WA electricity safety standards, not the Metering Code, therefore may not be aware of bi-directional flow meter requirements. <p>Prior to 8 December 2012, when the Metering Code clause 3.3A(1) became effective , Horizon Power became aware of instances where unauthorised electrical contractors connected customers’ solar systems into existing mechanical meters, therefore providing for bi-directional flow, which was not capable of being separately measured and recorded. In all known instances, Horizon Power replaced the mechanical meter with an electronic meter capable of separately measuring and recording electricity flows in each direction.</p> <p>Horizon Power has not yet fully investigated whether there are other customers with installed solar systems, for which a new electronic meter has not been installed (i.e. to ensure bi-directional flows are measured and recorded).</p>
<p>Recommendation 18/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none">(a) Investigate whether there are further instances of customers with installed solar systems, for which a new electronic meter has not been installed to measure and record bi-directional flow(b) Take appropriate remedial action where appropriate(c) Provide training to electrical inspectors on relevant Metering Code requirements, specifically with regards to bi-directional flow installations (e.g. how to identify unauthorised connections).				<p>Action Plan 18/2013</p> <ul style="list-style-type: none">(a) An investigation will be undertaken to determine the extent of the issue of bi-directional flows and recommend required action(b) Training for relevant staff will be reviewed to ensure that relevant Metering Code requirements are met. Specifically with regards to bi-directional flow installations. <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 31 December 2013</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 19/2013
370	<p>Metering Code clause 3.14(3) –</p> <p>If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.</p>	Priority 4	Non-Compliant - 2	<p>Clause 3.14 of the Metering Code provides for transitional arrangements for metering installations commissioned prior to the commencement of the 2005 Metering Code. The Manager Customer Service confirmed that Horizon Power has audited approximately half of its relevant power station and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> Horizon Power has doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1. We note that those installations currently fall within the transitional arrangements outlined in clause 3.14, with the exception of clauses 3.3A and 3.11A, which are applicable to all licensees regardless of when the metering installations were commissioned One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1. Horizon Power is currently developing a cost estimate to rectify the affected metering installation.
	<p>Recommendation 19/2013</p> <p>Horizon Power rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.</p>			<p>Action Plan 19/2013</p> <p>Rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.</p> <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 30 June 2014</p>

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue20/2013
494	<p><i>Electricity Industry (Network Quality & Reliability of Supply) Code 2005 clause 19 -</i></p> <p>A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe if a supply interruption exceeds 12 hours.</p>	Priority 4	Non-Compliant - 2	<p>The Electricity Industry (Network Quality & Reliability of Supply) Code requires extended outage payments to be made within 30 days of the customer's application.</p> <p>For the period between 1 April 2011 and 31 March 2013, Horizon Power made 60 extended outage payments, of which one was made outside of the 30 day timeframe. This breach was not formally recognised by the officer responsible for maintaining Horizon Power's Extended Outage Payment Scheme Spreadsheet. Further, the spreadsheet is currently not structured to measure the timeframe since application and therefore to monitor compliance with the payment timeframe requirements.</p>
<p>Recommendation 20/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes (b) Strengthen the Extended Outage Payment Scheme Spreadsheet so that it has the capability to identify payments due to customers that are nearing the timeframes required by the Code (c) Ensure the Extended Outage Payment Scheme Spreadsheet is accurately maintained to enable effective compliance. 		<p>Action Plan 20/2013</p> <ul style="list-style-type: none"> (a) Reinforce the compliance requirements to those responsible for monitoring the Extended Outage Payment Scheme spreadsheet (b) Strengthen the Extended Outage Payment Scheme Spreadsheet so that it monitors payments due to customers that are nearing the timeframes required by the Code (c) Include the date claim made into Extended Outage Payment Scheme spreadsheet. <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Target Date: 30 September 2013</p>		

Reporting manual no. & Licence condition ref.		Audit Priority	Compliance Rating	Issue 21/2013
103	<p><i>Electricity Industry Act Regulation 14.0(1)(b)</i> – A licensee must notify details of the asset management system and any substantial changes to it to the Authority.</p>	Priority 4	Compliant – 4	<p>Through discussions with the Technical Regulation and Compliance Coordinator and consideration of Horizon Power’s Asset Management Plan documents, we determined that Horizon Power’s asset management system has evolved considerably since the Authority was the last advised of the details of the system, including the decision to stop using the legacy Western Power data management systems and extend the current use of Ellipse for all asset data management. This change has resulted more sophisticated information being sought and used in the asset management process.</p> <p>There is currently some doubt as to whether changes to the asset management system during the audit period are sufficiently substantial as to require specific notification to the Authority in accordance with the requirements of section 14(1) of the Act.</p> <p>As it may be reasonable to form a view either way, we consider Horizon Power has not breached the requirements of the Act. We note that the clause 20.3 of the Licence specifies a 10 business day timeframe for providing such a notification.</p>
<p>Recommendation 21/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Notify the Authority of the current details of its asset management system for setting out the measures to be taken for the proper maintenance of assets used in its operations (b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority. 		<p>Action Plan 21/2013</p> <ul style="list-style-type: none"> (a) Notify the Authority of the current details of its asset management system for setting out the measures to be taken for the proper maintenance of assets used in its operations (b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority. <p>Responsible Person: Technical Regulation and Compliance Coordinator</p> <p>Target Date: (a) 30 September 2013 (b) 31 December 2013</p>		

2.6 Scope and objectives

The audit is designed to gain reasonable assurance regarding Horizon Power's compliance with the conditions of its Licence during the period 1 April 2011 to 31 March 2013.

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 April 2011 to March 2013:

- Utilising the Audit Guidelines and Reporting Manuals (June 2010, May 2011 and February 2013 versions) 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 Horizon Power staff to gain understanding of process controls (see **Appendix B** for staff involved)
- Review of documents and walkthrough of 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 Horizon Power 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, Horizon Power 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 Horizon Power'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**).

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					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
8 Type 1 Reporting Obligations												
127	29.1	Major	Probable	High	Strong	Priority 2						✓
128	29.3	Major	Probable	High	Moderate	Priority 2	✓					
230	7.6	Major	Probable	High	Moderate	Priority 2					✓	
231	7.7(1)	Major	Probable	High	Moderate	Priority 2			✓			
233	7.7(3)	Major	Probable	High	Moderate	Priority 2						✓
250	9.5(1)	Major	Probable	High	Moderate	Priority 2						✓
251	9.5(2)	Major	Probable	High	Moderate	Priority 2						✓
252	9.5(3)	Major	Probable	High	Moderate	Priority 2	✓					
9 Electricity Industry Customer Transfer Code												
1	2.2(1)(a)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
2	2.2(1)(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
3	3.1(1)(a)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
4	3.1(1)(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
5	3.1(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
6	3.2(2)	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.										
7	3.4(1)											
8	3.5(3)											
9	3.6(2)											
10	3.7(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
11	3.7(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
12	3.8(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
13	3.8(2)(a)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
14	3.8(2)(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
15	3.8(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
16	3.9(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
17	3.9(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
18	3.9(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
19	3.9(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
20	3.10(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
21	3.10(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
22	4.1	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
23	4.2(2)	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.										
24	4.3											
25	4.4(1)											
26	4.4(2)											
27	4.5(1)											
28	4.6(3)											
29	4.7											
30	4.8(2)											
31	4.9(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
32	4.9(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
33	4.9(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
34	4.9(6)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
35	4.10(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
36	4.10(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
37	4.10(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
38	4.11(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
39	4.11(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
40	4.12(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
41	4.13	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
42	4.14	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
43	4.15	Minor	Unlikely	Low	Moderate	Priority 5	✓					
44	4.16	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
45	4.17	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
46	5.1(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
47	5.1(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
48	5.1(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
49	6.2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.										
50	6.3(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
51	6.3(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
52	6.4(1)	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.										
53	6.4(2)											
54	6.6	Moderate	Unlikely	Medium	Moderate	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	✓					
59	7.3(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
60	Annex 1	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
61	Annex 2	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
62	Annex 3	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
63	Annex 4 cl.A4.1	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
64	Annex 4 cl.A4.2	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
65	Annex 5 cl.A5(5)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
66	Annex 5 cl.A5(6)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
67	Annex 5 cl.A5(7)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
68	Annex 6 cl.A6.2(a)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
69	Annex 6 cl.A6.2(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
70	Annex 6 cl.A6.6	Minor	Unlikely	Low	Moderate	Priority 5	✓					
71	Annex 6 cl.A6.7	Minor	Unlikely	Low	Moderate	Priority 5	✓					

							Compliance Rating					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
10 Electricity Industry (Obligation to Connect) Code												
72	Reg 4	Moderate	Unlikely	Medium	Strong	Priority 4						✓
73	Reg5(5)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
74	Reg 5(6)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
75	Reg 6	Moderate	Probable	Medium	Moderate	Priority 4			✓			
76	Reg 7(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
77	Reg 8	Moderate	Unlikely	Medium	Strong	Priority 4						✓
11 Electricity Industry (Customer Contracts) Regulations												
78	Electricity Industry Act s.51	Moderate	Unlikely	Medium	Strong	Priority 4						✓
79	Reg 5	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
80	Reg 6	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
81	Reg 7	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
82	Reg 8	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
83	Reg 9	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
84	Reg 10	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
85	Reg 11	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
86	Reg 12	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
87	Reg 13	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
88	Reg 14	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
89	Reg15	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
90	Reg 16 & 34	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
91	Reg 17	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
92	Reg 18	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
93	Reg 19	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
94	Reg 20	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
95	Reg 21	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
96	Reg 32	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
97	Reg 33(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
98	Reg 33(3) & (4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
99	Reg 36	Moderate	Probable	Medium	Moderate	Priority 4	✓					
100	Reg 38	Moderate	Probable	Medium	Moderate	Priority 4						✓
12 Electricity Industry Act												
101	13.0(1)	Minor	Unlikely	Low	Strong	Priority 5						✓
102	14.0(1)(a)	Minor	Probable	Low	Strong	Priority 5						✓
103	14.0(1)(b)	Moderate	Probable	Medium	Strong	Priority 4					✓	
104	14.0(1)(c)	Minor	Unlikely	Low	Strong	Priority 5						✓
105	17.0(1)	Minor	Probable	Low	Moderate	Priority 5						✓
106	31.0(3)	Minor	Probable	Low	Moderate	Priority 5						✓
107	41.0(6)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
108	54.0(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
109	54.0(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
110	76.0	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
111	01.0	Moderate	Unlikely	Medium	Strong	Priority 4						✓

							Compliance Rating					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
112	15.0(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
113	15.0(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
13 Electricity Licences - Licence Conditions and Obligations												
114	23.1	Moderate	Probable	Medium	Weak	Priority 3			✓			
115	23.2	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
116	24.2	Minor	Unlikely	Low	Moderate	Priority 5						✓
117	24.3	Minor	Unlikely	Low	Moderate	Priority 5						✓
118	25.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
119	12.1 or 24.1	Moderate	Unlikely	Medium	Strong	Priority 4						✓
120	13.4 or 25.4	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
121	14.2	Moderate	Unlikely	Medium	Strong	Priority 4						✓
122	20.5	Moderate	Unlikely	Medium	Strong	Priority 4						✓
123	15.1	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
124	16.1	Moderate	Unlikely	Medium	Moderate	Priority 4			✓			
125	17.1 and 17.2	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
126	18.1	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
127	29.1	Major	Probable	High	Strong	Priority 2						✓
128	29.3	Major	Probable	High	Moderate	Priority 2	✓					
14 Code of Conduct (Small Use Code)												
Part 2 Marketing												
129	2.1	Moderate	Probable	Medium	Weak	Priority 3			✓			
130	2.2	Moderate	Probable	Medium	Moderate	Priority 4						✓
131	2.3(1) (a)-(b)	Moderate	Probable	Medium	Moderate	Priority 4						✓
132	2.3(1)(c)-(d)	Moderate	Probable	Medium	Moderate	Priority 4						✓
133	2.3(2)	Moderate	Unlikely	Medium	Strong	Priority 4			✓			
134	2.3(3)	Moderate	Unlikely	Medium	Strong	Priority 4	✓					
135	2.4(1)	Moderate	Probable	Medium	Strong	Priority 4			✓			
136	2.4(2)	Moderate	Probable	Medium	Strong	Priority 4			✓			
137	2.4(3)	Moderate	Probable	Medium	Moderate	Priority 4			✓			
138	2.5(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
139	2.5(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
140	2.5(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
141	2.6(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
142	2.6(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
143	2.6(3) and 2.6(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
144	2.9(1)	Moderate	Unlikely	Medium	Moderate	Priority 4					✓	
145	2.9(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
Part 3 Connection												
146	3.1(1)	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.										
147	3.1(2)											
Part 4 Billing												
148	4.1	Moderate	Likely	High	Moderate	Priority 2			✓			
149	4.2(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
150	4.2(2)	Moderate	Probable	Medium	Moderate	Priority 4	✓					

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
151	4.2(3)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
152	4.2(4)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
153	4.2(5)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
154	4.2(6)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
155	4.3(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
156	4.3(2)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
157	4.4	Moderate	Probable	Medium	Moderate	Priority 4						✓
158	4.5(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
159	4.5(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
160	4.6(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
161	4.6(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
162	4.7	Minor	Likely	Medium	Moderate	Priority 4			✓			
163	4.8(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
164	4.8(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
165	4.8(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
166	4.9	Moderate	Probable	Medium	Moderate	Priority 4						✓
167	4.10	Minor	Probable	Low	Moderate	Priority 5						✓
168	4.11(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
169	4.11(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
170	4.12(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
171	4.13	Moderate	Probable	Medium	Moderate	Priority 4						✓
172	4.14(1)	Minor	Probable	Low	Strong	Priority 5						✓
173	4.14(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
174	4.15	Moderate	Probable	Medium	Strong	Priority 4						✓
175	4.16(1)(a)	Moderate	Probable	Medium	Strong	Priority 4						✓
176	4.16(1)(b)	Moderate	Probable	Medium	Strong	Priority 4						✓
177	4.16(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
178	4.16(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
179	4.17(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
180	4.18(2)	Minor	Probable	Low	Moderate	Priority 5			✓			
181	4.18(3)	Moderate	Probable	Medium	Moderate	Priority 4					✓	
182	4.18(4)	Minor	Probable	Low	Moderate	Priority 5						✓
183	4.18(6)	Minor	Likely	Medium	Weak	Priority 3						✓
184	4.19(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
185	4.19(2)	Minor	Probable	Low	Moderate	Priority 5						✓
186	4.19(3)	Moderate	Probable	Medium	Moderate	Priority 4					✓	
187	4.19(4)	Minor	Probable	Low	Moderate	Priority 5						✓
Part 5 Payment												
188	5.1	Moderate	Probable	Medium	Moderate	Priority 4						✓
189	5.2(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
190	5.3	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
191	5.4	Moderate	Probable	Medium	Strong	Priority 4						✓
192	5.5	Moderate	Probable	Medium	Strong	Priority 4						✓
193	5.6(1)	Moderate	Probable	Medium	Strong	Priority 4						✓

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
194	5.6(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
195	5.6(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
196	5.6(4)	Moderate	Probable	Medium	Moderate	Priority 4						✓
197	5.7(1)	Moderate	Probable	Medium	Weak	Priority 3			✓			
198	5.7(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
199	5.7(4)	Moderate	Probable	Medium	Moderate	Priority 4						✓
200	5.8(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
201	5.8(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
202	5.8(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
Part 6 Payment difficulties and financial hardship												
203	6.1(1)	Moderate	Probable	Medium	Weak	Priority 3						✓
204	6.1(2)	Minor	Probable	Low	Moderate	Priority 5						✓
205	6.1(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
206	6.2(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
207	6.2(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
208	6.2(3)	Minor	Probable	Low	Moderate	Priority 5						✓
209	6.3(1)(a)	Moderate	Likely	High	Moderate	Priority 2						✓
210	6.3(1)(b)	Moderate	Likely	High	Moderate	Priority 2					✓	
211	6.4(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
212	6.4(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
213	6.6(1)	Minor	Probable	Low	Moderate	Priority 5						✓
214	6.6(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
215	6.7	Minor	Likely	Medium	Moderate	Priority 4						✓
216	6.8	Moderate	Probable	Medium	Moderate	Priority 4					✓	
217	6.9(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
218	6.10(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
219	6.10(2)	Moderate	Likely	High	Strong	Priority 2						✓
220	6.10(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
221	6.10(4)	Moderate	Probable	Medium	Strong	Priority 4						✓
222	6.10(5)	Moderate	Probable	Medium	Moderate	Priority 4			✓			
223	6.10(7)	Moderate	Probable	Medium	Moderate	Priority 4						✓
224	6.11	Moderate	Probable	Medium	Moderate	Priority 4						✓

Part 7 Disconnection												
225	7.1(1)	Moderate	Probable	Medium	Moderate	Priority 4			✓			
226	7.2(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
227	7.3	Clause is not applicable as Horizon Power is not licensed to engage in dual fuel contracts.										
228	7.4(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
229	7.5	Moderate	Probable	Medium	Moderate	Priority 4						✓
230	7.6	Major	Probable	High	Moderate	Priority 2					✓	
231	7.7(1)	Major	Probable	High	Moderate	Priority 2			✓			
232	7.7(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
233	7.7(3)	Major	Probable	High	Moderate	Priority 2						✓
234	7.7(4)	Minor	Probable	Low	Moderate	Priority 5				✓		

							Compliance Rating					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
Part 8 Reconnection												
235	8.1(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
236	8.1(2)	As this clause refers to the relationship between a retailer and a distributor it is not applicable as Horizon Power is both the distributor and retailer under the integrated regional licence.										
237	8.2	Moderate	Probable	Medium	Weak	Priority 3			✓			
Part 9 Pre-payment meters in remote communities												
238	9.1(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
239	9.2(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
240	9.2(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
241	9.2(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
242	9.3(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
243	9.3(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
244	9.3(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
245	9.3(4)	Moderate	Probable	Medium	Moderate	Priority 4						✓
246	9.4(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
247	9.4(2)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
248	9.4(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
249	9.4(5)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
250	9.5(1)	Major	Probable	High	Moderate	Priority 2						✓
251	9.5(2)	Major	Probable	High	Moderate	Priority 2						✓
252	9.5(3)	Major	Probable	High	Moderate	Priority 2	✓					
253	9.6	Moderate	Likely	High	Moderate	Priority 2						✓
254	9.7(a),(b),(d)	Moderate	Probable	Medium	Moderate	Priority 4						✓
255	9.8	Moderate	Probable	Medium	Moderate	Priority 4						✓
256	9.9(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
257	9.9(2)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
258	9.9(4)	Moderate	Probable	Medium	Moderate	Priority 4						✓
259	9.10(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
260	9.10(2)	Minor	Probable	Low	Moderate	Priority 5						✓
261	9.10(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
262	9.10(4)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
263	9.10(6)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
264	9.11	Moderate	Probable	Medium	Moderate	Priority 4						✓
265	9.12(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
266	9.12(2) & (3)	Minor	Probable	Low	Moderate	Priority 5						✓
267	9.13 (3)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
Part 10 Information and communication												
268	10.1(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
269	10.1(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
270	10.1(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
271	10.2(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
272	10.2(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
273	10.2(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
274	10.2(4)	Moderate	Probable	Medium	Strong	Priority 4						✓
275	10.3	Moderate	Probable	Medium	Strong	Priority 4						✓

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
276	10.3A	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
277	10.4	Moderate	Probable	Medium	Strong	Priority 4						✓
278	10.5	Moderate	Probable	Medium	Strong	Priority 4						✓
279	10.6	Moderate	Probable	Medium	Strong	Priority 4						✓
280	10.7(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
281	10.7(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
282	10.7(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
283	10.7(4)	Moderate	Probable	Medium	Strong	Priority 4						✓
284	10.8(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
285	10.8(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
286	10.9	Minor	Probable	Low	Strong	Priority 5						✓
287	10.10(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
288	10.10(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
289	10.10(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
290	10.11(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
291	10.11(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
292	10.12(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
293	10.12(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
Part 12 Complaints and dispute resolution												
294	12.1(1)	Moderate	Probable	Medium	Moderate	Priority 4					✓	
295	12.1(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
296	12.1(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
297	12.2	Moderate	Probable	Medium	Moderate	Priority 4					✓	
298	12.3	Moderate	Probable	Medium	Moderate	Priority 4						✓
299	12.4	Moderate	Probable	Medium	Moderate	Priority 4						✓
Part 13 Record keeping												
300	13.1(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
301	13.1(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
302	13.1(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
303	13.2 (a)&(b)	Moderate	Probable	Medium	Weak	Priority 3						✓
304	13.2(c)	Moderate	Probable	Medium	Weak	Priority 3						✓
305	13.3(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
306	13.3(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
307	13.4	Moderate	Probable	Medium	Moderate	Priority 4						✓
308	13.5	Moderate	Probable	Medium	Moderate	Priority 4						✓
309	13.6	Moderate	Probable	Medium	Moderate	Priority 4						✓
310	13.7(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
311	13.7(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
312	13.8(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
313	13.8(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
314	13.9(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
315	13.10(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
316	13.10(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
317	13.11	Moderate	Probable	Medium	Moderate	Priority 4						✓
318	13.12	Moderate	Probable	Medium	Moderate	Priority 4						✓

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
319	13.13(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
320	13.13(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
321	13.14(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
322	13.15(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
323	13.16	Moderate	Probable	Medium	Moderate	Priority 4						✓
324	13.17(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
325	13.15(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
326	13.18	Moderate	Probable	Medium	Moderate	Priority 4						✓
Part 14 Service standard payments												
327	14.1(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
328	14.1(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
329	14.2(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
330	14.2(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
331	14.3(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
332	14.3(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
333	14.4(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
334	14.4(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
335	14.5	Moderate	Probable	Medium	Moderate	Priority 4						✓
336	14.7(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
337	14.7(2)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
15 Electricity industry Metering Code												
Part 2 Code objectives and arms-length treatment												
338	2.2(1)(a)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
339	2.2(1)(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
Part 3 Meters and metering installations												
340	3.1	Moderate	Likely	High	Moderate	Priority 2			✓			
341	3.2(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
342	3.3(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
343	3.3(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
344	3.3A(1)	Moderate	Probable	Medium	Moderate	Priority 4					✓	
345	3.3B	Moderate	Probable	Medium	Moderate	Priority 4	✓					
346	3.3C	Moderate	Probable	Medium	Moderate	Priority 4						✓
347	3.5(1) and (2)	Moderate	Probable	Medium	Strong	Priority 4						✓
348	3.5(3)	Moderate	Likely	High	Moderate	Priority 2			✓			
349	3.5(4)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
350	3.5(6)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
351	3.5(9)	Moderate	Likely	High	Moderate	Priority 2			✓			
352	3.7	Moderate	Probable	Medium	Strong	Priority 4						✓
353	3.8	Moderate	Probable	Medium	Strong	Priority 4						✓
354	3.9(3)	Moderate	Likely	High	Moderate	Priority 2			✓			
355	3.9(7)	Moderate	Likely	High	Moderate	Priority 2			✓			
356	3.9(9)	Moderate	Probable	Medium	Strong	Priority 4						✓
357	3.10	Moderate	Probable	Medium	Strong	Priority 4						✓
358	3.11(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
359	3.11(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					

							Compliance Rating					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
360	3.11(3)	For the purposes of this clause, Horizon Power as the code participant is not separate to the network operator, therefore not applicable.										
361	3.11A(1)	Moderate	Likely	High	Moderate	Priority 2						✓
362	3.11A(2)	Moderate	Likely	High	Moderate	Priority 2	✓					
363	3.12(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
364	3.12(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
365	3.12(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
366	3.12(4)	Moderate	Probable	Medium	Strong	Priority 4						✓
367	3.13(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
368	3.13(3)(c)	Moderate	Probable	Medium	Strong	Priority 4						✓
369	3.13(4)	Moderate	Probable	Medium	Strong	Priority 4						✓
370	3.14(3)	Moderate	Unlikely	Medium	Moderate	Priority 4			✓			
371	3.16(1)	These clauses specifically apply to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.										
372	3.16(2)											
373	3.16(3)											
374	3.16(3A)											
375	3.18(1)	Obligation is not applicable as it specifically applies to the Electricity Retail Corporation.										
376	3.20(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
377	3.20(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
378	3.21(1)	Moderate	Likely	High	Moderate	Priority 2						✓
379	3.21(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
380	3.22	Moderate	Probable	Medium	Strong	Priority 4						✓
381	3.23(a)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
382	3.23(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
383	3.24A(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
384	3.24B(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
385	3.27	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
386	3.29	Moderate	Probable	Medium	Moderate	Priority 4						✓
Part 4 The metering database												
387	4.1(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
388	4.1(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
389	4.1(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
390	4.2(1)	Section 1.3 of the Code references the Electricity Industry Act section 123(1), which defines market rules as the rules relating to the market and the operation of the SWIS. This clause is therefore not applicable as it specifically applies to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.										
391	4.3(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
392	4.4(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
393	4.5(1)	For the purposes of this clause, Horizon Power as the code participant is not separate to the network operator, therefore not applicable.										
394	4.5(2)	This obligation is on the code participant, which is not Horizon Power.										
395	4.6(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
396	4.6(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
397	4.7	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
398	4.8(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
399	4.8(3A)	Moderate	Probable	Medium	Moderate	Priority 4						✓
400	4.8(4)(a)	Moderate	Probable	Medium	Strong	Priority 4						✓
401	4.8(4)(a b)	Moderate	Probable	Medium	Strong	Priority 4						✓
402	4.8(5)	Moderate	Probable	Medium	Strong	Priority 4						✓
403	4.9	Moderate	Probable	Medium	Moderate	Priority 4						✓
Part 5 Metering services												
404	5.1 (1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
405	5.1(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
406	5.3	Moderate	Probable	Medium	Moderate	Priority 4						✓
407	5.4(1)	Minor	Probable	Low	Strong	Priority 5			✓			
408	5.4(1A)	Moderate	Probable	Medium	Moderate	Priority 4			✓			
409	5.4(2)	Obligation sits with the User not Horizon Power										
410	5.5(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
411	5.5(2A)	Moderate	Probable	Medium	Moderate	Priority 4						✓
412	5.6(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
413	5.7	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
414	5.8	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
415	5.9	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
416	5.10	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
417	5.11	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
418	5.12(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
419	5.13	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
420	5.14(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
421	5.15	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
422	5.16	The obligation sits with a User, not Horizon Power.										
423	5.17(1)											
424	5.17A(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
425	5.17A(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
426	5.18	The obligation sits with a User, not Horizon Power.										
427	5.19(1)											
428	5.19(2)											
429	5.19(3)											
430	5.19(5)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
431	5.19(6)	The obligation sits with a User, not Horizon Power.										
432	5.20(1)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
433	5.20(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
434	5.20(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
Part 7 Notices and confidential information												
435	5.21(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
436	5.21(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
437	5.21(5)	This obligation is on the code participant, which is not Horizon Power.										
438	5.21(6)											
439	5.21(8)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
440	5.21(9)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					

							Compliance Rating					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
Part 8 Dispute resolution												
441	5.21(11)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
442	5.21(12)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
443	5.22(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
444	5.22(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
445	5.22(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
446	5.22(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
447	5.22(5)	Moderate	Probable	Medium	Strong	Priority 4						✓
448	5.22(6)	Moderate	Probable	Medium	Strong	Priority 4						✓
449	5.23(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
450	5.23(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
451	5.24(1)	Moderate	Probable	Medium	Strong	Priority 4						✓
452	5.24(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
453	5.24(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
454	5.24(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
455	5.25	Moderate	Probable	Medium	Strong	Priority 4						✓
456	5.27	The obligation sits with a User, not Horizon Power.										
457	5.29	Moderate	Probable	Medium	Strong	Priority 4						✓
458	5.30(1)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
459	5.31(1)	The obligation is on the Electricity Networks Corporation, not the Regional Electricity Corporation.										
460	5.31(2)											
461	5.34(2)											
462	5.37(1)(a)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
463	5.37(1)(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
464	5.37(1)(b)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
465	5.37(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
466	5.37(3)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
467	5.38	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
Part 6 Documentation												
468	6.1(1)	Moderate	Likely	High	Moderate	Priority 2						✓
469	6.1(2)	The obligation sits with a User, not Horizon Power.										
470	6.20(4)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
471	6.20(5)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
Part 7 Notices and confidential information												
472	7.2(1)	This obligation is on the code participant, which is not Horizon Power.										
473	7.2(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
474	7.2(4)	This obligation is on the code participant, which is not Horizon Power.										
475	7.2(5)											
476	7.5											
477	7.6(1)											
Part 8 Dispute resolution												
478	8.1(1)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
479	8.1(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
480	8.1(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
481	8.1(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
482	8.3(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
16 Electricity Industry (Network Quality and Reliability of Supply) Code												
483	5.0(1)	Minor	Probable	Low	Strong	Priority 5						✓
484	8.0	Minor	Probable	Low	Strong	Priority 5						✓
485	9.0	Minor	Probable	Low	Strong	Priority 5						✓
486	10.0(1)	Minor	Probable	Low	Strong	Priority 5						✓
487	10.0(2)	Minor	Probable	Low	Strong	Priority 5						✓
488	12.0(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
489	13.0(2)	Minor	Probable	Low	Strong	Priority 5						✓
490	13.0(3)	Moderate	Unlikely	Medium	Strong	Priority 4						✓
491	14.0(8)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
492	15.0(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
493	18.0	Moderate	Unlikely	Medium	Strong	Priority 4						✓
494	19.0	Moderate	Probable	Medium	Moderate	Priority 4			✓			
495	21.0(1)	Moderate	Probable	Medium	Moderate	Priority 4						✓
496	21.0(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
497	21.0(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
498	23.0(1)	Minor	Probable	Low	Strong	Priority 5						✓
499	23.0(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
500	24.0(3)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
501	24.0(4)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
502	25.0(2)	Moderate	Probable	Medium	Strong	Priority 4						✓
503	25.0(3)	Moderate	Probable	Medium	Strong	Priority 4						✓
504	26.0	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
505	27.0(1)	Moderate	Unlikely	Medium	Moderate	Priority 4						✓
506	27.0(3)	Moderate	Probable	Medium	Moderate	Priority 4						✓
Licensee specific obligations												
507	Licence Conditions Regs - 8	Moderate	Probable	Medium	Moderate	Priority 4	✓					
508	Licence Conditions Regs - 8	Moderate	Probable	Medium	Moderate	Priority 4	✓					
509	Licence Conditions Regs - 6	Moderate	Probable	Medium	Moderate	Priority 4						✓
510	Licence Conditions Regs - 7	Moderate	Probable	Medium	Moderate	Priority 4						✓
511	Electricity Industry Act s.61 & 65	Moderate	Probable	Medium	Moderate	Priority 4	✓					
512	Electricity Industry Act s.62, 64&65	Moderate	Probable	Medium	Moderate	Priority 4	✓					
513	Electricity Industry Act s.65	Moderate	Probable	Medium	Moderate	Priority 4						✓
514	Electricity Industry Act s.11	These obligations are applicable to Western Power's licence only										
515	Electricity Industry Act s.11											
516	Electricity Industry Act s.11	This obligation is applicable to Clear Energy Retail's licence only										
517	Customer Contracts Reg 40	Moderate	Unlikely	Medium	Strong	Priority 4						✓
Obligations removed from the 2013 Reporting Manual, but included in the May 2011 and June 2010 Reporting Manual (22 Obligations below apply to Horizon Power's operations for the period 1 April 2011 to 31 December 2012)												

							Compliance Rating					
No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	NR	1	2	3	4	5
135	Code of Conduct cl.2.4(4)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
136	Code of Conduct cl.2.5(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
137	Code of Conduct cl.2.5(2)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
141	Code of Conduct cl.2.6(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
144	Code of Conduct cl.2.6(4)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
145	Code of Conduct cl.2.6(5)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
146	Code of Conduct cl.2.6(6)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
148	Code of Conduct cl.2.7(1)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
149	Code of Conduct cl.2.7(2)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
150	Code of Conduct cl.2.7(3)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
151	Code of Conduct cl.2.7(4)	Moderate	Probable	Medium	Moderate	Priority 4	✓					
152	Code of Conduct clause 2.7(5)	Moderate	Unlikely	Medium	Moderate	Priority 4	✓					
153	Code of Conduct cl.2.8	Moderate	Probable	Medium	Moderate	Priority 4						✓
181	Code of Conduct cl.4.14(1)	Minor	Probable	Low	Moderate	Priority 5						✓
182	Code of Conduct cl.4.14(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
194	Code of Conduct cl.5.2(2)	Moderate	Probable	Medium	Moderate	Priority 4						✓
222	Code of Conduct cl.6.9(2)	Minor	Probable	Low	Moderate	Priority 5						✓
361	Metering Code cl.3.16(5)	These clauses specifically apply to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.										
362	Metering Code cl.3.16(6)											
371	Metering Code cl.3.25	Moderate	Probable	Medium	Strong	Priority 4						✓
395	Metering Code cl.5.5(3)	These obligations sit with the User not Horizon Power										
412	Metering Code cl.5.19(4)											
Obligations removed from the May 2011 Reporting Manual, but included in the June 2010 Reporting Manual (10 Obligations below apply to Horizon Power's operations for the period 1 to 30 April 2011)												
78	Licence Conditions Regs - 6	Moderate	Probable	Medium	Moderate	Priority 4						✓
79	Licence Conditions Regs - 7	Minor	Probable	Low	Moderate	Priority 5	✓					
80	Licence Conditions Regs - 8(8)	Minor	Probable	Low	Moderate	Priority 5	✓					
90	Electricity Industry Act s.62(1)(b)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
91	Electricity Industry Act s.64(2)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
92	Electricity Industry Act s.65(d)	Minor	Unlikely	Low	Moderate	Priority 5	✓					
102	Licence condition 15.2	Moderate	Unlikely	Medium	Strong	Priority 4	✓					

No.	Obligation (clause/section)	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	Compliance Rating					
							NR	1	2	3	4	5
103	Licence condition 20.2 or 23.2	Moderate	Probable	Medium	Strong	Priority 4	✓					
104	Licence condition 20.3 or 23.3	Moderate	Probable	Medium	Moderate	Priority 4	✓					
281	Licence condition 15.1	Moderate	Probable	Medium	Strong	Priority 4						✓

4 Detailed findings, recommendations and action plans

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

1. Type 1 Reporting obligations for all licence types
2. Electricity Industry Customer Transfer Code 2004
3. Electricity Industry (Obligation to Connect) Regulations
4. Electricity Industry (Customer Contracts) Regulations
5. Electricity Industry Act 2004
6. Electricity Licences - Licence Conditions and Obligations
7. Code of Conduct for the Supply of Electricity to Small Use Customers
8. Electricity Industry Metering Code 2005
9. Electricity Industry (Network Quality and Reliability of Supply) Code
10. Electricity Licences – Licensee Specific Conditions and Obligations.

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 Horizon Power'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** – Horizon Power's formal response to audit recommendations, providing details of action to be implemented to address the specific issue raised by the audit, assignment of the actions to appropriate staff and corresponding completion dates for the actions.

4.1 Type 1 Reporting obligations for all licence types

Obligations determined to be not applicable

All Type 1 reporting obligations were applicable to Horizon Power's operations for the audit period.

Obligations determined to be not rateable

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

Obligation	Reason
128	Based on discussions with the Regulation Compliance Coordinator and consideration of the Decision on Authority Initiated Amendments Priority Restoration Register, the Minister has not detailed any specific criteria regarding the Priority Restoration Register for the period subject to audit. Therefore, this clause is not rateable until such time that criteria are published.
252	As Horizon Power is both the Distributor (Network Operator) and the sole Retailer, no such request from the Retailer to the Network Operator has been made during the audit period.

Assessment of compliance

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

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

The following table provides detailed findings for the applicable and rateable obligations 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
127	A distributor must create and maintain a Priority Restoration Register.	Compliant – 5	<p>Through discussions with the Manager Customer Service and consideration of Horizon Power's crisis management procedures, we determined that Horizon Power has the following plans and records, which make up Horizon Power's Priority Restoration Register:</p> <ul style="list-style-type: none"> • Emergency Plan – Severe Storms, Cyclones and Flood response, which is an organisational wide document that sets the minimal level of response at a corporate level • A Regional Contingency Plan, which is maintained at each regional depot and sits subordinate to the organisational document. This document outlines Horizon Power's response for each particular region • Feeder Restoration Registers for each district, which outlines restoration priority of the all relevant feeders within the region. These registers continue to be standardised for all districts. <p>Emergency response processes, including priority restoration procedures, take into consideration the current life support customer listing when determining the priority of feeder restoration.</p>

No	Obligation under Condition	Compliance Rating	Findings
230	A retailer or distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer's supply address.	Compliant – 4	<p>Through discussions with the Field Services and Metering Coordinator and consideration for relevant policies and procedures, we determined that Horizon Power's processes are designed to be in compliance with clause 7.6 of the Code, which requires:</p> <ul style="list-style-type: none"> Customers' supply addresses to not be disconnected until all required communication has been made regarding the cause of disconnection Disconnections are not arranged: <ul style="list-style-type: none"> If the customer had made a complaint directly related to the reason for the proposed disconnection, and the matter is unresolved For Fridays, Saturdays, Sundays, public holidays, the day before a public holiday or after 3pm on all other business days. <p>Our testing of 30 of 3,276 disconnections processed for the audit period:</p> <ul style="list-style-type: none"> Did not identify any disconnections in breach of Code requirements. Identified instances of: <ul style="list-style-type: none"> A customer being wrongfully disconnected for non-application (i.e. customers consuming electricity at a metering point that do not have an active account with Horizon Power) prior to 12pm on a Friday A supply address being disconnected for non-application the day before a public holiday. <p>Although these disconnections were not breaches in themselves, they occurred outside Horizon Power's normal business rules because they were for 'non-application', not for 'failure to pay a bill'. Therefore, in the event that Horizon Power wrongfully disconnects a customer for non-application, there is a greater risk that Horizon Power breaches the Code requirements.</p> <p>The Manager Customer Service confirmed that field officers are fully aware to not disconnect a customer after 12pm on a Friday.</p>
	<p>Recommendation 13/2013</p> <p>Horizon Power amend its disconnection processes to:</p> <ol style="list-style-type: none"> Not arrange for any disconnections on a Friday or the day before a public holiday Specifically account for public holidays that do not fall on a constant day each consecutive year (e.g. Australia day and ANZAC day). 		<p>Action Plan 13/2013</p> <ol style="list-style-type: none"> Investigate a system driven way to limit the issuing of service orders, at specific times, to stay within Horizon Power's normal business rules Review business rules to ensure compliance with the Code requirements Ensure the Code requirements for disconnections are incorporated into the Field Service Officer training package. <p>Responsible Person: Field Services and Metering Coordinator Target Date: 31 March 2014</p>

No	Obligation under Condition	Compliance Rating	Findings
231	Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment the retailer must comply with subclause 7.7(1)	Non-Compliant – 2	<p>Section 11.1 of the standard form contract highlights the customer's requirement to contact Horizon Power to advise that persons on the premises require life support equipment and must provide written confirmation from a qualified medical practitioner.</p> <p>Through discussions with the Field Services and Metering Coordinator, walkthrough and review of relevant processes, policies and procedures, we determined that Horizon Power has the following processes in place to accommodate customers who require life support equipment (life support customers):</p> <ul style="list-style-type: none"> Life support customers are assigned a 'life critical' code in Velocity. This designation within Velocity prevents a disconnection service order being raised against life support customers ServiceWorks provides an updated file (uploaded into Velocity) of life support customers on a monthly basis and immediately following a cyclone alert <p>A comparison of the life support register against all disconnections performed during the period 1 April 2011 to 31 March 2013, did not evidence a life support customer being de-energised due to failure to pay a bill.</p> <p>Clause 7.7(1)(b) of the Code, which came into effect on 1 January 2013, requires Horizon Power to (upon the appropriate confirmation) register the life support equipment required by the customer.</p> <p>At the time of this audit, Horizon Power's Life Support Customer Register did not include details of the life support equipment required by the customer. Accordingly, for those new life support customers recognised and registered from 1 January 2013, Horizon Power has not complied with the Code's requirements.</p>
	<p>Recommendation 14/2013</p> <p>Horizon Power:</p> <p>(a) Update its Life Support Customer Register with details of the life support equipment required by its current life support customers</p> <p>(b) Revise its procedures to ensure details of the life support equipment required by new life support customers are obtained and included in the Life Support Customer Register.</p>		<p>Action Plan 14/2013</p> <p>Horizon Power will:</p> <p>(a) Strengthen its procedures to ensure that details of customers' life support equipment, which are currently recorded in the (spreadsheet) register maintained by ServiceWorks, are captured in the Life Support Customer Register in a timely manner</p> <p>(b) Investigate how life support customer information can be captured in Velocity.</p> <p>Responsible Person:</p> <p>(a) Manager Customer Service</p> <p>(b) Systems Change Coordinator</p> <p>Target Date:</p> <p>(a) 31 July 2013</p> <p>(b) 31 December 2013</p>

No	Obligation under Condition	Compliance Rating	Findings
233	Where a distributor has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, or of a change of details notified to the retailer under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	Compliant – 5	<p>Through a walkthrough with the Field Services and Metering Coordinator and consideration of policies and procedures, we determined that Horizon Power's processes provide for:</p> <ul style="list-style-type: none"> Registration of the customer's supply address as a life support equipment address: <ul style="list-style-type: none"> The next business day if notification has been received before 3pm Within two business days if notification has been received after 3pm. Life support customers are not to be de-energised for failure to pay a bill At least three business days written notice (from receipt of notice) of a planned outage and use best endeavours to obtain written or verbal confirmation that the customer has received that notice. <p>Testing performed for 10 of 63 life support customers registered at 31 March 2013, identified that all customers' accounts were registered as 'life critical' upon notification that the customer required life support equipment. This coding suppresses the customer's account from disconnection processes and the supply address is placed on the life support register. Horizon Power then seeks customer confirmation from an appropriately qualified medical practitioner, or removes the customer's life support suppression/record if confirmation is not provided.</p>
250	A retailer must not provide a pre-payment meter service if the residential customer, or a person residing at the residential customer's supply address, requires life support equipment.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and the ServiceWorks' Call Centre Team Lead, we determined that Horizon Power has procedures in place to ensure that the supply address for a customer requiring life support system is not connected to a pre-payment meter.</p> <p>During door to door visits to the pre-payment meter communities, Horizon Power personnel enquire if life support equipment is used at the supply address and record it in the appropriate section on the Account Establishment form. These customers are connected to credit meters instead of pre-payment meters.</p> <p>Testing performed by examining Horizon Power's life support customer listing against its pre-payment meter customer list, identified one customer who was on both listings. Upon further investigation, the customer was initially correctly placed onto a pre-payment meter service, however did not subsequently contact Horizon Power once they became reliant on life support equipment. Horizon Power was notified by the Department of Health and immediately arranged for the customer's pre-payment meter to be converted to a standard credit meter and placed onto the priority restoration register.</p>

No	Obligation under Condition	Compliance Rating	Findings
251	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, or must immediately arrange to, remove or render non-operational the pre-payment meter at no charge; replace or switch the pre-payment meter to a standard meter at no charge; and provide information to the pre-payment meter customer about the contract options available to the customer.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and the Community Liaison and Compliance Coordinator, we determined that Horizon Power has procedures in place to change a customer from an existing pre-payment meter to a normal credit meter (at no cost):</p> <ul style="list-style-type: none"> • When notified by the customer, a representative of the customer or a relevant government department that the customer requires life support equipment, Horizon Power will immediately assign a 'life critical' code in Velocity and place the customer onto the life support register • Horizon Power will notify the customer of their obligation to provide adequate evidence from a qualified medical practitioner that he/she depends on such life support equipment • A service order is raised to convert the pre-payment meter to a credit meter at no charge in the required timeframe • Field Services Officers/Remote Community Utility Workers will provide information to the customer about contract options available to the customer. <p>Testing performed for obligation 250 identified one customer who was originally correctly placed onto a pre-payment meter service, however did not subsequently contact Horizon Power once they became reliant on life support equipment. Horizon Power was notified by the Department of Health and immediately arranged for the customer's pre-payment meter to be converted to a standard credit meter and placed onto the priority restoration register.</p>

4.2 Electricity Industry (Customer Transfer) Code

Background

The Customer Transfer Code is designed to address requirements of network operators and retailers in the event of customers transferring between retailers. As Horizon Power's customers are technically contestable, this Code is applicable to Horizon Power's licence obligations as a network operator and/or retailer. However, as Horizon Power is currently the sole retailer operating in its licensed areas (i.e. its customers are not actually contested), customer transfers cannot occur. Current market conditions and arrangements indicate there is little likelihood of customers being contested in the near future.

Obligations determined to be not applicable

The following obligations are not applicable to Horizon Power's operations:

Obligation	Reason
6-9, 23-30, 49, 52, 53	<p>Clauses that require a retailer to act in relation to a network operator are not applicable to Horizon Power's operations as the obligation can only exist where the retailer is a separate entity to the distributor (network operator), which is not the case in Horizon Power's circumstances.</p> <p>Therefore these clauses are not applicable to Horizon Power's operations.</p>

Obligations determined to be not rateable

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

Obligation	Reason
1, 2	As Horizon Power services contestable customers, it is possible for a competing retailer to enter the market. Until such time, the need for arm's length dealings is not relevant to Horizon Power's operations and these obligations cannot be rated for the period subject to audit.
3-5, 10-22, 31-39, 41-48, 50, 51, 54-71.	As Horizon Power services contestable customers, it is possible for a competing retailer to enter and therefore trigger the Code's requirements of a network operator. As Horizon Power is currently the sole retailer operating in its licensed areas, customer transfers cannot occur and these obligations cannot be rated for the period subject to audit.
40	The Manager Customer Service confirmed that Horizon Power has not established any access contracts for its network; therefore this obligation cannot be rated for the period subject to audit.

Assessment of compliance

As all obligations have either been assessed as not applicable or not rateable, Horizon Power's compliance is therefore not assessable.

4.3 Electricity Industry (Obligation to connect) Regulations

Obligations determined to be not applicable

All obligations were applicable to Horizon Power's operations for the audit period.

Obligations determined to be not rateable

All obligations were rateable for the period 1 April 2011 to 31 March 2013.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power's compliance with the relevant obligations of the Electricity Industry Obligation to Connect Regulations.

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

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

No	Obligation under Condition	Compliance Rating	Findings
72	A distributor must attach or connect premises to a distribution system if a retailer or customer takes certain action and the circumstances in regulation 5(1) of the Electricity Industry (Obligation to Connect) Regulations exist.	Compliant – 5	Through discussions with the Manager Customer Service and examination of Horizon Power's Regional Electricity Supply and Extension Manual (the Manual), we determined that Horizon Power has the following procedures in place to manage customer connections: <ul style="list-style-type: none"> Horizon Power connects customers once they have applied for connection. Customers apply for connection either by contacting the customer care centre or completing the online application on Horizon Power's website Applications for connection to Horizon Power's networks are first assessed in terms of whether Horizon Power has the ability to provide an electricity supply under its Integrated Regional Licence (section 3 of the Manual) Should the connection be within Horizon Power's footprint, and it is not required to extend the distribution system greater than 100 metres, the customer is connected.
73	A distributor that is obliged to attach or connect premises to the distribution system under regulation 4 of the Electricity Industry (Obligation to Connect) Regulations must extend the distribution system to a suitable connection point.	Compliant – 5	Through discussions with the Manager Customer Service and examination of the Manual and the Supply Extension Scheme procedure, we determined that Horizon Power has procedures in place to manage customer connections where the distribution system needs to be extended: <ul style="list-style-type: none"> Horizon Power is obliged to connect customers where the distribution is not required to be extended greater than 100 metres Customers, who are within the 100 metre requirement, are able to apply to Horizon Power under the supply extension scheme. The Supply Extension Scheme procedure outlines, in detail, the process required to connect a customer Horizon Power's procedures require the customer to pay up front for the cost of the extension once the design of the job has been developed and estimated Where the Licence boundary is required to be extended, an application is made to the Authority to extend its boundary. The Supply Extension Scheme procedure provides detailed steps on the application process.
74	The capacity and standard of an extension must be adequate for the supply required and in accordance with accepted good industry practice as it would be applied by a prudent distributor.	Compliant – 5	The Manager Customer Service confirmed that all connections and practices followed are aligned to Western Australian Electricity Standards. The Horizon Power Network Supply and Extension manual references a number of publications that were used for its development, for example: <ul style="list-style-type: none"> Western Australian Electrical Requirements – Published by Energy Safety WA Electricity Distribution Regulations 1997 Electricity Industry (Obligation to Connect) Regulations 2005 Electricity Industry (Code of Conduct) Regulations 2005 Electricity (Supply Standards and System Safety) Regulations 2001 AS AS/NZS 61000.3.3:1998 AS/NZS 61000.3.2:1998.

No	Obligation under Condition	Compliance Rating	Findings
75	A distributor that is obliged to attach or connect premises to the distribution system under regulation 4 of the Electricity Industry (Obligation to Connect) Regulations must do so within a defined timeframe.	Non-Compliant 2	<p>Through discussions with the Manager Customer Service, review of connection procedures and walkthrough of mData21 and Velocity systems, we determined that Horizon Power has the following process to facilitate new connections:</p> <ul style="list-style-type: none"> • The customer contacts the call centre requesting a new account and a new connection • The customer is required to engage a contractor to perform works at their premises. The electrical contractor is required to submit a preliminary notice to Horizon Power outlining works being undertaken • Once works are completed, the electrical contractor submits a 'Notice of Completion' to Metering Services • All notices that are submitted are electronically time and date stamped (including the name of the employee who receipted the notice) by Connections Officers. mData21 is updated with a connection timing • Horizon Power generates an energisation service order, which starts the 20 business day requirement once all inspections have been carried out (which acknowledges a finalised customer request). However, Horizon Power will contact customers to set a date for connection • All services orders are generated by Metering Services and forward to each regional depot • Connection timeframes are monitored via a new connections spreadsheet and assigned staff are responsible for ensuring connections are processed as soon as possible. <p>In accordance with the action plan devised in response to the non-compliance reported by the 2011 performance audit, Horizon Power was to extend its connection processes through a letter for distribution to customers where, through discussion with the relevant electrical contractor, it is identified that the expected connection completion date would fall outside the 20 day timeframe. The letter was designed to enable Horizon Power to have obtained customers' acceptance of a revised connection timeframe and therefore to maintain compliance with the Regulations. However this process has not been implemented.</p> <p>A summary report of all 3,965 completed connection service orders for the period 1 April 2011 to 31 March 2013 evidenced that 15 new connections were not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.</p>

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 1/2013 Horizon Power further amend its new connection procedures to appropriately prioritise new connection service orders and, where Horizon Power identifies that the 20 day timeframe will be breached, obtain the customer's verifiable consent.		Action Plan 1/2013 (a) The new connections process will be reviewed with the intent that no new connections reach the 20 day timeframe. A component of this review is to find the root cause of these 15 late connections (b) Preliminary investigations found that 8 of these exceptions are as a result of contractors completing notices ahead of the work required and as a result field crew are unable to connect. Further investigation is required (c) Once the causes of this issue are confirmed, solutions will be considered within the customer services improvement plan, including improved reporting to monitor for compliance. The plan will be developed and then reviewed with the Authority. Responsible Person: Manager Customer Service Target Date: 31 December 2013
76	A distributor must energise premises in certain prescribed circumstances.	Compliant – 5	Obligations 76 and 77 Through discussions with the Manager Customer Service, review of connection procedures and walkthrough of mData21 and Velocity systems, we determined that: <ul style="list-style-type: none"> Horizon Power acts as both a retailer and distributor in first receiving customer connection requests and then performing the actual energisation of the premises Horizon Power will connect customers if a request is made from a customer and: <ul style="list-style-type: none"> The customer's connection point is within 100 metres of the distribution network, or The customer applies to have the distribution network extended. Velocity and mData21 facilitate the flow of service orders to ensure customer connection requests are appropriately issued, recorded and tracked. Exception reports are also generated to identify open and rejected service orders Horizon Power's processes are designed for energisations to be performed at the same time that the connection is completed by Horizon Power. Accordingly, Horizon Power targets all connections and energisations to be completed within the 20 business day timeframe required by sub-regulation 6, regardless of whether the premises are within a metropolitan or non-metropolitan area.
77	A distributor that is obliged to energise premises must do so within a defined timetable.	Compliant – 5	

4.4 Electricity Industry (Licence Conditions) Regulations

Obligations determined to be not applicable

All obligations were applicable to Horizon Power's operations for the period 1 to 30 April 2011.

Obligations determined to be not rateable

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

Obligation ⁵	Reason
79	Horizon Power was not required to submit a written report regarding its costs in purchasing renewable source electricity under approved contracts to the Coordinator during the period 1 to 30 April 2011.
80	The Coordinator made no request for the amendment to Horizon Power's contract to provide for the purchase of renewable source electricity during the period 1 to 30 April 2011.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power'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	
	2					1	3

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.

⁵ Obligation numbers based on the June 2010 Compliance Reporting Manual.

No	Obligation under Condition	Compliance Rating	Findings
78 ⁶	The electricity corporation must offer to purchase renewable source electricity, under an approved contract, from an eligible customer who wishes to sell such electricity to the corporation.	Compliant – 5	<p>The 2011 performance audit follow up procedures conducted by us in January 2012 identified:</p> <ul style="list-style-type: none"> • An investigation in relation to the extent Horizon Power can accommodate customers' renewable energy on its networks had been completed • Horizon Power revised its Terms & Conditions to enable the Renewable Energy Buyback Scheme (REBS) to be offered to all customers conditional on available Hosting Capacity and adherence to a Generation Management Standard. These Terms & Conditions had been approved by the Office of Energy • All eligible customers were being offered the REBS subject to conditions designed to enable Network Quality and Reliability of Supply.

⁶ Obligation numbers based on the June 2010 Compliance Reporting Manual.

4.5 Electricity Industry (Customer Contracts) Regulations

The May 2011 revision of the Compliance Reporting Manual was updated by the Authority to align the compliance reporting obligations in the Manual with the new electricity licence templates that became effective on 13 January 2011. The Secretariat also identified a number of obligations relating to the Electricity Industry (Customer Contracts) Regulations 2005 that needed to be included in the Manual. The obligations relating to the Electricity Industry (Customer Contracts) Regulations 2005 are subject to audit from 1 May 2011.

Obligations determined to be not applicable

All obligations were applicable to Horizon Power's operations for the period subject to audit.

Obligations determined to be not rateable

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

Obligation	Reason
79 - 98	The Manager Customer Service confirmed that Horizon Power is only able to provide electricity to small use customers under the Standard Form Contract approved by the Authority. Therefore, as these obligations relate to a non standard contract, they are not rateable.
99	As Horizon Power is both the Distributor (Network Operator) and the sole Retailer, there is no requirement to determine the default supplier for each connection point.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power'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	
	21					2	23

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.

No	Obligation under Condition	Compliance Rating	Findings
78	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. <i>Electricity Industry (Customer Contracts) Regulations 2005, Electricity Industry Act section 51</i>	Compliant – 5	The Regulation Compliance Coordinator advised Horizon Power submitted a revised standard form contract for approval to the Authority on 1 August 2011, which was subsequently approved in writing on 26 September 2011.
100	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. <i>Electricity Industry (Customer Contracts) Regulations 2005, Regulation 38</i>	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing and contracting processes, we determined that Horizon Power's processes provide for: <ul style="list-style-type: none"> • All small use customers to be contracted under an approved standard form contract upon account establishment • If Horizon Power becomes aware of a person consuming electricity without establishing an account (non-application), Horizon Power will immediately send a warning letter to the supply address notifying that person of their requirement to enter into a standard form contract to continue consuming electricity. If the person does not establish an account in Horizon Power's prescribed timeframe, the supply address will be disconnected.

4.6 Electricity Industry Act 2004

Obligations determined to be not applicable

All obligations are applicable to Horizon Power's operations for the audit period.

Obligations determined to be not rateable

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

Obligation	Reason
90 – 92 ⁷	<p>The Regulation Compliance Coordinator confirmed that, for the period 1 to 30 April 2011:</p> <ul style="list-style-type: none"> The Coordinator had not issued Horizon Power with any instruction to amend a draft extension and expansion policy Horizon Power had not been directed to amend a draft extension and expansion policy. <p>Therefore, an assessment of Horizon Power's compliance with these obligations cannot be made for the period subject to audit.</p>
110	The Regulation Compliance Coordinator confirmed that Horizon Power has not been designated as a supplier of last resort. Therefore, an assessment of Horizon Power's compliance with this obligation cannot be made for the period subject to audit.
112 - 113	As Horizon Power does not operate in a regulated/covered electricity network, there are currently no other users who have access to its networks. Therefore, an assessment of Horizon Power's compliance with these obligations cannot be made for the period subject to audit.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power'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	
	6				1	9	16

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.

⁷ Obligation numbers relate to the June 2010 Compliance Reporting Manual and are only applicable for the period 1 to 30 April 2011.

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.	Compliant – 5	Deloitte was appointed with the Authority's approval to undertake the performance audit for the period 1 April 2011 to 31 March 2013. This is the fourth audit conducted by an independent expert since the granting of the Licence in March 2006.
102	A licensee must provide for an asset management system.	Compliant – 5	<p><i>Obligations 102 and 103</i></p> <p>The Technical Compliance Coordinator confirmed that:</p> <ul style="list-style-type: none"> • Horizon Power (in its former status of Western Power Corporation Regional Business Unit) notified the Authority of its asset management system as part of its Licence application • For the duration of the period 1 April 2011 to 31 March 2013 Horizon Power had: <ul style="list-style-type: none"> ○ Provided for a functioning asset management system, which was applicable to all of its operations (note that the 2013 Asset Management System Review will report on the effectiveness of that system for the period 1 April 2011 to 31 October 2013) ○ Requested for an extension of the period of time covered by the 2013 asset management system effectiveness review due to moving its business operations, including asset management, to a new system (Ventyx Ellipse) in September 2012. <p>In accordance with section 14(2) of the Act, which requires Horizon Power's asset management system to set out the measures to be taken for the proper maintenance of assets used in its operations, the initial notification to the Authority of the details of Horizon Power's asset management system included a summary description of the:</p> <ul style="list-style-type: none"> • Key documents and processes relevant to the asset management system • Aim of Horizon Power's asset operation and maintenance philosophy • Essential elements of Western Power's data management system used at that time. <p>Through discussions with the Technical Regulation and Compliance Coordinator and consideration of Horizon Power's Asset Management Plan documents, we determined that Horizon Power's asset management system has continued to evolve since the Authority was the last advised of the details of the system, including the decision to stop using the legacy Western Power data management systems and extend the current use of Ellipse for all asset data management. This change has resulted in more sophisticated information being sought and used in the asset management process.</p> <p>There is currently some doubt as to whether changes to the asset management system during the audit period are sufficiently substantial as to require specific notification to the Authority in accordance with the requirements of section 14(1) of the Act.</p> <p>As it may be reasonable to form a view either way, we consider Horizon Power has not breached the requirements of the Act. We note that the clause 20.3 of the Licence specifies a 10 business day timeframe for providing such a notification.</p>
103	A licensee must notify details of the asset management system and any substantial changes to it to the Authority.	Compliant – 4	

No.	Obligation under Condition	Compliance Rating	Findings
	Recommendation 21/2013 Horizon Power: (a) Notify the Authority of the current details of its asset management system for setting out the measures to be taken for the proper maintenance of assets used in its operations (b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority.		Action Plan 21/2013 (a) Notify the Authority of the current details of its asset management system for setting out the measures to be taken for the proper maintenance of assets used in its operations (b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority. Responsible Person: Technical Regulation and Compliance Coordinator Target Date: (a) 30 September 2013 (b) 31 December 2013
104	A licensee must provide the Authority with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the Authority.	Compliant – 5	We sighted the Authority’s approval in May 2013 of Overdrive Holdings Pty Ltd t/a Qualeng to undertake the asset management system review for the period 1 April 2011 to 31 October 2013.
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.	Compliant – 5	By sighting Horizon Power’s financial records of licence fee payments processed and the respective invoices issued by the Authority for licence fees payable, the annual licence fees for 2012 and 2013 were paid within one month of the 30 March anniversary date.
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.	Compliant – 5	Through discussions with the Regulation Compliance Coordinator and examination of Horizon Power’s Emergency Procedure and Crisis Management Plans (the Plans), we confirmed that: <ul style="list-style-type: none"> Horizon Power maintains a Crisis, Emergency & Business Continuity Management System, which is tested annually The Plan commits Horizon Power to maintaining continuity of supply, safe and secure operations and is broken into the following elements: <ul style="list-style-type: none"> Crisis Management and Communication Emergency Management Incident reporting and close-out Preparedness. Appendix 11 of the Plans outlines specific actions to be taken for supply emergencies Horizon Power Managers are notified of significant disruptions as and when they occur.

No.	Obligation under Condition	Compliance Rating	Findings
107	A licensee must pay the costs of taking an interest in land or an easement over land.	Compliant – 5	<p>The Land and Approvals Coordinator confirmed that:</p> <ul style="list-style-type: none"> • Horizon Power owns a number of properties or has interest in a number of easements over land on which it conducts its operations • Payments made in relation to easements or purchasing of land are made from appropriate project allowances, or through budgeted expenditure • A policy and procedure for Horizon Power's land management activities remain under development, with third party resources engaged to facilitate their development.
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.	Compliant – 5	<p>Through discussions with the Manager Customer Service and review of Horizon Power's customer account set up procedures, we determined that Horizon Power is only able to provide electricity to small use customers under the Standard Form Contract approved by the Authority. The latest version of the Standard Form Contract (Sept 2011) is found on both the Authority's and Horizon Power's websites.</p>
109	A licensee must comply with any direction by the Authority to amend the standard form contract and do so within the period specified.	Compliant – 5	<p>The Regulation Compliance Coordinator advised Horizon Power submitted a standard form contract for approval from the Authority on 1 August 2011, which was approved in writing on 26 September 2011 and published on the Authority's website on 28 September 2011.</p>
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.	Compliant – 5	<p>Horizon Power:</p> <ul style="list-style-type: none"> • Has been granted an Electricity Integrated Regional Licence • The Licence precludes Horizon Power from supplying electricity to a small use customers unless it is a member of the approved electricity ombudsman scheme to which it is bound to comply with requirements in relation to customer complaints handling • Horizon Power is an electricity industry member of the ombudsman scheme.

4.7 Electricity Licences – Licence Conditions and Obligations

Obligations determined to be not applicable

All obligations were applicable to Horizon Power's operations for the audit period:

Obligations determined to be not rateable

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

Obligation	Reason
120	The Regulatory Compliance Coordinator confirmed that, during the period 1 April 2011 to 31 March 2013, Horizon Power was not prescribed individual performance standards by the Authority
125	The Manager Customer Service confirmed that, during the period 1 April 2011 to 31 March 2013, the Authority did not direct Horizon Power to publish any information.
128	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 4.1 of this report, "Type 1 Reporting Obligations for all licence types".
102 ⁸	The Regulation Compliance Coordinator confirmed that, during the period 1 to 30 April 2011, Horizon Power did not amend its customer service charter. Therefore, the requirements under Licence Condition 15.2 from the July 2010 Compliance Reporting Manual are not rateable for the period subject to audit.
103-104 ⁸	The Manager of Customer Service confirmed that for the period 1 to 30 April 2011, Horizon Power did not expand or reduce its generating works, distribution and transmission systems.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power's compliance with the relevant obligations of the Integrated Electricity Regional Licence.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
	5		2			11	18

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.

⁸ Obligation numbers relate to the July 2010 Compliance Reporting Manual and are only applicable for the period 1 – 30 April 2011.

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.	Non-compliant – 2	<p>Horizon Power does not undertake marketing activities for the purposes of competing with other retailers, however the Code of Conduct does consider relevant employees and ServiceWorks' Customer Service Representatives (CSRs) to be "electricity marketing agents" as they act on behalf of Horizon Power:</p> <ul style="list-style-type: none"> • For the purpose of obtaining new customers, or • In dealings with existing customers in relation to contracts for the supply of electricity. <p>We have interpreted the Code of Conduct to impose those related marketing obligations on Horizon Power's electricity marketing agents.</p> <p>Through discussions with the Manager Customer Service and consideration of Horizon Power's customer service activities, we determined that:</p> <ul style="list-style-type: none"> • The only marketing related activities Horizon Power is considered to perform involves establishing and managing a customer's account (Part 2, Divisions 2 and 3) • Call centre processes and procedures assist the facilitation of compliance with Part 2, Divisions 2 and 3 of the Code of Conduct. <p>The requirements of Part 2 of the Code of Conduct, which are relevant to Horizon Power's operations, relate to dealings with customer contracts and the provision of required information to customers when establishing an account.</p> <p>Following a severe flood event that destroyed the Warmun community and all of Horizon Power's prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.</p> <p>In relation to the requirements of Part 2 of the Code of Conduct, neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts. We interpret the Code of Conduct to mean that the Department of Housing acted as a customer representative in establishing new connections and advising customers of relevant tariffs for credit meters.</p> <p>We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.</p> <p>As a continued theme from the 2009 and 2011 performance audits, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code's requirements in relation to the Warmun community's customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.</p>

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 2/2013 Horizon Power establish mechanisms to: <ul style="list-style-type: none"> (a) Ensure all new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained (b) Determine the full breadth of staff, contractors and other parties that would be required to participate in training on the marketing components of the Code (c) Actively monitor compliance levels for the marketing components of the Code. 		Action Plan 2/2013 Horizon Power has recently appointed an Aboriginal Service Coordinator to focus on service improvements to Aboriginal communities. <ul style="list-style-type: none"> (a) To ensure new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained, a connections pack and process for engagement for new community connections will be developed (b) A training plan will be developed for all staff, contractors and other parties as required to achieve compliance requirements (c) Monitoring processes will be reviewed to determine where improvement can be made. Responsible Person: Customer Service Framework Coordinator Target Date: 30 September 2013
115	The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the Authority within the prescribed timeframe.	Compliant – 5	The Manager Customer Service and Regulation Compliance Coordinator confirmed that Horizon Power has not recorded any breaches of the applicable Code requirements. Should the need arise, the Regulation Compliance Coordinator is responsible for reporting the breach to the Authority within the required timeframes.
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.	Compliant - 5	<i>Obligations 116 to 118</i> The Regulation Compliance Coordinator advised Horizon Power reviewed and submitted an amended standard form contract for approval by the Authority on 1 August 2011, which was approved in writing on 26 September 2011 and published on the Authority's website on 28 September 2011.
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.	Compliant - 5	
118	A licensee may only amend the standard form contract with the Authority's approval.	Compliant - 5	

No	Obligation under Condition	Compliance Rating	Findings
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.	Compliant – 5	<p>The Manager Financial Reporting and Regulation Compliance Coordinator confirmed that:</p> <ul style="list-style-type: none"> • Horizon Power is compliant with Australian Accounting Standards • The Office of the Auditor General (OAG) is responsible for auditing the annual statutory accounts of Horizon Power for compliance with Australian International Financial Reporting Standards (A-IFRS) • For the year ended 30 June 2012, RSM Bird Cameron conducted the audit on the OAG's behalf • There are no significant accounting transactions or items that would currently jeopardise Horizon Power's compliance with accounting standards. <p>Horizon Power's published financial statements and Final Audit Management Letter were sighted for the year ending 30 June 2012. The financial statements were not qualified.</p>
121	A licensee must comply, and require its auditor to comply, with the Authority's standard audit guidelines dealing with the performance audit.	Compliant – 5	In relation to the 2011 performance audit, Horizon Power and Deloitte (independent auditor) demonstrated their compliance with the prescribed audit guidelines and reporting manual issued by the Authority. In its report of September 2011, Deloitte confirmed that the 2011 audit was conducted in accordance with the specific requirements of the Licence and the August 2010 issue of the <i>Audit Guidelines: Electricity, Gas and Water Licences</i> issued by the Authority.
122	A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the Authority's standard guidelines dealing with the asset management system.	Compliant – 5	In relation to the 2011 asset management system review, Horizon Power and Qualeng (independent expert) demonstrated their compliance with the prescribed audit guidelines and reporting manual issued by the Authority. In its report of 24 August 2011, Qualeng confirmed that the 2011 review was conducted in accordance with the specific requirements of the Licence and the August 2010 issue of the <i>Audit Guidelines: Electricity, Gas and Water Licences</i> issued by the Authority.
123	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.	Compliant - 5	The Manager Financial Reporting confirmed that, during the period 1 April 2011 to 31 March 2013, Horizon Power was not under external administration and there were no significant changes that affected Horizon Power's ability to meet its obligations.

No	Obligation under Condition	Compliance Rating	Findings
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.	Non - Compliant – 2	<p>Through discussions with the Regulation Compliance Coordinator, we determined that Horizon Power has processes in place to respond to requests for information from the Authority. We note that:</p> <ul style="list-style-type: none"> The Regulation Compliance Coordinator is responsible for: <ul style="list-style-type: none"> Maintaining a log of communication with the Authority, including timing for submission of required information and reports Monitoring compliance with Horizon Power's licence obligations. Horizon Power is required to submit compliance reports to the Authority by 31 August each year. Horizon Power submitted its 2011 compliance report to the Authority on-time, however although a copy of the 2012 compliance report was emailed to the Authority by 31 August 2012, the required hard copy was submitted one business day late Each year, Horizon Power is required to provide information on its distribution and retail utilising the performance data sheets provided by the Authority. The reports, due on 20 September 2011 and 2012, were submitted to the Authority on 20 September, therefore complying with the timeframe requirement. <p>The Regulation Compliance Coordinator confirmed that for the period subject to audit, the Authority made ad hoc enquiries but has not required Horizon Power to formally provide any further information.</p>
	<p>Recommendation 3/2013</p> <p>Horizon Power modify its compliance calendar to include the requirement to submit the hard copy of compliance reports to the Authority by the 31 August deadline.</p>		<p>Action Plan 3/2013</p> <p>Modify the compliance action monitoring system to include automated notifications/ reminders to submit hard copies of compliance reports.</p> <p>Responsible Person: Regulation Compliance Coordinator</p> <p>Target Date: 31 August 2013</p>
126	Unless otherwise specified, all notices must be in writing.	Compliant – 5	The Regulation Compliance Coordinator maintains manual and scanned records to evidence formal communications with the Authority, which have been made via post or email.
127	A distributor must create and maintain a Priority Restoration Register.	Compliant – 5	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 3.1 of this report, "Type 1 Reporting Obligations for all licence types".

4.8 Code of Conduct for the Supply of Electricity to Small Use Customers

Obligations determined to be not applicable

The following obligations are not applicable to Horizon Power's operations:

Obligation	Reason
146, 147	These clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator. As Horizon Power is both the retailer and the network operator, these obligations are not applicable.
227	Clause is not applicable as Horizon Power is not licensed to engage in dual fuel contracts.
236	As this clause refers to the relationship between a retailer and a distributor it is not applicable as Horizon Power is both the distributor and retailer under the integrated regional licence.

Obligations determined to be not rateable

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

Obligation	Reason
141 – 143 (135 – 137, 141, 144 – 146, 148 – 152) ⁹	Horizon Power operates exclusively in the North West Interconnect System and Regional Non Interconnect Systems. As there are no other retailers operating in these systems, Horizon Power does not engage in direct marketing activities, nor does it initiate contact with customers. Accordingly, these obligations are not relevant to Horizon Power's operations for the period subject to audit and cannot be rated. The Manager Customer Service confirmed that, during the period 1 April 2011 to 31 March 2013, Horizon Power did not engage in direct marketing activities or initiate contact with customers. Horizon Power may from time to time visit remote communities areas to perform educative presentations on electricity and efficiency.
134, 139	The Manager Customer Service confirmed that Horizon Power only contracts through a standard form contract and does not offer a non-standard contract. Therefore these obligations are not rateable.
149 - 154	Through discussions with the Compliance and Billing Support Coordinator and an examination of Horizon Power's Hardship Policy, we determined that Horizon Power can offer shortened billing cycles to its customers. However, the Compliance and Billing Support Coordinator confirmed that Horizon Power has not processed any requests for shortened billing cycles as described by the Code. Accordingly, these obligations cannot be rated for the period subject to audit.
155, 156	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has not offered bill smoothing arrangements for the period subject to audit. Accordingly, an assessment of compliance cannot be made for the period subject to audit.

⁹ Obligation numbers based on the May 2011 Compliance Reporting Manual and are only applicable for the audit period 1 April 2011 to 31 December 2012.

Obligation	Reason
246 - 249	During the period subject to audit, Horizon Power had not received a request from a pre-payment meter customer who wanted to switch from a pre-payment meter to a standard meter. Therefore, there was no corresponding requirement to revert a pre-payment meter to a standard meter and clause 9.4 is not rateable for this audit period.
257	As Horizon Power is both the Distributor (Network Operator) and the sole Retailer, Horizon Power (as the Network Operator) has received no such request from another retailer during the audit period.
252	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 3.1 of this report, "Type 1 Reporting Obligations for all licence types".
261, 262	The Field Services and Metering Coordinator confirmed that no overcharging of customers on pre-paid meters has occurred over the audit period 1 July 2011 to 31 March 2013.
263	The Field Services and Metering Coordinator confirmed that Horizon Power has not attempted to recover any undercharged monies from pre-payment meter customers for the period under review, and would not generally seek to recover such monies.
265	The Field Services and Metering Coordinator confirmed that Horizon Power does not charge any fees to replace or switch a pre-payment meter to a standard meter.
267	The Field Services and Metering Coordinator confirmed that no grandfathered pre-payment meters have been upgraded or modified since the amendment date 1 July 2010.
328, 330	Clauses 14.1(2) and 14.2(2) of the Code relate to a distributor's obligation to a retailer. As Horizon Power acts in both capacities, the clauses are not relevant to Horizon Power's operations for the period subject to audit.
332, 334	Horizon Power's Code of Conduct annual performance reports for the audit period, and customer complaints register, contained no record of a service standard payment to customers for failing to acknowledge or respond to a customer query of complaint within the timeframes required by the Code. The Compliance and Billing Support Coordinator also confirmed that Horizon Power has not made a service standard payment in relation to complaints timeframes. Therefore, the obligations are not rateable for the period subject to audit.

Assessment of compliance

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

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
4	40		13	1	8	161	227

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.

No	Obligation under Condition	Compliance Rating	Findings
PART 2 - MARKETING			
129	A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.	Non-compliant – 2	<p>Horizon Power does not undertake marketing activities for the purposes of competing with other retailers, however the Code of Conduct does consider relevant employees and ServiceWorks' Customer Service Representatives (CSRs) to be "electricity marketing agents" as they act on behalf of Horizon Power:</p> <ul style="list-style-type: none"> • For the purpose of obtaining new customers, or • In dealings with existing customers in relation to contracts for the supply of electricity. <p>As such, the Code of Conduct imposes those related marketing obligations on Horizon Power's electricity marketing agents.</p> <p>Through discussions with the Manager Customer Service and consideration of Horizon Power's customer service activities, we determined that:</p> <ul style="list-style-type: none"> • The only marketing related activities Horizon Power is considered to perform involves establishing and managing a customer's account (Part 2, Divisions 2 and 3) • Call centre processes and procedures assist the facilitation of compliance with Part 2, Divisions 2 and 3 of the Code of Conduct. <p>The requirements of Part 2 of the Code of Conduct, which are relevant to Horizon Power's operations, relate to dealings with customer contracts and the provision of required information to customers when establishing an account.</p> <p>Following a severe flood event that destroyed the Warmun community and all of Horizon Power's prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.</p> <p>In relation to the requirements of Part 2 of the Code of Conduct, neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts. We interpret the Code of Conduct to mean that the Department of Housing acted as a customer representative in establishing new connections and advising customers of relevant tariffs for credit meters.</p> <p>We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.</p> <p>As a continued theme from the 2009 and 2011 performance audits, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code's requirements in relation to the Warmun community's customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.</p> <p><i>Refer to obligation 114 for detailed findings, recommendation and action plan.</i></p>

No	Obligation under Condition	Compliance Rating	Findings
130	An electricity marketing agent must ensure that standard and non-standard contracts are entered into in the manner and satisfying the conditions specified in clause 2.2.	Compliant – 5	<p>Through discussions with the Manager Customer Service and Compliance and Billing Support Coordinator, we determined that:</p> <ul style="list-style-type: none"> Horizon Power only offers a standard form contract to small use customers Contracts can only be entered over the phone, where: <ul style="list-style-type: none"> Customer consent is sought verbally over the phone CSRs will log consent related information (e.g. date originally signed up, consenting statement) on the customer's account in Velocity. Horizon Power has the capability to back date a customer's contract start date if it has been determined that the customer was using electricity prior to establishing the account The standard form contract is available on Horizon Power's website at no charge. If a customer requests for the contract to be mailed, CSRs will mail a copy of the contract to a specified address, at no charge.
131	An electricity marketing agent acting on behalf of Electricity Retail Corporation or Regional Power Corporation must ensure that the information specified in subclauses 2.3(1)(a)-(b) is provided to the customer before arranging a contract.	Compliant – 5	<p>Through discussions with the Manager Customer Service and consideration of Horizon Power's account set up process, we determined that Horizon Power:</p> <ul style="list-style-type: none"> Requires all small use customers to be signed up under a standard form contract Advises the customer that a copy of the contract can be provided to them on request, at no charge
132	An electricity marketing agent must ensure that the information specified in subclauses 2.3(1)(c)-(d) is provided to the customer before arranging a contract.	Compliant – 5	<ul style="list-style-type: none"> Makes the standard form contract available on its website, at no charge. <p>Note that Horizon Power does not inform customers of the difference between a standard form contract and a non-standard form contract for its small use customers as they do not offer a non-standard form contract.</p>

No	Obligation under Condition	Compliance Rating	Findings
133	For a standard form contract that is not an unsolicited consumer agreement or for a non-standard contract by the customer, an electricity marketing agent must obtain and make a record of the customer's verifiable consent that the specified information in subclause 2.3(1), as applicable, has been given.	Non - compliant – 2	<p>Through discussions with the Manager Customer Service and consideration of Horizon Power's processes for accepting new customers, we determined that:</p> <ul style="list-style-type: none"> • CSRs are instructed to obtain customer consent prior to entering into a contract • Consent is given orally and recorded in a note to the customer's account • In the case of pre-payment meter new connections, customers must sign the contact, which is taken as the customer's verifiable consent. <p>The requirements of Part 2 of the Code of Conduct, which are relevant to Horizon Power's operations, relate to dealings with customer contracts and the provision of required information to customers when establishing an account.</p> <p>Following a severe flood event that destroyed the Warmun community and all of Horizon Power's prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.</p> <p>In relation to the requirements of Part 2 of the Code of Conduct, neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts. We interpret the Code of Conduct to mean that the Department of Housing acted as a customer representative in establishing new connections and advising customers of relevant tariffs for credit meters.</p> <p>We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.</p> <p>As a continued theme from the 2009 and 2011 performance audits, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code's requirements in relation to the Warmun community's customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.</p> <p><i>Refer to obligation 114 for detailed findings, recommendation and action plan.</i></p>

No	Obligation under Condition	Compliance Rating	Findings
135	When a customer enters into a new contract that is not an unsolicited consumer agreement 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 if this offer is accepted by the customer, provide a copy of the contract at that time or as soon as possible, but no more than 28 days thereafter.	Non-Compliant - 2	<p><i>Obligations 135 to 137</i></p> <p>Through discussions with the Manager Customer Service and consideration of Horizon Power's processes and procedures for accepting new customers, we determined that:</p> <ul style="list-style-type: none"> Customers are offered a copy of the contract and if accepted, the contract will be sent the same day, at no charge Horizon Power will advise the customer how to obtain a copy of the Code of Conduct and other information on tariffs, fees, charges and other service levels Horizon Power will provide the information prescribed in 2.4(2) by sending a copy of the Customer Service Charter to all new customers following account establishment. <p>The requirements of Part 2 of the Code of Conduct, which are relevant to Horizon Power's operations, relate to dealings with customer contracts and the provision of required information to customers when establishing an account.</p> <p>Following a severe flood event that destroyed the Warmun community and all of Horizon Power's prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.</p> <p>In relation to the requirements of Part 2 of the Code of Conduct, neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts. We interpret the Code of Conduct to mean that the Department of Housing acted as a customer representative in establishing new connections and advising customers of relevant tariffs for credit meters.</p> <p>We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.</p> <p>As a continued theme from the 2009 and 2011 performance audits, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code's requirements in relation to the Warmun community's customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.</p> <p><i>Refer to obligation 114 for detailed findings, recommendation and action plan.</i></p>
136	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 to the customer the information specified in subclause 2.4(2)	Non-Compliant - 2	
137	Subject to subclause 2.4(4), for a standard form contract, a retailer or electricity marketing agent must give the specified information in subclause 2.4(2) no later than with, or on, the customer's first bill. If requested by a customer, and before a customer has entered into a non-standard form contract or a standard form contract that is an unsolicited consumer agreement, the electricity marketing agent must obtain the customer's written acknowledgement that the information in subclause 2.4(2) has been given; if the customer has not previously been provided a written copy of the contract, a copy of the contract must be provided at no charge to the customer.	Non-Compliant - 2	
138	An electricity marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
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.	Compliant – 5	Through discussions with the Manager Customer Service and examination of relevant documentation, the enquiry and complaints hotline number can be located on: <ul style="list-style-type: none"> Horizon Power's website Standard bill templates Customer Services Charter. We were also advised that customers may choose to make enquiries or complaints at Regional Depots with a Horizon Power representative.
144	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 upon 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.	Compliant – 4	Through discussions with the Manager Customer Service and consideration of the complaints handling process, we determined that: <ul style="list-style-type: none"> Complaints are monitored by the Customer Liaison Officer All recognised complaints are logged on the customer's account in Velocity Complaints information logged in customer accounts is kept for at least seven years. <i>Refer to obligation 294 for detailed findings, recommendation and action plan surrounding the complaints recognition process applied by Horizon Power.</i>
145	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.	Compliant – 5	Through discussions with Compliance and Billing Support Coordinator, customer information is recorded in Velocity and kept for a minimum of seven years. Horizon Power has not taken any action to remove any complaints data from Velocity and furthermore, data is backed up and archived off site.
PART 4 - BILLING			
148	A retailer must issue a bill no more than once a month and at least once every three (3) months, unless under the circumstances specified in subclause 4.1.	Non - compliant – 2	Historically, Horizon Power has had compliance issues with the Code of Conduct requirement to issue a bill no more than once a month and at least once every three months. Through discussions with the Manager Customer Service and the Compliance and Billing Support Coordinator, and consideration of Horizon Power's billing processes, we determined that: <ul style="list-style-type: none"> Bill generation is automated in Velocity, which extracts meter read data from mData21 The Standard Billing cycle is 60 days, although customers can request for a 30 day billing cycle. All customers are set up in Velocity to be billed on monthly or bi-monthly billing cycles, depending on the customer type (i.e. business or residential) Monthly billing cycles are set at 30 calendar days, however may be shorter should the 30th day fall on a weekend or public holiday Velocity receives meter reading data from mData21 to facilitate the generation of customer

No	Obligation under Condition	Compliance Rating	Findings
			<p>bills. Where an actual read could not be obtained, mData21 produces an estimated read, which is used to generate the bill</p> <ul style="list-style-type: none"> • Prior to issue, bills that do not meet all validation parameters in Velocity are auto-queued (e.g. consumption significantly exceeds the prior supply period). Validation exceptions require manual alteration/approval, however despite the potential delay in addressing validation exceptions, Velocity will not allow the customer to be billed more than once per month. Instead, a customer may receive a consolidated bill for more than one supply period • All accounts 30 days unbilled or more are captured on an unbilled report. ServiceWorks reviews the report daily to identify any customers who are close to breaching the above timeframes • For every bill that is shorter than the customer's standard billing period, or, exceeds the customer's standard billing period by more than 15 days, a letter that describes the changes made with meter reading and systems in Horizon Power, and any issues being experienced, is sent to the customer. The letter also offers the customer to contact Horizon Power's call centre for payment terms. <p>Upon examination of monthly unbilled installation reports and confirmation from the Manager Customer Service, we determined that:</p> <ul style="list-style-type: none"> • Following the 2011 performance audit, there have been no known instances of a customer being systematically billed more than once per month, other than in the instance of a special bill • Despite efforts to manage the volume of unbilled installations, Horizon Power has continued to consistently breach the 'at least one bill every three months' Code requirement. As at 31 March 2013, there were 163 installations unbilled for greater than 90 days. That volume fluctuated from month to month throughout the audit period • Horizon Power's processes do not provide for obtaining the customer's verifiable consent for billing outside the required timeframes. Horizon Power has verbally notified the Authority's Secretariat of its non-compliance with the Code of Conduct. <p>Testing did not identify any instances of billing a customer more than once a month. Review of the customer complaints register did not identify any complaints resulting from Horizon Power billing a customer outside the timeframes specified in the Code of Conduct.</p>

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 5/2013 Horizon Power establish a plan for: (a) Further improving its billing validation and exception reporting practices to minimise the backlog of unprocessed bills and to proactively identify those accounts at risk of breaching billing frequency requirements (b) Determining what may constitute an acceptable volume of unbilled installations in order to achieve effective compliance with clause 4.1 of the Code.		Action Plan 5/2013 Horizon Power intends to improve performance so that it does not bill outside the required timeframe (i.e. no unbilled installations in a three month period). To achieve this, a working group with ServiceWorks has been formed to review all validations and exception reporting processes. The findings from this review will be included in a customer services improvement plan that is being developed encompassing exception management, reporting and other causes of billing performance issues. Responsible Person: Manager Customer Service Target Date: 31 December 2013
157	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.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and review of Horizon Power's billing procedures and systems, we determined that Horizon Power's procedures provide for: <ul style="list-style-type: none"> The customer's mailing address to be recorded when the customer establishes an account with Horizon Power Customers to have their bills sent to either the supply address or an alternative mailing address, which can be an electronic address, nominated by the customer.
158	Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in subclause 4.5(1) on the customer's bill.	Compliant – 5	An examination of Horizon Power's current standard bill templates evidenced that the templates contain the minimum information required by section 4.5 of the Code.
159	If a retailer identifies and wishes to bill a customer for an historical debt, the retailer must advise the customer of the amount of the historical debt and its basis before, with or on the customer's next bill.	Compliant – 5	Through discussion with the Compliance and Billing Support Coordinator, we determined that in the event a historical debt is identified, Horizon Power's processes provide for either: <ul style="list-style-type: none"> The amount to be recovered through the standard bill with the debt appearing under the outstanding 'balance' section A special bill for the outstanding amount to be raised and sent to the customer along with a cover letter, explaining the purpose of the special bill The amount of historical debt can only be back-dated for a period of up to 12 months.

No	Obligation under Condition	Compliance Rating	Findings
160	<p>A retailer must base a customer's bill on the following:</p> <ul style="list-style-type: none"> The distributor's or metering agent's reading of the meter at the customer's supply address, or The customer's reading of the meter in the circumstances specified in subclause 4.6(1)(b) or Where the connection point is a type 7 connection point, the procedure as set out in the metrology procedure or Metering Code. 	Compliant – 5	<p>Through discussion with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following processes and systems in place for generating bills based on meter readings from Horizon Power's field crew, sub-contractors or customer self reads:</p> <ul style="list-style-type: none"> Horizon Power performs meter reading services in-house. Meter readings are uploaded by field crew or sub-contractors (previously contracted through AMRS) using electronic handhelds to mData21 Where a customer is located in a Mandatory Self Read area, or the customer lives in a remote area and makes appropriate arrangements with Horizon Power to provide self reads: <ul style="list-style-type: none"> Salamat mails a meter reading card to the customer The customer uses the card to record the meter read and mails back to Salamat, where a data file is generated and uploaded to mData21. <p>The Field Services and Metering Coordinator confirmed that there were no small use customers with type 7 connection points during the period 1 April 2011 to 31 March 2013.</p>
161	<p>Prior to a customer reading a meter under subclause 4.6(1)(b), a retailer must give the customer information that explains how to read a meter correctly in clear, simple and concise language.</p>	Compliant – 5	<p>Through discussion with the Compliance and Billing Support Coordinator, we determined that Horizon Power's procedures provide for different self-read cards to be sent to the customer depending on the type of meter. The cards are designed to look similar to the face of the meter where:</p> <ul style="list-style-type: none"> For mechanical meters with dials, the customer is sent a card with a picture of dials similar to their meter and the customer is required to draw the position of the needles on the dials For digital meters, customers are instructed to write down the numbers shown on the digital display. <p>Our review observed that instructions written on the card appear to be in clear, simple and concise language.</p>

No	Obligation under Condition	Compliance Rating	Findings
162	Other than in respect of a Type 7 connection, 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 12 months.	Non - Compliant – 2	<p>Historically, Horizon Power has had compliance issues with obtaining meter reading data at least once every 12 months as per the Code of Conduct requirement.</p> <p>Through discussion with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that the following processes and systems are in place to manage the acquisition of meter reading data:</p> <ul style="list-style-type: none"> Horizon Power obtains meter readings through mData21 (following upload of the meter read by Horizon Power field crew, Salmat or sub-contractors) Billing schedules are managed by Horizon Power with bills being generated either bi-monthly or monthly depending on the customer's billing cycle <ul style="list-style-type: none"> Section 5.1 of Horizon Power's standard form contract states that Horizon Power will use its best endeavours to perform actual reads once every billing cycle (monthly or bi-monthly). Where an actual read cannot be performed, an estimated read is generated by mData21 Following the 2011 audit, mData21 has been programed to stop performing estimated reads where no actual read has been obtained after: <ul style="list-style-type: none"> Four consecutive bi-monthly billing cycles (eight months) Seven consecutive monthly billing cycles. An exception queue within mData21 is monitored by Customer Services Representatives at ServiceWorks, who then notify the Field Services and Metering Coordinator when no actual read has been performed at any one supply address within the above timeframes In January 2012, Horizon Power implemented an improved process for managing the volume of meters that had not had an actual meter read within the 12 month timeframe specified by the Code. Despite a reduction in the volume of breaches of this requirement, Horizon Power has continued to experience a volume of breaches which it considers to be unacceptably high.
	<p>Recommendation 6/2013</p> <p>Horizon Power establish a plan for:</p> <p>(a) Further improving its "must read" and exception reporting practices to minimise those accounts at risk of breaching actual meter reading data frequency requirements</p> <p>(b) Determining what may constitute an acceptable volume of unread meters in order to achieve effective compliance with clause 5.4 of the Code.</p>		<p>Action Plan 6/2013</p> <p>Horizon Power intends to improve performance so that it does not read meters outside the required timeframe (i.e. all meters are read annually).</p> <p>To achieve this, management meetings have been set up to report on meter reading performance. Further reporting and a process for escalation will be developed to ensure the Code is not breached.</p> <p>Responsible Person: Field Services and Metering Coordinator</p> <p>Target Date: 31 March 2014</p>

No	Obligation under Condition	Compliance Rating	Findings
163	If a retailer is unable to reasonably base a bill on a reading of the meter, a retailer must give the customer an estimated bill.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power's procedures provide for :</p> <ul style="list-style-type: none"> • An estimated value to be automatically generated by mData21 in the event that a meter reading is not received • A comprehensive validation process whereby an estimated bill is assessed against pre-set parameters within Velocity for reasonableness. If validation fails, the estimated bill is exception queued for manual review • The bill to clearly identify that it is based on an estimated read (e.g. watermark across the page). <p>Section 5.1 of Horizon Power's standard form contract states that an estimate will be used if Horizon Power cannot reasonably base a bill on its reading of the meter.</p>
164	In circumstances where the customer's bill is estimated, a retailer must specify in a visible and legible manner, on the customer's bill the information detailed in subclause 4.8(2).	Compliant – 5	<p>Upon examination of Horizon Power's estimate bill template, we determined that the template contains the minimum information required by section 4.8(2) of the Code and includes a watermark across the bill to highlight that it is based on an estimate.</p>
165	Upon request, a retailer must inform a customer of the basis and the reason for the estimation.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that CSRs are adequately trained, and provided with relevant information in Velocity, to inform a customer of the basis and the reason for the estimation.</p>
166	If a 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 in accordance with clause 4.19.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator, examination of section 5.1 of the standard form contract and consideration of Horizon Power's billing and account management processes, we determined that:</p> <ul style="list-style-type: none"> • Where the account is in credit (i.e. Horizon Power owes money to the customer), Horizon Power's standard process is as follows: <ul style="list-style-type: none"> ○ The customer will be contacted and advised of their payment options (e.g. cheque) ○ If the customer requests an amount to be re-paid via cheque, Horizon Power will arrange for the cheque to be processed in the next fortnightly cheque run ○ Cheques will take approximately 15 business days to be considered as received by the customer (code definition for "date of receipt" refers to a two business day turnaround for a customer to receive a cheque payment via mail). • Where the account is in debit (i.e. the customer owes Horizon Power) the standard process is to re-coup monies up to 12 months as historical debt on the following bill. The customer will be advised if this is the case. <p>We note that Horizon Power is currently implementing an EFT refund option as an alternative to cheque payments.</p>

No	Obligation under Condition	Compliance Rating	Findings
167	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 in subclause 4.10.	Compliant – 5	Through discussion with the Compliance and Billing Support Coordinator and consideration of Horizon Power's standard form contract, we determined that Horizon Power has processes and procedures in place to replace an estimated bill with a bill based on actual meter read if requested by a customer.
168	If a customer requests the meter to be tested and pays a retailer's reasonable charge (if any) for doing so, a retailer must request the distributor or metering agent to do so	Compliant – 5	<p><i>Obligations 168 and 169</i></p> <p>Through discussion with the Compliance and Billing Support Coordinator and consideration of Horizon Power's standard form contract, we determined that Horizon Power has the following arrangements in place to perform a meter test at a customer's request:</p> <ul style="list-style-type: none"> Section 5.2 of Horizon Power's standard form contract outlines the customer's right to request a meter test Horizon Power's current processes require upfront payment of the fee to perform the meter test (\$152 or \$139.80 for concession card holders). Once payment has been received, the Compliance and Billing Support Coordinator processes a meter exchange service order requesting a meter test If the meter is not found to be defective, the customer is advised. However, if the meter is found to be defective, the meter test fee is refunded and: <ul style="list-style-type: none"> If the meter is running fast (i.e. overcharging the customer), the amount overcharged is refunded/credited to the customer If the meter is running slow (i.e. undercharging the customer), as a gesture of goodwill Horizon Power will not attempt to recoup the monies.
169	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.	Compliant – 5	
170	If a retailer offers alternative tariffs and a customer applies to receive an alternate tariff (and demonstrates to the retailer that they satisfy the conditions of eligibility), a retailer must change the customer to an alternate tariff within 10 business days of the customer satisfying those conditions	Compliant – 5	<p>Through discussion with Compliance and Billing Support Coordinator and examination of Horizon Power's Electricity Tariffs and charges brochure, we determined that:</p> <ul style="list-style-type: none"> Business customers who consume less than 160MWh's are the only customers who are able to transfer between applicable tariffs, which would be captured by the Code requirements (being the L2 and L4 tariffs) Eligibility requirements are dependent on the customer's consumption, i.e. for an L2 tariff the customer must consume no more than 50MWh's and for an L4 tariff, the customer must consume between 50MWh's and 160MWh's (to be captured by the Code requirements) Business customers can apply to Horizon Power for a change in their tariff by contacting the customer care centre The request will be reviewed by the Compliance and Billing Support Coordinator and be processed accordingly based on the customer's eligibility. ServiceWorks' processing timeframe is a maximum of three business days If the customer is eligible for a more favourable alternate tariff, as a gesture of goodwill, Horizon Power will apply the new tariff from the beginning of the customer's billing cycle.

No	Obligation under Condition	Compliance Rating	Findings
171	If a customer's electricity use changes and the customer is no longer eligible to continue to receive an existing, more beneficial tariff, a retailer must give the customer written notice prior to changing the customer to an alternative tariff.	Compliant - 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following processes for changing a customer's tariff:</p> <ul style="list-style-type: none"> • Business customers who consume less than 160MWh's are the only customers who are able to transfer between tariffs, which would be captured by the Code requirements (being the L2 and L4 tariffs) • Eligibility requirements are dependent on the customer's consumption, i.e. for an L2 tariff the customer must no more than 50MWh's and an L4 tariff must consume between 50MWh's and 160MWh's (to be captured by the Code requirements) • The Compliance and Billing Support Coordinator produces an alternative tariff review report to determine if any customers need to be moved onto an alternate tariff (i.e. from an L2 to L4 or vice-versa) • If the customer's usage is matched with that of a higher tariff, the customer will be monitored for six months to determine whether they should be moved to a higher tariff based on their average consumption • Based on the findings of the review, the Compliance and Billing Support Coordinator requests ServiceWorks to send the customer a letter outlining reasons for the need to change a tariff (i.e. the customer has been monitored for six months and their consumption currently matches that of a higher tariff) • Customers will only be changed to the new tariff when a new meter read is provided. Therefore, those customers for which Horizon Power has a meter read and are in within three business days of billing, will not be changed until the next billing cycle • Horizon Power allows for one month in changing the customer to the higher tariff.

No	Obligation under Condition	Compliance Rating	Findings
172	If a customer requests a retailer to issue a final bill at the customer's supply address, a retailer must use reasonable endeavours to arrange for that final bill in accordance with the customer's request.	Compliant – 5	<p>Section 9.3 of the standard form contract outlines the requirements for finalising customer accounts. The section states that if the customer moves out of the premises and no longer wishes to obtain electricity supply, the customer must advise Horizon Power:</p> <ul style="list-style-type: none"> • Three business days before the customer moves out of the premises • Of an address where the final bill can be sent. <p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has processes and procedures in place to finalise customer accounts at the customer's request. In these circumstances, a final meter read service order is arranged from which a final bill is generated.</p> <p>If the customer does not advise Horizon Power within three business days of their intention to vacate the premises and require a final bill, the customer will be billed for usage up to three days following the date the customer informs Horizon Power that they are no longer living at the supply address.</p>
173	A retailer must repay the customer any amount in credit at the time of the account's closure.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following processes and procedures in place to manage the account finalisation process:</p> <ul style="list-style-type: none"> • At the time of account closure, CSRs are trained to walkthrough the options with customers • The customer may request for a refund via a range of payment methods (e.g. cheque or EFT). <p>We examined the complaints register and did not identify any complaints in relation to refund of credits after account closure.</p>

No	Obligation under Condition	Compliance Rating	Findings
174	Subject to a customer paying that portion of the bill under review that a customer and a retailer agree is not in dispute, or an amount equal to the average amount of the customer's bill over the previous 12 months (excluding the bill in dispute, whichever is less), and paying any future bills that are properly due, a retailer must review the customer's bill on request by the customer.	Compliant – 5	<p><i>Obligation 174 to 178</i></p> <p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following processes in place to facilitate the review of a customer account on request:</p> <ul style="list-style-type: none"> ServiceWorks' CSRs are trained to deal with customer requests to review a bill, enabling a review to be performed on request Requests to review of a customer's bill are either: <ul style="list-style-type: none"> Resolved immediately through CSRs or Call Centre Team Lead at ServiceWorks, or Logged in Velocity and escalated to the Compliance and Billing Support Coordinator who will provide a response to ServiceWorks within 2 business days (service standard). Where the bill is assessed as incorrect by Horizon Power and is an overcharge, the default process is for a credit to be applied to the customer account. Alternatively, the customer may request a refund If a review of a customer's bill cannot be completed immediately, ServiceWorks will advise the customer the result of the review within 20 business days. If a complaint has not been responded to within 20 business days, Horizon Power will advise the customer of the status of the complaint Where the bill is assessed as correct by Horizon Power, depending on the issue relating to the bill, the CSR will inform the customer of their options if they express continued dissatisfaction, including the use of the complaints handling processes Examination of the customer complaints register did not identify instances of complaints in relation to requesting a review of a customer account.
175	If a review of a bill has been conducted and the retailer is satisfied that the bill is correct, the retailer may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with the applicable law; and must advise the customer of the existence and operation of the retailer's internal complaints handling processes and details of any applicable external complaints handling processes.	Compliant – 5	
176	If a review of the bill has been conducted and a retailer is satisfied that the bill is incorrect, a retailer must adjust the bill in accordance with clauses 4.17 and 4.18.	Compliant – 5	
177	The retailer must inform a customer of the outcome of the review of a bill as soon as practicable.	Compliant – 5	
178	If the retailer has not informed a customer of the outcome of the review of a bill within 20 business days from the date of receipt of the request for review, the retailer must provide the customer with notification of the status of the review as soon as practicable.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
179	If a retailer proposes to recover an amount undercharged as a result of an error, defect, or default for which the retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must do so in the manner specified in subclause 4.17(2).	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following procedures in place to manage accounts requiring adjustments:</p> <ul style="list-style-type: none"> Where an account is in debit (i.e. Horizon Power has undercharged the customer) the balance is automatically attached to the customer's next account. The customer is then advised of the balance and the bill is itemised to indicate the undercharged amount ServiceWorks only has authority to sign-off on undercharged amounts up to \$2,000 In the event of an undercharging, Horizon Power will only back date the charges for up to 12 months from the date the customer was notified of the undercharge. An instalment plan can be devised if requested by the customer Horizon Power does not charge interest or fees on the undercharged amount being recovered from the customer.
180	If a customer (including a customer who has vacated the supply address) has been overcharged as a result of an error, defect, or default for which a retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must use its best endeavours to inform the customer within 10 business days of a retailer becoming aware of the error, defect, or default, and, subject to subclause 4.18(6), ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.	Non - compliant – 2	<p>Through discussions with the Manager Customer Service and the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power is most likely to identify overcharges when customers are operating on the wrong tariff. Horizon Power has the following processes and procedures in place to manage the refund process:</p> <ul style="list-style-type: none"> Immediately notifying the customer of any overcharge and discussing resolution alternatives (account adjustment or cheque payment) If the amount overcharged relates to an amount already paid by the customer, the cheque option is provided, however if the customer still owes an outstanding balance, their account is credited CSRs attempt to contact customers who have been overcharged and have moved address. <p>These work practices provide for the customer to be informed of any such overcharge within 10 business days.</p> <p>Section 4.18(6) of the Code allows, where a customer has been overcharged by an amount less than \$75, Horizon Power to credit the amount to the customer's account and notify the customer by the next bill. However, for amounts overcharged that are greater than \$75, Horizon Power must ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.</p> <p>For overcharge amounts greater than \$75, Horizon Power's procedures do not provide for the customer to be informed of the refund option available. By default, Horizon Power will credit the amount to the customer's account unless requested otherwise.</p>

No	Obligation under Condition	Compliance Rating	Findings
Recommendation 7/2013 Horizon Power: (a) Train CSRs to advise all customers, where an overcharge greater than \$75 is identified, of the option to refund the overcharged amount as well as the option of a future credit to their account (b) Update its Payments and Billing work instructions to reflect the requirements of the Code.			Action Plan 7/2013 (a) Specific work instructions will be issued to all staff (Regions, Bentley & ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge. A training plan will also be developed to ensure CSRs are fully trained (b) Appropriate reporting to monitor compliance to this requirement/work instruction will be developed and monitored regularly. Responsible Person: Customer Service Framework Coordinator Target Date: 31 December 2013
181	A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.	Compliant – 4	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that: <ul style="list-style-type: none"> When an overcharge is identified (usually for customers who are operating on the wrong tariff), the customer will be contacted to inform them of the overcharge and discuss refund options (usually a credit to their account or, if requested, a cheque payment) Cheques are processed via a fortnightly cheque run Where the customer cannot be contacted, the overcharge will be refunded to the customer as a credit on the customer's account within 20 business days of notification of the overcharge. In instances where customers elect the option to request a cheque refund of an amount overcharged, Horizon Power's procedures include: <ul style="list-style-type: none"> Cheques are generated by a contracted, external print house and provided to Horizon Power to on-forward to the relevant customer's supply/alternate mailing address. Previously, cheques were sent directly from the print house to the customer. As cheques are processed on a fortnightly basis, there is the potential for customers to receive the cheque up to 15 business days after Horizon Power received payment instructions, in contravention of the 12 business day requirement. To rectify the timing issue, Horizon Power plans to better utilise EFT facilities so that customers can be refunded immediately. Horizon Power has not implemented a compliance monitoring process to identify customers who have been overcharged, or the timeframes that customers were refunded. Examination of the customer complaint register did not identify complaints in relation to the late repayment of an overcharged amount.

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 8/2013 Horizon Power: (a) Fully implement the EFT payment program to limit the need for cheque payments (b) Revise the cheque payment process such that all cheques are mailed to the customer within 10 business days of the receipt of a request, therefore considered to be received by the customer within 12 business days (c) Consider the implementation of an exception report to monitor compliance with the Code.		Action Plan 8/2013 (a) Improvements to the systems and structures are required to allow customer services to issue cheques or credits to bank accounts. To achieve this, the customer services improvement program will develop options to facilitate payments to customers according to the Code (b) Specific work instructions will be issued to all staff (Regions, Bentley & ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge (c) Improvement options to be considered include IT system changes to use the customer system to process non-energy transactions and refunds with associated process and training redevelopment. The implementation of compliance reports will be considered depending upon the payment options to be made available. Responsible Person: Manager Customer Service Target Date: 31 December 2013
182	In circumstances where instructions regarding repayment of an overcharged bill are not received within 20 business days of a retailer making the request, a retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing process, we determined that Horizon Power will credit any refund amount to the customer's account if the customer does not advise on their preferred method of repayment.
183	Where the amount overcharged is less than \$75, refer to subclause 4.18(6) as to how a retailer may proceed to deal with the matter.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's process for dealing with overcharges, we determined that: <ul style="list-style-type: none"> When an overcharge is identified, Horizon Power automatically credits the amount to the customer's account and notifies the customer on the next bill Should the customer request a refund via cheque, cheques are processed via a fortnightly cheque run.
184	If a retailer proposes to recover from a customer an amount of an adjustment which does not arise due to any act or omission of the customer, a retailer must comply with subclause 4.19(1).	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following procedures in place: <ul style="list-style-type: none"> In the event of an undercharging, Horizon Power will only back date the charges for up to 12 months from the date the customer was notified of the undercharge. The adjustment is notified on the customer's subsequent bill Horizon Power does not charge interest or fees on the undercharged amount being recovered from the customer.

No	Obligation under Condition	Compliance Rating	Findings
185	If the meter is read pursuant to either clause 4.6 or clause 4.3(2)(d) and the amount of the adjustment is an amount owing to the customer, the retailer must use its best endeavours to inform the customer accordingly within 10 business days and, subject to subclause (5), ask the customer for instructions about the repayment of the amount owing.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and examination of a sample bill containing an overcharge, we determined that in instances where Horizon Power believes that a customer has been overcharged due to an act or omission by the customer, Horizon Power's billing procedures provide for it to:</p> <ul style="list-style-type: none"> • Contact the customer within 10 business days to confirm the validity of the act or omission • Inform the customer of their options for repayment of the adjustment, where: <ul style="list-style-type: none"> ○ If the customer wishes for the adjustment to be applied to their account, the adjustment will be applied against the customer's next bill ○ If the customer wishes for a cheque payment to be made, Horizon Power will organise for the cheque to be included on the next cheque run.
186	If a retailer received instructions under subclause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	Compliant - 4	<p>Through discussions with the Compliance and Billing Support Coordinator, we were advised that in instances where a customer has been overcharged due to an error or omission, Horizon Power's processes are to inform the customer of their options for repayment of the adjustment, where:</p> <ul style="list-style-type: none"> • If the customer wishes for the adjustment to be applied to their account, the adjustment will be applied against the customer's next bill • If the customer wishes for a cheque payment to be made, Horizon Power will organise for the cheque to be included on the next cheque run. <p>In instances where customers elect the option to request a cheque refund of an amount overcharged, Horizon Power's procedures include:</p> <ul style="list-style-type: none"> • Cheques are generated by a contracted, external print house and provided to Horizon Power to on-forward to the relevant customer's supply/alternate mailing address. Previously, cheques were sent directly from the print house to the customer. • As cheques are processed on a fortnightly basis, there is the potential for customers to receive the cheque up to 15 business days after Horizon Power received payment instructions, in contravention of the 12 business day requirement. <p>To rectify the timing issue, Horizon Power plans to better utilise EFT facilities so that customers can be refunded immediately.</p> <p>Horizon Power has not implemented a compliance monitoring process to identify customers who have been overcharged, or the timeframes that customers were refunded. Examination of the customer complaint register did not identify complaints in relation to the late repayment of an overcharged amount.</p> <p><i>Refer to obligation 181 for detailed findings, recommendation and action plan.</i></p>

No	Obligation under Condition	Compliance Rating	Findings
187	If a retailer does not receive instructions under subclause 4.19(2), within 20 business days of making the request, the retailer must use reasonable endeavours to credit the amount of the adjustment to the customer's account.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing process, we determined that Horizon Power will credit any refund amount to the customer's account if the customer does not advise on their preferred method of repayment.
PART 5 – PAYMENT			
188	The due date on the bill must be at least 12 business days from that date of the bill. Unless a retailer specifies a later date, the date of dispatch is the date of the bill.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and walkthrough of the payments processes, we determined that Horizon Power has the following in place to manage the customer bill payment cycle: <ul style="list-style-type: none"> Section 6.2 of the standard form contract states that “the due date will be at least 12 business days from the date of the bill” The due date of a bill is calculated automatically by Velocity, being at least 12 business days from the date of the bill as one of the pre-set conditions. Velocity has been programmed to include public holidays and weekends in its 12 business day calculation Credit management policies and procedures acknowledge the requirement for bill due dates to be at least 12 business days from the date of the bill. Examination of both a current standard bill and an estimated bill observed that both bills had due dates of at least 12 business days from the date of the bill.
189	A retailer must offer the following specified minimum payment methods: in person at one or more payment outlets located within the Local Government District of the customer's supply address; by mail; for residential customers, by Centrepay; electronically by means of BPay or credit card; and by telephone by means of credit card.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of a current bill template, we determined that the minimum payment methods prescribed in s.5.2(1) of the Code are offered by Horizon Power.
190	A retailer must, prior to commencing a direct debit, obtain the customer's verifiable consent and agree with the customer, wherever possible, the amount to be debited; and the date and frequency of the direct debit	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's direct debit authority form, we determined that Horizon Power's procedures include: <ul style="list-style-type: none"> Prior to commencing a direct debit, Horizon Power uses the direct debit authority form as the customer's verifiable consent Amounts to be charged to the customer are listed on the customer's bill. Horizon Power provides contact details on its bills should the customer wish to query an amount payable CSRs are to verbally confirm the date and frequency of direct debit with the customer.

No	Obligation under Condition	Compliance Rating	Findings
191	A retailer must accept payment in advance from a customer on request, in the circumstances specified.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and walkthrough of Horizon Power's payments process, we determined that Horizon Power: <ul style="list-style-type: none"> • Accepts payments in advance for any amount (i.e. no minimum amount) • Where applicable, will place customers' accounts into credit.
192	If a customer is unable to pay by way of the methods described in clause 5.2, due to illness or absence, a retailer must offer a residential customer a redirection of the customer's bill to a third person at no charge.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's billing process, we determined that Horizon Power's systems and procedures provide for customers to be able to redirect their bills to an alternative mailing address, at no charge.
193	A retailer must not charge a residential customer a late payment fee in the circumstances specified in subclause 5.6(1).	Compliant – 5	<p><i>Obligations 193 to 196</i></p> <p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's credit management processes, we determined that Horizon Power has the following processes and procedures in place to manage the application of late payment fees:</p> <ul style="list-style-type: none"> • Late payment fees are charged on issue of relevant Reminder Notices and Disconnection Warnings, each of which are at least five business days apart. The process is automated within Velocity, i.e. the letter is produced and fee charged • Velocity is designed to not process the charging of fees to customers whilst their accounts are suppressed. Customer accounts are suppressed when payment arrangements are agreed to, or there is an open customer complaint regarding the matter • Late payment fees are not charged if: <ul style="list-style-type: none"> ○ A customer makes partial payments of outstanding debt ○ The customer is a concession customer and has not received two notices. • Velocity is programmed so that a maximum of two late payment fees are charged for each bill and no more than 12 late payment fees for any one customer over one year • Customers are not charged interest due to late payment • Should a customer contact Horizon Power and be assessed as suffering from payment difficulties or financial hardship, the account is suppressed (so no more fees or credit action can take place) and any fees and charges are reversed.
194	A retailer must not charge an additional late payment fee in relation to the same bill within five (5) business days from the date of receipt of the previous late payment fee notice.	Compliant – 5	
195	A retailer must not charge a residential customer more than two (2) late payment fees in relation to the same bill and no more than 12 late payment fees in a year.	Compliant – 5	
196	If a residential customer has been assessed by a retailer as being in financial hardship, a retailer must retrospectively waive any late payment fee charged to the residential customer's last bill prior to the assessment being made.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
197	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 in subclause 5.7(1).	Non-Compliant – 2	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following processes to finalise customer accounts:</p> <ul style="list-style-type: none"> Section 9.3(a) of the standard form contract states that if a customer moves out of a supply address and no longer requires the supply of electricity, the customer must advise Horizon Power: <ul style="list-style-type: none"> At least three business days before the customer vacates the premises An address where the final account can be sent. CSRs initiate the account finalisation process and raise a service order in Velocity requesting a final meter read of the supply address Horizon Power's field crew or sub-contractors read the meter within three business days of request, or a later date agreed with the customer via one of the following methods: <ul style="list-style-type: none"> For customers that provide at least three business days' notice, agreements for final reads are made in advance If a customer notifies Horizon Power of their move within three business days of the move or after vacating the supply address, the customer may be charged for usage for up to three business days after providing notification. Customers are charged for consumption up to the final meter read, unless the customer has been required to vacate the premise and can provide sufficient evidence of early move out. <p>Testing of a sample of final read service orders completed during the audit period identified that:</p> <ul style="list-style-type: none"> Based on records of customer correspondence in Velocity, two customers were billed for consumption outside the Code requirements, specifically one and two business days late We were unable to assess compliance on seven final read service orders as there was insufficient information logged in the customers' accounts showing the exact day the customer notified Horizon Power of the intended move-out. <p>Horizon Power has not established a compliance monitoring system to identify customers who have been billed for consumption outside the timeframes required by the Code.</p>

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 9/2013 Horizon Power: (a) Reinforce the requirement for CSRs to maintain complete and timely customer contact logs (b) Establish a compliance monitoring system to identify vacated customers who have been billed for consumption outside the specified timeframes in the Code (c) Where necessary, rectify any instances where customers have been incorrectly billed for consumption after vacating a supply address.		Action Plan 9/2013 (a) Training plans will be reviewed to reinforce the requirement for CSRs to maintain complete and timely customer contact logs (b) Preliminary investigations show that ServiceWorks has not followed process. An action plan to fully investigate and address this issue will be developed. Responsible Person: (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator Target Date: (a) 30 September 2013 (b) 31 December 2013
198	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.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's billing processes, we determined that Horizon Power has the following processes and procedures to manage circumstances where customers are evicted or otherwise required to vacate a supply address: <ul style="list-style-type: none"> Section 9.3(c) of the standard form contract outlines that Horizon Power will not require a customer to pay for electricity consumption beyond the period of notice if the customer is forced to vacate the supply address and the customer notifies Horizon Power immediately Credit management processes are designed to stop charges from the day the customer is evicted, provided the customer can provide reasonable evidence.
199	Notwithstanding subclauses 5.7(1) and (2), a retailer must not require a previous customer to pay for electricity consumed at the supply address in the circumstances specified in subclause 5.7(4).	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's billing processes, we determined that Horizon Power has the following processes and procedures to manage the account finalisation process: <ul style="list-style-type: none"> The debt is recoverable only from the customer who is listed as the account owner Once a contract is established and formalised in Velocity, the system does not permit an amount to be billed to the previous customer of the same supply address As Horizon Power is the sole retailer within its licenced area, subclause 5.7(4)(b) is not rateable for the audit period. In instances where the move-in date for one customer overlaps with the move-out date of another customer, Horizon Power will use rental agreements or other legal documentation as a guide to confirm when to start billing the new customer and stop billing the vacating customer.

No	Obligation under Condition	Compliance Rating	Findings
200	A retailer must comply with Part 2 of the debt collection guideline issued by the Australian Competition and Consumer Commission concerning section 50 of the Australian Consumer Law (WA).	Compliant – 5	<p>Section 5.8 (1) of the 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 (ACCC) concerning Section 60 of the Trade Practices Act 1974 of the Commonwealth’.</p> <p>Through discussion with the Compliance and Billing Support Coordinator and examination of Horizon Power’s debt collection procedures, we determined that Horizon Power has established the following practices to demonstrate compliance with the Conduct Principles from the debt collection guideline issued by the ACCC:</p> <ul style="list-style-type: none"> • In August 2012 Horizon Power ceased its credit collection process with Dunn & Bradstreet and engaged with National Credit. Aged debts exceeding \$20 and outstanding for more than 60 days are referred to National Credit • Aged debts less than \$20 may be written off without referral to National Credit • National Credit’s National Business Improvement Manager confirmed that regular training is held for staff with reference to internal procedures, which emphasise the requirements of the ACCC and the Privacy Act • Horizon Power’s debt collection procedures refer to the guideline on debt collection issued by the ACCC. <p>Examination of the customer complaints register did not indicate any complaints relating to Horizon Power’s debt collection practices.</p>
201	A retailer must not commence proceedings for recovery of a debt from a residential customer who meets the criteria in subclause 5.8(2).	Compliant – 5	<p><i>Obligations 201 and 202</i></p> <p>Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power’s credit management processes, we determined that Horizon Power has the following procedures to manage debt collection:</p> <ul style="list-style-type: none"> • Customers are contacted prior to being referred to National Credit for debt collection • Customers are not referred to National Credit if they: <ul style="list-style-type: none"> ○ Are experiencing payment difficulties or financial hardship ○ Are making payments under agreed payment plans ○ Made part payments to reduce outstanding debt.

No	Obligation under Condition	Compliance Rating	Findings
202	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.	Compliant – 5	<ul style="list-style-type: none"> • Velocity only allows one account to be attached to a supply address at any one point in time, therefore it is only possible to recover debt from the current account holder who incurred that debt • Horizon Power has the ability to arrange for legal proceedings for serious incidents of non-payment • The Compliance and Billing Support Coordinator monitors the status of customers referred to debt collection by means of monthly statements and progress reports generated by National Credit. <p>Sample testing performed of the customers referred to debt collection during the period 1 April 2011 to 31 March 2013 did not identify any non-compliance with section 5.8 of the Code.</p>
PART 6 – PAYMENT DIFFICULTIES AND FINANCIAL HARDSHIP			
203	If a residential customer informs a retailer that the residential customer is experiencing payment problems, a retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within three (3) business days.	Compliant – 5	<p>Through discussion with the Compliance and Billing Support Coordinator and examination of relevant documentation, we determined that Horizon Power has the following processes and procedures to facilitate an assessment of a customer's financial situation within three business days:</p> <ul style="list-style-type: none"> • Horizon Power has developed a comprehensive Financial Hardship Guideline (Guideline) to assist CSRs in performing preliminary assessments of a customer's financial situation. CSRs are trained in relation to the Guideline • An initial assessment is performed by CSRs immediately on receipt of a call from a customer: <ul style="list-style-type: none"> ○ If the customer is assessed as experiencing financial hardship, the customer is then referred to either the Hardship Officer or a Financial Counsellor ○ If the customer is assessed as experiencing payment difficulties, the CSR will discuss further options such as payment plans or time extensions. • Where a customer has contacted Horizon Power via email, the email is stored in the enquiry inbox, which is monitored by CSRs on a daily basis. Any mail received by Horizon Power is printed and attached to an activity queue for action by a CSR • Horizon Power's service standards are to respond to all customer queries, whether by phone, email or letter, within three business days. All discussions with customers are logged in Velocity • For customers referred to the Hardship Officer, where their debt is less than \$965 (for customers located north of S26 - Carnarvon) or \$582 (for customers located south of S26): <ul style="list-style-type: none"> ○ Their account is suppressed for three weeks, or until a Hardship Utility Grant Scheme

No	Obligation under Condition	Compliance Rating	Findings
			<p>(HUGS) grant has been received</p> <ul style="list-style-type: none"> ○ The Hardship Officer will lodge an online application for a HUGS grant within three business days of the customer being referred ○ The Hardship Officer can only apply for a HUGS grant of up to 85% of the customer's debt. <ul style="list-style-type: none"> ● Customers referred to a Financial Counsellor must personally arrange for a meeting with the Financial Counsellor, where the Financial Counsellor is to make an assessment and apply for HUGS or other grants (e.g. exceptional circumstances grant) if the customer is assessed as experiencing financial hardship: <ul style="list-style-type: none"> ○ Communication regarding the status or reasons for assessment by the Financial Counsellor to Horizon Power is limited ○ Horizon Power will be notified on whether the customer's HUGS application was successful when the grant is applied to the customer's account. ● The Compliance and Billing Support Coordinator and the Hardship Officer are responsible for monitoring the status of payment difficulty and financial hardship cases. <p>A trial for assessments to be made by Horizon Power's trained Hardship Officer (in-house assessments) was initiated in August 2011 and became fully operational in August 2012. We understand that approximately 5% of the total assessments are now made in-house by the Hardship Officer and the remainder by Financial Counsellors</p> <p>Testing of 15 payment difficulties and financial hardship assessments from Horizon Power's Department of Child Protection and HUGS Register did not identify any instances where the customer's initial assessment was not performed within three business days.</p>

No	Obligation under Condition	Compliance Rating	Findings
204	When undertaking an assessment regarding payment difficulties or financial hardship, a retailer must give reasonable consideration to the information given by the residential customer and requested or held by the retailer; or advice given by an independent financial counsellor or relevant consumer representative organisation	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and examination of the Financial Hardship Policy, we determined that:</p> <ul style="list-style-type: none"> Horizon Power has implemented a work instruction to assist CSRs in making preliminary assessments of a customer's financial situation, using information: <ul style="list-style-type: none"> Provided by the customer Currently held by Horizon Power From relevant third parties, e.g. financial counsellor/relevant government agencies. CSRs are trained on how to assess a customer's situation in accordance with the Financial Hardship work instruction Generally, customers who advise Horizon Power that they are experiencing payment difficulties will be granted a payment extension Horizon Power accepts all independent financial counsellor assessments.
205	Upon request, a retailer must advise a residential customer of the details and outcome of an assessment carried out under subclause 6.1(1).	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and the Hardship Officer, we determined that:</p> <ul style="list-style-type: none"> Approximately 5% of all assessments are made in-house by Horizon Power's trained Hardship Officer CSRs are aware that customers are entitled to information regarding their assessment Horizon Power staff are not provided with the details of the financial counsellor's assessment, other than a decision as to whether the customer is suffering from financial hardship If a customer requests information regarding the detailed financial counsellor's assessment, Horizon Power will direct the customer to the respective financial counsellor.
206	A retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions if the customer demonstrates to the retailer that the customer has made an appointment with a relevant consumer representative organisation.	Compliant – 5	<p><i>Obligations 206 to 208</i></p> <p>Through discussions with the Compliance and Billing Support Coordinator and examination of the Hardship Policy, we determined that Horizon Power has the following procedures to manage temporary suspensions:</p> <ul style="list-style-type: none"> CSRs are able to suspend customer accounts for a period of at least 15 business days. This suspension prevents disconnection and further credit management actions being performed against the customer's account
207	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
208	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.	Compliant – 5	<ul style="list-style-type: none"> • If a customer representative organisation or financial counsellor requires more time to assess the customer's situation, the ServiceWorks' Credit Management Representative is authorised to approve a further extension depending on financial counsellor's request. A note will be placed on the customer's account to indicate that the customer has been granted an extension • Any further requests by a customer representative organisation or financial counsellor will be considered by the Hardship Officer.
209	In circumstances where a residential customer is assessed as experiencing payment difficulties, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and advise the residential customers that additional assistance may be available if, due to financial hardship, the residential customer would be unable to meet its obligations under an agreed alternative payment arrangement.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's policies, guidelines and procedures, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power offers all alternative payment arrangements listed in subclause 6.4(1) to customers who are experiencing payment difficulties or financial hardship • CSRs are trained to advise customers of additional assistance available (e.g. HUGS payments) if they are unable to meet alternative payment arrangements. <p>Testing of 15 payment difficulties and financial hardship assessments identified appropriate customer contact logs where CSRs had discussed alternative payment arrangements and, if required, advised customers of appropriate additional assistance available.</p> <p>Review of Horizon Power's complaints register did not identify any instances where a customer had complained for not being offered appropriate alternative payment arrangements or additional assistance.</p>

No	Obligation under Condition	Compliance Rating	Findings
210	In circumstances where a residential customer is assessed as experiencing financial hardship, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and assistance in accordance with clauses 6.6 to 6.9	Compliant – 4	<p>Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's policies, guidelines and procedures, we determined that Horizon Power offers the following alternative payment arrangements and assistance to customers experiencing financial hardship:</p> <ul style="list-style-type: none"> • Additional time to pay outstanding debt • A payment plan exclusive of any fees or charges due to non-payment • Reasonable consideration for the reduction of any fees, charges or debt so that any payment arrangement is more manageable according to the customer's individual circumstance • HUGS grant assistance through the Hardship Officer or financial counsellor • Exceptional Circumstances grant through a financial counsellor • Revision on an existing instalment plan, if required • Bill redirection (to another customer's account) • Prepayments in advance for future usage (no maximum) • Provision of information under section 6.8, except for an energy efficiency audit. <p>Section 3.7 of the Hardship Policy outlines customers' rights and responsibilities and identifies the provision of information requirements of s.6.8 of the Code. Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's Hardship Policy, we determined that Horizon Power provides the necessary advice to a customer, either over the phone, by email or in writing, except for advising customers of the option for an energy efficiency audit.</p> <p>Note that on 8 June 2012 the government made a decision to stop funding energy efficiency audits. The Compliance and Billing Support Coordinator advised that in response to this option ceasing, Horizon Power has attempted to recruit individuals in remote communities who can advise residents on energy efficiency initiatives. Also, if requested, CSRs will direct the customer to energy efficiency information on Horizon Power's website</p> <p>Testing of 15 payment difficulties and financial hardship assessments identified appropriate customer contact logs where CSRs had discussed alternative payment arrangements and, if required, advised customers of appropriate additional assistance available.</p> <p>Review of Horizon Power's complaints register did not identify any instances where a customer had complained for not being offered appropriate alternative payment arrangements or additional assistance.</p>

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 10/2013 Horizon Power consider amending its procedures so that CSRs advise the customer experiencing financial hardship whether there is an option for an energy efficiency audit and the location of any energy efficiency information on its website.		Action Plan 10/2013 (a) Horizon Power's website will be upgraded to ensure that customers are advised of the available options for energy efficiency audits (b) The relevant stakeholders will be engaged to determine the practicality of and reasonable parameters for provision of energy audits in Horizon Power's jurisdiction. Responsible Person: (a) Customer Service Framework Coordinator (b) Aboriginal Service Coordinator Target Date: 31 December 2013
211	A retailer must offer a residential customer who is experiencing payment difficulties or financial hardship at least the following two (2) payment arrangements: additional time to pay a bill; and an interest-free and fee-free instalment plan or other arrangement under which the residential customer is given additional time to pay a bill or to pay arrears (including any disconnection and reconnection charges), while being permitted to continue consumption.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of the Hardship Policy, we determined that: <ul style="list-style-type: none"> Horizon Power has procedures and work instructions in place to offer payment extensions or payment instalment plans to customers experiencing payment difficulties or financial hardship while being permitted to continue consumption Payment instalment plans offered by Horizon Power do not apply fees or interest charges.
212	When offering an instalment plan to a residential customer experiencing payment difficulties or financial hardship, a retailer must comply with subclause 6.4(2).	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we determined that Horizon Power has the following procedures in place for placing customers onto a payment instalment plan: <ul style="list-style-type: none"> Section 3.2 of Horizon Power's Financial Hardship Policy recognises the options available to customers, including customised payment plans When Horizon Power determines whether the instalment plan is applicable to the customer, the customer's individual circumstances are taken into account, including usage needs and capacity to pay Information relating to an instalment plan is communicated to the customer over the phone, at the time of contact. The instalment plan information (including amounts, timeframes, number of instalments) is agreed with the customer and noted on the customer's account in Velocity Details of the instalment plan are sent to the customer by mail.

No	Obligation under Condition	Compliance Rating	Findings
213	A retailer must give reasonable consideration to a request by a customer experiencing financial hardship, or a relevant consumer representative organisation, for a reduction of the customer's fees, charges, or debt.	Compliant – 5	<p><i>Obligations 213 and 214</i></p> <p>Through discussions with the Compliance and Billing Support Coordinator and an examination of the Hardship Policy, we determined that Horizon Power's policies and procedures provide for:</p> <ul style="list-style-type: none"> All customers who are assessed as being under financial hardship to have all non-payment related fees and charges removed from their account If a customer or relevant third party requests that a debt be reduced or waived, the request will be referred to the Hardship Officer who will then make an assessment in accordance with section 3.5 of Horizon Power's Hardship Policy. The Hardship Officer has the ability to waive up to 25% of a customer's debt. <p>Note that waiver of customer's debt only occurs in exceptional circumstances and the customer is usually required to pay part of the outstanding debt.</p>
214	In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the guidelines in its hardship policy referred to in subclause 6.10(2)(d).	Compliant – 5	
215	Where it is reasonably demonstrated to the retailer that the customer experiencing financial hardship is unable to meet the customer's obligations under the previously elected payment arrangement, a retailer must give reasonable consideration to offering the customer an instalment plan or offering to revise an existing instalment plan.	Compliant – 5	<p>From an examination of the Hardship Policy and discussions with Compliance and Billing Support Coordinator, we determined that Horizon Power's processes require its staff to give reasonable consideration to offering a customer an instalment plan or revise an existing plan, if requested. Instances where a customer would be offered an instalment plan/revised instalment plan would be:</p> <ul style="list-style-type: none"> An unsuccessful HUGS application The customer communicating to Horizon Power they are struggling to meet the existing instalment plan Assessment that the customer is experiencing payment difficulties.
216	A retailer must advise a customer experiencing financial hardship of the following: a customer's right to have the bill redirected to a third person, at no charge; payment methods available to the customer; concessions available to the customer and how to access them; different types of meters available to the customer; energy efficiency information available to the customer, including the option of an energy efficiency audit; independent financial counselling available to the customer; and the availability of any other financial assistance and grants schemes.	Compliant – 4	<p>Section 3.7 of the Hardship Policy outlines customers' rights and responsibilities and identifies the provision of information requirements of s.6.8 of the Code. Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's Hardship Policy, we determined that Horizon Power provides the necessary advice to a customer, either over the phone, by email or in writing, except for advising customers of the option for an energy efficiency audit.</p> <p>Note that on 8 June 2012 the government made a decision to stop funding energy efficiency audits. The Compliance and Billing Support Coordinator advised that in response to this option ceasing, Horizon Power has attempted to recruit individuals in remote communities who can advise residents on energy efficiency initiatives. Also, if requested, CSRs will direct the customer to energy efficiency information on Horizon Power's website.</p> <p><i>Refer to obligation 210 for detailed findings, recommendation and action plan.</i></p>

No	Obligation under Condition	Compliance Rating	Findings
217	A retailer must determine the minimum payment in advance amount, as referred to in subclause 5.4(3), for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representative organisations.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we determined that: <ul style="list-style-type: none"> Horizon Power has procedures in place to enable ServiceWorks' Credit Management Representatives to calculate the minimum payment advance amount for customers experiencing payment difficulties or financial hardship The minimum payment advance amount is based on the individual customer's historical usage extracted from Velocity on a case-by-case basis.
218	A retailer must develop a hardship policy to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer.	Compliant – 5	Horizon Power has developed a Financial Hardship Policy, last revised in December 2012, to accommodate instances where individual customers are experiencing payment difficulties or financial hardship. The Hardship Policy is: <ul style="list-style-type: none"> Applicable to those customers that are assessed as experiencing payment difficulties or financial hardship Designed to assist customers in meeting their financial obligations to Horizon Power Applicable only to residential and small use business customers who consume not more than 160MWh per annum. The Hardship Officer is responsible for the development and maintenance of the Hardship Policy, which includes arranging for input from WACOSS and the Financial Counsellors Association. Horizon Power's Financial Hardship Policy can be found on its website.
219	A retailer must ensure that its hardship policy complies with the criteria specified in subclause 6.10(2).	Compliant – 5	Examination of Horizon Power's Hardship Policy (December 2012 version) indicates that the policy: <ul style="list-style-type: none"> Has been developed in consultation with relevant consumer representative organisations Provides appropriate training to staff engaged with customers experiencing financial hardship, including how to ensure that customers experiencing financial hardship are treated sensitively and respectfully Includes guidelines: <ul style="list-style-type: none"> That provide for an annual review of the policy in consultation with relevant consumer representative organisations To assist Horizon Power in identifying customers who are experiencing financial hardship For suspension of disconnection and debt recovery procedures On the reduction and/or waiver of fees, charges and debt On the recovery of debt.

No	Obligation under Condition	Compliance Rating	Findings
220	A retailer must give residential customers, financial counsellors and relevant consumer representative organisations details of the retailer's hardship policy, at no charge. The retailer must provide all residential customers identified as experiencing financial hardship with details of its hardship policy, including by post, if requested.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of the Hardship Policy, we determined that Horizon Power has: <ul style="list-style-type: none"> • Protocols in place for the provision of the Hardship Policy to customers, financial counsellors or welfare agencies, upon request, at no charge via mail or email • Published the Hardship Policy on its website.
221	A retailer must keep a record of the following: the relevant consumer representative organisations consulted on the contents of its hardship policy; the date the hardship policy was established; the dates the hardship policy was reviewed; and the dates the hardship policy was amended	Compliant – 5	Through discussion with the Hardship Officer, review of relevant documentation and consideration of Horizon Power's Hardship Policy, we determined that Horizon Power maintains the records as required by s.6.10(4) of the Code.
222	Unless otherwise notified in writing by the Authority, a retailer must review its hardship policy at least annually and submit to the Authority the results of that review within five (5) business days of its completion.	Non-Compliant – 2	Through discussions with the Compliance and Billing Support Coordinator and examination of relevant correspondence with the Authority, we determined that: <ul style="list-style-type: none"> • As the Authority completed its review of the 2010 Horizon Power Financial Hardship Policy in September 2011, Horizon Power understood that it would not be required to review its policy for submission to the Authority for the year ending 31 December 2011. • When contacted by the Authority in February 2012, Horizon Power initiated the review process and submitted the revised policy to the Authority in April 2012. As such, Horizon Power breached its obligation to review its Hardship Policy and to submit to the Authority within the required timeframe • The 2012 review process was initiated in August 2012 and was submitted before the 31 December 2012 deadline. Horizon Power's compliance calendar did not adequately recognise this annual compliance obligation, however has since been updated to accurately reflect this requirement. No further action is required.
	Recommendation 11/2013 n/a – no further action is required.		Action Plan 11/2013 n/a – no further action is required.
223	Any review of a retailer's hardship policy must have regard to the Authority's Financial Hardship Policy Guidelines.	Compliant – 5	The Hardship Officer confirmed that the review of the Hardship Policy is conducted in accordance with the Financial Hardship Policy Guidelines issued by the Authority in August 2010.

No	Obligation under Condition	Compliance Rating	Findings
224	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we determined that: <ul style="list-style-type: none"> Assistance offered by Horizon Power to customers experiencing payment difficulties or financial hardship extends to small use business customers Staff are aware that if small use business customers are experiencing payment problems, alternative payment arrangements are available.
PART 7 – DISCONNECTION			
225	Prior to arranging for disconnection of a customer's supply address for failure to pay a bill, a retailer must give the customer a reminder notice not less than 13 business days from the date of dispatch of the bill, including the information specified in subclause 7.1(1)(a), use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified in subclause 7.1(1)(c).	Non - compliant – 2	Through discussions with the Field Services and Metering Coordinator and examination for Horizon Power's policies and procedures, we determined that Horizon Power has established the following procedures for disconnecting customers for failure to pay a bill: <ul style="list-style-type: none"> For customers with a designated mobile phone number, Horizon Power will send an SMS reminder 14 business days after the invoice issue date A Reminder Notice is sent to the customer 16 business days after the invoice issue date, if the cumulative outstanding amount is greater than \$50 A Disconnection Warning Notice is sent to the customer advising of their overdue account and that disconnection procedures may commence. The Warning Notice is sent five business days after the Reminder Notice, being 21 business days after the invoice issue date The customer will be called by ServiceWorks five days after the Disconnection Warning Notice has been delivered, to inform the customer of their obligation to pay for the overdue account A Disconnection Warning Card service order is raised 30 business days after the invoice issue date, if the outstanding amount is greater than \$200. The Disconnection Warning Card is hand delivered to the supply address in question. Disconnection service orders take approximately five business days to be processed Disconnection service orders are not to be issued unless the Reminder Notice and Disconnection Warning Notice have been issued, and the Hardship Officer has individually reviewed each customer account to ensure there is no evidence of potential payment difficulties or financial hardship. <p>Our testing of 30 of 3,276 disconnection service orders raised during the period 1 April 2011 to 31 March 2013, identified the following:</p> <ul style="list-style-type: none"> All reminder and disconnection notices were issued in the appropriate timeframes For two disconnection service orders, a reminder notice was issued for the total outstanding debt owed by the customer, including an amount billed less than 13 business days from the date of that reminder notice. These exceptions appear to be a recurrence of the Velocity

No	Obligation under Condition	Compliance Rating	Findings
			system issues noted by the 2011 performance audit where reminder notices contain total overdue amounts relating to multiple bills.
	Recommendation 12/2013 Horizon Power revise its process for generating reminder notices to ensure that customer consumption charges less than 13 business days overdue are not included in the reminder notice.		Action Plan 12/2013 (a) For the two service orders where the total debt has been included on the warning, identify root cause (b) Develop a business case to make the appropriate changes in Velocity should this be required. Responsible Person: Manager Customer Service Target Date: 31 March 2014
226	A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in subclause 7.2(1).	Compliant – 5	<p>Through discussion with the Field Services and Metering Coordinator and consideration of Horizon Power's disconnection and credit management processes, we determined that Horizon Power's procedures provide for customers to not be de-energised for failure to pay a bill in the circumstances specified. We note that:</p> <ul style="list-style-type: none"> Horizon Power representatives are aware to only de-energise customers for specified reasons. Customers will not be de-energised in the following circumstances: <ul style="list-style-type: none"> Until at least 17 business days from the receipt of the Disconnection Warning Notice or eight business days from receipt of the Disconnection Warning Card The customer has agreed to and met the conditions of an alternative payment arrangement The customer has made an application for a concession and a decision about the application has not yet been made Amounts owing do not relate to the supply of electricity The supply address does not relate to the bill in question. The Authority has not prescribed a minimum amount where, if the outstanding balance is less than the approved amount, Horizon Power is not permitted to process the disconnection. Horizon Power's procedures are to not de-energise a customer unless an outstanding amount is greater than \$200. <p>Sample testing 30 of 3,276 disconnections performed during the period 1 April 2011 to 31 March 2013 did not identify any instances where a customer had been disconnected for any of the circumstances listed above and in sub-clause 7.2(1).</p>

No	Obligation under Condition	Compliance Rating	Findings
228	A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified in subclause 7.4(1) are satisfied.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator, we determined that:</p> <ul style="list-style-type: none"> Horizon Power will only pursue a disconnection for denying access to the meter if a customer is actively prohibiting access to the meter and an actual meter read has not been obtained for 12 consecutive months or more Horizon Power will use its best endeavours to contact the customer to arrange for alternate access to the meter, and will issue “Must Read” notices to the customer’s supply/mailling address ‘General’ disconnection service orders are used for disconnections for failure to provide access to a meter, in the above circumstance. <p>For the period 1 April 2011 to 31 March 2013, Horizon Power had not disconnected any customer for failure to provide access to their meter.</p>
229	A distributor who disconnects a customer’s supply address for emergency reasons must provide a 24 hour emergency line and use its best endeavours to restore supply as soon as possible.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and consideration of Horizon Power’s emergency disconnection process, we determined that:</p> <ul style="list-style-type: none"> Horizon Power has a 24 hour emergency line available for customers to obtain information regarding the emergency outage and an expected restoration time The 24 hour emergency number appears on all formats of Horizon Power’s billing templates, the customer service charter and the website Horizon Power has emergency plans in place to restore supply to customers as soon as possible.
230	A retailer or distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer’s supply address.	Compliant – 4	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 3.1 of this report, “Type 1 Reporting Obligations for all licence types”.
231	Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer’s supply address requires life support equipment the retailer must comply with subclause 7.7(1)	Non-Compliant – 2	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 3.1 of this report, “Type 1 Reporting Obligations for all licence types”.

No	Obligation under Condition	Compliance Rating	Findings
232	Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's supply address, contact details, life support equipment or that the customer's supply address no longer requires registration as a life support equipment address, the retailer must undertake the actions specified in subclause 7.7(2).	Compliant – 5	Through discussions with the Field Services and Metering Coordinator and consideration of Horizon Powers policies and guidelines surrounding life support customers, we determined that Horizon Power's procedures provide for: <ul style="list-style-type: none"> If the customer directly notifies Horizon Power that they no longer require life support or of a change to the customer's details, Horizon Power immediately updates the customer's account If the customer directly notifies a Horizon Power Regional Depot Officer that they no longer require life support or of a change to the customer's details, the Regional Depot Officer will immediately advise a CSR to update the customer's account.
233	Where a distributor has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, or of a change of details notified to the retailer under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	Compliant – 5	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 3.1 of this report, "Type 1 Reporting Obligations for all licence types".
234	Where the distributor has already provided notice of a planned interruption under the Network Quality and Reliability of Supply Code 2005 that will affect a supply address and has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, the distributor must use best endeavours to contact that customer prior to the planned interruption.	Compliant – 3	Horizon Power's Planned Outage Procedure outlines the action to be taken when organising a planned interruption, including regional depots to inform life support customers of the planned interruption. The Manager Customer Service confirmed that in instances where Horizon Power receives confirmation of a life support customer after Horizon Power has provided notice of a planned interruption, but before the planned interruption event, current processes do not provide for that customer to be contacted prior to the planned interruption. This audit did not identify specific instances where a new life support customer was required to be notified of an existing planned outage.
	Recommendation 15/2013 Horizon Power amend its Planned Outage Procedure so that upon notification of a new life support customer, Horizon Power identifies whether there is a planned interruption to that customer's supply address and if so, arrange for sufficient notice of the planned interruption to the customer.		Action Plan 15/2013 (a) Develop a system driven process to ensure that every time a new customer is added, the regions' outage schedules are reviewed and the relevant customer is notified. Links to ENMAC to be considered (b) Train relevant customer service staff. Responsible Person: Customer Service Framework Coordinator Target Date: 31 December 2013

No	Obligation under Condition	Compliance Rating	Findings
PART 8 – RECONNECTION			
235	A retailer must arrange for reconnection of the customer's supply address if the customer remedies their breach, makes a request for reconnection, and pays the retailer's reasonable charges (if any) for reconnection or accepts an offer of an instalment plan for the retailer's reasonable charges.	Compliant – 5	<p>Through discussion with the Field Services and Metering Coordinator and consideration of Horizon Power's disconnection and reconnection procedures, we determined that Horizon Power has the following procedures in place to arrange for customers to be re-energised:</p> <ul style="list-style-type: none"> For instances of disconnection due to non-payment, reconnection will occur if the customer: <ul style="list-style-type: none"> Pays the outstanding balance owed Agrees to a payment plan Has been successfully assessed as experiencing financial hardship or payment difficulties. For instances of disconnection for non-application and following remedy by the customer for the breach, the customer is reconnected and invoiced for the electricity consumed.
237	A distributor must reconnect the customer's supply address upon the request of a retailer, within the timeframes specified in subclause 8.2(2).	Non-compliant – 2	<p>Section 8.2(2) of the Code defines the 'timeframe' to be:</p> <ul style="list-style-type: none"> The next business day, if the request is received before 3pm, or within two business days, if received after 3pm, or on a Saturday, Sunday or Public Holiday for customers located in the metropolitan area Within five business days, if the request is received prior to 3pm, or within six business days if received after 3pm or on a Saturday, Sunday or Public Holiday for customers located in regional areas. <p>Through discussion with the Field Services and Metering Coordinator and consideration of Horizon Power's reconnection processes, we determined that Horizon Power has the following procedures in place to re-energise customers:</p> <ul style="list-style-type: none"> Customers who were disconnected due to failure to pay can apply for reconnection by calling Horizon Power (via the ServiceWorks call centre) Prior to creating a service order to re-energise a supply address, an arrangement with the customer needs to be made in relation to either payment, access to the meter or remedy of the breach for which they were de-energised A service order is to be processed immediately based on the conversation/request from the customer and sent to the regional depot for action. <p>During the period 1 April 2011 to 31 March 2013, Horizon Power made six service standard payments for not reconnecting a customer's supply address in the timeframes specified by section 8.2 of the Code. Our testing of 20 of 4,137 reconnection service orders processed for the period 1 April 2011 to 31 March 2013 did not identify any further instances of non-compliance with those timeframes.</p>

No	Obligation under Condition	Compliance Rating	Findings
	Recommendation 16/2013 Horizon Power establish a plan for: <ul style="list-style-type: none"> a) Further improving its reconnection service order and exception reporting practices to minimise those accounts at risk of breaching reconnection timeframes b) Determining what may constitute an acceptable volume of reconnection timeframe breaches in order to achieve effective compliance with clause 8.2 of the Code. 		Action Plan 16/2013 <ul style="list-style-type: none"> (a) Horizon Power aims to improve service order exception reporting practices. A comprehensive customer services improvement plan encompassing meter to cash processes is being developed to address this (b) Develop a reporting process to effectively monitor compliance with clause 8.2 of the Code (c) Arrange rollout of targets to Field based staff to help ensure delivery is in line with the required targets. Responsible Person: (a) Manager Customer Service (b) and (c) Customer Service Framework Coordinator Target Date: 31 December 2013
PART 9 – PREPAYMENT METERS			
Summary observations: As a new Small Use Code of Conduct became operational on 1 January 2013, both the new and superseded Code of Conduct applied to Horizon Power's audit period, being the period 1 April 2011 to 31 March 2013. The two different periods to which the codes are applicable are: <ul style="list-style-type: none"> • 1 July 2010 to 31 December 2012 – the superseded Code of Conduct • 1 January 2013 to 31 March 2013 – the new Code of Conduct. We note that Clause 9.14 of the previous Small Use Code of Conduct (effective 1 July 2010) provided Horizon Power with a 24 month grandfathering period where our interpretation is that Horizon Power's pre-payment meters are deemed to comply with all obligations related to the meter itself under Part 9 of the Code, not services provided to pre-payment meter customers. We note that the Authority granted an extension of the grandfathering period from 24 to 36 months from the original amendment date of 1 July 2010, however this did not come into law until 19 July 2012. At a point in time between 1 – 19 July 2012 (the gap between expiration of the 24 month grandfathering period and legal introduction of the extended 36 month grandfathering period), Horizon Power could have been considered to be in breach of relevant obligations under Part 9 of the Code. The extension to the grandfathering period was gazetted at cl.9.13 in the 9 November 2012 revision of the Code that came into effect on 1 January 2013. As this compliance audit is conducted as at 31 March 2013 for the audit period 1 July 2011 to 31 March 2013, the latest revision of the Code would deem Horizon Power compliant with relevant obligations provided no new pre-payment meters were installed or existing pre-payment meters modified post 1 July 2010. With consideration that the grandfathering period relates to obligations placed upon pre-payment meters themselves, not the provision of services to pre-payment meter customers, and following confirmation from the Field Services and Metering Coordinator that no new pre-payment meters have been installed and no modifications have been undertaken on existing pre-payment meters, we consider the following obligations to be deemed compliant under cl.9.13 of the Code for the audit period 1 July 2011 to 31 March 2013 (all obligation numbers below are referenced against the current Small Use Code of Conduct effective from 1 January 2013 unless otherwise stated): 244, 245, 253, 256, 258, 264 and 266			

No	Obligation under Condition	Compliance Rating	Findings
238	A distributor may only operate a pre-payment meter and a retailer may only offer a pre-payment meter service in an area that has been declared by the Minister by notice published in the Government Gazette.	Compliant – 5	The Manager Customer Service confirmed that Horizon Power only operates a pre-payment meter service in remote or town reserve communities, in which the following have been implemented: <ul style="list-style-type: none"> Town Reserves Regularisation Program (TRRP) Aboriginal and Remote Community Power Supply Program (ARCPSP).
239	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.	Compliant – 5	Through discussions with the Field Services and Metering Coordinator and review current account establishment forms, we determined that Horizon Power has practices in place for: <ul style="list-style-type: none"> Horizon Power to obtain consent from the community as a whole prior to embarking on the exercise of visiting each household for collection of customer details. Obtaining the community consent is orchestrated by the relevant government departments The Community Liaison and Compliance Coordinator to personally visit remote communities to provide information regarding pre-payment meters and collect customer information including obtaining sign off from the customers Determining the validity of the customer's nominated representative from whom verifiable consent is obtained, particularly in the case of communities without documented nomination practices Identifying whether the customer is dependent on life support equipment, therefore not being placed onto a pre-payment meter service Customer details to be entered into Velocity.
240	A retailer must establish an account for each pre-payment meter operating at a residential customer's supply address.	Compliant – 5	Through discussion with the Field Services and Metering Coordinator, we determined that the purpose of the door to door visits is to collect customer data in order to establish individual accounts for each supply address that is fitted with a pre-payment meter.
241	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.	Compliant – 5	The Field Services and Metering Coordinator confirmed that Horizon Power's processes in relation to the offer or provision of a pre-payment meter service do not allow for the engagement 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. Horizon Power liaises with Communities and nominated representatives to negotiate the best possible solution for that community through the use of standard form contracts.

No	Obligation under Condition	Compliance Rating	Findings
242	A retailer must advise a residential customer who requests information on the use of a pre-payment meter, at no charge, and in clear, simple and concise language, the information specified in subclause 9.3(1).	Compliant – 5	<p><i>Obligations 242 to 245</i></p> <p>Through discussion with the Field Services and Metering Coordinator and review of relevant documentation, we confirmed that Horizon Power provides:</p> <ul style="list-style-type: none"> • The prescribed information in clause 9.3(1) to the customer on request at no charge • The prescribed information in clause 9.3(2) to the customer during the door to door visits • The prescribed information in clause 9.3(3) in the form of stickers next to the meters and the meter display. <p>Horizon Power's current pre-payment meters are not able to monitor the prescribed information in clause 9.3(4), therefore Horizon Power would not be able to provide such information upon a customer's request.</p> <p>Due to the grandfathering clause at s.9.13 of the Code, Horizon Power is deemed to have complied with this Part 9 of the Code as the issue relates to the meter itself, not the provision of pre-payment meter services and Horizon Power have not installed any new, or modified any existing, pre-payment meters since 1 July 2010.</p>
243	At the time a residential customer enters into a pre-payment meter contract at a residential customer's supply address, a retailer must give the customer (at no charge) the information specified in subclause 9.3(1), as well as that in subclause 9.3(2).	Compliant – 5	
244	A retailer must ensure that the following information is shown on or directly adjacent to a residential customer's pre-payment meter: the positive or negative financial balance of the pre-payment meter within one dollar (\$1) of the actual balance; whether the pre-payment meter is operating on normal credit or emergency credit; a telephone number for enquiries; the distributor's 24-hour telephone number for faults and emergencies; and details of recharge facilities.	Compliant – 5	
245	Upon request and at no charge, a retailer must give a pre-payment meter customer the following information: total energy consumption; average daily consumption; and the average daily cost of consumption for the previous two (2) years, or since the commencement of the pre-payment meter contract (whichever is shorter), divided into quarterly segments.	Compliant – 5	
250	A retailer must not provide a pre-payment meter service if the residential customer, or a person residing at the residential customer's supply address, requires life support equipment.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
251	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, or must immediately arrange to, remove or render non-operational the pre-payment meter at no charge; replace or switch the pre-payment meter to a standard meter at no charge; and provide information to the pre-payment meter customer about the contract options available to the customer.	Compliant – 5	As this obligation is a Type 1 obligation, the findings of the audit are detailed at section 3.1 of this report, “Type 1 Reporting Obligations for all licence types”.
253	A retailer must ensure that a pre-payment meter service complies with the prescribed requirements in subclause 9.6.	Compliant – 5	Due to the grandfathering clause at s.9.13 of the Code, Horizon Power is deemed to have complied with this Part 9 of the Code as the issue relates to the meter itself, not the provision of pre-payment meter services and Horizon Power have not installed any new, or modified any existing, pre-payment meters since 1 July 2010. We note that if it were not for the grandfathering clause at s.9.13 of the Code, Horizon Power’s current pre-payment meters would not be in compliance with subclause 9.6.
254	A retailer must ensure that: at least one recharge facility is located as close as practicable to a pre-payment meter, and in any case no further than 40 kilometres away; a pre-payment meter customer can access a recharge facility at least three (3) hours per day, five (5) days a week; and the minimum amount to be credited by a recharge facility does not exceed \$10 per increment.	Compliant – 5	Through confirmation from the Field Services and Metering Coordinator and Manager Customer Service, Horizon Power ensures that pre-payment cards can be purchased from at least one agency within each community with pre-payment meters installed. The pre-payment cards can be purchased from road houses or convenience shops located nearby with opening hours that meet the minimum Code requirements. The lowest credit available for pre-payment meters is \$10.
255	If a pre-payment meter customer demonstrates to a retailer that the customer is entitled to receive a concession, a retailer must ensure that the pre-payment meter customer receives the benefit of the concession.	Compliant – 5	The Field Services and Metering Coordinator confirmed that concession information is initially obtained from customers on the Account Establishment form. The concession program for pre-payment meters prevents the daily supply charge from being deducted from concession holders. The remainder of eligible concessions are paid to the customer on two occasions each year by cheque or EFT.

No	Obligation under Condition	Compliance Rating	Findings
256	If requested by a pre-payment meter customer, a retailer must make immediate arrangements to check the metering data, test the pre-payment meter and/or arrange for a test of the metering installation at the connection point.	Compliant – 5	Due to the grandfathering clause at s.9.13 of the Code, Horizon Power is deemed to have complied with this Part 9 of the Code as the obligations relate to the provision of information from the meter itself, not pre-payment meter services, and Horizon Power have not installed any new, or modified any existing, pre-payment meters since 1 July 2010. We note that if it were not for the grandfathering clause at s.9.13 of the Code, Horizon Power's current pre-payment meters would not be in compliance with subclause 9.9.
258	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.	Compliant – 5	
259	Subject to the pre-payment meter customer notifying a retailer of the proposed vacation date, a retailer must ensure that a pre-payment customer can retrieve all remaining credit at the time the pre-payment meter customer vacates the supply address.	Compliant – 5	Through discussion with the Field Services and Metering Coordinator, we determined that pre-payment customers can get their remaining credit refunded provided they notify Horizon Power they are vacating the premises. Upon receiving the notification, Horizon Power's procedures entail a final meter read where any credits remaining from the card can be organised for a refund.
260	If a pre-payment meter customer (including a pre-payment meter customer who has vacated the address) has been overcharged as a result of an act or omission of a retailer or distributor, the retailer must (except in the circumstances in 9.10(7)) use its best endeavours to inform the pre-payment meter 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.	Compliant – 5	Through discussion with the Field Services and Metering Coordinator, we determined that: <ul style="list-style-type: none"> The only instance Horizon Power would become aware of a pre-payment meter overcharge is if a customer queries whether appropriate concessions have been applied. We note that the majority of pre-payment meter concessions are applied at the time the customer notifies a Remote Community Utilities Worker, therefore there would be little chance for overcharging Should an overcharge be identified, Horizon Power has procedures in place to notify customers of that overcharge and return overcharged funds to customers. The Field Services and Metering Coordinator confirmed that Horizon Power did not become aware of any overcharging of pre-payment meter customers for the audit period.
264	Where a customer owes a debt to a retailer, the retailer may only adjust the tariff payable by a pre-payment meter customer to recover any amount owing at a maximum of \$10 on the first day, and then at a rate of no more than \$2 per day thereafter, unless otherwise authorised by an applicable law.	Compliant – 5	Horizon Power is deemed to have complied with this Part 9 of the Code as the obligations relate to the provision of information from the meter itself, not pre-payment meter services, and Horizon Power have not installed any new, or modified any existing, pre-payment meters since 1 July 2010. We note that if it were not for the grandfathering clause at s.9.13 of the Code, Horizon Power's current pre-payment meters would not be in compliance with subclause 9.11.

No	Obligation under Condition	Compliance Rating	Findings
266	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 as having been disconnected in the manner specified in subclause 9.12(2)(b), the retailer must use its best endeavours to contact the customer as soon as reasonably practicable to provide the information prescribed in subclause 9.12(2)(c)-(g) and in the manner stated in subclause 9.12(3).	Compliant – 5	Horizon Power is deemed to have complied with this Part 9 of the Code as the obligations relate to the provision of information from the meter itself, not pre-payment meter services, and Horizon Power have not installed any new, or modified any existing, pre-payment meters since 1 July 2010. We note that if it were not for the grandfathering clause at s.9.13 of the Code, current pre-payment meters would not be in compliance with subclause 9.12(2)(b) as these meters do not allow for Horizon Power to monitor such data.
PART 10 – INFORMATION AND COMMUNICATION			
268	A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation, as soon as practicable after the variation is published and no later than the next bill in the customer's billing cycle.	Compliant – 5	The Code of Conduct requires customers affected by tariff variations to be notified no later than the customer's next bill after the variation is published. Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's notification process, we determined that Horizon Power has the following procedures in place for providing notice of variations in tariffs: <ul style="list-style-type: none"> • Variations in tariffs are noted on the first bill following implementation of the new tariff to provide information to customers • Horizon Power's Public Affairs team arranges for prior advertising in regional newspapers regarding tariff increases. We also note that: <ul style="list-style-type: none"> • Horizon Power has been required to amend its tariffs twice in the period 1 April 2011 to 31 March 2013 • Horizon Power sends a brochure to customers regarding the tariff changes. Moving forward, this brochure will be replaced by a letter to each customer • Changes to tariffs are also communicated via a brochure that is uploaded to Horizon Power's website. We sighted evidence of tariff increase notifications for both of the 2011 and 2012 increases.

No	Obligation under Condition	Compliance Rating	Findings
269	Upon request and at no charge, a retailer must provide a customer, with reasonable information on the retailer's tariffs, including alternative tariffs.	Compliant – 5	The Compliance and Billing Support Coordinator confirmed that should a customer contact the Horizon Power Call Centre requesting tariff information, CSRs are trained to: <ul style="list-style-type: none"> • Provide information over the phone • Direct the customer to Horizon Power's website • Send an e-mail to the customer (if requested). Horizon Power does not offer alternative tariffs for small use residential customers.
270	A retailer must give a customer the information requested on tariffs within eight (8) business days of the date of receipt, and, if requested, a retailer must provide the information in writing.	Compliant – 5	The Compliance and Billing Support Coordinator confirmed that: <ul style="list-style-type: none"> • CSRs are trained to resolve the customer query whilst they are on the phone, therefore complying with the eight business day requirement of the Code • Should the customer request the information in writing, the information will be sent the day of request.
271	Upon request, a retailer must provide a non-contestable customer with their billing data.	Compliant – 5	<i>Obligations 271 to 273</i> The Compliance and Billing Support Coordinator confirmed that should a customer contact the Horizon Power Call Centre requesting billing data: <ul style="list-style-type: none"> • In the event of phone contact, CSRs resolve the customer query whilst they are on the phone, therefore complying with the 10 business day requirement of the Code • In the event that the customer requests the information in writing, relevant information is sent the day the request is received • If requested, a customer may obtain a spreadsheet with extensive details of usage, consumption and billing data • All information is provided to the customer at no charge.
272	If a non-contestable customer requests billing data for a period less than the previous two (2) years and no more than once a year, or in relation to a dispute with the retailer, a retailer must provide the data at no charge	Compliant – 5	
273	A retailer must give the requested billing data under subclause 10.2(1) within 10 business days of the receipt of the request or upon the payment of the retailer's reasonable charge for providing the billing data.	Compliant – 5	
274	A retailer must keep a non-contestable customer's billing data for seven (7) years.	Compliant – 5	Through discussion with the Compliance and Billing Support Coordinator, examination of the ServiceWorks contract (which specifies the requirements for storing and securing data and for complying with the provisions of the State Records Act 2000) and observation of customer data in Velocity, we determined that all customers' billing data is maintained in Velocity, retained indefinitely and protected through agreed data security and backup practices.

No	Obligation under Condition	Compliance Rating	Findings
275	Upon request and at no charge, a retailer must provide a residential customer with information on the types of concessions available to the residential customer and the name and contact details of the organisation responsible for administering those concessions (if not the retailer).	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we determined that Horizon Power has procedures provide for the following concession related information to be provided to customers: <ul style="list-style-type: none"> Types of concessions available Contact details of the relevant organisations responsible for the provision and management of concessions. Note that the above information can be located on Horizon Power's website. Horizon Power's Communications team will also send an information pack containing updates on concessions available to all customers.
276	At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 of this code and under any other legislation in Western Australia including the amount of the payment and the eligibility criteria for the payment.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we were advised that Horizon Power implemented a process from 1 April 2011 to inform customers annually of Horizon Power's obligation to make payments under Part 14 of the Code. Information is attached to a letter that is sent out to customers each year advising them of other information such as concessions and tariffs. We sighted a sample of the letter distributed to customers from July 2012.
277	Upon request and at no charge, a retailer must provide a customer with general information on cost effective and efficient ways to utilise electricity; how a customer may arrange for an energy efficiency audit at the customer's supply address; and the typical running costs of major domestic appliances.	Compliant – 5	Through discussions with the Hardship Officer, we were advised that the Commonwealth funded Hardship Efficiency Program (HEP) was terminated on 8 June 2012. Since its termination, Horizon Power has endeavoured to hire regional contacts (as a substitute for HEP) that customers can, for a small charge, discuss ways of lowering their energy consumption. The Compliance and Billing Support Coordinator advised that CSRs will, if requested and at no charge, advise customers of basic energy efficiency information and direct the customer to the "Switch the Future" section of its website.
278	If asked by a customer for information relating to the distribution of electricity, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.	Compliant – 5	<i>Obligations 278 and 279</i> Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's interactions with customers, we determined that: <ul style="list-style-type: none"> Horizon Power provides distribution related information consistent with section 10.6 of the Code to customers upon request, at no charge Customers are able to approach the District Operations Officer (DOO) at each of Horizon Power's Regional depots for information relating to distribution activities.
279	Upon request and at no charge, a distributor must provide the customer with the information specified in subclause 10.6.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
280	Upon request, a distributor must, provide a customer with their consumption data.	Compliant – 5	<p><i>Obligations 280 to 282</i></p> <p>The Compliance and Billing Support Coordinator confirmed that, should a customer contact Horizon Power's Call Centre requesting consumption data, CSRs are trained to:</p> <ul style="list-style-type: none"> Resolve the customer query whilst they are on the phone, therefore complying with the 10 business day requirement of the Code In the event that the customer requests the information in writing, information is sent to the customer on the day of request All information is provided to the customer at no charge. <p>Further, customers may request for a detailed breakdown of all consumption data, which is provided via an excel datasheet. The datasheet will only include consumption data that relates to the customer (i.e. customers will not be provided with consumption data for previous residents).</p>
281	If a customer requested their consumption data, under subclause 10.7(1), the distributor must provide the information at no charge in the circumstances specified in subclause 10.7(2).	Compliant – 5	
282	A distributor must provide a customer with the requested consumption data within 10 business days of the receipt of the request or, if payment is required (and requested by the distributor within two (2) business days of the request), within 10 business days of receipt of payment of the distributor's reasonable charge for providing the consumption data.	Compliant – 5	
283	A distributor must keep a customer's consumption data for seven (7) years.	Compliant – 5	Through discussion with the Compliance and Billing Support Coordinator, examination of the ServiceWorks contract (which specifies the requirements for storing and securing data and for complying with the provisions of the State Records Act 2000) and observation of customer data in Velocity, we determined that all customer consumption data is maintained in Velocity, retained indefinitely and protected through agreed data security and backup practices.
284	Upon request, a distributor must inform a customer how the customer can obtain information on distribution standards and metering arrangements prescribed under the specified Acts or adopted by the distributor that are relevant to the customer.	Compliant – 5	<p><i>Obligations 284 and 285</i></p> <p>Through confirmation with the Manager Customer Service and examination of Horizon Power's website, Horizon Power has published its distribution standards which are similar to what is prescribed under the Electricity Act 1945 on its website. The website covers details on voltage limits, frequency, voltage fluctuations and harmonics.</p> <p>Horizon Power's metering arrangements are also published on its website.</p>
285	A distributor must publish information on distribution standards and metering arrangements on the distributor's web site.	Compliant – 5	
286	To the extent practicable, a retailer and distributor must 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.	Compliant – 5	Through examination of Horizon Power's information brochures available to customers, Horizon Power's website and its Customer Service Charter, we determined that the aforementioned documents were prepared using clear, simple and concise language.

No	Obligation under Condition	Compliance Rating	Findings
287	Upon request, a retailer and a distributor must tell a customer how the customer can obtain a copy of the Code of Conduct.	Compliant – 5	<i>Obligations 287 to 289</i> Through discussion with the Compliance and Billing Support Coordinator, we determined that Horizon Power has: <ul style="list-style-type: none"> • Provided training to CSRs to provide a copy of the Code to customers, upon request • Published the Code of Conduct on its website • Electronic copies of the Code available to customers, which can be sent to customers via email or post • Copies of the Code available at its designated customer service premises for inspection, as required.
288	A retailer and distributor must make electronic copies of the Code of Conduct available, at no charge, on their web sites.	Compliant – 5	
289	A retailer and a distributor must make a copy of the Code of Conduct available for inspection, at no charge, at their respective offices.	Compliant – 5	
290	Upon request and at no charge, a retailer and a distributor must make available to a residential customer services that assist the residential customer in interpreting information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of an example customer bill and Horizon Power's website, we determined that Horizon Power provides multi-lingual interpreting services and tele-typewriter services for its customers, at no charge.
291	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 as well as the National Interpreter Symbol with the words "Interpreter Services", on the bill and bill-related information, reminder notices and disconnection warnings	Compliant – 5	Through examination of an example customer bill, a reminder notice, a disconnection warning notice and the Customer Service Charter, we evidenced that tele-typewriter and telephone Interpreter Services telephone numbers are included on those documents.
292	Upon request and at no charge, a distributor must advise a customer, of the availability of different types of meters, as well as their suitability to the customer's supply address, purpose, costs, and installation, operation and maintenance procedures.	Compliant – 5	<i>Obligations 292 and 293</i> Through discussion with the Manager Customer Service, we determined that as Horizon Power only provides credit meters to small use customers unless a customer is in an area defined by the Minister as being able to obtain a pre-payment meter service. There are different forms of credit meters, where CSRs are trained to forward customers to the Horizon Power Customer Care team should a customer wish for further information on these alternative credit meters.
293	If requested, a retailer must advise the customer of the availability of different types of meters or refer the customer to the relevant distributor for a response.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
PART 12 – COMPLAINTS AND DISPUTE RESOLUTION			
294	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	Compliant – 4	<p>Horizon Power reviewed its Customer Complaints Guidelines in July 2011 resulting in the following amendments:</p> <ul style="list-style-type: none"> • Inclusion of definitions as per the Authority's Guidelines • Work instructions for ServiceWorks' CSRs on how to identify complaints. For example an expression of dissatisfaction by the customer resulting in the need for an action should be considered as a complaint. <p>Through discussions with the Compliance and Billing Support Coordinator and consideration of the complaints handling process, we determined that:</p> <ul style="list-style-type: none"> • The Customer Liaison Officer monitors complaints daily via an exception report that identifies complaints nearing required timeframes (10 business days for acknowledgement of the complaint and 20 business days to inform the customer of the resolution of the complaint). The exception report provides: <ul style="list-style-type: none"> ○ An overview of the complaint ○ The days the complaint has been outstanding ○ Date the complaint was made/responded to. • If a complaint has been identified as approaching the above timeframes, the Customer Liaison Officer attempts to contact the customer to advise of the complaint status • The customer may apply for a service standard payment of \$20 when the above timeframes have been breached for a written complaint • Horizon Power has strengthened its complaints handling process by developing work instructions and training ServiceWorks' CSRs on the updated complaints handling process • All recorded complaints are to be logged into Velocity and responded to in accordance with the timeframes specified by the Code in Clause 14.3(1) and 14.4(1). <p>The 2011 performance audit identified the opportunity for CSRs to more effectively record complaints.</p> <p>From a site visit to ServiceWorks, plus consideration of an increase in recorded complaints, we observed an improvement in Horizon Power's effectiveness in identifying and recording customer complaints. However, we identified instances of customer contact that suggest further improvement regarding practical interpretation of the complaint identification criteria can be achieved. Examples include:</p> <ul style="list-style-type: none"> • Instead of CSRs consistently applying the Authority's complaints recognition guidelines, ServiceWorks work practices do not mandate CSRs to record complaints unless it is either

No	Obligation under Condition	Compliance Rating	Findings
			<p>escalated to a Team Leader, or the customer agrees to formally record a complaint</p> <ul style="list-style-type: none"> A customer who was wrongfully disconnected (the correct disconnection was for another supply address) on a Friday and not reconnected until the following Monday. Although it would be reasonable to expect the customer to have expressed dissatisfaction and expected reconnection to occur immediately, there was no recorded complaint on the customer's account. In instances of wrongful disconnection, Horizon Power's usual practice is to treat the matter as a priority service task and to process a service standard payment, rather than to record and manage as a complaint During our site visit to ServiceWorks, we observed a contact from a customer who had previously contacted Horizon Power regarding a dispute on their account. The second contact was escalated to the Team Leader, however the complaint was not recorded in Velocity Complaints received via the Ombudsman during the two year period ending 31 March 2013 totalled 82 (approximately 22% of total complaints received). We recognise that complaints received via the Ombudsman are not necessarily indicative of Horizon Power's failure to resolve a customer's complaint or enquiry. However they do suggest there are opportunities for earlier recognition of customer complaints.
Recommendation 4/2013 Horizon Power further strengthen its complaints handling process by: <ul style="list-style-type: none"> (a) More effectively training ServiceWorks' CSRs to recognise a complaint based on the key criteria from the Authority's Guidelines (b) Recording all avenues of complaints where a customer has expressed dissatisfaction, including customer service activity involving a priority resolution and associated service standard payment. 			Action Plan 4/2013 <ul style="list-style-type: none"> (a) Horizon Power acknowledges that the process for managing complaints is relatively new and not consistent or integrated within Horizon Power. Initially a training plan will be developed to ensure all customer facing staff recognise a complaint based on the key criteria from the Authority's Guidelines (b) The required improvements include monitoring of all avenues for complaints including social media. A business case for an integrated system, based on the mainframe and available to all staff (regions, Bentley & ServiceWorks), that captures complaints from all sources and allows visibility for all customer facing staff will be developed. <p>Responsible Person: (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator</p> <p>Target Date: (a) 31 December 2013 (b) 30 June 2014</p>
295	The complaints handling process under subclause 12.1(1) must comply with the requirements specified in subclauses 12.1(2)(a), (b) and (c) and be made available at no cost.	Compliant – 5	Through examination of Horizon Power's Complaints Policy and Customer Complaints Guidelines, and discussion with the Compliance and Billing Support Coordinator, we determined that Horizon Power's policy has been created and designed to comply with AS ISO 10002-2006. The Guidelines describe the complaints lodging and escalation process, response time, method of response and management and handling process.

No	Obligation under Condition	Compliance Rating	Findings
296	A retailer or a distributor must advise the customer in accordance with subclause 12.1(3)	Compliant – 5	<p>Through examination of Horizon Power's complaints handling process and discussions with the Compliance and Billing Support Coordinator, we determined that Horizon Power's complaints handling process provides for:</p> <ul style="list-style-type: none"> • Escalation of the complaint to a senior team member • CSRs to notify customers of their right to refer their complaints to the Ombudsman, if the customer is still not satisfied. <p>Customers' rights regarding Ombudsman referral are listed in writing in the Customer Service Charter.</p>
297	A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints.	Compliant – 4	<p>Section 3 of the Authority's Guidelines provides energy retailers and distributors with guiding principles on how complaints should be distinguished from enquiries.</p> <p>Through discussions with the Compliance and Billing Support Coordinator and examination of Horizon Power's complaints handling process, we determined that Horizon Power adopted descriptions within the Guidelines to distinguish between a complaint and a query, and CSRs (being the first line for initial assessment of complaints and queries) have received training on the process.</p> <p>A site visit to ServiceWorks, plus an increase in recorded complaints, demonstrated improvement in the effectiveness of identifying and recording customer complaints. However, we identified that further improvement regarding practical interpretation of the complaint identification criteria can be achieved. Examples include:</p> <ul style="list-style-type: none"> • Instead of CSRs consistently applying the Authority's complaints recognition guidelines, ServiceWorks work practices do not mandate CSRs to record complaints unless it is either escalated to a Team Leader, or the customer agrees to formally record a complaint • A customer who was wrongfully disconnected (the correct disconnection was for another supply address) on a Friday and not reconnected until the following Monday. Although it would be reasonable to expect the customer to have expressed dissatisfaction and expected reconnection to occur immediately, there was no recorded complaint on the customer's account. In instances of wrongful disconnection, Horizon Power's usual practice is to treat the matter as a priority service task and to process a service standard payment, rather than to record and manage as a complaint • During our site visit to ServiceWorks, we observed a contact from a customer who had previously contacted Horizon Power regarding a dispute on their account. The second contact was escalated to the Team Leader, however the complaint was not recorded in Velocity. <p><i>Refer to obligation 294 for detailed findings, recommendation and action plan.</i></p>

No	Obligation under Condition	Compliance Rating	Findings
298	Upon request and at no charge, a retailer, distributor and electricity marketing agent must give a customer information that will assist the customer in utilising the respective complaints handling processes.	Compliant - 5	Horizon Power's website and Customer Service Charter makes specific reference to its complaints handling process available to customers at no charge.
299	When a retailer, distributor or electricity marketing agent receives a complaint that does not relate to its functions, it must advise the customer of the entity that it reasonably considers to be the appropriate entity to deal with the complaint (if known).	Compliant - 5	Through discussion with the Compliance and Billing Support Coordinator and consideration of the complaints handling process, we determined that the process provides for: <ul style="list-style-type: none"> Staff to recognise instances where a complaint does not relate to Horizon Power's functions The matter to be referred to the relevant entity The customer to be made aware of the reason for the referral.
PART 13 – RECORD KEEPING			
300	Unless expressly provided otherwise, 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 (2) years from the last date on which the information was recorded.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of Velocity system data, we determined that records, or other information as required to be kept by the Code, are stored in Horizon Power's document management system and archived to back-up tapes indefinitely.
301	For the purposes of subclause 13.1(1), a retailer must keep the information specified in subclause 13.1(2).	Compliant – 5	<i>Obligations 301 and 302</i> Through examination of the 2011/12 Code of Conduct Performance Report and other supporting documentation, we determined that Horizon Power keeps the records specified in 13.1(2) and (3).
302	For the purposes of subclause 13.1(1), a distributor must keep the information specified in subclause 13.1(3).	Compliant – 5	
303	A retailer must keep a record of the total number of the items specified in subclauses 13.2(a) and (b).	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of the 2011/12 Code of Conduct Performance Report and other supporting documentation, we determined that: <ul style="list-style-type: none"> For the period 1 April 2011 to 31 December 2012, affordability and access records had been provided to, and were maintained by, the Regulation and Compliance Coordinator For the period 1 January to 31 March 2013, we note that the Code was updated to include an additional record to be kept and maintained. As the 2012/13 report is not yet due to be submitted, we could not assess compliance regarding reporting on this additional item. Further, in the 2010/11 and 2011/12 Code of Conduct Performance reports, figures were reported for "customers placed on a shortened billing cycle", however we note that Horizon Power does not currently offer shortened billing cycles. We were advised that this issue may have been due to ServiceWorks' misinterpretation of the definition of a shortened billing cycle.

No	Obligation under Condition	Compliance Rating	Findings
304	Where the retailer has issued a bill outside of the time-frame set out in subclause 4.1(b), a retailer must keep a record of the actions it undertook, and the responses from the distributor to those actions, to obtain metering data.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we were advised that all actions taken regarding issuing a bill outside of required timeframes is logged in the customer's account in Velocity. All customer account records are held for an indefinite period.
305	A retailer must keep a record of the complaints information specified in subclause 13.3(1).	Compliant – 5	<i>Obligations 305 and 306</i> Through examination of complaints records produced by Horizon Power and the 2011/12 Code of Conduct performance report, we determined that: <ul style="list-style-type: none"> Customer complaints are recorded in Velocity Complaints received from the Ombudsman are recorded in a separate register All the necessary complaints records as required by the Code are recorded and reported accordingly.
306	A retailer must keep a record of the details of each complaint referred to in subclause 13.3(1)	Compliant – 5	
307	A retailer must keep a record of the payments made under clauses 14.1, 14.2 and 14.3.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of the records provided by ServiceWorks and the 2011/12 Code of Conduct performance report, we determined that all service standard payment records are reported accurately in the datasheets and supporting documentation is maintained on file.
308	A retailer must keep a record of the call centre performance indicators specified in subclause 13.5.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of records provided by ServiceWorks and the 2011/12 Code of Conduct performance report, we determined that figures provided by ServiceWorks within the call centre performance summary report are reflected within the Code of Conduct performance report. Records received from ServiceWorks are maintained on file by the Regulation Compliance Coordinator.
309	A retailer must keep a record of the total number of residential and business customer accounts held by contestable and non-contestable customers.	Compliant – 5	Through discussions with the Regulation Compliance Coordinator and consideration of the customer accounts system Velocity, we determined that: <ul style="list-style-type: none"> Customer account records are stored on Velocity and reports can be generated identifying the total number of customer accounts Figures used for the 2011/12 Code of Conduct performance report were sourced from a report generated by ServiceWorks, which is maintained on file.

No	Obligation under Condition	Compliance Rating	Findings
310	A retailer must keep a record of the information related to pre-payment meter customers specified in subclause 13.7(1).	Compliant – 5	Through discussions with the Manager Customer Service and Regulation Compliance Coordinator, we determined that Horizon Power's current pre-payment meters do not have the capability to provide the information required by the Code. Horizon Power is aware of this issue and subsequently requested for, and was granted an extension by the Authority for additional time to replace non-compliant pre-payment meters. Upon interpretation of Clause 9.13 of the Code that provides for grandfathering of prepayment meters, Horizon Power is deemed to have complied with relevant requirements within clause 13.7(1) as its meters are unable to record such information.
311	A retailer must keep a record of the details of each complaint relating to a pre-payment meter customer.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and the Regulation Compliance Coordinator, we were advised that: <ul style="list-style-type: none"> Any pre-payment meter customer complaints are received and recorded by ServiceWorks CSRs A record of the details of the complaint and to which customer the complaint originates is stored in Velocity Complaints are monitored via a spreadsheet and followed up according to the timeframes specified by the Code Ombudsman complaints received by pre-payment customers are dealt with by the Compliance and Billing Support Coordinator and included as part of the total complaints received.
312	A distributor must keep a record of the total number of connections provided and connections not provided on or before the agreed date.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and consideration of Horizon Power's annual reporting processes, we determined that: <ul style="list-style-type: none"> Customer connections records are held in mData21 The Field Services and Metering Coordinator provides the figures for the performance report, which are maintained on file Connection records are entered accurately in the performance report.
313	A distributor must keep a record of the total number of reconnections provided (other than those specified in subclause 13.8(2)(a)) and the total number of those reconnections not provided within the prescribed timeframe.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of the 2011/12 Code of Conduct performance report, we determined that <ul style="list-style-type: none"> Reconnection figures are provided to the Regulation Compliance Coordinator by the Field Services and Metering Coordinator and are based on information contained in Velocity These figures are checked for reasonableness via a year on year comparison before they are entered into the performance report Information received by the Field Services and Metering Coordinator is maintained on file.

No	Obligation under Condition	Compliance Rating	Findings
314	A distributor must keep a record of the street lights information specified in subclause 13.9(1).	Compliant – 5	The faulty street lights records were obtained from Asset and Works via the Trouble Call System (TCS). Based on examination of the records obtained from TCS and figures in the 2011/12 Code of Conduct performance report, we determined that street lights faults and repair indicators records are accurate and maintained on file.
315	A distributor must keep a record of the customer complaints information specified in subclause 13.10(1).	Compliant – 5	<i>Obligation 315 and 316</i> Through examination of complaints records produced by ServiceWorks and the 2011/12 Code of Conduct performance report, we determined that:
316	A distributor must keep a record of the details of each customer complaint referred to in subclause 13.10(1).	Compliant – 5	<ul style="list-style-type: none"> Customer complaints are recorded in Velocity Complaints received from the ombudsman are recorded in a separate register All the necessary complaints records as required by the Code are recorded and reported accordingly.
317	A distributor must keep a record of compensation payments made under subclauses 14.4 and 14.5.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of the records provided by ServiceWorks and the 2011/12 Code of Conduct performance report, we determined that all Service Standard Payment records are reported accurately in the datasheets and supporting documentation is maintained on file.
318	A distributor must keep a record of the call centre performance indicators specified in subclause 13.12	Compliant – 5	Through discussion with the Manager Customer Service and the Regulation Compliance Coordinator and review of ServiceWorks monthly service level reports, Horizon Power records all the necessary call centre performance indicators as required by the Code.
319	A distributor must keep a record of the information related to pre-payment meter customer complaints specified in subclause 13.13(1).	Compliant – 5	<i>Obligation 319 and 320</i> Through discussions with the Compliance and Billing Support Coordinator and the Regulation Compliance Coordinator, we were advised that Horizon Power maintains records of:
320	A distributor must keep a record of the details of each pre-payment meter customer's complaint referred to in subclause 13.13(1).	Compliant – 5	<ul style="list-style-type: none"> The number of complaints relating to the installation and operation of a pre-payment meter at a pre-payment meter customer's supply address The action taken by the distributor to address a complaint The time taken for the appropriate procedures for dealing with the complaint to be concluded The percentage of complaints relating to the installation and operation of a pre-payment meter at a customer's supply address concluded within 15 and 20 business days.
321	A distributor must keep a record of the total number of exit points of customers who are connected to its network.	Compliant – 5	The record for total number of customers who are connected to the Horizon Power network is stored on mData21. Through discussion with the Regulation Compliance Coordinator, we were advised that the Field Services and Metering Coordinator manually uploads the figures to the datasheets, which are then reviewed by the Regulation Compliance Coordinator for completeness and accuracy.

No	Obligation under Condition	Compliance Rating	Findings
322	A retailer must prepare a report in respect of each reporting year setting out the information in the records specified in subclause 13.15.	Compliant – 5	<p><i>Obligations 322 to 325</i></p> <p>Through discussion with the Regulation Compliance Coordinator and examination of the 2011/12 Code of Conduct performance report and supporting email correspondence, we determined that Horizon Power:</p> <ul style="list-style-type: none"> • Prepared a report as required by Part 13 of the Code of Conduct • Published the 2010/11 and 2011/12 reports prior to 1 October each year • Submitted the 2010/11 and 2011/12 reports to the Minister and the Authority at least seven days prior to publishing the reports on its website.
323	A distributor must prepare a report in respect of each reporting year setting out the information in the records specified in subclause 13.16.	Compliant – 5	
324	The annual retailer and distributor reports specified in subclauses 13.15 and 13.16 are to be published no later than the following October 1.	Compliant – 5	
325	A copy of each report must be given to the Minister and the Authority not less than seven (7) days before it is published.	Compliant – 5	
326	A retailer and distributor must provide the information in the records in subclause 13.15 and 13.16, as applicable, to the Authority in a format acceptable to the Authority not later than the following September 23.	Compliant – 5	Through discussions with the Regulation and Compliance Coordinator, we were advised that Code of Conduct performance reports are prepared in accordance with the Authority's 2012 Electricity Retail Licence Performance Reporting Handbook. The 2010/11 and 2011/12 performance reports were prepared and submitted prior to 23 September each year.
PART 14 – SERVICE STANDARD PAYMENTS			
327	Subject to clause 14.6, a retailer must pay the stated compensation to a customer where the customer is not reconnected in accordance with the timeframes specified in Part 8.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's service standard payment processes, we determined that Horizon Power has appropriate processes in place to permit service standard payments to customers, where:</p> <ul style="list-style-type: none"> • Service standard payments are made to customers for late reconnection at \$60 per day, capped to a maximum of \$300 • The Compliance and Billing Support Coordinator is responsible for processing payments. <p>During the period 1 April 2011 to 31 March 2013, Horizon Power made six service standard payments for not re-energising a customer's supply address in the specified timeframes. All payments were made in accordance with the requirements of the Code.</p>

No	Obligation under Condition	Compliance Rating	Findings
329	Subject to clause 14.6, if a retailer fails to comply with any of the procedures specified in Part 6 and Part 7 prior to arranging for disconnection or disconnecting a customer for failure to pay a bill, or arranges for disconnection or disconnects a customer in contravention of clauses 7.2, 7.3, 7.6 or 7.7 for failure to pay a bill, the retailer must pay the specified compensation to the customer.	Compliant – 5	<p>Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's service standard payment processes, we determined that Horizon Power has appropriate processes in place to permit service standard payments to customers, where:</p> <ul style="list-style-type: none"> Service standard payments are made to customers for wrongful disconnection at \$100 per day, with no maximum amount payable The Compliance and Billing Support Coordinator is responsible for processing payments. <p>Through sample testing of 30 disconnections performed during the period 1 April 2011 to 31 March 2013, we identified no instances where a customer had been wrongfully disconnected for failure to pay a bill, in breach of the Code requirements.</p>
331	Upon receipt of a written query or complaint by a customer, a retailer must acknowledge the query or complaint within 10 business days and respond to the query or complaint by addressing the matters raised within 20 business days.	Compliant – 5	<p><i>Obligations 331 and 333</i></p> <p>Horizon Power is both the retailer and distributor (network operator).</p> <p>Through examination of Horizon Power's customer complaints procedures, review of the Service Standard Payments Register and discussion with the Customer Liaison Officer, we determined that:</p>
333	Upon receipt of a written query or complaint by a customer, a distributor must acknowledge the query or complaint within 10 business days and respond to the query or complaint by addressing the matters raised within 20 business days.	Compliant – 5	<ul style="list-style-type: none"> Horizon Power has arrangements in place to acknowledge and respond to customer complaints within the timeframes specified by the Code Customer complaints received directly from customers are handled by ServiceWorks, while complaints from the Ombudsman are handled by the Compliance and Billing Support Coordinator The complaints system within Velocity went live in June 2012, enabling all subsequent complaints to be electronically recorded against the customer's account A spreadsheet register is maintained for all complaints, including any that are overdue. The Compliance and Billing Support Coordinator keeps hardcopy printouts of all actions taken each week for open complaints. Printouts are archived after approximately 1 year Customers may apply for a service standard payment of \$20 if their written complaint has not been acknowledged within 10 days. The Compliance and Billing Support Coordinator confirmed that no payments were made during the period 1 April 2011 to 31 March 2013. <p>Since the complaints system in Velocity went live, Horizon Power has recorded 384 complaints. Testing of 10 customer complaints identified seven that were acknowledged and responded to in accordance with the timeframes specified by the Code. For the remaining three complaints, Horizon Power representatives contacted the customer within the timeframes specified to inform the customer of the status of the complaint and reasons for the delay.</p>

No	Obligation under Condition	Compliance Rating	Findings
335	Subject to subclause 14.6, if a distributor disconnects a customer's supply address other than as authorised by this Code or otherwise by law, or as authorised by a retailer, then the distributor must pay the customer \$100 for each day that the customer was wrongfully disconnected.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and examination of the Service Standard Payments Register, we identified that: <ul style="list-style-type: none"> Six payments were made for wrongful disconnection of a customer during the audit period Each relevant customer was paid \$100 each day for the period that they were wrongfully de-energised.
336	A retailer who is required to make a compensation payment for failing to satisfy a service standard under clauses 14.1, 14.2 or 14.3, must do so in the manner specified in subclause 14.7(1).	Compliant – 5	<p><i>Obligations 336 and 337</i></p> <p>Through discussion with Customer Liaison Officer, we determined that Horizon Power (both at the retailer and distributor) has policies and procedures in place to compensate customers by:</p> <ul style="list-style-type: none"> Applying a credit on the customer's next bill Issuing a cheque payment Processing an EFT payment (EFT payments are not offered as a primary payment option due to the lack of processes currently in place, however Horizon Power is looking at implementing appropriate processes for the future) Any other means (within reasonable bounds) as stipulated by the customer. <p>We note that pre-payment meter customers will either receive a cheque or EFT payment as they do not hold a credit meter and therefore do not get routinely billed.</p>
337	A distributor who is required to make a compensation payment for failing to satisfy a service standard under clauses 14.4 or 14.5, must do so in the manner specified in subclause 14.7(2).	Compliant – 5	

The following obligations are applicable to Horizon Power's operations for the period 1 April 2011 to 31 December 2012 only

No	Obligation under condition	Compliance rating	Findings
153	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.	Compliant – 5	Through discussions with the Manager Customer Service and examination of the ServiceWorks contract, we determined that Horizon Power has addressed the requirements of the National Privacy Principles in relation to customer data by requiring ServiceWorks to comply with the National Privacy Principles regarding the treatment of personal information.
181	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.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power will not back date undercharged amounts relating to a change in the customer's usage for a period greater than 12 months.
182	A retailer must repay any amounts overcharged to a customer as a result of a change in the customer's electricity use.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's billing processes, we determined that Horizon Power will refund a customer for any amounts overcharged as a result of a change in the customer's usage.

No	Obligation under condition	Compliance rating	Findings
194	A retailer must comply with the Electronic Funds Transfer Code of Conduct in making an electronic payment.	Compliant – 5	Commonwealth Bank of Australia (CBA) is Horizon Power's banking authority. CBA's website states its commitment to and adherence to a comprehensive range of codes of conduct, including the Electronic Funds Transfer Code (EFT Code). We are not aware of any evidence that would suggest CBA did not comply with the EFT Code for the period subject to audit. Further, the contract between Horizon Power and ServiceWorks identifies the obligation for ServiceWorks to comply with the EFT Code.
222	A retailer may apply different minimum payment in advance amounts for residential customers experiencing payment difficulties or financial hardship and other customers.	Compliant – 5	Through discussions with the Compliance and Billing Support Coordinator, we were advised that if requested, CSRs are able to modify payment instalment plans to best assist the customer's situation (e.g. varying monthly payments).

The following obligation is applicable to Horizon Power's operations for the period 1 April 2011 to 30 April 2011 only

No	Obligation under condition	Compliance rating	Findings
281	A retailer and distributor must produce and publish a Customer Service Charter.	Compliant – 5	Horizon Power produced and published a Customer Service Charter, which was available on its website at no charge during the period to 30 April 2011.

4.9 Electricity Industry Metering Code 2012

Background

On 7 December 2012, the Electricity Industry Metering Code 2005 was repealed and replaced by the Electricity Industry (Metering) Code 2012. The Code sets out the rights, obligations and responsibilities of Metering Code participants associated with the measurement of electricity and the provision of metering services; the rules for the provision of metering installations at connection points, and the rules for the provision of metering services, standing data and energy data.

Horizon Power's metering services were previously provided under a legacy agreement with Western Power since disaggregation in 2006. During the audit period, Horizon Power fully implemented an in-house metering system (mData21) and terminated metering services arrangements with Western Power and AMRS. All metering installations and maintenance, including HV installs, are performed in-house.

We also note that Horizon Power completed performance of its Metering Test Plan, identifying the entire population of single and three phase meters were deemed to not comply with the Metering Code 2005, excluding Landis & Gyr's EM3330 meter and the new Elster meters installed post January 2010.

Clause 3.14(1) and (2) of the Metering Code provides an exemption to all meters installed, or committed to and installed within 18 months, pre the 2005 Metering Code. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power is considered to currently operate non-compliant meters.

Obligations determined to be not applicable

The following obligations are not applicable to Horizon Power's operations:

Obligation	Reason
360, 393, 394, 409, 422, 423, 426 – 429, 431, 437, 438, 456, 469, 472, 474 – 477 (395 and 412) ¹⁰	Each of these obligations are not applicable to Horizon Power's operations as they relate to either a User or a Code Participant performing a task in relation to the Network Operator. Therefore, there is no obligation on Horizon Power.
371 – 373, 390 (361 and 362) ¹⁰	Section 1.3 of the Code references the Electricity Industry Act section 123(1), which defines the market rules as the rules relating to the market and the operation of the SWIS. Therefore this clause specifically applies to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.
374	Section 3.16 of the Code applies to the network described in Part 9 of the Electricity Industry Act, which defines the regulations relating to the wholesale supply of electricity in the South West interconnected system (SWIS). As this clause specifically applies to operations within the SWIS, it is not applicable to Horizon Power's licensed areas.
375	The obligation is on the Electricity Retail Corporation (Synergy), not the Regional Electricity Corporation (Horizon Power).
459 – 461	The obligation is on the Electricity Networks Corporation (Western Power), not the Regional Electricity Corporation (Horizon Power).

¹⁰ Obligation number taken from the May 2011 Reporting Manual and is only applicable for the period 1 April 2011 to 31 December 2012

Obligations determined to be not rateable

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

Obligation	Reason
338, 339	<p>There are no other retailers, distributors, generators or users (collectively Code Participants) on Horizon Power's networks with which Horizon Power could have dealings that are non-arm's length in respect of its metering activities.</p> <p>No two Independent Power Providers (IPP) on Horizon Power's networks are in direct competition. Horizon Power's diesel back-up generation facilities are managed by the relevant IPP and never take precedence over the IPP in supplying electricity to respective customers.</p>
350, 359, 367, 377, 381, 382, 397, 398, 410, 412 – 415, 418 – 420, 430, 446	Generators input electricity into Horizon Power's networks at designated connection points, however as Horizon Power did not have any users accessing its networks during the period subject to audit (as per the Access Code definitions), these obligations cannot be rated.
376, 392, 395, 396, 404, 405, 416, 421, 432 – 436, 439 – 442, 454	As there were no Code Participants with the capacity to make such a request during the period subject to audit (e.g. generators own their own meters at the connection point), these obligations cannot be rated.
345	There are currently no other users on Horizon Power's networks that could be in a position to notify Horizon Power of such changes in a metering point which will result in bi-directional electricity flows.
362	Of the population of meters that failed tests under AS 1284.13, none were required to be removed or replaced during this audit period as the three year timeframe provision had not expired.
383, 384	<p>These obligations relate to the network operator performing an action upon request from a retailer. As Horizon Power is both the sole retailer and the network operator on its network, these obligations are not rateable.</p> <p>We note that Horizon Power's compliance with respect to pre-payment meters meeting certain requirements under the Code of Conduct is assessed at Part 9 of the Code of Conduct.</p>
417	Horizon Power operates in a market with contestable customers (Horizon Power retail electricity to small use customers who by definition are users who consume up to 160 MWh per annum), therefore there is capacity for another retailer other than Horizon Power, to operate in the market. Until such time as another retailer enters the market, the obligation remains not rateable.
462 - 466	These are new obligations following effective implementation of the revised Metering Code 2012 (1 January 2013). As Horizon Power has not been required to prepare and submit such a report for the audit period, these obligations cannot be rated.
470, 471	The Manager Customer Service confirmed that Horizon Power has not been required by the Authority to amend the documents listed at section 6.20(4) of the Metering Code.
473	The Regulation Compliance Coordinator confirmed that Horizon Power has not made any changes to its contact details during the period.

Obligation	Reason
478 – 482	<p>For the purpose of the Metering Code, “disputes” refers to metering disputes between Horizon Power as the network operator, another retailer, generator, the metering data agent, a user or the IMO. As the definition of a Code Participant applies, the only possible party with whom Horizon Power could have had a dispute with for part of the audit period is Western Power between 1 April 2011 and 31 October 2012. Following this date, Horizon Power transitioned all meter reading activities in-house. Horizon Power cannot have a dispute with the generator as they do not have a check meter read in place.</p> <p>The Manager Customer Service confirmed that no metering disputes arose between Western Power and Horizon Power during the period 1 April 2011 to 31 October 2012. Also, review of the complaints register did not evidence any complaints from Western Power. Accordingly, an assessment of compliance with clauses 8.1 and 8.3 cannot be made.</p> <p>Horizon Power’s complaint handling principles (as outlined by section 4 of the Complaints Policy) dictate that Horizon Power will acknowledge complaints from all customers/stakeholders within 5 business days, from which time appropriate investigations and analysis will be carried out. The Horizon Power Metrology Procedure outlines that the resolution for a dispute will be provided within 10 business days.</p>

Assessment of compliance

The table below summarises the audit’s assessment of Horizon Power’s compliance with the relevant obligations of the Electricity Metering Code 2012.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
33	56		8	-	1	52	150

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.

No	Obligation under Condition	Compliance Rating	Findings
Part 3 - Meters and metering installations			
340	A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and also comply with any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act.	Non-compliant – 2	<p>The 2011 performance audit recognised Horizon Power's doubts whether its meters were compliant with relevant requirements and specifications. A Metering Management Plan was developed detailing Horizon Power's approach to testing its meters, including sample sizes, metrology requirements subject to testing and reporting of the results.</p> <p>The results of the sample meter testing performed by Formway Group in February and June 2011, for both single and three phase meters were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010.</p> <p>Clause 3.14(1) and (2) provides an exemption to all meters installed pre the 2005 Metering Code, or committed to and installed within 18 months after the 2005 Metering Code commenced. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.</p> <p>Action has not yet been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.</p> <p>At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.</p> <p><i>This issue, associated recommendation and action plan relates to obligations 340, 348, 351, 354, 355.</i></p>
	<p>Recommendation 17/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Formalise its strategy for the replacement of all non-compliant meters on its networks (b) Liaise with the Authority and Public Utilities Office to reach agreement on actions to be taken. 		<p>Action Plan 17/2013</p> <ul style="list-style-type: none"> (a) Horizon Power has developed a draft business case for replacement of meters with Advanced Meter Infrastructure (smart meters). The initial phase to implement pre-payment meters in Aboriginal Communities has been approved and is in progress (b) The strategy for full replacement of all non-compliant meters is awaiting budget approval (c) Horizon Power will formally notify the Authority and the Public Utilities Office of the status of its Metering Management Plan and associated findings reach agreement on actions to be taken. <p>Responsible Person: Manager Customer Service</p> <p>Target Date: (a) and (b) 31 March 2014 (c) 30 June 2014</p>

No	Obligation under Condition	Compliance Rating	Findings
341	An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements specified in subclauses 3.2(1)(a)(b) using dials, a cyclometer, an illuminated display panel or some other visual means.	Compliant – 5	<p>During the audit period, Horizon Power implemented a new metering database (mData21) as part of terminating contractual arrangements with Western Power. Through discussions with the Field Services and Metering Coordinator, examination of documentation and review of mData21, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power has adopted the ‘Western Australian Electricity Market Metrology Procedures for Metering Installations’ as its metrology standard • The metrology standard recognises the requirement for “access to visible displays to be provided without unreasonable restriction” (refer to schedule 1, clause 5.48) • Horizon Power has contracted Elster to supply meters. The design of these meters permits the collection of data in accordance with meter reading requirements. The meters are pattern approved under NMI M6, which meet Australian Standards • The data that can be obtained at a metering point meets required standards as meter readers are able to review data and upload into mData21 (previously MBS through Western Power).
342	An interval meter must at least have an interface to allow the interval energy data to be downloaded in the manner prescribed using an interface compatible with the requirements specified in the applicable metrology procedure.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator, examination of documentation and review of mData21, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power has adopted the ‘Western Australian Electricity Market Metrology Procedures for Metering Installations’ as its metrology standard • There are currently 170 interval meters connected to Horizon Power’s network. AMRS were contracted to read the interval meters until Horizon Power terminated this agreement and moved all meter reading activities in-house, starting August 2012 • Meters are provided by Elster and: <ul style="list-style-type: none"> ○ Record power consumption at 15 minute intervals and have the capacity for information to be downloaded ○ Meet interface requirements.
343	If a metering installation is required to include a communications link, the link must (where necessary), include a modem and isolation device approved under the relevant telecommunications regulations, to allow the interval energy data to be downloaded in the manner prescribed.	Compliant – 5	<p>Through confirmation with the Field Services and Metering Coordinator and examination of the Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power’s Metrology Procedure governs the communications link installation process. Communication links are required to be installed for all interval meters connected to Horizon Power’s network • A communications link is required to have a modem and meet specific performance requirements. The link also permits collection of data remotely as well as locally (refer to schedule 1, clause 5.65 of the Metrology Procedure).

No	Obligation under Condition	Compliance Rating	Findings
344	A network operator must ensure that bidirectional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.	Compliant – 4	<p>Through discussions with the Field Services and Metering Coordinator and confirmation from the Manager Customer Service, we determined that:</p> <ul style="list-style-type: none"> Amendments to Horizon Power's WA Connections Manual have been drafted (but not yet published) to require electricians to 'tag-out' a meter that is not capable of separately measuring and recording electricity flows in each direction Horizon Power's procedures provide for: <ul style="list-style-type: none"> No party to be authorised to connect into its networks without approval Inspectors to inspect installations according to WA electricity safety standards, not the Metering Code, therefore may not be aware of bi-directional flow meter requirements. Prior to 8 December 2012, when the Metering Code clause 3.3A(1) became effective, Horizon Power became aware of instances where unauthorised electrical contractors connected customers' solar systems into existing mechanical meters, therefore providing for bi-directional flow, which was not capable of being separately measured and recorded. In all known instances, Horizon Power replaced the mechanical meter with an electronic meter capable of separately measuring and recording electricity flows in each direction Horizon Power has not yet fully investigated whether there are other customers with installed solar systems, for which a new electronic meter has not been installed (i.e. to ensure bi-directional flows are measured and recorded).
	<p>Recommendation 18/2013</p> <p>Horizon Power:</p> <ol style="list-style-type: none"> Investigate whether there are further instances of customers with installed solar systems, for which a new electronic meter has not been installed to measure and record bi-directional flow Take appropriate remedial action where appropriate Provide training to electrical inspectors on relevant Metering Code requirements, specifically with regards to bi-directional flow installations (e.g. how to identify unauthorised connections). 		<p>Action Plan 18/2013</p> <ol style="list-style-type: none"> An investigation will be undertaken to determine the extent of the issue of bi-directional flows and recommend required action Training for relevant staff will be reviewed to ensure that relevant Metering Code requirements are met. Specifically with regards to bi-directional flow installations. <p>Responsible Person: Manager Customer Service Target Date: 31 December 2013</p>

No	Obligation under Condition	Compliance Rating	Findings
346	An accumulation meter or an interval meter that separately measures and records bi-directional electricity flows at the metering point must record the net electricity production transferred into the network that exceeds electricity consumption and the net electricity consumption transferred out of the network that exceeds electricity production.	Compliant – 5	<p>Through discussions with the Manager Customer Service, we determined that:</p> <ul style="list-style-type: none"> • Currently there are both accumulation and interval meters installed for small use customers that separately measure and record bi-directional electricity flows and the net electricity production transferred into and out of the network • All new digital meter installations are capable of measuring and recording bi-directional electricity flows. When a renewable energy source is installed (e.g. solar power), an inverter is installed to convert the electricity from Direct Current (DC) into Alternating Current (AC). An approved electrical contractor will then program the meter so that: <ul style="list-style-type: none"> ○ Channel ‘003’ measures and records the property’s electricity demand/consumption ○ Channel ‘006’ measures and records electricity production out of and into the network (as electricity can only flow in one direction at a time) ○ Electricity is drawn from the inverter as the primary source, however if demand exceeds supply, further electricity is drawn from the network through channel ‘006’ ○ If renewable electricity supply exceeds property demand, the excess is transferred into the network through channel ‘006’.
347	A network operator must ensure that there is a metering installation at every connection point on its network which is not a Type 7 connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and examination of Horizon Power’s policies and procedures, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power’s procedures provide for all connection points of type 1 to 6 meters (refer to section 2.1.2 of the Metrology Procedure) designed to measure energy consumption to a fiscal standard, to have a physical metering installation • Policies and procedures have been developed to govern the installation of meters, which are designed to align with WA electricity safety standards and measure to a fiscal standard • Horizon Power’s standard practice is for the connection point and metering point to be the same. Also, mData21 is designed so that every connection has a meter.

No	Obligation under Condition	Compliance Rating	Findings
348	A network operator must, unless otherwise agreed, for each metering installation on its network, on and from the time of its connection to the network, provide, install, operate and, subject to subclause 3.7(5), maintain the metering installation in the manner prescribed.	Non-compliant – 2	<p>Through discussions with the Manager Customer Service and examination of Horizon Power's policies and procedures, we determined that:</p> <ul style="list-style-type: none"> Section 2.1.1 of the Metrology Procedure states that “the Network Operator [Horizon Power] is responsible for the design, provision, installation and maintenance of metering installations” Horizon Power, as the Network Operator, is responsible for performing these activities. Horizon Power: <ul style="list-style-type: none"> Engages Elster to provide meters Up until August 2012, engaged third parties Western Power, and AMRS to install and maintain meters connected to its network Currently installs and maintains meters in-house, including HV installs. Horizon Power has performed testing to conclude that a number of current meters do not comply with accuracy requirements. No action has yet been taken to replace these meters. <p><i>Refer to obligation 340 for detailed findings, recommendation and action plan.</i></p>
349	A network operator must ensure that, except for a Type 7 metering installation, the metering point for a revenue metering installation is located as close as practicable to the connection point in accordance with good electricity industry practice.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and examination of Horizon Power's Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> A metering installation is designed for each metering point (section 1.3.4). A metering point is defined as a point on the network at which energy data measurement takes place (i.e. the connection point) Horizon Power's standard practice is for the connection point and metering point to be the same for all type 1 to 6 meters installed on its network Policies and procedures, which govern the installation of meters are designed to align with WA electricity safety standards Where required, Horizon Power only engages contractors that are approved by Energy Safety and adhere to AS/NZS:3000-2000 standard for Wiring.

No	Obligation under Condition	Compliance Rating	Findings
351	If a network operator becomes aware that a metering installation does not comply with the Code, the network operator must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable.	Non - compliant – 2	<p>The 2011 performance audit recognised Horizon Power's doubts whether its meters were compliant with relevant requirements and specifications. A Metering Management Plan was developed detailing Horizon Power's approach to testing its meters, including sample sizes, metrology requirements subject to testing and reporting of the results.</p> <p>The results of the sample meter testing performed by Formway Group for both single and three phase meters in February and June 2011, were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010.</p> <p>Clause 3.14(1) and (2) provides an exemption to all meters installed pre the 2005 Metering Code, or committed to and installed within 18 months after the 2005 Metering Code commenced. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.</p> <p>Action has not yet been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.</p> <p>At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.</p> <p><i>Refer to obligation 340 for detailed findings, recommendation and action plan.</i></p>
352	All devices that may be connected to a telecommunications network must be compatible with the telecommunications network and comply with all applicable State and Commonwealth enactments.	Compliant – 5	The Manager Customer Service confirmed that because of the remoteness of Horizon Power's operations, all communications equipment is sourced through Telstra. Telstra is obliged to comply with all applicable State and Commonwealth enactments.
353	Subject to clause 3.27, a network operator must, for each metering installation on its network, ensure that the metering installation is secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.	Compliant – 5	<p>The Manager Customer Service advised that:</p> <ul style="list-style-type: none"> • Security is inherent in the design of the meter, as tampering is clearly visible • Inspection of the meters for tampering is also considered as part of the meter audit process. Also, meter readers are required to inspect the meter for tampering as part of the meter reading process • If the seal of the meter is broken, the meter reader notifies Horizon Power, and a Horizon Power Inspector is dispatched to investigate.
354	Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation specified in Table 3 in Appendix 1 of the Code.	Non-compliant – 2	<p>Horizon Power relies on its Metrology Procedure and Metering Management Plan to ensure that its meters are compliant.</p> <p>The 2011 performance audit recognised Horizon Power's doubts whether its meters were compliant with relevant requirements and specifications. A Metering Management Plan was developed</p>

No	Obligation under Condition	Compliance Rating	Findings
355	For a metering installation used to supply a customer with requirements above 1000 volts that require a VT and whose annual consumption is below 750MWh, the metering installation must meet the relevant accuracy requirements of Type 3 metering installation for active energy only.	Non-compliant – 2	<p>detailed Horizon Power's approach to testing its meters, including sample sizes, metrology requirements subject to testing and reporting of the results.</p> <p>The results of the sample meter testing performed by Formway Group for both single and three phase meters in February and June 2011, were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010.</p> <p>Clause 3.14(1) and (2) provides an exemption to all meters installed pre the 2005 Metering Code, or committed to and installed within 18 months after the 2005 Metering Code commenced. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.</p> <p>Action has not yet been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.</p> <p>At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.</p> <p><i>Refer to obligation 340 for detailed findings, recommendation and action plan.</i></p>
356	If compensation is carried out within the meter then the resultant metering system error must be as close as practicable to zero.	Compliant – 5	Horizon Power relies on its Metrology Procedure and Metering Management Plan to ensure that its meters meet accuracy requirements. Should the need arise where compensation is required, the Metrology procedure outlines the accuracy requirements of the metering installation effectively reducing potential errors to zero.
357	A network operator must ensure that any programmable settings within any of its metering installations, data loggers or peripheral devices, that may affect the resolution of displayed or stored data, meet the relevant requirements specified in the applicable metrology procedure and comply with any applicable specifications or guidelines specified by the National Measurement Institute under the National Measurement Act.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and examination of policies and procedures, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power meets all national measurement requirements and its test program (undertaken by Formway Group) did not identify any issues with the accuracy of meters • The meters that Horizon Power use (supplied by Elster) are able to be re-programmed as required e.g. changing in tariff levels • Should the need arise, Horizon Power is able to update the meters to comply with applicable standards.

No	Obligation under Condition	Compliance Rating	Findings
358	A network operator must ensure that a metering installation on its network is operating consistently with good electricity industry practice to measure and record data, and to permit collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.	Compliant – 5	<p>Clause 3.11(1) of the Metering Code specifies the requirement for Horizon Power to ensure that its meters permit the collection of data at a level of availability of at least:</p> <ol style="list-style-type: none"> If the metering installation does not have a communications link – 99% of the year; and If the metering installation has a communications link: <ol style="list-style-type: none"> For the communications link – 95% of the year; and For the rest of the metering installation – 99% of the year. <p>The Manager Customer Service confirmed that:</p> <ul style="list-style-type: none"> Meters provided by Elster are pattern approved under NMI M6 and meet Australian Standards for data collection timeframes and data availability levels During the period 1 April 2011 to 31 March 2013, Horizon Power's 170 electronically read meters were read on a monthly basis and permitted data to be collected on each occasion, meeting the availability requirements During the period 1 April 2011 to 31 March 2013, Horizon Power's remaining meters (approximately 42,000) were scheduled to be read via visual inspection on at least a two monthly basis. <p>We note that time accuracy requirements only apply to type 1 to type 5 installations. The Manager Customer Service confirmed that Horizon Power's type 1 to 5 meters are read electronically by MV90 for interval data collection. MV90 sets the time and date each time requests data from the interval meter.</p>
361	A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.	Compliant – 5	<p>Following the 2011 performance audit, a Metering Management Plan was developed detailing Horizon Power's approach to testing its meters, including sample sizes, metrology requirements subject to testing (including accuracy requirements of AS 1284.13) and reporting of the results. Horizon Power did ensure that its meters were systematically sampled and tested for accuracy in accordance with AS 1284.13.</p> <p>The results of the sample meter testing performed by Formway Group for both single and three phase meters were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010. <i>Also refer to obligation 340 for detailed findings in relation to the results of meter testing.</i></p>

No	Obligation under Condition	Compliance Rating	Findings
363	A network operator must ensure that each metering installation complies with at least, the prescribed design requirements.	Compliant – 5	<p><i>Obligations 363 and 364</i></p> <p>Through discussions with the Field Services and Metering Coordinator and examination of policies and procedures, we determined that:</p> <ul style="list-style-type: none"> Horizon Power relies on the following sections of its Metrology Procedure to outline the components required for metering installations: <ul style="list-style-type: none"> Section 1.8 references the metering installation components required The Schedules attached to the Metrology Procedure outline, in greater detail, the design requirements of the specific meters, in accordance with industry best practice. Horizon Power's metering installation design standards are also relied on to ensure that installations comply with applicable guidelines. The design standards are referenced by technical staff when installing metering installations Meters are provided by Elster and are pattern approved under NMI M6 and meet Australian Standards.
364	A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act and any requirements specified in the applicable metrology procedure.	Compliant – 5	
365	A network operator must provide isolation facilities, to the standard of good electricity industry practice, to facilitate testing and calibration of the metering installation.	Compliant – 5	<p>The Field Services and Metering Coordinator confirmed that:</p> <ul style="list-style-type: none"> Every installation contains fuses, which permit the isolation of metering equipment on site to undertake maintenance works Horizon Power's standard practice is to: <ul style="list-style-type: none"> Remove the meter from the customers metering installation and replace with a brand new/reconfigured meter Not undertake testing of meters on site. Meter testing was previously performed by Formway Group in a NATA accredited laboratory using national testing standards, however testing is now conducted by an in-house technician using purchased accredited testing equipment.
366	A network operator must maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes.	Compliant – 5	The Field Services and Metering Coordinator confirmed that Horizon Power maintains copies of the required CT and VT drawings connected to its network.

No	Obligation under Condition	Compliance Rating	Findings
368	A partial check metering installation must be physically arranged in a manner determined by the network operator, acting in accordance with good electricity industry practice.	Compliant – 5	<i>Obligations 368 and 369</i> Through discussions with the Field Services and Metering Coordinator and examination of Horizon Power's Metrology Procedure, we determined that:
369	A check metering installation for a metering point must comply with the prescribed requirements.	Compliant – 5	<ul style="list-style-type: none"> Horizon Power has adopted the 'Western Australian Electricity Market Metrology Procedures for Metering Installations' as its metrology standard. The Metrology Procedure specifies the minimum requirements for installing a check and partial check metering installation Previously, Horizon Power only engaged contractors approved by Energy Safety and adhere to AS/NZS:3000-2000 standard for Wiring. Contractor works were subject to review by Horizon Power's Inspectorate division up to the connection point prior to the premises being energised Currently, Horizon Power installs and maintains all meters in-house, including HV installs Policies and procedures, which govern the installation of meters, are designed to align with WA electricity safety standards.
370	If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.	Non - compliant – 2	<p>Clause 3.14 of the Metering Code provides for transitional arrangements for metering installations commissioned prior to the commencement of the 2005 Metering Code.</p> <p>The Manager Customer Service confirmed that Horizon Power has audited approximately half of its relevant power station and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> Horizon Power has doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1. We note that those installations currently fall within the transitional arrangements outlined in clause 3.14, with the exception of clauses 3.3A and 3.11A, which are applicable to all licensees regardless of when the metering installations were commissioned One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1. Horizon Power is currently developing a cost estimate to rectify the affected metering installation.
	<p>Recommendation 19/2013</p> <p>Horizon Power rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.</p>		<p>Action Plan 19/2013</p> <p>Rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.</p> <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 30 June 2014</p>

No	Obligation under Condition	Compliance Rating	Findings
378	Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.	Compliant – 5	<p>Horizon Power's Metrology Procedure schedule 1 clause 5.59 references the time function requirements of the data logger, which match the time drift maximum allowances, as prescribed by Appendix 1 of the Metering Code.</p> <p>Through confirmation with the Manager Customer Service and review of Horizon Power's meter test results, we determined that:</p> <ul style="list-style-type: none"> • Meters supplied to Horizon Power by Elster comply with pattern requirements under the NEMMCO metering group, which address the time accuracy requirements • For Horizon Power's 170 electronically read meters, the MV90 data collection system sets the time clock on a bi-monthly basis (each time the meter is connected to the system) • The majority of Horizon Power's meters are mechanical (approximately 32,000), therefore do not contain an internal real time clock • The results of the sample meter testing performed by Formway Group did not identify any accuracy issues with Horizon Power's electronic meters.
379	If a metering installation includes measurement elements and an internal data logger at the same site, it must include facilities on site for storing the interval energy data for the periods prescribed.	Compliant – 5	<p>Section 2.2.5 of the Metrology Procedure provides that if a metering installation includes a data logger, it must have the capacity to store data for specific timeframes.</p>
380	A network operator providing one or more metering installations with enhanced technology features must be licensed to use and access the metering software applicable to all devices being installed and be able to program the devices and set parameters.	Compliant – 5	<p>Through confirmation with the Field Services and Metering Coordinator and examination of Horizon Power's Metrology Procedure and mData21, we determined that:</p> <ul style="list-style-type: none"> • Horizon Power has recognised its requirement to maintain a licence for access to applicable metering software within its Metrology Procedure(section 2.2.7) • Up until August 2012, Horizon Power engaged Western Power to act as Horizon Power's metering data agent and administer MBS. During this period, Horizon Power held appropriate ID licences to access MBS • Currently, Horizon Power manages all metering activities in-house including the implementation of a new metering database, mData21, where Horizon Power owns the licence to operate.

No	Obligation under Condition	Compliance Rating	Findings
385	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.	Compliant – 5	Through discussions with the Manager Customer Service and examination of Horizon Power's Metrology Procedure and WA Connections Manual, we determined that: <ul style="list-style-type: none"> During the audit period, Horizon Power has moved to install and maintain all metering installations in-house. Previously, Horizon Power was involved with the installation of meters if the contractor was not a registered metering installation provider Horizon Power updated its WA Connections Manual so that no third party is authorised to connect into Horizon Power's network without approval Inspectors inspect installations according to WA electricity safety standards.
386	A network operator must publish a list of registered metering installation providers, including the prescribed details, and at least annually, update the list.	Compliant – 5	In 2012, Horizon Power undertook an internal review of its Service Connect and Contractor Connect Schemes and decided to discontinue both Schemes effective 1 January 2013. Horizon Power is now performing all metering installations and maintenance in-house and this information is available on Horizon Power's website. Prior to 1 January 2013, Horizon Power placed a link on its website that directed customers to Western Power's list of registered metering installations. Horizon Power relied on Western Power's use of the Electricity Licensing Inspection System (ELIS). This system was used to monitor contractors and was made available for the public to identify a list of registered contractors.
Part 4 - The metering database			
387	A network operator must establish, maintain and administer a metering database containing, for each metering point on its network, standing data and energy data	Compliant – 5	Through discussions with the Field Services and Metering Coordinator, we determined that: <ul style="list-style-type: none"> From August 2012, Horizon Power terminated contractual arrangements with Western Power as the metering data agent and moved all metering services in-house, including the full implementation of a new metering database mData21 mData21 is capable of ensuring installation, upgrade, change and removal of meters is managed and that standing data is provided Previously, contractual arrangements with Western Power allowed for the appropriate management of the metering database.

No	Obligation under Condition	Compliance Rating	Findings
388	A network operator must ensure that its metering database and associated links, circuits, information storage and processing systems are secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorised access and enable unauthorised access to be detected.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator, we determined that:</p> <ul style="list-style-type: none"> Until August 2012, Western Power was contracted to act as Horizon Power’s metering data agent and had to comply with all legislative requirements so far as they affected or applied to Western Power in the performance of services under the service level contract (section 18.2(a) of the contract). Western Power were required to engage only suitably qualified personnel to perform the services outlined under the service level contract (s. 8.1 of the contract) Currently, Horizon Power manages all metering services in-house, including the metering database mData21, where: <ul style="list-style-type: none"> Restricted access to mData21 can only be approved by the Field Services and Metering Coordinator and Manager Inspections Team Appropriate firewalls and system protection surrounds the metering database All meters have tamper proof devices installed.
389	A network operator must prepare, and if applicable, must implement a disaster recovery plan to ensure that it is able, within 2 business days after the day of any disaster, to rebuild the metering database and provide energy data to Code participants.	Compliant – 5	<p>Through discussions with Manager Customer Service and review of Horizon Power’s Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> Horizon Power’s Metrology Procedure states that “<i>The Network Operator must ensure that disaster recovery procedures are prepared and developed in relation to energy data for metering installations, including the metering database. A disaster recovery guideline must seek to ensure that, within two business days after the day of any disaster:</i> <ol style="list-style-type: none"> <i>The metering database can be rebuilt; and</i> <i>Energy data can be provided to the relevant Code Participants including energy data for any of the days during which the Network Operator was affected by the disaster</i>”. Until August 2012, Western Power was contracted to act as Horizon Power’s metering data agent and had to comply with all legislative requirements so far as they affected or applied to Western Power in the performance of services under the service level contract (section 18.2(a) of the contract) Horizon Power has developed a comprehensive disaster recovery plan that specifies an eight hour target timeframe, from a significant business disruption, to have the metering database fully operational. If required, Horizon Power has a nearby alternate Business Continuity Facility with Disaster Recovery Servers that are also designed to become fully operational within the above timeframe.

No	Obligation under Condition	Compliance Rating	Findings
391	The standing data for a metering point must comprise at least the items specified.	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> Until August 2012, Western Power was contracted to act as Horizon Power’s metering data agent and had to comply with all legislative requirements so far as they affected or applied to Western Power in the performance of services under the service level contract (section 18.2(a) of the contract) Currently, Horizon Power manages and maintains all meters and the metering database in-house. <p>The Manager Customer Service confirmed that Horizon Power’s metering systems, mData21 and Velocity, allow for the specified standing data to be appropriately recorded.</p>
399	A network operator must allow a user who is a retailer or a generator to have access to data held in its metering database for metering points at its associated connection points, by means of a website (or otherwise by remote access to a “data storage device” as that expression is defined in the Electronic Transactions Act 2003), using a password provided by the network operator which provides ‘read only’ access.	Compliant - 5	<p>Through discussions with the Field Services and Metering Coordinator and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> Horizon Power manages its own metering database in-house As Horizon Power is both the network operator and the sole retailer, appropriate access is provided for retail activities There are no generators that are users on Horizon Power’s network who would require access into the metering database.
400	A network operator must have devices and methods in place that ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed	Compliant – 5	<p><i>Obligations 400 to 402</i></p> <p>Through discussions with the Field Services and Metering Coordinator, we determined that:</p> <ul style="list-style-type: none"> Until August 2012, Western Power was contracted to act as Horizon Power’s metering data agent and had to comply with all legislative requirements so far as they affected, or applied to, Western Power in the performance of services under the service level contract (section 18.2(a) of the contract) Currently, Horizon Power manages all metering services in-house, including installations and
401	A network operator must have devices and methods in place that ensure and ensure that the data held in its metering database is secured from unauthorised local or remote access using the methods prescribed.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
402	Without limiting subclause 4.8(4), a network operator must ensure that electronic passwords and other electronic security controls are only issued to the specified authorised personnel and otherwise keep its records of electronic passwords and other electronic security controls secure from unauthorised access.	Compliant – 5	the metering database mData21, where: <ul style="list-style-type: none"> ○ Access to mData21 (including electronic passwords) is only issued to the specified authorised personnel ○ Restricted access to mData21 can only be approved by the Field Services and Metering Coordinator and Manager Inspections Team and all records of electronic passwords and security controls are kept secure ○ Appropriate firewalls and system protection surrounds the metering database to prevent unauthorised access ○ All meters have tamper proof devices installed.
403	A network operator must retain energy data in its metering database for each metering point on its network (including any energy data that has been replaced under subclause 5.24) for at least the periods, and with the level of accessibility, prescribed.	Compliant – 5	Through discussions with the Field Services and Metering Coordinator and the Manager Customer Service, we determined that: <ul style="list-style-type: none"> • Until August 2012, Western Power was contracted to act as Horizon Power's metering data agent and had to comply with all legislative requirements so far as they affected, or applied to, Western Power in the performance of services under the service level contract (section 18.2(a) of the contract) • Currently, Horizon Power manages all metering services in-house, including the metering database mData21, where all data relating to each metering point on its network has been maintained since disaggregation in 2006 (i.e. including all data transferred from MBS). We note that the level of accessibility prescribed is achieved.
Part 5 - Metering services			
406	A network operator must, for each metering point on its network, obtain energy data from the metering installation and transfer the energy data into its metering database by no later than 2 business days after the date for the scheduled meter reading for the metering point (or such other time as is specified in the applicable service level agreement)	Compliant – 5	During the audit period, Horizon Power terminated contractual arrangements with AMRS and commenced performing all meter reading activities in-house. As a result, meter readers upload all actual read data directly into Horizon Power's metering database mData21, thereby meeting the two business day requirement.
407	A network operator must, for each meter on its network, at least once in every 12 month period, undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2	Non - compliant – 2	Through discussions with the Field Services and Metering Coordinator, we determined that: <ul style="list-style-type: none"> • Horizon Power had previously contracted AMRS to provide meter reading services for the meters connected within its licensed areas • During the audit period, Horizon Power terminated contractual arrangements with AMRS to

No	Obligation under Condition	Compliance Rating	Findings
408	The meter reading referred to in clause 5.4(1) must not be undertaken by the customer associated with the meter, and must be undertaken by a person who is employed or appointed by the network operator and who is suitably skilled in accordance with good electricity industry practice to carry out meter readings.	Non - compliant – 2	<p>perform all meter reading in-house. mData21 was implemented as Horizon Power's metering database and has been programed in-line with Velocity to issue a 'must read' service order where no actual meter read has been obtained for either:</p> <ul style="list-style-type: none"> ○ Four consecutive bi-monthly billing cycles (eight months) ○ Seven monthly billing cycles. <p>In January 2012, Horizon Power implemented an improved process for managing the volume of meters that had not had an actual meter read within the 12 month timeframe specified by the Code. Despite a reduction in the volume of breaches of this requirement, Horizon Power has continued to experience a volume of breaches which it considers to be unacceptably high.</p> <p><i>Refer to obligation 162 for detailed findings, recommendation and action plan.</i></p>
411	A network operator must not impose a charge for the provision of standing data and for the provision of energy data if another enactment prohibits it doing so.	Compliant – 5	<p>The Field Services and Metering Coordinator confirmed that, if Horizon Power is contacted to provide standing data or energy data:</p> <ul style="list-style-type: none"> • The request is resolved whilst on the phone with the person, therefore complying with timeframe requirements • In the event that requests are in writing, information is sent to the customer on the day of request • All information is provided at no charge.
424	A network operator must provide data for a metering point from its metering database to a person if (and to the extent that) the customer associated with the metering point gives the network operator a direction to do so that complies with subclause 5.17A(2).	Compliant – 5	<p><i>Obligations 424 and 425</i></p> <p>Through discussions with the Field Services and Metering Coordinator and site visit to Horizon power's call centre at ServiceWorks, we determined that Horizon Power has processes in place to provide data from a metering point to an appropriate person within the timeframes prescribed.</p>
425	A network operator must comply with a direction under subclause 5.17A(1) within the timeframes prescribed.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
443	A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3..	Compliant – 5	<p>Through discussions with the Field Services and Metering Coordinator and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> Until August 2012, Western Power was contracted to act as Horizon Power's metering data agent and had to comply with all legislative requirements so far as they affected, or applied to, Western Power in the performance of services under the service level contract (section 18.2(a) of the contract) Currently, Horizon Power performs all management and maintenance of meters in-house. Horizon Power substitutes, estimates or validates energy data in accordance with its Metrology Procedures where an actual reading has not been obtained, or the actual reading has failed validation (Schedule 3, Section 1.2) Horizon Power's metering database mData21 operates within its Metrology Procedure, which outlines validation requirements at section 3.4. The section outlines that if a validation fails prescribed testing (at Schedule 8) the data is to be estimated. The rules for estimation are outlined in the Metrology Procedure.
444	The network operator must use check metering data, where available, to validate energy data provided that the check metering data has been appropriately adjusted for differences in metering installation accuracy in accordance with subclause 3.13.	Compliant – 5	The Manager Customer Service confirmed that all check meters installed on Horizon Power's network are the same class as revenue meters installed, with no differences in the metering installation accuracy to be accounted for.

No	Obligation under Condition	Compliance Rating	Findings
445	If a check meter is not available or energy data cannot be recovered from the metering installation within the time required under this Code, then the network operator must prepare substitute values using a method contained in Appendix 3 and agreed where necessary with the relevant Code participants.	Compliant – 5	<p><i>Obligations 445, 447 – 453 and 455</i></p> <p>Through discussions with the Field Services and Metering Coordinator and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> Until August 2012, Western Power was contracted to act as Horizon Power’s metering data agent and had to comply with all legislative requirements so far as they affected, or applied to, Western Power in the performance of services under the service level contract (section 18.2(a) of the contract) Currently, Horizon Power performs all management and maintenance of meters in-house. Horizon Power substitutes, estimates or validates energy data in accordance with the Metrology Procedures where an actual reading has not been obtained, or the actual reading has failed validation (Schedule 3, Section 1.2) Horizon Power’s metering database mData21 operates within its Metrology Procedure, which outlines validation requirements at section 3.4. The section outlines that if a validation fails prescribed testing (at Schedule 8) the data is to be estimated. The rules for estimation are outlined in the Metrology Procedure would be consistent with good electricity industry practice.
447	Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.	Compliant – 5	
448	A network operator must review all validation failures before undertaking any substitution.	Compliant – 5	
449	If a network operator determines that there is no possibility of determining an actual value for a metering point, then the network operator must designate an estimated or substituted value for the metering point to be a deemed actual value for the metering point.	Compliant – 5	
450	If a network operator has designated a deemed actual value for a metering point then the network operator must repair or replace the meter or one or more of components of metering equipment (as appropriate) at the metering point and subclauses 5.24(3(c) and 5.24(4) apply in respect of the estimated or substituted value which was designated to be the deemed actual value.	Compliant – 5	
451	If a network operator uses an actual value (first value) for energy data for a metering point, and a better quality actual or deemed actual value is available (second value), the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.	Compliant – 5	
452	If a network operator uses a deemed actual value	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
	(first value) for energy data for a metering point, and a better quality deemed actual value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.		
453	If a network operator uses an estimated or substituted value (first value) for energy data for a metering point, and a better quality actual, deemed, estimated or substituted value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice or the user and its customer jointly request it to do so.	Compliant – 5	
455	A network operator must ensure the accuracy of estimated energy data in accordance with the methods in its metrology procedure and ensure that any transformation or processing of data preserves its accuracy in accordance with the metrology procedure.	Compliant – 5	
457	If a network operator makes an election under subclause 5.28 in respect of a network, then, (unless the election is terminated under the meter data agency agreement) the parties must undertake the activities prescribed, as applicable.	Compliant – 5	<p><i>Obligations 457 and 458</i></p> <p>Until August 2012, Horizon Power contracted Western Power (constituting an election) to act as its Metering Data Agent. Western Power was obliged to act in accordance of those items specified at schedule 1 of the Service Level Contract, which dealt with at least the matters prescribed at subclause 5.30(1) of the Metering Code.</p>
458	If a network operator makes an election under subclause 5.28 in relation to the network, then the parties must enter into an agreement in relation to the network, which must deal with at least the matters prescribed.	Compliant – 5	

No	Obligation under Condition	Compliance Rating	Findings
467	A network operator must keep such records of information as are required for the purposes of subclause 5.37, and must retain the information (in a format that is accessible within a reasonable period of time) for at least 7 years after the day on which a report containing the information is published under subclause 5.37(1)(c).	Compliant – 5	Through discussions with the Manager Customer Service, we determined that: <ul style="list-style-type: none"> For the period subject to audit, Horizon Power has not been required to prepare a report under subclause 5.37(2) Horizon Power has processes in place that facilitate the appropriate recording of information required for the purposes of reporting under subclause 5.37(2).
Part 6 - Documentation			
468	A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed.	Compliant – 5	The Code requires Horizon Power to comply with a number of key documents, which address the management and maintenance of its network and meters, including Communication Rules, its Metrology Procedure, Mandatory Link Criteria and any relevant Service Level Agreement. Our consideration of Horizon Power's compliance with those relevant documents is detailed in the Metering Code findings above. The Manager Customer Service confirmed that as Horizon Power is not in the market, it does not have any service level agreements, communication rules, mandatory link criteria or registration process. During the period subject to audit, Horizon Power had complied with its Metrology Procedure and was in the process of developing a cost-neutral business case to replace meters with advanced meters.

The following obligations are applicable to Horizon Power's operations for the period 1 April 2011 to 31 December 2012 only

No	Obligation under condition	Compliance rating	Findings
371 ¹¹	A network operator that operates and maintains a pre-payment meter on its network must operate and maintain the pre-payment meter in accordance with good electricity industry practice and, as far as reasonably practicable, minimise any departure from what the requirements of the Code would have been in respect of the pre-payment meter if clause 3.24 were deleted.	Compliant – 5	Through discussion with the Manager Customer Service and consideration for Horizon Power's Metrology Procedure, we determined that Horizon Power operated and maintained its pre-payment meters in accordance with good electricity industry practice and, as far as reasonably practicable, in accordance with the requirements of the Metering Code 2005. We also note that because of the grandfathering clause at s.9.13 of the Code of Conduct 2012, Horizon Power is deemed to have complied with Part 9 of the Code of Conduct as Horizon Power has not installed any new, or modified any existing, pre-payment meters since 1 July 2010.

¹¹ Obligation number relates to the May 2011 Compliance Reporting Manual and is only applicable for the period 1 April 2011 to 31 December 2012

4.10 Electricity Industry (Network Quality and Reliability of Supply) Code

Obligations determined to be not applicable

All obligations were determined to be applicable to Horizon Power's operations as a distributor and/or transmitter of electricity for the period subject to audit.

Obligations determined to be not rateable

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

Obligation	Reason
491, 492	No relevant instruments have been issued by the Minister.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power's compliance with the relevant obligations of the Electricity Industry Customer Transfer Code 2004.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
	2		1			21	24

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.

No.	Obligation under Condition	Compliance Rating	Findings
483	A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards.	Compliant – 5	<p><i>Obligations 483 to 490</i></p> <p>Through:</p> <ul style="list-style-type: none"> • Consideration of Horizon Power's Trouble Call System (TCS) • Discussion with the Manager Customer Service and Regulation Compliance Coordinator • Examination of Horizon Power's Power Quality Investigation handbook and associated Independent Auditor report • Examination of Horizon Power's website on its supply quality service level <p>we determined that Horizon Power has implemented systems and processes for:</p> <ul style="list-style-type: none"> • As far as reasonably practicable ensuring that: <ul style="list-style-type: none"> ○ Electricity supply conforms with the following standards at power stations: <ul style="list-style-type: none"> ○ AS/NZS 61000.3.3:1998 for voltage fluctuations ○ AS/NZS 61000.3.2:1998 for harmonics. ○ Voltage and harmonic distortion are monitored at the substation level and temporary power quality monitoring equipment installed on the network at specific problem areas raised by customer quality complaints ○ Electricity supply is disconnected from customer premises if supply quality is not according to the prescribed standards ○ Electricity supply is reliable and occurrence and duration of interruptions are minimised by installing automated devices at strategic points of the network including reclosers to minimise interruption ○ The effect of any interruption on a customer is reduced by supplying electricity using alternative means (e.g. generators are installed at substations where required) ○ The cause or causes of interruption are remedied, or an alternative arrangement is entered into with the customer, to the customer's satisfaction ○ Customers in specified areas (being urban areas other than the Perth CBD and any other area of the State) do not have average total lengths of interruptions of supply greater than specified durations. We note that Horizon Power records and reports instances where the average length of interruption is greater than 290 minutes, which is reported as per the Code and which is also used as a reasonably practicable achievable target ○ Supply interruptions to customers are monitored and recorded for internal analysis and used to calculate the System Average Interruption Duration Index (SAIDI) • Calculating the average total length of interruptions of supply according to the specified
484	A distributor or transmitter must, so far as reasonably practicable, disconnect the supply of electricity to installations or property in specified circumstances, unless it is in the interest of the customer to maintain the supply.	Compliant – 5	
485	A distributor or transmitter must, as far as reasonably practicable, ensure that the supply of electricity is maintained and the occurrence and duration of interruptions is kept to a minimum.	Compliant – 5	
486	A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.	Compliant – 5	
487	A distributor or transmitter must consider whether, in specified circumstances, it should supply electricity by alternative means to a customer who will be affected by a proposed interruption.	Compliant – 5	
488	A distributor must take prescribed action in the event of a significant interruption to a small use customer.	Compliant – 5	
489	A distributor or transmitter must, so far as reasonably practicable, ensure that customers in specified areas do not have average total lengths of interruptions of supply greater than specified durations.	Compliant – 5	
490	The average total length of interruptions of supply is to be calculated using the specified method.	Compliant – 5	

No.	Obligation under Condition	Compliance Rating	Findings
			<p>method in Clause 13 of the Code, using the 4 year average figure, which is reported to the Authority.</p> <p>We note that the 2011 and 2012 Network Quality and Reliability of Supply Audit Reports:</p> <ul style="list-style-type: none"> • Concluded that the systems and processes within Horizon Power satisfy the requirements of Part 2 of the Network Quality and Reliability of Supply Code • Concluded that the audit recommendations from previous audits have been addressed by Horizon Power • Identified improvement opportunities relating to: <ul style="list-style-type: none"> ○ The link and traceability between outages/incidents/power quality investigations and associated information such as investigation reports ○ Commencement of monitoring of power quality measurements at customer connections including flicker and harmonic measurements and sampling of power quality ○ Consideration of reporting systems that allow for further analysis of the frequency of interruptions.
493	A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe for a failure to give required notice of planned interruption.	Compliant – 5	<p>Through consideration of TCS and discussions with the Compliance & Billing Support Coordinator and Regulation Compliance Coordinator, we determined that:</p> <ul style="list-style-type: none"> • TCS is the existing source of information on supply interruptions. As TCS records are not integrated with the Velocity system, Horizon Power requires a manual process for recognising applications for payment for failure to give required notice of planned interruption • Current planned outage procedures are documented in Horizon Power's Planned Power Interruption Claims Procedure, which provides clear instructions for the management of planned outages and specifically, reliability payments • Applications for planned outage payments are maintained on a spreadsheet register by the Compliance & Billing Support Coordinator • Payments are managed by Customer Care. <p>The 2011/12 Network Quality and Reliability of Supply Performance Report showed that for the year ending 30 June 2012, there were nine payments made to a customer for failure to give required notice for planned interruption. The Compliance and Billing Support Coordinator confirmed that each of those nine payments were made via credit to customers' accounts within the 30 day requirement.</p>

No.	Obligation under Condition	Compliance Rating	Findings
494	A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe if a supply interruption exceeds 12 hours.	Non-Compliant – 2	<p>The Electricity Industry (Network Quality & Reliability of Supply) Code requires extended outage payments to be made within 30 days of the customer's application.</p> <p>For the period between 1 April 2011 and 31 March 2013, Horizon Power made 60 extended outage payments, of which one was made outside of the 30 day requirement. This breach was not recognised by the officer responsible for maintaining Horizon Power's Extended Outage Payment Scheme Spreadsheet. Further, the spreadsheet is currently not structured to measure the timeframe since application and therefore to monitor compliance with the payment timeframe requirements.</p>
	<p>Recommendation 20/2013</p> <p>Horizon Power:</p> <p>(a) Reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes</p> <p>(b) Strengthen the Extended Outage Payment Scheme Spreadsheet so that it has the capability to identify payments due to customers that are nearing the timeframes required by the Code</p> <p>(c) Ensure the Extended Outage Payment Scheme Spreadsheet is accurately maintained to enable effective compliance monitoring.</p>		<p>Action Plan 20/2013</p> <p>(a) Reinforce the compliance requirements to those responsible for monitoring the Extended Outage Payment Scheme spreadsheet</p> <p>(b) Strengthen the Extended Outage Payment Scheme Spreadsheet so that it monitors payments due to customers that are nearing the timeframes required by the Code</p> <p>(c) Include the date claim made into Extended Outage Payment Scheme spreadsheet.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Target Date: 30 September 2013</p>
495	A distributor operating a relevant distribution system must provide eligible customers with information about applying for payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	Compliant – 5	Horizon Power's website includes appropriate information about applying for payments for failure to give required notice of planned interruption (section 18) and supply interruptions exceeding 12 hours (section 19). This information is also available on the Customer Service Charter, a copy of which is sent to all new customers.
496	A distributor operating a relevant distribution system must provide written notice to customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	Compliant – 5	<p><i>Obligations 496 and 497</i></p> <p>Horizon Power's Customer Service Charter, which was last updated in May 2012, contains the information on the:</p> <ul style="list-style-type: none"> Customer's eligibility for payments for Horizon Power's failure to give required notice of planned interruption (section 18) and supply interruptions exceeding 12 hours (section 19) Methods available to a customer to apply for payments in relation to section 18 and section 19 Manner in which the customer's application will be dealt with by Horizon Power.
497	A distributor operating a relevant distribution system must provide written notice to eligible customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 not less than once in each financial year.	Compliant – 5	<p>Through discussion with the Compliance and Billing Support Coordinator, we evidenced:</p> <ul style="list-style-type: none"> The annual notice distributed in March 2012 providing notice to customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 A fortnightly calendar developed and referred to at fortnightly team meetings, advising when

No.	Obligation under Condition	Compliance Rating	Findings
			relevant distributions fall due.
498	A distributor or transmitter must take all such steps as are reasonably necessary to monitor the operation of its network to ensure compliance with specified requirements.	Compliant – 5	Through discussion with Operations – Asset management staff, we determined that Horizon Power has comprehensive mechanisms in place to monitor the operation of its network to ensure compliance with the provisions of Part 2 of the Code and the record keeping requirements of the code. Examples include using ENMAC, SCADA, feeders and other monitoring systems at power stations as reasonably necessary to ensure compliance with specific requirements. Refer also to findings detailed for obligations 483 to 490.
499	A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified.	Compliant – 5	The Regulation Compliance Coordinator confirmed that the Network Quality data is stored on Horizon Power's data management system indefinitely.
500	A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements.	Compliant – 5	<i>Obligations 500 and 501</i> Through discussion with the Regulation Compliance Coordinator, consideration of Horizon Power – Power Quality Investigation Handbook and Manual and Electricity Compliance Manual Data, we determined that Horizon Power has procedures in place for:
501	A distributor or transmitter must report the results of an investigation to the customer concerned.	Compliant – 5	<ul style="list-style-type: none"> Completing quality investigations upon request by a customer. Horizon Power records such requests as Technical Quality of Supply (QoS) complaints Reporting the results of the quality investigation to the customer. We note that Horizon Power reported a total of 23 Technical QoS complaints for the 2011/12 financial year.
502	A distributor or transmitter must make available, at no cost, a copy of a document setting out its complaint handling processes to a small customer who makes a complaint to the distributor or transmitter or who asks to be given such information.	Compliant – 5	Horizon Power's website makes specific reference to its complaints handling process, including reference to the right to contact the electricity ombudsman if required. The Customer Service Charter, which is available to customers in both hard and soft copies at no charge, also refers to its complaints handling process.
503	A document setting out a distributor's or transmitter's complaint handling process must contain the specified information.	Compliant – 5	This obligation requires Horizon Power to inform customers of their right to refer to the electricity ombudsman a complaint that is not resolved to the customer's satisfaction. Horizon Power's Customer Service Charter refers to customers' rights to refer complaints to the electricity ombudsman.

No.	Obligation under Condition	Compliance Rating	Findings
504	A distributor or transmitter must arrange for an independent audit and report on its systems for monitoring, and its compliance with specific requirements. This is to be carried out in respect of the operation of such systems during each year ending on 30 June.	Compliant – 5	For the 2010/11 and 2011/12 years, Horizon Power appointed Qualeng to undertake an independent audit of Horizon Power's systems for monitoring its compliance with Part 2 of the Code. We note that this audit report specifically concluded that those systems are in compliance with the Code.
505	A distributor or transmitter must prepare and publish a report about its performance in accordance with specified requirements.	Compliant – 5	The 2011/12 Network Quality and Reliability of Supply Performance Report was prepared and published to Horizon Power's website on 28 September 2012, meeting the 1 October deadline imposed by the Code. The Regulation Compliance Coordinator confirmed that the 2010/11 Network Quality and Reliability of Supply Performance Report was prepared and published to Horizon Power's website prior to the 1 October deadline.
506	A distributor or transmitter must give a copy of its report about its performance to the Minister and the Authority within the specified period.	Compliant – 5	Through discussion with the Regulation Compliance Coordinator and examination of relevant emails, we determined that 2011/12 Network Quality and Reliability of Supply Performance Report was sent to the Authority and the Minister via email on 21 September 2012, 7 days prior to the report being published on Horizon Power's website. The Regulation Compliance Coordinator confirmed that the 2010/11 Network Quality and Reliability of Supply Performance Report was presented to the Authority and the Minister via email at least 7 days prior to the report being published on Horizon Power's website.

4.11 Electricity Licences - Licensee Specific Conditions and Obligations

Obligations determined to be not applicable

The following obligations are not applicable to Horizon Power's operations:

Obligation	Reason
514, 515	These obligations are applicable to Western Power's licence only
516	This obligation is applicable to Clear Energy Retail's licence only

Obligations determined to be not rateable

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

Obligation	Reason
507	Horizon Power submitted to the Coordinator a draft of the contract under which it proposes to purchase renewable source electricity from eligible customers prior to commencement of the audit period.
508	Horizon Power did not receive any direction by the Coordinator to submit an amendment to its renewable source electricity contract during the audit period. We note that Horizon Power revised its Terms & Conditions (T&Cs) to enable the Renewable Energy Buyback Scheme (REBS) and these T&Cs have been approved by the Office of Energy.
511, 512	The Regulation Compliance Coordinator and Manager Customer Service confirmed that Horizon Power submitted a draft extension and expansion policy within the specified timeframe, which was prior to commencement of the audit period. Also, the Coordinator has not issued Horizon Power with any instruction for developing or amending a draft extension and expansion policy during the period subject to audit.

Assessment of compliance

The table below summarises the audit's assessment of Horizon Power's compliance with the relevant obligations of the Electricity Industry Customer Transfer Code 2004.

		Non-compliant		Compliant			Total
N/A	N/R	1	2	3	4	5	
3	4					4	11

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.

No	Obligation under Condition	Compliance Rating	Findings
509	The licensee must offer to purchase renewable source electricity from a renewable source electricity customer under an approved renewable source electricity contract.	Compliant – 5	<p>Through discussion with Renewable Energy Buyback Product Manager, consideration of Horizon Power's contractual arrangements for the purchase of renewable energy from customers and examination of Horizon Power's Renewable Energy Buyback Scheme Terms and Conditions, we determined that:</p> <ul style="list-style-type: none"> • An investigation in relation to the extent Horizon Power can accommodate customers' renewable energy on its networks has been completed • Horizon Power has revised its Terms & Conditions to enable the Renewable Energy Buyback Scheme (REBS) to be offered to all customers conditional on available Hosting Capacity and adherence to a Generation Management Standard. These Terms & Conditions have been approved by the Office of Energy • All eligible customers can now be offered the REBS subject to conditions designed to enable Network Quality and Reliability of Supply. At the time of this audit Horizon Power: <ul style="list-style-type: none"> ○ Imposed a limit of five kilowatts in generating capacity for the REBS program ○ Determined that systems greater than five kilowatts require a Network Impact Study to ensure the network capacity can accommodate such a system.
510	The licensee must submit to the Coordinator a written report detailing the amount of renewable source electricity purchased by the licensee and the cost of purchasing that renewable source electricity as soon as practicable at the end of each financial year.	Compliant – 5	The Regulation Compliance Coordinator confirmed that Horizon Power submitted a written report detailing the amount of renewable source electricity purchased by the licensee and the cost of purchasing that renewable source electricity to the Office of Energy (Coordinator) at the end of the 2011 and 2012 financial years.
513	The licensee must implement arrangements set out in an approved extension and expansion policy.	Compliant – 5	The Regulation Compliance Coordinator confirmed that the Office of Energy (Coordinator) has not issued Horizon Power with any instruction for amending a draft extension and expansion policy and that during the period subject to audit, Horizon Power implemented arrangements set out in the approved extension and expansion policy.
517	Subject to specified exceptions, the licensee must offer to supply electricity under a standard form contract to a customer who requests it.	Compliant – 5	<p>Through discussion with the Manager Customer Service and consideration of Horizon Power's new connection and reconnection processes, we determined that Horizon Power will supply electricity under a standard form contract to a customer who requests supply, if:</p> <ul style="list-style-type: none"> • The distribution system is not required to be extended greater than 100 metres • The customer does not have an outstanding debt with Horizon Power, or has an outstanding debt but has entered into an arrangement for payment of the amount owed.

5 Follow-up of previous audit action plans

As this is the fourth audit of Horizon Power's Licence, this audit considers how Horizon Power has progressed against the post audit implementation plan (PAIP) detailed in the 2011 Performance audit report. Our assessment of Horizon Power's progress in implementing the action plans specified in the PAIP is provided below in both a summarised and detailed follow-up format.

5.1 Horizon Power's arrangements for monitoring progress with the PAIP

- Horizon Power utilises the CURA program to monitor compliance with its licence obligations, including progress with previous audit's action plans
- Action plans for each recommendation from the previous EIRL performance audit reports are recorded in CURA
- The Regulation Compliance Coordinator is responsible for monitoring compliance with regulatory imposed obligations, including progress with the PAIP
- Designated managers are responsible for managing and reporting progress with action plans
- CURA produces detailed (written notes) and summary (e.g. % completion) reports of progress achieved.

5.2 Summary of PAIP progress

The period subject to audit is 1 April 2011 to 31 March 2013. For the purposes of our consideration of Horizon Power's progress with the previous audit's Post Audit Implementation Plan, we have considered relevant action taken by Horizon Power up to 31 March 2013.

The status descriptions used in our assessment are:

Rating	Description
Complete	The action plan identified in the PAIP has been completed
In progress	The action plan identified in the PAIP has been initiated and further action is planned for the PAIP to be completed
Outstanding	The action plan identified in the PAIP has not been addressed and no specific action has been planned for the PAIP to be completed
Superseded	The action plan identified in the PAIP has not been addressed and the issue has been captured in the 2013 performance audit recommendations and action plans
Closed out	Where the action plan identified in the PAIP is no longer relevant to Horizon Power's operations and Horizon Power has made a decision not to pursue the action plan, or the action plan does not otherwise address the recommendation/issue raised in the previous EIRL performance audit report.

The summary table below shows that 22 of the 28 action plans included in the 2011 performance audit report are assessed to have been either Completed or Closed out. The remaining six action plans are assessed to be Superseded with new recommendations and action plans captured in the 2013 performance audit.

	Status				
	Complete	Closed out	In progress	Superseded	Outstanding
2011 EIRL performance audit recommendations					
1	✓				
2	✓				
3	✓				
4				✓	
5	✓				
6	✓				
7	✓				
8	✓				
9				✓	
10	✓				
11	✓				
12	✓				
13	✓				
14	✓				
15	✓				
16	✓				
17	✓				
18	✓				
19				✓ *	
20	✓				
21	✓				
22				✓	
23	✓				
24	✓				
2009 EIRL performance audit recommendations					
4				✓	
5	✓				
6		✓			
11				✓ **	
	21	1		6	

*Of the six parts of the action plan, five were Completed and one Superseded.

**Of the two parts of the action plan, one was Closed Out and one Superseded.

2011 EIRL Performance Audit Action Plans

Reference and recommendation	Action plan	Current status	Revised action plan
1/2011 – Obligation 221 Horizon Power: (a) Finalise the AMRS contract and communicate the requirements of the contract to the applicable personnel to ensure effective management of its terms (b) Update its disconnection procedures to: <ul style="list-style-type: none"> Ensure that all service orders include a date and time of disconnection and are accurately entered into MBS Implement an escalation process for instances of suspected breach (e.g. monitoring spreadsheet and reporting to Team Leader – Metering Services). (c) Consider updating the service order with the requirements of the Code so AMRS is aware at all times of service requirements (d) Provide training to Metering Services staff outlining the requirements of s.7.6 of the Code.	(a) The AMRS contract is to be signed by 30 June 2011 (b) The procedure for closing de-energisation service orders has now been updated to require: <ul style="list-style-type: none"> All service orders with missing time and date stamp to be returned to the meter reading contractor for completion. The time and date is then entered in MBS Breaches to be escalated to the Field Services and Metering Co-ordinator (c) As the inclusion of Code requirements in the service order is not possible with MBS, it will be considered for inclusion in mData21 (MBS Replacement) (d) Further training of Metering Services staff will be provided. Responsible Person Field Services and Metering Coordinator Accountable person Manager Customer Service Target date 31 July 2011	(a) <i>Closed out</i> Horizon Power has terminated all contractual arrangements with AMRS and is performing all meter reading activities in-house. (b) <i>Complete</i> The implementation of mData21 has created mandatory time and date fields when completing de-energisation service orders. The Compliance and Billing Support Coordinator maintains a spreadsheet for all disconnection breaches and respective service standard payments. (c) <i>Closed out</i> Horizon Power has concluded that updating the service order with the Code requirements has proven too costly. Horizon Power has terminated all contractual arrangements with AMRS and is performing all meter reading activities in-house. (d) <i>Complete</i> Horizon Power has since terminated all contractual arrangements with AMRS and is performing all meter reading activities in-house. Appropriate training is provided to all metering staff/contractors. <i>Refer obligation 230 for detailed findings, recommendation and action plan 13/2013.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
2/2011 – Obligation 237 Horizon Power: (a) Update its Account Establishment form to record whether or not a customer at the supply address requires life support equipment (b) Communicate relevant changes to Horizon Power staff and ServiceWorks contractors.	Horizon Power will: (a) Update the Account Establishment form (b) Communicate the change to relevant staff. Responsible Person Community Retail and Compliance Officer Accountable Person Manager Customer Service Target Date 30 September 2011	Complete Evidenced the update to the Account Establishment Form used for community new connections. As all non-community new connections are managed through Customer Service Representatives (usually via the phone), only the Communities Compliance Officer and Manager Customer Service use the form, both of whom were involved in the update to the form. <i>Refer obligation 250 for detailed findings.</i>	N/A
3/2011 – Obligation 238 Horizon Power: (a) Strengthen its procedures for managing life support equipment register, specifically to monitor additions and removals (b) Regularly reconcile its priority restoration register to its pre-payment customer listing to identify any anomalies.	(a) Horizon Power will develop a new procedure in conjunction with ServiceWorks to ensure that all changes to the Life Support register are properly recorded (b) The new procedure will include a quarterly reconciliation of the pre-payment meter list to the Life Support register. Responsible person Manager Customer Service Accountable Person Manager Customer Service Target Date 30 September 2011	Complete New procedures and work instructions for managing the Life Support Register are located on Horizon Power's Document Management System with reference to monthly/quarterly reconciliation of the pre-payment meter list to the Life Support Register. An example of the reconciliation from DMS was evidenced with no exceptions. <i>Refer obligation 251 for detailed findings.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
4/2011 – Obligation 75 Horizon Power implement a process for obtaining customers' written agreement with connection timing arrangements in instances where the connection is scheduled to be performed outside of the 20 business day timeframe, where such delay does not relate to a safety inspection under Energy Safety regulations.	Horizon Power will extend its connection procedures to ensure customers provide written acknowledgement of any arrangements to schedule connections at a time outside of the 20 business day timeframe provided for by sub regulation 6(2). This extension of procedures will involve the receipt of a customer's signature on a written statement on the service order, (or similar). Responsible person Manager Customer Service Accountable person Manager Customer Service Target date 31 December 2011	Superseded A letter was developed to be distributed to customers when it became apparent that the 20 day timeframe would not be met. However, this letter was not implemented as a formal distribution to customers. A summary report of all 3,965 completed connection service orders for the period 1 April 2011 to 31 March 2013 evidenced that 15 new connections were not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.	Refer obligation 75 for detailed findings, recommendation and action plan 1/2013

Reference and recommendation	Action plan	Current status	Revised action plan
5/2011 – Obligation 78 Horizon Power: (a) Finalise its investigation into the extent to which its networks can accommodate the additional load generated from customer renewable sources (b) Liaise with the Office of Energy and the Authority for guidance in the event that its investigations find that Horizon Power cannot purchase all renewable source electricity from its customers.	(a) Horizon Power will complete the reviews of its networks and develop suitable alternative feed in management system requirements that each customer will need to include in their installation once system capacity is reached (b) Liaison with the Office of Energy has commenced and all information will be provided when investigations are complete. Note that the Office of Energy has advised that they understand Horizon Power not to be in breach of the code where a networks technical limit has been reached and Horizon Power is not approving systems above 1.5 kW. Responsible person Compliance and Billing Support Coordinator Accountable person Manager Customer Service Target date 31 December 2011	Complete <ul style="list-style-type: none"> An investigation in relation to the extent Horizon Power can accommodate customers' renewable energy on its networks has been completed Horizon Power revised its Terms & Conditions to enable the Renewable Energy Buyback Scheme (REBS) to be offered to all customers conditional on available Hosting Capacity and adherence to a Generation Management Standard. These Terms & Conditions have been approved by the Office of Energy All eligible customers can now be offered the REBS subject to conditions designed to enable Network Quality and Reliability of Supply. This obligation was removed from the May 2011 Reporting Manual, therefore was only applicable to Horizon Power's operations for the period 1 to 30 April 2011.	N/A
6/2011 – Obligation 114 Horizon Power add a link to its standard form contract in the residential customers section of its website.	As part of the current update to the Horizon Power web page, links to the standard form contract will be updated. Responsible person Manager Customer Service Accountable person Manager Customer Service Target date 30 September 2011	Complete Evidenced and executed the link to Horizon Power's standard form contract at the following web location: Home > Residential > Your Account > Your/Our Obligations. Refer obligation 130 for detailed findings.	

Reference and recommendation	Action plan	Current status	Revised action plan
7/2011 – Obligation 144 Horizon Power: (a) Investigate and resolve the contravention to account billing frequency rules to ensure customers cannot be billed more frequently than once/month, unless agreed under s.4.2 of the Code (b) Update its exception reporting practices to proactively identify those accounts ‘at risk’ of breaching billing frequency requirements (e.g. a countdown report) to enable active management of Code requirements (c) Assign responsibility for monitoring billing timeframe compliance to an appropriate team member.	(a) The contravention to account billing frequency rules has been investigated and Horizon Power has determined that: <ul style="list-style-type: none"> The instance of billing the same customer twice in a month was very early in the ongoing development of the Velocity Customer Information System and the system error was corrected at that time The system now includes safe guards to ensure billing more than once per month does not reoccur (b) ServiceWorks process and procedures will be updated to produce exception reports for unbilled accounts at 80 days to ensure compliance with this Code requirement (c) Consideration will be given to the viability of producing an exception report for customers billed twice in a month. Responsible Person Manager Customer Service Accountable Person Manager Customer Service Target Date 30 September 2011	Complete a) Horizon Power did not identify any further instances of a customer being billed more than once in a month. Validation parameters are built into Velocity’s billing engine to prevent customers being billed more than once in a month b) ServiceWorks produces a daily report of accounts that have not been billed for 15 or more days after their routine billing cycle. This report enables Horizon Power to monitor compliance with the requirements to bill a customer at least once every three months c) Whilst no exception report has been developed to reactively identify accounts billed more than once per month, validation parameters have been implemented into Velocity to prevent such an occurrence. <i>Refer obligation 148 for detailed findings, recommendation and action plan 5/2013.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
8/2011 – Obligation 157 Horizon Power: (a) Update its exception reporting and compliance monitoring regime to ensure that all meters are read at least once in every 12 month period. Such a regime should forecast those installations that are at risk of breaching the 12 month timeframe (b) Assign responsibility for monitoring meter read requirements to an appropriate team member.	(a) The new metering database, mDATA21 has the required procedures built in to both ensure reads are obtained and identify meter reading exceptions approaching and after the 12 month milestone (b) mDATA21 will appropriately assign exceptions to the appropriate team member for monitoring and follow up. Responsible Person Manager Customer Service Accountable Person Manager Customer Service Target Date 30 September 2011	Complete mData21 is configured to generate a 'Must Read' service order for a meter reading site when: <ul style="list-style-type: none"> Four consecutive estimate reads have occurred for a bi-monthly billing cycle Seven consecutive estimate reads have occurred for a monthly billing cycle. This 'Must Read' service order notifies Field officers that Horizon Power must use their best endeavours to obtain an actual meter reading, including phone calls to the account holder to arrange a convenient time if access to the meter is blocked. <i>Refer obligation 162 for detailed findings, recommendation and action plan 6/2013.</i>	N/A
9/2011 – Obligation 175 Horizon Power strengthen its refund procedures to ensure customers are asked to nominate the refund method they require Horizon Power to use.	Procedures for managing the refund process will be strengthened to ensure customers are asked to nominate the refund method they require Horizon Power to use. Responsible Person Manager Customer Service Accountable Person Manager Customer Service Target Date 30 September 2011	Superseded Section 4.18(6) of the revised Code of Conduct (2012) allows, where a customer has been overcharged by an amount less than \$75, Horizon Power to credit the amount to the customer's account and notify the customer by the next bill. However, for amounts overcharged that are greater than \$75, Horizon Power must ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer. For overcharge amounts greater than \$75, Horizon Power's procedures do not provide for the customer to be informed of the refund option available. By default, Horizon Power will credit the amount to the customer's account unless requested otherwise.	<i>Refer obligation 180 for detailed findings, recommendation and action plan 7/2013.</i>

Reference and recommendation	Action plan	Current status	Revised action plan
10/2011 – Obligations 192, 193 Horizon Power: (a) Strengthen its debt collection procedures to provide for active monitoring of the status of customers referred to debt collection (b) Assign responsibility for monitoring debt collection activity to an appropriate staff member.	The procedures for monitoring debt referred to a collection agency will be improved and follow-up and reporting responsibilities will be assigned to an appropriate staff member. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	Complete The Compliance & Billing Support Coordinator is now responsible for monitoring debt collection activities. National Credit replaced Dunn and Bradstreet for Mercantile collections. Benefits of National Credit include the distribution of a SMS, call and letter within 30 days. <i>Refer obligations 201 and 202 for detailed findings.</i>	N/A
11/2011 – Obligation 216 Horizon Power: (a) Strengthen its disconnection procedures to ensure that appropriate contact notes are maintained in Velocity records for “best endeavours” attempts made to make contact with the customer (i.e. phone call or other contact methods used) (b) Investigate and resolve the contravention to the Velocity system rules on the content of reminder notice and disconnection warning letters to ensure that they only include those charges that are overdue, not current supply charges.	(a) ServiceWorks will keep active spreadsheet records of contacts made for overdue accounts. This data will not be recorded in Velocity, however will be accessible to all credit officers and the Manager Customer Service (b) The two identified instances have been investigated to establish that both occurred during the period of a malfunction with the market interface. A recurrence has not been identified since that time (c) Random audit procedures will be established and audits conducted during visits to the call centre back office operations. Responsible Person Manager Customer Service Accountable Person Manager Customer Service Target Date 31 October 2011	Complete ServiceWorks now maintains a spreadsheet to trace overdue accounts and report to the Manager Customer Service on a daily basis. The Hardship Officer performs checks, including the correct issuance of notices prior to approving a disconnection. Horizon Power did not identify any further contraventions following the 2011 audit. However, during the 2013 audit, testing identified exceptions relating to reminder notices containing current supply charges during the period subject to audit. The Manager Customer Service makes regular visits to the ServiceWorks call centre to monitor performance and discuss and current issues. <i>Refer obligation 225 for detailed findings, recommendation and action plan 12/2013.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
12/2011 – Obligation 217 Horizon Power: (a) Strengthen its disconnection procedures to provide for the approval of all de-energisation service orders by an appropriate staff member (e.g. the Team Leader – Metering Services) prior to being issued (b) Ensure all relevant staff are sufficiently aware of the disconnection requirements.	Horizon Power will hold regular awareness training sessions, which will be diarised for occurrence every six months. Responsible Person Manager Customer Service Accountable Person Manager Customer Service Target Date 30 September 2011	Complete The Hardship Officer now approves all disconnection service orders prior to issue. Those service orders are tracked in a master spreadsheet. Awareness training sessions have been introduced as standing agenda items for fortnightly team meetings. <i>Refer obligation 226 for detailed findings.</i>	N/A
13/2011 – Obligations 282, 283 Horizon Power seek to upgrade the Velocity system's capabilities to provide: (a) A central repository for all complaints records, including complaints received from the Ombudsman (b) Exception reports or alerts to assist in monitoring performance against the Code's complaints acknowledgement and response timeframe requirements.	The Customer Service team has commenced a process to identify the needed changes in Velocity to make it capable of being the one stop complaints recording and follow-up system. The changes to the system will be completed by the end of 2011 and will include the recommendations. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 31 December 2011	Complete The Customer Liaison Officer monitors complaints daily via an exception report that identifies complaints nearing required timeframes. If a complaint has been identified as approaching the required timeframes, the Customer Liaison Officer attempts to contact the customer to advise of the complaint status. Horizon Power has strengthened its complaints handling process by developing work instructions and training ServiceWorks' CSRs. All recorded complaints are to be logged into Velocity and responded to in accordance with the timeframes specified by the Code in Clause 14.3(1) and 14.4(1). <i>Refer obligation 294 for detailed findings, recommendation and action plan 4/2013.</i>	N/A
14/2011 – Obligation 285 Horizon Power: (a) Investigate and determine whether there is any link between the low volumes of recorded complaints with the manner in which it distinguishes a query from a complaint (b) Review its approach in identifying complaints and where appropriate, provide suitable training to front line personnel who handle customer calls.	The Customer Service team will investigate the manner in which it records complaints by conducting a benchmarking approach with other utilities and develop any identified required changes to the manner in which it both identifies and manages complaints. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011		

Reference and recommendation	Action plan	Current status	Revised action plan
<p>15/2011 – Obligations 288 – 296, 298 - 304</p> <p>Horizon Power:</p> <p>(a) Formalise the data collation and reporting processes for the preparation of the annual Code of Conduct performance report:</p> <ul style="list-style-type: none"> Process documentation should include the data source and contact details for relevant staff responsible for the provision of data Any investigation on the accuracy and completeness of data/records should be formally documented. <p>(b) Retain, in a central location, copies of all data and supporting documentation used in the preparation of the performance report.</p>	<p>(a) Data collation and reporting processes will be formalised and will specifically include:</p> <ul style="list-style-type: none"> Documentation of all ERA reporting requirements Data sources and contact details for relevant staff responsible for the provision of data Requirements for any investigation on the accuracy and completeness of data/records to be formally documented <p>(b) Copies of all data and supporting documentation used in the preparation of the performance report will be stored in a designated folder on Horizon Power's secure network drive.</p> <p>Responsible Person Compliance Liaison Officer</p> <p>Accountable Person Manager Risk, Audit & Governance</p> <p>Target Date 30 September 2011</p>	<p>Complete</p> <ul style="list-style-type: none"> We evidenced Horizon Power's document detailing all Authority reporting requirements and definitions. This document provides: <ul style="list-style-type: none"> Relevant Code reference Clause description Authority and Horizon Power notes Source and Source Owner Relevant contact Email correspondence with the Authority regarding any clarification is maintained on file. No investigations have occurred to date All supporting documentation and data is maintained in a central, designated folder on Horizon Power's network. 	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
16/2011 – Obligations 306, 469 Horizon Power updates its compliance timetable to match the Code's requirements for providing reports to the Minister and the Authority and for subsequently publishing those reports.	The compliance timetable will be updated to match the Code's requirements for providing reports to the Minister and the Authority at least 7 days before those reports are subsequently published. Responsible Person Compliance Liaison Officer Accountable Person Manager Risk, Audit & Governance Target Date 30 September 2011	Complete We evidenced that the Regulatory Compliance Timetable has been updated to reflect the times and dates the Authority requires Horizon Power to publish its performance reports and submit to the Minister for review in compliance with the Code. <i>Refer obligations 325 and 506 for detailed findings.</i>	N/A
17/2011 – Obligation 307 Horizon Power updates service standard payment procedures and communicates those procedures to staff to ensure the correct payments are made.	The Customer Service Team will hold a review training session which will be repeated on a six monthly basis. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	Complete Service standard payment procedures have been strengthened and include: <ul style="list-style-type: none"> • An active spreadsheet to record all payments • The Compliance & Billing Support Coordinator as the primary staff member able to process such payments. The Claims & Subsidies Officer can also process payments (e.g. extended outage payments) • Training is to be provided to all relevant employees on how to recognise a situation that gives rise to a service standard payment. We evidenced the spreadsheet to record all payments and meeting minutes recording the provision of training. <i>Refer obligation 327 for detailed findings.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
18/2011 – Obligation 309 Horizon Power: (a) Make service standard payments to those customers who remain entitled to such payments, including those identified by this audit (b) Strengthen its disconnection procedures to: <ul style="list-style-type: none"> Specifically identify instances where service standard payments are applicable Ensure service standard payments are made by a delegated staff member (c) Train staff on the requirements of s.14.2 of the Code for identifying and acting on instances where service standard payments must be made.	The Customer Service team will: (a) Make the service standard payments to customers entitled for such payments (b) Ensure all disconnection breaches are identified through strengthening daily review processes and corresponding payments are made for each breach (c) Run regular review training sessions on these requirements, at least six monthly. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	(a) Complete We confirmed that no further service standard payments were due to customers identified at the last audit as having been wrongfully disconnected (b) Complete The Compliance and Billing Support Coordinator maintains a spreadsheet to record all service standard payments. (c) Complete Training is provided at team meetings to all relevant employees on how to recognise a situation that gives rise to a service standard payment and the need to advise the Compliance & Billing Support Coordinator.	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
<p>19/2011 – Obligations 319, 324, 327, 330, 331, 353, 432</p> <p>Horizon Power develop a strategy for:</p> <p>(a) Communicating the status and results of its meter testing to the Authority and Office of Energy</p> <p>(b) Achieving compliance with the relevant requirements of the metering code and engage the Authority on actions to be taken.</p>	<p>The Customer Service team will:</p> <p>(a) Complete the meter test plan in accordance with the test schedule</p> <p>(b) Complete the analysis of all the data from the meters tested</p> <p>(c) Identify the level of failure of its meter populations</p> <p>(d) Notify affected customers of the results of meter tests (including instances of failure/non-compliance)</p> <p>(e) Develop a management plan that will include population replacement where necessary</p> <p>(f) Convey the information to the Authority and the Office of Energy for discussion and agreement of a suitable plan.</p> <p>Responsible Person Field Services and Metering Coordinator</p> <p>Accountable Person Manager Customer Service</p> <p>Target Date 31 December 2011</p>	<p>(a) – (e) Complete</p> <p>(f) Superseded</p> <p>The meter testing has been performed by Formway Group.</p> <p>As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.</p> <p>No action has been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.</p> <p>At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.</p>	<p><i>Refer obligation 340 for detailed findings, recommendation and action plan 17/2013.</i></p>

Reference and recommendation	Action plan	Current status	Revised action plan
20/2011 – Obligation 378 Horizon Power (a) Establish effective monitoring and reporting requirements within its arrangements with AMRS (b) Develop a strategy for achieving compliance with the requirements clause 5.3 of the Metering Code: (i) For the period leading up to the implementation of mDATA21 (ii) Once mDATA21 becomes operational.	The Customer Service team will: (a) Remove the meter reading download and upload processes from the AMRS contract and complete these tasks in house, in line with the delivery of the mDATA21 metering system (b) Request AMRS to comply with this part of the contract and request a fortnightly report of compliance from AMRS. Responsible Person Field Services and Metering Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	Complete During the 2013 performance audit period, Horizon Power terminated contractual arrangements with AMRS and commenced performing all meter reading activities in-house. As a result, meter readers upload all actual read data directly into Horizon Power's metering database 'mData21', thereby meeting the two business day requirement. <i>Refer obligation 406 for detailed findings</i>	N/A
21/2011 – Obligation 456 Horizon Power (a) Develop clear instructions for recording details of payments for failure to give required notice of planned interruption (b) Investigate the capability of Velocity or mDATA21 for recording such customer applications and payments and for monitoring payment timeframes.	The Customer Service team will: (a) Develop clear procedures for the daily management of "reliability" payments by review of the TCS system (b) Record all applications and payments will in the spreadsheet maintained by the Team Leader - Billing Services. Responsible Person Field Services and Metering Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	Complete Current planned outage procedures are documented in Horizon Power's Planned Power Interruption Claims Procedure, which now provides clear instructions for the management of planned outages and specifically "reliability" payments All applications for planned outage payments are now maintained on a spreadsheet register by the Compliance & Billing Support Coordinator. All payments evidenced were credited to customers' accounts within the required timeframe. <i>Refer obligation 493 for detailed findings.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
22/2011 – Obligation 457 Horizon Power strengthens its monitoring processes to ensure eligible customers receive payments in relation to supply interruptions exceeding 12 hours within the 30 day timeframe.	The Customer Service team will review the processes for payments made under the Extended Outage Payment scheme and retrain relevant staff members for these processes. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	Complete <ul style="list-style-type: none"> All EOPS applications are now monitored and processed by the Compliance & Billing Support Coordinator in an active spreadsheet A second staff member has been trained to monitor and process EOPS payments to ensure that the 30 day timeframe is not exceeded. <i>Refer obligation 494 for detailed findings, recommendation and action plan 20/2013.</i>	N/A
23/2011 – Obligation 460 Horizon Power update its compliance timetable and ensure that it diarises and actions the requirement to provide written notice to eligible customers about payments for failure to meet the requirements in sections 18 and 19 of the Code.	The Customer Service team will establish the annual distribution of this notification to customers through the invoicing process. Responsible Person Compliance and Billing Support Coordinator Accountable Person Manager Customer Service Target Date 30 September 2011	Complete Through discussion with the Compliance and Billing Support Coordinator, we evidenced: <ul style="list-style-type: none"> The annual notice distributed in March 2012 providing notice to customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 A fortnightly calendar developed and referred to at fortnightly team meetings, advising when relevant distributions fall due. <i>Refer obligation 497 for detailed findings.</i>	N/A

Reference and recommendation	Action plan	Current status	Revised action plan
24/2011 – Obligation 467 Horizon Power requires future Network Quality & Reliability of Supply Code audits to specifically conclude on Horizon Power's systems for monitoring compliance with Part 2 of the Code.	Commencing from the 2011/2012 Network Quality & Reliability of Supply Code audit, the audit report will be required to specifically conclude on Horizon Power's systems for monitoring compliance with Part 2 of the Code. Responsible Person Compliance Liaison Officer Accountable Person Manager Risk, Audit & Governance Target Date 30 June 2012	Complete For the year ending 30 June 2012, Horizon Power appointed Qualeng to undertake an independent audit of Horizon Power's systems for monitoring its compliance with Part 2 of the Code. We note that this audit report specifically concluded that those systems are in compliance with the Code. <i>Refer obligation 504 for detailed findings.</i>	N/A

2009 EIRL Performance Audit Action Plans

Reference and recommendation	Initial action plan (2009)	Revised action plan (2011)	Current status
4/2009 – Obligations 97, 113 Horizon Power: (a) Ensure that it fully understands the intent of the Code of Conduct's marketing related clauses, relevant to Horizon Power's activities (b) Identify which of its employees and ServiceWorks employees are considered to be marketing agents or marketing representatives, for the purpose of the Code of Conduct (c) Develop an appropriate training package that outlines the key Code requirements with which those marketing agents/representatives must comply.	Review activities of relevant Horizon Power employees and ServiceWorks CSRs to determine whether or not their activities fall within the auspices of Marketer or Marketing Representative and develop a training package addressing the requirements of the code suitable for the type of work being undertaken. Responsible Person Manager Metering & Billing Services Target Date 30 June 2010	A training package will be developed to address the marketing related requirements of the Code suitable for the type of work being undertaken by Horizon Power employees and ServiceWorks CSRs. Responsible person Manager Customer Service Accountable person Manager Customer Service Target date 31 December 2011	Superseded As a continued theme from the 2009 and 2011 performance audits, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. <i>Refer obligation 114 for detailed findings, recommendation and action plan 2/2013.</i>

Reference and recommendation	Initial action plan (2009)	Revised action plan (2011)	Current status
5/2009 – Obligation 104 Horizon Power: (a) Pursue its commitment to improved staff awareness of the requirement for more timely forecasting and communication of supply location extensions, which impact on licence boundaries. (b) Consider implementing a regular report which lists any system asset or supply address which falls outside licence boundaries.	(a) Horizon Power to update Network Extension manual to include a requirement to ensure proposed amendments to Horizon Power network is either undertaken with existing licence areas or an application to extend our licence area is completed prior to any works being undertaken (b) Update Gating Process and Project Planning templates to ensure all new projects consider the extent of Horizon Power current licence area and apply for extensions as required prior to physical works being undertaken. Responsible Person Regulation Compliance Coordinator Target Date 30 April 2010	The draft Electricity Supply & Extension manual will be finalised upon response from the Office of Energy. Responsible Person Manager Asset and Works Management Accountable person Manager Asset and Works Management Target Date Within one month of response from the Office of Energy	Complete The Electricity Supply & Extension manual has been finalised and includes the requirement to submit requests to Governance & Compliance for extending Horizon Power's licence area for a new community upon first interaction with that community. This process should ensure approval is obtained prior to the supply of electricity.
6/2009 – Obligations 142, 168, 174, 175, 191, 211, 212, 221 Horizon Power: (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 allow for better monitoring of its business operations.	(a) Develop a suite of exception and management reports to monitor compliance with all obligations listed above (b) Reports to be generated monthly (c) Review both exceptions and monthly reports and develop responses to ensure compliance and any breaches are fixed and procedures developed to ensure breaches are not repeated. Responsible Person Manager Metering & Billing Services Target Date 30 June 2010	As a key element of its implementation of mDATA21, Horizon Power will implement exception and management reports specifically designed to monitor compliance with the various requirements of the Code. Responsible Person Manager Customer Service Accountable person Manager Customer Service Target Date 31 December 2011	Closed Out Following the implementation of mData21, a suite of exception reports have been designed and implemented to improve Horizon Power's compliance monitoring activities.

Reference and recommendation	Initial action plan (2009)	Revised action plan (2011)	Current status
11/2009 – Obligation 185 Horizon Power: (a) Confirm the effectiveness of its arrangements with AMRS for performing final meter reads (b) Investigate the practicalities of implementing additional mechanisms for ensuring that customers are not overcharged for electricity consumed.	(a) Review final read procedures and move in read procedures and consult widely within operations and field services contractors to ensure solutions to ensure compliance with clause 5.7(1) of the Code are manageable and cost effective (b) Discuss with AMRS a change in contract terms from 5 days to 3 days. Responsible Person Manager Metering & Billing Services Target Date 30 June 2010	Horizon Power: (a) Implement a monitoring regime to ensure compliance with s.5.7(1) of the Code (b) Finalise negotiations of the AMRS contract, including specific reference to the requirements of s.5.7(1) of the Code. Responsible Person Manager Customer Service Accountable person Manager Customer Service Target Date 30 September 2011	a) <i>Superseded</i> Horizon Power has terminated all contractual arrangements with AMRS and is performing all meter reading activities in-house. Testing of a sample of 10 final read service orders completed during the 2013 audit period identified a number of exceptions. Horizon Power has not established a compliance monitoring system to identify customers who have been billed for consumption outside the timeframes required by the Code. <i>Refer obligation 197 for detailed findings, recommendation and action plan 9/2013.</i> b) <i>Closed out</i>

Appendix A – Audit Plan

Horizon Power
Electricity Integrated Regional
Licence (EIRL2)
2013 Performance Audit
Audit Plan
June 2013

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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 Regional Power Corporation (**Horizon Power**) an Electricity Retail Licence (**the Licence**).

Section 13 of the Electricity Act requires Horizon Power 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 April 2011 to 31 March 2013.

Horizon Power is the sole supplier and retailer of electricity services to 36 systems outside of the South West Interconnected System (SWIS). These systems power towns and communities throughout regional Western Australia. Horizon Power has generating plants at Karratha, Carnarvon, Marble Bar, Nullagine, Kununurra and Wyndham. Third party generators also provide electricity to Horizon Power substations for distribution.

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 Horizon Power and presented to the Authority for approval.

Objective

The performance audit is defined as an examination of the measures taken by Horizon Power 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 Horizon Power'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 Horizon Power 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 Horizon Power'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 Horizon Power and used as the basis for determining the performance criteria to be considered for the audit.

The audit period is 1 April 2011 to 31 March 2013.

Since Horizon Power's previous EIRL performance audit in 2011, 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
July 2010	1 to 30 April 2011
May 2011	1 May 2011 to 31 December 2012
February 2013	1 January to 31 March 2013 Metering Code: 7 December 2012 to 31 March 2013

The May 2011 version of the Reporting Manual was published to accommodate the following revisions to the July 2010 version of the Reporting Manual:

- The addition of 22 obligations from the Electricity Industry (Customer Contracts) Regulations 2005 (Customer Contracts Regulation) (relevant from 1 May 2011)
- 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).

The current version of the Reporting Manual was released in February 2013 to accommodate the following revisions to the May 2011 version of the Reporting Manual:

- The two obligations regarding creating and maintaining a priority restoration register (obligations 241 and 242 of the May 2011 Reporting Manual) have been moved from the Code of Conduct and reclassified as Type 1 obligations in Horizon Power's Electricity Licence
- Three Type 1 obligations' Code of Conduct clause references have been amended, requiring additional audit tests to be performed for the period 1 January to 31 March 2013
- The extensive review and revision of the Code of Conduct, resulting in the:
 - Addition of 27 obligations, which became applicable from 1 January 2013
 - Removal of 19 obligations, which are now applicable to 31 December 2012 only
 - Amendment to a further 16 obligations, requiring additional audit tests to be performed for the period 1 January to 31 March 2013
- The extensive review and revision of the Electricity Metering Code, resulting in the:
 - Addition of 21 obligations, which became applicable from 7 December 2012
 - Removal of 5 obligations, which are now applicable to 6 December 2012 only
 - Amendment to a further four obligations, requiring additional audit tests to be performed for the period 7 December 2012 to 31 March 2013
- 14 new obligations were created as a result of separating obligations into sub-clauses of the relevant Code (previously, two sub-clauses were addressed by a single obligation number).

Although no additional audit tests will be required to be performed as a result of this approach, the audit is required to separately report against those additional obligations.

The total number of Horizon Power's licence obligations subject to audit has increased from 469 at the time of the 2011 audit to 547 relevant to this current audit, which includes all obligations that existed at any point during the audit period.

Refer to **Appendix 3** for further detail on obligations introduced and superseded through relevant revisions to Codes and licences.

Table 1 below outlines the compliance requirements that apply to Horizon Power'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 (February 2013) Reporting Manual. Note that 33 additional obligations are applicable for part of the audit period, where the obligation was removed from the relevant Code or Licence Condition during the period.

Table 1 – Application of legislative elements to Horizon Power's operations

Legislative element	Application to Horizon Power's operations
Type 1 reporting obligations for all licence types	All type 1 obligations fall under the <i>Code of Conduct for the Supply of Electricity to Small Use Customers</i> (Code of Conduct), which is designed to address standards of conduct in the supply and marketing of electricity to customers. Each of these obligations applies to Horizon Power as a supplier and marketer of electricity to customers.
Electricity Industry Customer Transfer Code	The Customer Transfer Code is designed to address requirements of network operators and retailers in the event of customers transferring between retailers. As Horizon Power's customers are technically contestable, this Code is technically applicable to Horizon Power's licence obligations as a network operator and/or retailer. However, as Horizon Power is currently the sole retailer operating in its licensed areas (i.e. its customers are not actually contested), customer transfer cannot occur. Current market conditions and arrangements indicate there is little likelihood of customers being contested in the near future. Those clauses of the Code which require: <ul style="list-style-type: none"> • A retailer to act in relation to a network operator are not applicable to Horizon Power's operations as the obligation can only exist where the retailer is a separate entity to the distributor (network operator), which is not the case in Horizon Power's circumstances • A network operator to act in relation to a retailer will not be relevant to Horizon Power's operations and therefore not rateable by audit until such time as a competing retailer enters the market.
Electricity Industry (Obligation to Connect) Regulations	All six obligations are applicable to Horizon Power's operations.
Electricity Industry (Customer Contracts) Regulations	All 23 obligations are applicable to Horizon Power's operations.
Electricity Industry Act – Licence Conditions and Obligation	All 13 obligations are applicable to Horizon Power's operations.
Electricity Licences - Licence conditions and obligations	All 15 obligations are applicable to Horizon Power's operations.
Code of Conduct	207 of the 211 obligations are applicable to Horizon Power's operations.

Legislative element	Application to Horizon Power's operations
Electricity Industry Metering Code	<p>117 of the 145 obligations are applicable to Horizon Power's operations.</p> <p>Reasons for 28 obligations not being applicable to Horizon Power's operations include:</p> <ul style="list-style-type: none"> • Obligations relating to a task to be performed by either a User or a Code Participant, which is not Horizon Power for the purpose of the Code clause • Obligations specifically apply to operations within the South West Interconnected System, which is not applicable to Horizon Power's licenced areas • Obligations that apply specifically to Electricity Retail Corporation (Synergy) or Electricity Networks Corporation (Western Power).
Electricity Industry (Network Quality and Reliability of Supply) Code	All 24 obligations are applicable to Horizon Power's operations.
Licence specific obligations	Eight of the eleven obligations apply to Horizon Power's licence.

Responsibility

Horizon Power's responsibility for compliance with the conditions of the Licence

Horizon Power 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 Horizon Power'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*¹ 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

This report is intended solely for the information and internal use of Horizon Power, and is not intended to be and should not be used by any other person or entity. No other person or entity is entitled to rely, in any manner, or for any purpose, on this report. We do not accept or assume responsibility to anyone other than Horizon Power for our work, for this report, or for any reliance which may be placed on this report by any party other than Horizon Power.

¹ 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*.

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.

2 Approach

The audit will be conducted in three distinct phases, being a risk assessment, system analysis/walkthrough 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 Horizon Power'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 Horizon Power's systems and processes and any matters of significance raised by the Authority and/or Horizon Power. 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 Horizon Power 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 Horizon Power 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 Horizon Power'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"> Controls testing and extensive substantive testing of activities and/or transactions Follow-up and if necessary, re-test matters previously reported.
Audit Priority 2	<ul style="list-style-type: none"> Controls testing and moderate substantive testing of activities and/or transactions Follow-up and if necessary, re-test matters previously reported.
Audit Priority 3	<ul style="list-style-type: none"> Limited controls testing (moderate sample size). Only substantively test transactions if further control weakness found Follow-up of matters previously reported.
Audit Priority 4	<ul style="list-style-type: none"> Confirmation of existing controls via observation and walk through testing Follow-up of matters previously reported.
Audit Priority 5	<ul style="list-style-type: none"> Confirmation of existing controls via observation, discussions with key staff and/or reliance on key references (“desktop review”).

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 based on:

- Our assessment of the state of controls during the 2011 EIRL Performance audit and the 2012 review of the status of relevant action plans
- Consideration of:
 - Previously identified non-compliances and action plans
 - Annual compliance reports
 - Follow up audits on progress of implementation of action plans.
- Any other factors that may have an effect on the level of risk or strength of controls.

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 Horizon Power's systems and processes, we will consider the following:

- The control environment: Horizon Power'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 Horizon Power's information systems (in particular, those relating to customer service, network management & control, metering services and resource planning) 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 Horizon Power'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 Horizon Power 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 Horizon Power'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 Horizon Power'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 Horizon Power 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.

Following discussions with the Horizon Power Regulation Compliance Coordinator and subsequent approval from the Economic Regulation Authority, ServiceWorks in Melbourne has been selected as the site to visit during the audit.

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, Horizon Power 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 Horizon Power contacts

The key contacts for this audit are:

- Frank Buttigieg Compliance Liaison Officer
- Michelle Niski Governance & Compliance Manager
- Greg Will Manager Customer Services
- Damien Carr National Sales & Marketing Manager (ServiceWorks)
- Neil Hyde GM Operations (ServiceWorks)
- Scott Davis Manager Sales, Marketing & Product Development
- Christo Van Rensburg Manager Risk, Audit and Governance

Deloitte staff

Deloitte staff who will be involved with this assignment are:

- Richard Thomas Partner
- Andrew Baldwin Account Director
- Michael Genever Senior Analyst
- Amit Grover Senior Analyst
- Emlyn King Analyst
- Darren Gerber QA Partner

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

Timing

The initial risk assessment phase was completed on 22 March 2013. On 22 March 2013 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 April and May 2013.

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

Appendix 1 – Risk assessment key

1-1 Criteria for classification

Source: Electricity Compliance Reporting Manual February 2013

Rating (type)	Classification of Non-Compliance	Criteria for classification
1	Major	<p>Classified on the basis that:</p> <ul style="list-style-type: none"> the consequences of non-compliance would cause major damage, loss or disruption to customers; or the consequences of non-compliance would endanger or threaten to endanger the safety or health of a person.
2	Moderate	<p>Classified on the basis that:</p> <ul style="list-style-type: none"> 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 the regulatory obligation is not otherwise classified as a Type 1 or a Type NR non-compliance. <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"> 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 compliance with the obligation is immeasurable; or the non-compliance is required to be reported to the Regulator under another instrument, guideline or code 6; or the non-compliance is identified by a party other than the licensee ; or 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. <p>Reclassification of Type NR as a Type 2 may occur in circumstances of:</p> <ul style="list-style-type: none"> systemic non-compliance; or a failure to resolve non-compliance promptly.

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

Obligation number and reference referred below are sourced from the February 2013 Reporting Manual. Refer to Appendix 3 of the Audit Plan for detail of new obligations and the applicable periods. Also refer to pre-amendment descriptions sourced from the May 2011 Reporting Manual and underlying legislation/licence conditions.

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
8 Type 1 Reporting Obligations								
127	Integrated Regional Licence condition 29.1	A distributor must create and maintain a Priority Restoration Register.	1	Major	Probable	High	Strong	Audit Priority 2
128	Integrated Regional Licence condition 29.3	The Priority Restoration Register must comply with any criteria determined by the Minister.	1	Major	Probable	High	Moderate	Audit Priority 2
230	Code of Conduct clause 7.6	A retailer or distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer's supply address.	1	Major	Probable	High	Moderate	Audit Priority 2
231	Code of Conduct clause 7.7(1)	Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment the retailer must comply with subclause 7.7(1) <i>Obligation (222) to 1 January 2013:</i> <i>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.</i>	1	Major	Probable	High	Moderate	Audit Priority 2
233	Code of Conduct clause 7.7(3)	Where a distributor has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, or of a change of details notified to the retailer under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	1	Major	Probable	High	Moderate	Audit Priority 2
250	Code of Conduct clause 9.5(1)	A retailer must not provide a pre-payment meter service if the residential customer, or a person residing at the residential customer's supply address, requires life support equipment.	1	Major	Probable	High	Moderate	Audit Priority 2
251	Code of Conduct clause 9.5(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, or must immediately arrange to, remove or render non-operational the pre-payment meter at no charge; replace or switch the pre-payment meter to a standard meter at no charge; and provide information to the pre-payment meter customer about the contract options available to the customer.	1	Major	Probable	High	Moderate	Audit Priority 2
252	Code of Conduct clause 9.5(3) Similar to 9.5(4)	If a retailer requests a distributor to revert a pre-payment meter under subclause 9.5(2), the distributor must revert the pre-payment meter within the time frames specified in subclause 9.5(3).	1	Major	Probable	High	Moderate	Audit Priority 2
9 Electricity Industry Customer Transfer Code								
1	Electricity Industry Customer Transfer Code clause 2.2(1)(a)	A network operator must treat all retailers which are its associates on an arms-length basis.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
2	Electricity Industry Customer Transfer Code clause 2.2(1)(b)	A network operator must ensure that no retailer which is its associate receives a benefit in respect of the Electricity Industry Customer Transfer Code unless the benefit is either attributable to the arms-length application of the Electricity Industry Customer Transfer Code or the benefit is made available to all other retailers.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
3	Electricity Industry Customer Transfer Code clause 3.1(1)(a)	A network operator must publish a request for standing data form which must comply with Annex 1 of the Electricity Industry Customer Transfer Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
4	Electricity Industry Customer Transfer Code clause 3.1(1)(b)	A network operator must publish a request for historical data form which must comply with Annex 2 of the Electricity Industry Customer Transfer Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
5	Electricity Industry Customer Transfer Code clause 3.1(2)	If a network operator publishes an amended data request form it must comply with Annex 1 or Annex 2 of the Electricity Industry Customer Transfer Code, as applicable.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.				
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.	2					

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.				
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.	2					
10	Electricity Industry Customer Transfer Code clause 3.7(1)	A network operator must, subject to clause 3.7(3) of the Electricity Industry Customer Transfer Code, electronically notify a retailer if its data request is not valid.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
11	Electricity Industry Customer Transfer Code clause 3.7(2)	A network operator must comply with clause 3.7(1) of the Electricity Industry Customer Transfer Code within defined timeframes depending on the number of standing or historical data requests that the retailer submits.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
12	Electricity Industry Customer Transfer Code clause 3.8(1)	A network operator must use all reasonable endeavours to provide to the retailer the requested data under a valid data request.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
13	Electricity Industry Customer Transfer Code clause 3.8(2)(a)	A network operator must provide the requested data under a valid data request electronically in a format in accordance with the communication rules if they have been approved or otherwise in accordance with the metering code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
14	Electricity Industry Customer Transfer Code clause 3.8(2)(b)	A network operator must provide the requested data under a valid data request in accordance with a specified timetable.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
15	Electricity Industry Customer Transfer Code clause 3.8(3)	A network operator must electronically notify the retailer of the most likely exit points to which a data request relates, up to a maximum of 10, if a retailer submits a data request under clause 3.4 and the network operator has not allocated a UMI for the exit point and it is unable to determine a single exit point to which the data request relates.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
20	Electricity Industry Customer Transfer Code clause 3.10(1)	A network operator must not charge for the provision of standing data.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
21	Electricity Industry Customer Transfer Code clause 3.10(2)	A network operator must not charge more for historical consumption data than the defined amounts.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
22	Electricity Industry Customer Transfer Code clause 4.1	A network operator must publish a customer transfer request form which must comply with Annex 3 of the Electricity Industry Customer Transfer Code.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.				
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.	2					
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.	2					

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.				
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.	2					
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.	2					
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.	2					
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.	2					
31	Electricity Industry Customer Transfer Code clause 4.9(1)	A network operator must object to a customer transfer request in certain circumstances as set out in clause 4.9(1) of the Electricity Industry Customer Transfer Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
32	Electricity Industry Customer Transfer Code clause 4.9(2)	A network operator must not object to a customer transfer request otherwise than in accordance with clause 4.9(1) of the Electricity Industry Customer Transfer Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
33	Electricity Industry Customer Transfer Code clause 4.9(3)	A network operator that objects to a customer transfer request must give an electronic notice detailing specified information to a retailer within the timeframe prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
35	Electricity Industry Customer Transfer Code clause 4.10(1)	A network operator must take certain action in accordance with a defined timetable following the receipt of a valid customer transfer request, subject to clauses 4.10(2) and 4.10(3) of the Electricity Industry Customer Transfer Code and using all reasonable endeavours to affect the transfer.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
36	Electricity Industry Customer Transfer Code clause 4.10(2)	A network operator must take certain action if it considers that it is unlikely to be able to meet its obligations under clause 4.10(1) of the Electricity Industry Customer Transfer Code within the defined timetable.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
37	Electricity Industry Customer Transfer Code clause 4.10(3)	In certain circumstances a network operator must electronically notify the retailer of the most likely exit points to which a customer transfer request relates, up to a maximum of 10, if the network operator has not allocated the exit point a UMI and it is unable to determine a single exit point to which the customer transfer request relates, within the specified timeframe.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
38	Electricity Industry Customer Transfer clause 4.11(1)	A transfer may only occur on a day the contestable customer's meter is actually read.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
41	Electricity Industry Customer Transfer Code clause 4.13	A network operator must within two business days after the transfer date give an electronic notice of the transfer and the transfer date to the incoming retailer, the previous retailer and, if applicable, the independent market operator.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
42	Electricity Industry Customer Transfer Code clause 4.14	A network operator must, following a transfer, do all that is necessary to ensure that charges up to the transfer time are paid by or charged to the previous retailer and charges from the transfer time are paid by or charged to the incoming retailer.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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.	NR	Minor	Unlikely	Low	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
46	Electricity Industry Customer Transfer Code clause 5.1(1)	A network operator must submit communication rules to the Authority within six months after the commencement of the Electricity Industry Customer Transfer Code.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
47	Electricity Industry Customer Transfer Code clause 5.1(3)	A network operator must take certain action before submitting the communication rules to the Authority.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
48	Electricity Industry Customer Transfer Code clause 5.1(4)	A network operator and a retailer must comply with approved communication rules.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's				
50	Electricity Industry Customer Transfer Code clause 6.3(1)	A network operator must use its reasonable endeavours to ensure that a retailer can give it a notice by post, facsimile or electronic communication and notify the retailer of a telephone number for voice communication.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
51	Electricity Industry Customer Transfer Code clause 6.3(2)	A network operator must notify each retailer of its initial contact details, and any amended contact details at least three business days before the change takes effect.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.				
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.	2					
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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
60	Electricity Industry Customer Transfer Code Annex 1	A network operator's request for standing data must require a retailer to provide certain information.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
61	Electricity Industry Customer Transfer Code Annex 2	A network operator's request for historical consumption data must require a retailer to provide certain information.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
62	Electricity Industry Customer Transfer Code Annex 3	A network operator's customer transfer request form must require a retailer to provide certain information.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
63	Electricity Industry Customer Transfer Code Annex 4 clause A4.1	A network operator must provide certain information, if available, to a retailer who submits a request for standing data.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
64	Electricity Industry Customer Transfer Code Annex 4 clause A4.2	A network operator must provide certain metering data, if available, in a prescribed manner to a retailer who submits a request for historical consumption data.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
65	Electricity Industry Customer Transfer Code Annex 5 clause A5(5)	A network operator must respond to a request from a retailer for a UMI and checksum for an exit point within one business day of receiving a retailer's request.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
66	Electricity Industry Customer Transfer Code Annex 5 clause A5(6)	A network operator must provide the most likely matches to the retailer, up to a maximum of 99, if a request does not return a single UMI and checksum.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
67	Electricity Industry Customer Transfer Code Annex 5 clause A5(7)	A network operator must, unless otherwise advised by the retailer, provide the UMI and checksum for the relevant exit point if a request returns a single UMI and checksum.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit 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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
10 Electricity Industry (Obligation to Connect) Code								
72	Electricity Industry (Obligation to Connect) Regulations regulation 4	A distributor must attach or connect premises to a distribution system if a retailer or customer takes certain action and the circumstances in regulation 5(1) of the Electricity Industry (Obligation to Connect) Regulations exist.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
73	Electricity Industry (Obligation to Connect) Regulations regulation 5(5)	A distributor that is obliged to attach or connect premises to the distribution system under regulation 4 of the Electricity Industry (Obligation to Connect) Regulations must extend the distribution system to a suitable connection point.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
74	Electricity Industry (Obligation to Connect) Regulations regulation 5(6)	The capacity and standard of an extension must be adequate for the supply required and in accordance with accepted good industry practice as it would be applied by a prudent distributor.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
75	Electricity Industry (Obligation to Connect) Regulations regulation 6	A distributor that is obliged to attach or connect premises to the distribution system under regulation 4 of the Electricity Industry (Obligation to Connect) Regulations must do so within a defined timeframe.	2	Moderate	Likely	High	Moderate	Audit Priority 2
76	Electricity Industry (Obligation to Connect) Regulations regulation 7(1)	A distributor must energise premises in certain prescribed circumstances.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
77	Electricity Industry (Obligation to Connect) Regulations regulation 8	A distributor that is obliged to energise premises must do so within a defined timetable.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
11 Electricity Industry (Customer Contracts) Regulations *Applicable from 1 May 2011								
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.	2	Moderate	Unlikely	Medium	Strong	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
81	Electricity Industry (Customer Contracts) Regulations 2005 regulation 7	A non standard contract must specify certain information about the retailer.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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,	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
98	Electricity Industry (Customer Contracts) Regulations 2005 regulation 33(3) and (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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
99	Electricity Industry (Customer Contracts) Regulations 2005 regulation 36	The licensee must determine, from time to time, the default supplier for each connection point that connects to a distribution system operated by the licensee.	2	Moderate	Probable	Medium	Moderate	Audit 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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
12 Electricity Industry Act								
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.	NR	Minor	Unlikely	Low	Strong	Audit Priority 5
102	Electricity Industry Act section 14(1)(a)	A licensee must provide for an asset management system.	NR	Minor	Probable	Low	Strong	Audit Priority 5
103	Electricity Industry Act section 14(1)(b)	A licensee must notify details of the asset management system and any substantial changes to it to the Authority.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
104	Electricity Industry Act section 14(1)(c)	A licensee must provide the Authority with a report by an independent expert as to the effectiveness of its asset management system every 24 months, or such longer period as determined by the Authority.	NR	Minor	Unlikely	Low	Strong	Audit Priority 5
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.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
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.	NR	Minor	Probable	Low	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Strong	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
112	Electricity Industry Act section 115(1)	A licensee that is a network service provider or an associate of a network service provider, in relation to network infrastructure covered by the Code, must not engage in conduct for the purpose of hindering or prohibiting access by any person to services in accordance with the Code, the making of access agreements or any particular agreement in respect of those facilities, or the access to which a person is entitled under an access agreement or a determination made by way of arbitration.	2	Moderate	Unlikely	Medium	Moderate	Audit 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
13 Electricity Licences - Licence Conditions and Obligations								
114	Integrated Regional Licence condition 23.1	A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable codes.	2	Moderate	Probable	Medium	Weak	Audit Priority 3
115	Integrated Regional 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
116	Integrated Regional 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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
117	Integrated Regional 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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
118	Integrated Regional Licence condition 25.1	A licensee may only amend the standard form contract with the Authority's approval.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
119	Integrated Regional Licence condition 12.1 or 24.1	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.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
120	Integrated Regional Licence condition 13.4 or 25.4	A licensee must comply with any individual performance standards prescribed by the Authority.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
121	Integrated Regional 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.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
122	Integrated Regional Licence condition 20.5	A licensee must comply, and must require the licensee's expert to comply, with the relevant aspects of the Authority's standard guidelines dealing with the asset management system.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
123	Integrated Regional 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
124	Integrated Regional 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
125	Integrated Regional 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
126	Integrated Regional Licence condition 18.1	Unless otherwise specified, all notices must be in writing.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
127	Distribution Licence condition 29.1 Integrated Regional Licence condition 29.1	A distributor must create and maintain a Priority Restoration Register.	1	Major	Probable	High	Moderate	Audit Priority 2
128	Distribution Licence condition 29.3 Integrated Regional Licence condition 29.3	The Priority Restoration Register must comply with any criteria determined by the Minister.	1	Major	Probable	High	Moderate	Audit Priority 2
14 Code of Conduct (Small Use Code)								
Part 2 Marketing								
129	Code of Conduct clause 2.1	A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.	2	Moderate	Probable	Medium	Weak	Audit Priority 3
130	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 in clause 2.2.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
131	Code of Conduct clause 2.3(1)(a)-(b)	An electricity marketing agent acting on behalf of Electricity Retail Corporation or Regional Power Corporation must ensure that the information specified in subclauses 2.3(1)(a)-(b) is provided to the customer before arranging a contract.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
132	Code of Conduct clause 2.3(1)(c)-(d)	An electricity marketing agent must ensure that the information specified in subclauses 2.3(1)(c)-(d) is provided to the customer before arranging a contract.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
133	Code of Conduct clause 2.3(2)	For a standard form contract that is not an unsolicited consumer agreement or for a non-standard contract by the customer, an electricity marketing agent must obtain and make a record of the customer's verifiable consent that the specified information in subclause 2.3(1), as applicable, has been given.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
134	Code of Conduct clause 2.3(3)	When a standard form contract is an unsolicited consumer agreement or a non-standard contract (other than that initiated by the customer), an electricity marketing agent must obtain the customer's written acknowledgement that the specified information in subclause 2.3(1), as applicable, has been given.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
135	Code of Conduct clause 2.4(1)	When a customer enters into a new contract that is not an unsolicited consumer agreement 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 if this offer is accepted by the customer, provide a copy of the contract at that time or as soon as possible, but no more than 28 days thereafter.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
136	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 to the customer the information specified in subclause 2.4(2)	2	Moderate	Probable	Medium	Strong	Audit Priority 4
137	Code of Conduct clause 2.4(3)	Subject to subclause 2.4(4), for a standard form contract, a retailer or electricity marketing agent must give the specified information in subclause 2.4(2) no later than with, or on, the customer's first bill. If requested by a customer, and before a customer has entered into a non standard form contract or a standard form contract that is an unsolicited consumer agreement, the electricity marketing agent must obtain the customer's written acknowledgement that the information in subclause 2.4(2) has been given; if the customer has not previously been provided a written copy of the contract, a copy of the contract must be provided at no charge to the customer.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
138	Code of Conduct clause 2.5(1)	An electricity marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
139	Code of Conduct clause 2.5(2)	An electricity marketing agent must ensure that all non-standard contracts that are not unsolicited consumer agreements are in writing.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
140	Code of Conduct clause 2.5(3)	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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
141	Code of Conduct clause 2.6(1)	An electricity marketing agent must, on request, provide a customer with the information specified in subclause 2.6(1).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
142	Code of Conduct clause 2.6(2)	An electricity marketing agent who meets with a customer face to face must: · when negotiating a contract that is not an unsolicited consumer agreement, as soon as practicable tell the customer the purpose of the visit; · wear a clearly visible and legible identity card showing the information specified in subclause 2.6(2)(b); and · as soon as practicable provide the written information specified in subclause 2.6(2)(c).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
143	Code of Conduct clause 2.6(3) and 2.6(4)	Except when responding to a customer request or query, a retailer or other party must keep the specified records in subclause 2.6(3) each time it initiates contact with a customer for the purposes of marketing.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
144	Code of Conduct clause 2.9(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 upon 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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
145	Code of Conduct clause 2.9(2)	A record or other information that an electricity marketing agent is required by the Code to keep must be kept for at least two (2) years after the last time the person to whom the information relates was contacted by or on behalf of the electricity marketing agent or after receipt of the last contact from or on behalf of the electricity marketing manager, whichever is the later. <i>Obligation (155) to 1 January 2013:</i> <i>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>	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
Part 3 Connection								
146	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.	2	Not applicable - these clauses specify an obligation for a retailer to act in relation to a distributor (network operator), which can only exist where the retailer is a separate entity to the network operator and which is not the case in Horizon Power's circumstances.				
147	Code of Conduct clause 3.1(2)	Unless the customer agrees otherwise, a retailer must forward the customer's request for the connection to the relevant distributor that same day, if the request is received before 3pm on a business day; or the next business day if the request is received after 3pm or on a weekend or public holiday.	2					
Part 4 Billing								
148	Code of Conduct clause 4.1	A retailer must issue a bill no more than once a month and at least once every three (3) months, unless under the circumstances specified in subclause 4.1.	2	Moderate	Likely	High	Moderate	Audit Priority 2
149	Code of Conduct clause 4.2(1)	For the purposes of subclause 4.1(a)(ii), a retailer has given a customer notice, if, prior to placing a customer on a shortened billing cycle, the retailer advises the customer of the information specified in subclause 4.2(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
150	Code of Conduct clause 4.2(2)	A retailer must not place a residential customer on a shortened billing cycle without the customer's verifiable consent if the customer informs the retailer that the customer is experiencing payment difficulties or financial hardship.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
151	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
152	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
153	Code of Conduct clause 4.2(5)	Upon request, a retailer must return a customer, who is subject to a shortened billing cycle and has paid three (3) consecutive bills by the due date to the billing cycle that previously applied to the customer.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
154	Code of Conduct clause 4.2(6)	At least once every three (3) months, a retailer must inform a customer, who is subject to a shortened billing cycle of the conditions upon which a customer can be returned to the customer's previous billing cycle.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
155	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 a bill which reflects a bill smoothing arrangement.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
156	Code of Conduct clause 4.3(2)	If a retailer provides a customer with a bill under a bill smoothing arrangement, the retailer must ensure that the conditions specified in subclause 4.3(2) are met.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
157	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
158	Code of Conduct clause 4.5(1)	Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in subclause 4.5(1) on the customer's bill.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
159	Code of Conduct clause 4.5(3)	If a retailer identifies and wishes to bill a customer for an historical debt, the retailer must advise the customer of the amount of the historical debt and its basis before, with or on the customer's next bill.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
160	Code of Conduct clause 4.6(1)	A retailer must base a customer's bill on the following: - the distributor's or metering agent's reading of the meter at the customer's supply address, or - the customer's reading of the meter in the circumstances specified in subclause 4.6(1)(b) or - where the connection point is a type 7 connection point, the procedure as set out in the metrology procedure or Metering Code. <i>Obligation (169) to 1 January 2013:</i> <i>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>	2	Moderate	Probable	Medium	Strong	Audit Priority 4
161	Code of Conduct clause 4.6(2)	Prior to a customer reading a meter under subclause 4.6(1)(b), a retailer must give the customer information that explains how to read a meter correctly in clear, simple and concise language.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
162	Code of Conduct clause 4.7	Other than in respect of a Type 7 connection, 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 12 months.	NR	Minor	Likely	Medium	Moderate	Audit Priority 4
163	Code of Conduct clause 4.8(1)	If a retailer is unable to reasonably base a bill on a reading of the meter, a retailer must give the customer an estimated bill.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
164	Code of Conduct clause 4.8(2)	In circumstances where the customer's bill is estimated, a retailer must specify in a visible and legible manner, on the customer's bill the information detailed in subclause 4.8(2).	2	Moderate	Probable	Medium	Strong	Audit Priority 4
165	Code of Conduct clause 4.8(3)	Upon request, a retailer must inform a customer of the basis and the reason for the estimation.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
166	Code of Conduct clause 4.9	If a 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 in accordance with clause 4.19.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
167	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 in subclause 4.10.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
168	Code of Conduct clause 4.11(1)	If a customer requests the meter to be tested and pays a retailer's reasonable charge (if any) for doing so, a retailer must request the distributor or metering agent to do so	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
169	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
170	Code of Conduct clause 4.12(1)	If a retailer offers alternative tariffs and a customer applies to receive an alternate tariff (and demonstrates to the retailer that they satisfy the conditions of eligibility), a retailer must change the customer to an alternate tariff within 10 business days of the customer satisfying those conditions	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
171	Code of Conduct clause 4.13	If a customer's electricity use changes and the customer is no longer eligible to continue to receive an existing, more beneficial tariff, a retailer must give the customer written notice prior to changing the customer to an alternative tariff.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
172	Code of Conduct clause 4.14(1)	If a customer requests a retailer to issue a final bill at the customer's supply address, a retailer must use reasonable endeavours to arrange for that final bill in accordance with the customer's request.	NR	Minor	Probable	Low	Strong	Audit Priority 5
173	Code of Conduct clause 4.14(2)	A retailer must repay the customer any amount in credit at the time of the account's closure.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
174	Code of Conduct clause 4.15	Subject to a customer paying that portion of the bill under review that a customer and a retailer agree is not in dispute, or an amount equal to the average amount of the customer's bill over the previous 12 months (excluding the bill in dispute, whichever is less), and paying any future bills that are properly due, a retailer must review the customer's bill on request by the customer.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
175	Code of Conduct clause 4.16(1)(a)	If a review of a bill has been conducted and the retailer is satisfied that the bill is correct, the retailer may require a customer to pay the unpaid amount; must advise the customer that the customer may request the retailer to arrange a meter test in accordance with the applicable law; and must advise the customer of the existence and operation of the retailer's internal complaints handling processes and details of any applicable external complaints handling processes.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
176	Code of Conduct clause 4.16(1)(b)	If a review of the bill has been conducted and a retailer is satisfied that the bill is incorrect, a retailer must adjust the bill in accordance with clauses 4.17 and 4.18.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
177	Code of Conduct clause 4.16(2)	The retailer must inform a customer of the outcome of the review of a bill as soon as practicable.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
178	Code of Conduct clause 4.16(3)	If the retailer has not informed a customer of the outcome of the review of a bill within 20 business days from the date of receipt of the request for review, the retailer must provide the customer with notification of the status of the review as soon as practicable.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
179	Code of Conduct clause 4.17(2)	If a retailer proposes to recover an amount undercharged as a result of an error, defect, or default for which the retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must do so in the manner specified in subclause 4.17(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
180	Code of Conduct clause 4.18(2)	If a customer (including a customer who has vacated the supply address) has been overcharged as a result of an error, defect, or default for which a retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must use its best endeavours to inform the customer within 10 business days of a retailer becoming aware of the error, defect, or default, and, subject to subclause 4.18(6), ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
181	Code of Conduct clause 4.18(3)	A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
182	Code of Conduct clause 4.18(4)	In circumstances where instructions regarding repayment of an overcharged bill are not received within 20 business days of a retailer making the request, a retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
183	Code of Conduct clause 4.18(6)	Where the amount overcharged is less than \$75, refer to subclause 4.18(6) as to how a retailer may proceed to deal with the matter.	NR	Minor	Likely	Medium	Weak	Audit Priority 3
184	Code of Conduct clause 4.19(1)	If a retailer proposes to recover from a customer an amount of an adjustment which does not arise due to any act or omission of the customer, a retailer must comply with subclause 4.19(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
185	Code of Conduct clause 4.19(2)	If the meter is read pursuant to either clause 4.6 or clause 4.3(2)(d) and the amount of the adjustment is an amount owing to the customer, the retailer must use its best endeavours to inform the customer accordingly within 10 business days and, subject to subclause (5), ask the customer for instructions about the repayment of the amount owing.	NR	Minor	Likely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
186	Code of Conduct clause 4.19(3)	If a retailer received instructions under subclause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
187	Code of Conduct clause 4.19(4)	If a retailer does not receive instructions under subclause 4.19(2), within 20 business days of making the request, the retailer must use reasonable endeavours to credit the amount of the adjustment to the customer's account.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
Part 5 Payment								
188	Code of Conduct clause 5.1	The due date on the bill must be at least 12 business days from that date of the bill. Unless a retailer specifies a later date, the date of dispatch is the date of the bill.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
189	Code of Conduct clause 5.2(1)	A retailer must offer the following specified minimum payment methods: in person at one or more payment outlets located within the Local Government District of the customer's supply address; by mail; for residential customers, by Centrepay; electronically by means of BPay or credit card; and by telephone by means of credit card.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
190	Code of Conduct clause 5.3	A retailer must, prior to commencing a direct debit, obtain the customer's verifiable consent and agree with the customer, wherever possible, the amount to be debited; and the date and frequency of the direct debit	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
191	Code of Conduct clause 5.4	Upon request, a retailer must accept payment in advance from a customer. Acceptance of an advance payment will not require a retailer to credit any interest to the amounts paid in advance. The minimum amount for which a retailer will accept an advance payment is \$20.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
192	Code of Conduct clause 5.5	If a customer is unable to pay by way of the methods described in clause 5.2, due to illness or absence, a retailer must offer a residential customer a redirection of the customer's bill to a third person at no charge.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
193	Code of Conduct clause 5.6(1)	A retailer must not charge a residential customer a late payment fee in the circumstances specified in subclause 5.6(1).	2	Moderate	Probable	Medium	Strong	Audit Priority 4
194	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 (5) business days from the date of receipt of the previous late payment fee notice.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
195	Code of Conduct clause 5.6(3)	A retailer must not charge a residential customer more than two (2) late payment fees in relation to the same bill and no more than 12 late payment fees in a year.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
196	Code of Conduct clause 5.6(4)	If a residential customer has been assessed by a retailer as being in financial hardship, a retailer must retrospectively waive any late payment fee charged to the residential customer's last bill prior to the assessment being made.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
197	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 in subclause 5.7(1).	2	Moderate	Probable	Medium	Weak	Audit Priority 3
198	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
199	Code of Conduct clause 5.7(4)	Notwithstanding subclauses 5.7(1) and (2), a retailer must not require a previous customer to pay for electricity consumed at the supply address in the circumstances specified in subclause 5.7(4).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
200	Code of Conduct clause 5.8(1)	A retailer must comply with Part 2 of the debt collection guideline issued by the Australian Competition and Consumer Commission concerning section 50 of the Australian Consumer Law (WA).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
201	Code of Conduct clause 5.8(2)	A retailer must not commence proceedings for recovery of a debt from a residential customer who meets the criteria in subclause 5.8(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
202	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 6 Payment difficulties and financial hardship								

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
203	Code of Conduct clause 6.1(1)	If a residential customer informs a retailer that the residential customer is experiencing payment problems, a retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within three (3) business days.	2	Moderate	Probable	Medium	Weak	Audit Priority 3
204	Code of Conduct clause 6.1(2)	When undertaking an assessment regarding payment difficulties or financial hardship, a retailer must give reasonable consideration to the information given by the residential customer and requested or held by the retailer; or advice given by an independent financial counsellor or relevant consumer representative organisation	NR	Minor	Probable	Low	Moderate	Audit Priority 5
205	Code of Conduct clause 6.1(3)	Upon request, a retailer must advise a residential customer of the details and outcome of an assessment carried out under subclause 6.1(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
206	Code of Conduct clause 6.2(1)	A retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions if the customer demonstrates to the retailer that the customer has made an appointment with a relevant consumer representative organisation.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
207	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
208	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.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
209	Code of Conduct clause 6.3(1)(a)	In circumstances where a residential customer is assessed as experiencing payment difficulties, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and advise the residential customers that additional assistance may be available if, due to financial hardship, the residential customer would be unable to meet its obligations under an agreed alternative payment arrangement.	2	Moderate	Likely	High	Moderate	Audit Priority 2
210	Code of Conduct clause 6.3(1)(b)	In circumstances where a residential customer is assessed as experiencing financial hardship, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1) and assistance in accordance with clauses 6.6 to 6.9	2	Moderate	Likely	High	Moderate	Audit Priority 2
211	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 following two (2) payment arrangements: additional time to pay a bill; and an interest-free and fee-free instalment plan or other arrangement under which the residential customer is given additional time to pay a bill or to pay arrears (including any disconnection and reconnection charges), while being permitted to continue consumption.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
212	Code of Conduct clause 6.4(2)	When offering an instalment plan to a residential customer experiencing payment difficulties or financial hardship, a retailer must comply with subclause 6.4(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
213	Code of Conduct clause 6.6(1)	A retailer must give reasonable consideration to a request by a customer experiencing financial hardship, or a relevant consumer representative organisation, for a reduction of the customer's fees, charges, or debt.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
214	Code of Conduct clause 6.6(2)	In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the guidelines in its hardship policy referred to in subclause 6.10(2)(d).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
215	Code of Conduct clause 6.7	Where it is reasonably demonstrated to the retailer that the customer experiencing financial hardship is unable to meet the customer's obligations under the previously elected payment arrangement, a retailer must give reasonable consideration to offering the customer an instalment plan or offering to revise an existing instalment plan.	NR	Minor	Likely	Medium	Moderate	Audit Priority 4
216	Code of Conduct clause 6.8	A retailer must advise a customer experiencing financial hardship of the following: a customer's right to have the bill redirected to a third person, at no charge; payment methods available to the customer; concessions available to the customer and how to access them; different types of meters available to the customer; energy efficiency information available to the customer, including the option of an energy efficiency audit; independent financial counselling available to the customer; and the availability of any other financial assistance and grants schemes.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
217	Code of Conduct clause 6.9(1)	A retailer must determine the minimum payment in advance amount, as referred to in subclause 5.4(3), for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representative organisations.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
218	Code of Conduct clause 6.10(1)	A retailer must develop a hardship policy to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer.	2	Moderate	Probable	Medium	Strong	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
219	Code of Conduct clause 6.10(2)	A retailer must ensure that its hardship policy complies with the criteria specified in subclause 6.10(2).	2	Moderate	Likely	High	Strong	Audit Priority 2
220	Code of Conduct clause 6.10(3)	A retailer must give residential customers, financial counsellors and relevant consumer representative organisations details of the retailer's hardship policy, at no charge. The retailer must provide all residential customers identified as experiencing financial hardship with details of its hardship policy, including by post, if requested.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
221	Code of Conduct clause 6.10(4)	A retailer must keep a record of the following: the relevant consumer representative organisations consulted on the contents of its hardship policy; the date the hardship policy was established; the dates the hardship policy was reviewed; and the dates the hardship policy was amended	2	Moderate	Probable	Medium	Strong	Audit Priority 4
222	Code of Conduct clause 6.10(5)	Unless otherwise notified in writing by the Authority, a retailer must review its hardship policy at least annually and submit to the Authority the results of that review within five (5) business days of its completion.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
223	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
224	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 7 Disconnection								
225	Code of Conduct clause 7.1(1)	Prior to arranging for disconnection of a customer's supply address for failure to pay a bill, a retailer must give the customer a reminder notice not less than 13 business days from the date of dispatch of the bill, including the information specified in subclause 7.1(1)(a), use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified in subclause 7.1(1)(c)	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
226	Code of Conduct clause 7.2(1)	A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in subclause 7.2(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
227	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.	2	Clause is not applicable as Horizon Power is not licensed to engage in dual fuel contracts.				
228	Code of Conduct clause 7.4(1)	A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified in subclause 7.4(1) are satisfied.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
229	Code of Conduct clause 7.5	A distributor who disconnects a customer's supply address for emergency reasons must provide a 24 hour emergency line and use its best endeavours to restore supply as soon as possible.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
230	Code of Conduct clause 7.6	A retailer or distributor must comply with the limitations specified in clause 7.6 when arranging for disconnection or disconnecting a customer's supply address.	1	Major	Probable	High	Moderate	Audit Priority 2
231	Code of Conduct clause 7.7(1)	Where a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment the retailer must comply with subclause 7.7(1)	1	Major	Probable	High	Moderate	Audit Priority 2
232	Code of Conduct clause 7.7(2)	Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's supply address, contact details, life support equipment or that the customer's supply address no longer requires registration as a life support equipment address, the retailer must undertake the actions specified in subclause 7.7(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
233	Code of Conduct clause 7.7(3)	Where a distributor has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, or of a change of details notified to the retailer under subclause 7.7(2), the distributor must comply with subclause 7.7(3). <i>Obligation (237) to 7 December 2012:</i> <i>A distributor must undertake the actions specified in circumstances where the distributor has been informed by a retailer or a relevant government agency that a person residing at a customer's supply address requires life support equipment.</i>	1	Major	Probable	High	Moderate	Audit Priority 2

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
234	Code of Conduct clause 7.7(4)	Where the distributor has already provided notice of a planned interruption under the Network Quality and Reliability of Supply Code 2005 that will affect a supply address and has been informed by a retailer under subclause 7.7(1)(c) or by a relevant government agency that a person residing at a customer's supply address requires life support equipment, the distributor must use best endeavours to contact that customer prior to the planned interruption.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
Part 8 Reconnection								
235	Code of Conduct clause 8.1(1)	A retailer must arrange for reconnection of the customer's supply address if the customer remedies their breach, makes a request for reconnection, and pays the retailer's reasonable charges (if any) for reconnection or accepts an offer of an instalment plan for the retailer's reasonable charges.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
236	Code of Conduct clause 8.1(2)	A retailer must forward the request for reconnection to the relevant distributor within the timeframes specified.	2	As this clause refers to the relationship between a retailer and a distributor it is not applicable as Horizon Power is both the distributor and retailer under the integrated regional licence.				
237	Code of Conduct clause 8.2	A distributor must reconnect the customer's supply address upon the request of a retailer, within the timeframes specified in subclause 8.2(2).	2	Moderate	Probable	Medium	Weak	Audit Priority 3
Part 9 Pre-payment meters in remote communities								
238	Code of Conduct clause 9.1(2)	A distributor may only operate a pre-payment meter and a retailer may only offer a pre-payment meter service in an area that has been declared by the Minister by notice published in the Government Gazette.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
239	Code of Conduct clause 9.2(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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
240	Code of Conduct clause 9.2(2)	A retailer must establish an account for each pre-payment meter operating at a residential customer's supply address.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
241	Code of Conduct clause 9.2(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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
242	Code of Conduct clause 9.3(1)	A retailer must advise a residential customer who requests information on the use of a pre-payment meter, at no charge, and in clear, simple and concise language, the information specified in subclause 9.3(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
243	Code of Conduct clause 9.3(2)	At the time a residential customer enters into a pre-payment meter contract at a residential customer's supply address, a retailer must give the customer (at no charge) the information specified in subclause 9.3(1), as well as that in subclause 9.3(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
244	Code of Conduct clause 9.3(3)	A retailer must ensure that the following information is shown on or directly adjacent to a residential customer's pre-payment meter: the positive or negative financial balance of the pre-payment meter within one dollar (\$1) of the actual balance; whether the pre-payment meter is operating on normal credit or emergency credit; a telephone number for enquiries; the distributor's 24-hour telephone number for faults and emergencies; and details of recharge facilities.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
245	Code of Conduct clause 9.3(4)	Upon request and at no charge, a retailer must give a pre-payment meter customer the following information: total energy consumption; average daily consumption; and the average daily cost of consumption for the previous two (2) years, or since the commencement of the pre-payment meter contract (whichever is shorter), divided into quarterly segments.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
246	Code of Conduct clause 9.4(1)	If a pre-payment meter customer notifies a retailer that it wants to replace or switch the pre-payment meter to a standard meter, within one (1) business day of the request the retailer must send the specified information to the customer and arrange with the relevant distributor to remove or render non-operational the pre-payment meter, and replace or switch the pre-payment meter to a standard meter.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
247	Code of Conduct clause 9.4(2)	A retailer must not require payment of a charge for reversion to a standard meter if the pre-payment customer is a residential customer and that customer, or their nominated representative, requests reversion of a pre-payment meter within three (3) months of its installation or the date the customer agreed to enter into the pre-payment contract, whichever is the latter.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
248	Code of Conduct clause 9.4(4)	If a retailer requests the distributor to revert a pre-payment meter, the distributor must do so within five (5) business days of receipt of the request for supply addresses within the metropolitan region; and within 10 days for supply addresses within regional areas.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
249	Code of Conduct clause 9.4(5)	Not less than 20 business days and not more than 40 business days prior to the expiry of the initial three (3) month period, a retailer must send a notice in writing or by electronic means to a residential pre-payment meter customer advising the customer of the date of the expiry of the customer's rights to revert to a standard meter at no charge, as well as the options available to the residential pre-payment meter customer.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
250	Code of Conduct clause 9.5(1)	A retailer must not provide a pre-payment meter service if the residential customer, or a person residing at the residential customer's supply address, requires life support equipment.	1	Major	Probable	High	Moderate	Audit Priority 2
251	Code of Conduct clause 9.5(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, or must immediately arrange to, remove or render non-operational the pre-payment meter at no charge; replace or switch the pre-payment meter to a standard meter at no charge; and provide information to the pre-payment meter customer about the contract options available to the customer.	1	Major	Probable	High	Moderate	Audit Priority 2
252	Code of Conduct clause 9.5(3)	If a retailer requests a distributor to revert a pre-payment meter under subclause 9.5(2), the distributor must revert the pre-payment meter within the time frames specified in subclause 9.5(3).	1	Major	Probable	High	Moderate	Audit Priority 2
253	Code of Conduct clause 9.6	A retailer must ensure that a pre-payment meter service complies with the prescribed requirements in subclause 9.6.	2	Moderate	Likely	High	Moderate	Audit Priority 2
254	Code of Conduct clause 9.7(a), (b) and (d)	A retailer must ensure that: at least one recharge facility is located as close as practicable to a pre-payment meter, and in any case no further than 40 kilometres away; a pre-payment meter customer can access a recharge facility at least three (3) hours per day, five (5) days a week; and the minimum amount to be credited by a recharge facility does not exceed \$10 per increment.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
255	Code of Conduct clause 9.8	If a pre-payment meter customer demonstrates to a retailer that the customer is entitled to receive a concession, a retailer must ensure that the pre-payment meter customer receives the benefit of the concession.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
256	Code of Conduct clause 9.9(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 and/or arrange for a test of the metering installation at the connection point.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
257	Code of Conduct clause 9.9(2)	If requested by a retailer, a distributor must check or test a pre-payment meter	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
258	Code of Conduct clause 9.9(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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
259	Code of Conduct clause 9.10(1)	Subject to the pre-payment meter customer notifying a retailer of the proposed vacation date, a retailer must ensure that a pre-payment customer can retrieve all remaining credit at the time the pre-payment meter customer vacates the supply address.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
260	Code of Conduct clause 9.10(2)	If a pre-payment meter customer (including a pre-payment meter customer who has vacated the address) has been overcharged as a result of an act or omission of a retailer or distributor, the retailer must (except in the circumstances in 9.10(7)) use its best endeavours to inform the pre-payment meter 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.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
261	Code of Conduct clause 9.10(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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
262	Code of Conduct clause 9.10(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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
263	Code of Conduct clause 9.10(6)	If a retailer proposes to recover an amount undercharged to a pre-payment meter customer as a result of an act or omission by the retailer or distributor, the retailer must comply with the conditions specified in subclause 9.10(6).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
264	Code of Conduct clause 9.11	Where a customer owes a debt to a retailer, the retailer may only adjust the tariff payable by a pre-payment meter customer to recover any amount owing at a maximum of \$10 on the first day, and then at a rate of no more than \$2 per day thereafter, unless otherwise authorised by an applicable law. <i>Obligation (265) to 1 January 2013:</i> <i>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.</i>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
265	Code of Conduct clause 9.12(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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
266	Code of Conduct clauses 9.12(2) and (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 as having been disconnected in the manner specified in subclause 9.12(2)(b), the retailer must use its best endeavours to contact the customer as soon as reasonably practicable to provide the information prescribed in subclause 9.12(2)(c)-(g) and in the manner stated in subclause 9.12(3).	NR	Minor	Probable	Low	Moderate	Audit Priority 5
267	Code of Conduct clause 9.13 (3)	Where a grandfathered pre-payment meter is upgraded or modified, the modified or upgraded pre-payment meter must comply with the applicable requirements of Part 9.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 10 Information and communication								
268	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, as soon as practicable after the variation is published and no later than the next bill in the customer's billing cycle.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
269	Code of Conduct clause 10.1(2)	Upon request and at no charge, a retailer must provide a customer, with reasonable information on the retailer's tariffs, including alternative tariffs.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
270	Code of Conduct clause 10.1(3)	A retailer must give a customer the information requested on tariffs within eight (8) business days of the date of receipt, and, if requested, a retailer must provide the information in writing.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
271	Code of Conduct clause 10.2(1)	Upon request, a retailer must provide a non-contestable customer with their billing data.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
272	Code of Conduct clause 10.2(2)	If a non-contestable customer requests billing data for a period less than the previous two (2) years and no more than once a year, or in relation to a dispute with the retailer, a retailer must provide the data at no charge	2	Moderate	Probable	Medium	Strong	Audit Priority 4
273	Code of Conduct clause 10.2(3)	A retailer must give the requested billing data under subclause 10.2(1) within 10 business days of the receipt of the request or upon the payment of the retailer's reasonable charge for providing the billing data.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
274	Code of Conduct clause 10.2(4)	A retailer must keep a non-contestable customer's billing data for seven (7) years.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
275	Code of Conduct clause 10.3	Upon request and at no charge, a retailer must give provide a residential customer with information on the types of concessions available to the residential customer, and the name and contact details of the organisation responsible for administering those concessions (if not the retailer).	2	Moderate	Probable	Medium	Strong	Audit Priority 4
276	Code of Conduct clause 10.3A	At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 of this code and under any other legislation in Western Australia including the amount of the payment and the eligibility criteria for the payment.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
277	Code of Conduct clause 10.4	Upon request and at no charge, a retailer must provide a customer with general information on cost effective and efficient ways to utilise electricity; how a customer may arrange for an energy efficiency audit at the customer's supply address; and the typical running costs of major domestic appliances.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
278	Code of Conduct clause 10.5	If asked by a customer for information relating to the distribution of electricity, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
279	Code of Conduct clause 10.6	Upon request and at no charge, a distributor must provide the customer with the information specified in subclause 10.6.	2	Moderate	Probable	Medium	Strong	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
280	Code of Conduct clause 10.7(1)	Upon request, a distributor must, provide a customer with their consumption data.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
281	Code of Conduct clause 10.7(2)	If a customer requested their consumption data, under subclause 10.7(1), the distributor must provide the information at no charge in the circumstances specified in subclause 10.7(2).	2	Moderate	Probable	Medium	Strong	Audit Priority 4
282	Code of Conduct clause 10.7(3)	A distributor must provide a customer with the requested consumption data within 10 business days of the receipt of the request or, if payment is required (and requested by the distributor within two (2) business days of the request), within 10 business days of receipt of payment of the distributor's reasonable charge for providing the consumption data.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
283	Code of Conduct clause 10.7(4)	A distributor must keep a customer's consumption data for seven (7) years.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
284	Code of Conduct clause 10.8(1)	Upon request, a distributor must inform a customer how the customer can obtain information on distribution standards and metering arrangements prescribed under the specified Acts or adopted by the distributor that are relevant to the customer.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
285	Code of Conduct clause 10.8(2)	A distributor must publish information on distribution standards and metering arrangements on the distributor's website.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
286	Code of Conduct clause 10.9	To the extent practicable, a retailer and distributor must 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.	NR	Minor	Probable	Low	Strong	Audit Priority 5
287	Code of Conduct clause 10.10(1)	Upon request, a retailer and a distributor must tell a customer how the customer can obtain a copy of the Code of Conduct.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
288	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.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
289	Code of Conduct clause 10.10(3)	A retailer and a distributor must make a copy of the Code of Conduct available for inspection, at no charge, at their respective offices.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
290	Code of Conduct clause 10.11(1)	Upon request and at no charge, a retailer and a distributor must make available to a residential customer services that assist the residential customer in interpreting information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).	2	Moderate	Probable	Medium	Strong	Audit Priority 4
291	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 as well as the National Interpreter Symbol with the words "Interpreter Services", on the bill and bill-related information, reminder notices and disconnection warnings	2	Moderate	Probable	Medium	Strong	Audit Priority 4
292	Code of Conduct clause 10.12(1)	Upon request and at no charge, a distributor must advise a customer, of the availability of different types of meters, as well as their suitability to the customer's supply address, purpose, costs, and installation, operation and maintenance procedures.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
293	Code of Conduct clause 10.12(2)	If requested, a retailer must advise the customer of the availability of different types of meters or refer the customer to the relevant distributor for a response.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
Part 12 Complaints and dispute resolution								
294	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
295	Code of Conduct clause 12.1(2)	The complaints handling process under subclause 12.1(1) must comply with the requirements specified in subclauses 12.1(2)(a), (b) and (c) and be made available at no cost.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
296	Code of Conduct clause 12.1(3)	A retailer or a distributor must advise the customer in accordance with subclause 12.1(3)	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
297	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
298	Code of Conduct clause 12.3	Upon request and at no charge, a retailer, distributor and electricity marketing agent must give a customer information that will assist the customer in utilising the respective complaints handling processes.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
299	Code of Conduct clause 12.4	When a retailer, distributor or electricity marketing agent receives a complaint that does not relate to its functions, it must advise the customer of the entity that it reasonably considers to be the appropriate entity to deal with the complaint (if known). <i>Obligation (300) to 1 January 2013:</i> <i>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>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 13 Record keeping								
300	Code of Conduct clause 13.1(1)	Unless expressly provided otherwise, 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 (2) years from the last date on which the information was recorded.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
301	Code of Conduct clause 13.1(2)	For the purposes of subclause 13.1(1), a retailer must keep the information specified in subclause 13.1(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
302	Code of Conduct clause 13.1(3)	For the purposes of subclause 13.1(1), a distributor must keep the information specified in subclause 13.1(3).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
303	Code of Conduct clause 13.2 (a) and (b)	A retailer must keep a record of the total number of the items specified in subclauses 13.2(a) and (b)	2	Moderate	Probable	Medium	Weak	Audit Priority 3
304	Code of Conduct clause 13.2(c)	Where the retailer has issued a bill outside of the time-frame set out in subclause 4.1(b), a retailer must keep a record of the actions it undertook, and the responses from the distributor to those actions, to obtain metering data.	2	Moderate	Probable	Medium	Weak	Audit Priority 3
305	Code of Conduct clause 13.3(1)	A retailer must keep a record of the complaints information specified in subclause 13.3(1)	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
306	Code of Conduct clause 13.3(2)	A retailer must keep a record of the details of each complaint referred to in subclause 13.3(1)	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
307	Code of Conduct clause 13.4	A retailer must keep a record of the payments made under clauses 14.1, 14.2 and 14.3.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
308	Code of Conduct clause 13.5	A retailer must keep a record of the call centre performance indicators specified in subclause 13.5.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
309	Code of Conduct clause 13.6	A retailer must keep a record of the total number of residential and business customer accounts held by contestable and non-contestable customers.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
310	Code of Conduct clause 13.7(1)	A retailer must keep a record of the information related to pre-payment meter customers specified in subclause 13.7(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
311	Code of Conduct clause 13.7(2)	A retailer must keep a record of the details of each complaint relating to a pre-payment meter customer.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
312	Code of Conduct clause 13.8(1)	A distributor must keep a record of the total number of connections provided and connections not provided on or before the agreed date.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
313	Code of Conduct clause 13.8(2)	A distributor must keep a record of the total number of reconnections provided (other than those specified in subclause 13.8(2)(a)) and the total number of those reconnections not provided within the prescribed timeframe.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
314	Code of Conduct clause 13.9(1)	A distributor must keep a record of the street lights information specified in subclause 13.9(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
315	Code of Conduct clause 13.10(1)	A distributor must keep a record of the customer complaints information specified in subclause 13.10(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
316	Code of Conduct clause 13.10(2)	A distributor must keep a record of the details of each customer complaint referred to in subclause 13.10(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
317	Code of Conduct clause 13.11	A distributor must keep a record of compensation payments made under subclauses 14.4 and 14.5.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
318	Code of Conduct clause 13.12	A distributor must keep a record of the call centre performance indicators specified in subclause 13.12	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
319	Code of Conduct clause 13.13(1)	A distributor must keep a record of the information related to pre-payment meter customer complaints specified in subclause 13.13(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
320	Code of Conduct clause 13.13(2)	A distributor must keep a record of the details of each pre-payment meter customer's complaint referred to in subclause 13.13(1).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
321	Code of Conduct clause 13.14(1)	A distributor must keep a record of the total number of exit points of customers who are connected to its network.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
322	Code of Conduct clause 13.15(1)	A retailer must prepare a report in respect of each reporting year setting out the information in the records specified in subclause 13.15.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
323	Code of Conduct clause 13.16	A distributor must prepare a report in respect of each reporting year setting out the information in the records specified in subclause 13.16.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
324	Code of Conduct clause 13.17(1)	The annual retailer and distributor reports specified in subclauses 13.15 and 13.16 are to be published no later than the following October 1.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
325	Code of Conduct clause 13.15(3)	A copy of each report must be given to the Minister and the Authority not less than seven (7) days before it is published.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
326	Code of Conduct clause 13.18	A retailer and distributor must provide the information in the records in subclause 13.15 and 13.16, as applicable, to the Authority in a format acceptable to the Authority not later than the following September 23.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 14 Service standard payments								
327	Code of Conduct clause 14.1(1)	Subject to clause 14.6, a retailer must pay the stated compensation to a customer where the customer is not reconnected in accordance with the timeframes specified in Part 8.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
328	Code of Conduct clause 14.1(2)	Subject to clause 14.6, a distributor must compensate a retailer for the payment if a retailer is liable to and makes a payment due to an act or omission of the distributor.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
329	Code of Conduct clause 14.2(1)	Subject to clause 14.6, if a retailer fails to comply with any of the procedures specified in Part 6 and Part 7 prior to arranging for disconnection or disconnecting a customer for failure to pay a bill, or arranges for disconnection or disconnects a customer in contravention of clauses 7.2, 7.3, 7.6 or 7.7 for failure to pay a bill, the retailer must pay the specified compensation to the customer.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
330	Code of Conduct clause 14.2(2)	Subject to clause 14.6, a distributor must compensate a retailer for the payment if a retailer is liable to and makes a payment under subclause 14.2(1) due to an act or omission of the distributor.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
331	Code of Conduct clause 14.3(1)	Upon receipt of a written query or complaint by a customer, a retailer must acknowledge the query or complaint within 10 business days and respond to the query or complaint by addressing the matters raised within 20 business days.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
332	Code of Conduct clause 14.3(2)	Subject to clause 14.6, a retailer must pay the customer \$20 where the retailer has failed to acknowledge or respond to a written query or complaint within the timeframes prescribed in subclause 14.3(1).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
333	Code of Conduct clause 14.4(1)	Upon receipt of a written query or complaint by a customer, a distributor must acknowledge the query or complaint within 10 business days and respond to the query or complaint by addressing the matters raised within 20 business days.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
334	Code of Conduct clause 14.4(2)	Subject to clause 14.6, a distributor must pay the customer \$20 where the distributor has failed to acknowledge or respond to a written query or complaint within the timeframes prescribed in subclause 14.4(1)	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
335	Code of Conduct clause 14.5	Subject to subclause 14.6, if a distributor disconnects a customer's supply address other than as authorised by this Code or otherwise by law, or as authorised by a retailer, then the distributor must pay the customer \$100 for each day that the customer was wrongfully disconnected.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
336	Code of Conduct clause 14.7(1)	A retailer who is required to make a compensation payment for failing to satisfy a service standard under clauses 14.1, 14.2 or 14.3, must do so in the manner specified in subclause 14.7(1).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
337	Code of Conduct clause 14.7(2)	A distributor who is required to make a compensation payment for failing to satisfy a service standard under clauses 14.4 or 14.5, must do so in the manner specified in subclause 14.7(2).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
15 Electricity industry Metering Code								
Part 2 Code objectives and arms-length treatment								
338	Electricity Industry Metering Code clause 2.2(1)(a)	A network operator must treat all Code participants that are its associates on an arms-length basis.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
339	Electricity Industry Metering Code clause 2.2(1)(b)	A network operator must ensure that no Code participant that is its associate receives a benefit in respect of the Code unless the benefit is attributable to an arm's length application of the Code or is also made available to all other Code participants on the same terms and conditions.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
Part 3 Meters and metering installations								
340	Electricity Industry Metering Code clause 3.1	A network operator must ensure that its meters meet the requirements specified in the applicable metrology procedure and also comply with any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act.	2	Moderate	Likely	High	Moderate	Audit Priority 2
341	Electricity Industry Metering Code clause 3.2(1)	An accumulation meter must at least conform to the requirements specified in the applicable metrology procedure and display, or permit access to a display of the measurements specified in subclauses 3.2(1)(a)(b) using dials, a cyclometer, an illuminated display panel or some other visual means.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
342	Electricity Industry Metering Code clause 3.3(1)	An interval meter must at least have an interface to allow the interval energy data to be downloaded in the manner prescribed using an interface compatible with the requirements specified in the applicable metrology procedure.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
343	Electricity Industry Metering Code clause 3.3(3)	If a metering installation is required to include a communications link, the link must (where necessary), include a modem and isolation device approved under the relevant telecommunications regulations, to allow the interval energy data to be downloaded in the manner prescribed.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
344	Electricity Industry Metering Code clause 3.3A(1)	A network operator must ensure that bidirectional electricity flows do not occur at a metering point unless the metering installation for the metering point is capable of separately measuring and recording electricity flows in each direction.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
345	Electricity Industry Metering Code clause 3.3B	A user who is aware of bi-directional flows at a metering point which was not previously subject to a bi-directional electricity flows or any changes in a customer's or user's circumstances in a metering point which will result in bi-directional electricity flows must notify the network operator within 2 business days.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
346	Electricity Industry Metering Code clause 3.3C	An accumulation meter or an interval meter that separately measures and records bi-directional electricity flows at the metering point must record the net electricity production transferred into the network that exceeds electricity consumption and the net electricity consumption transferred out of the network that exceeds electricity production.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
347	Electricity Industry Metering Code clause 3.5(1) and (2)	A network operator must ensure that there is a metering installation at every connection point on its network which is not a Type 7 connection point. Unless it is a Type 7 metering installation, the metering installation must meet the functionality requirements prescribed.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
348	Electricity Industry Metering Code clause 3.5(3)	A network operator must, unless otherwise agreed, for each metering installation on its network, on and from the time of its connection to the network, provide, install, operate and, subject to subclause 3.7(5), maintain the metering installation in the manner prescribed.	2	Moderate	Likely	High	Moderate	Audit Priority 2
349	Electricity Industry Metering Code clause 3.5(4)	A network operator must ensure that, except for a Type 7 metering installation, the metering point for a revenue metering installation is located as close as practicable to the connection point in accordance with good electricity industry practice.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
350	Electricity Industry Metering Code clause 3.5(6)	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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
351	Electricity Industry Metering Code clause 3.5(9)	If a network operator becomes aware that a metering installation does not comply with the Code, the network operator must advise affected parties of the non-compliance and arrange for the non-compliance to be corrected as soon as practicable.	2	Moderate	Likely	High	Moderate	Audit Priority 2
352	Electricity Industry Metering Code clause 3.7	All devices that may be connected to a telecommunications network must be compatible with the telecommunications network and comply with all applicable State and Commonwealth enactments.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
353	Electricity Industry Metering Code clause 3.8	Subject to clause 3.27, a network operator must, for each metering installation on its network, ensure that the metering installation is secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
354	Electricity Industry Metering Code clause 3.9(3)	Subject to subclauses 3.9(4), 3.9(5) and 3.9(7), each metering installation must meet at least the requirements for that type of metering installation specified in Table 3 in Appendix 1 of the Code.	2	Moderate	Likely	High	Moderate	Audit Priority 2
355	Electricity Industry Metering Code clause 3.9(7)	For a metering installation used to supply a customer with requirements above 1000 volts that require a VT and whose annual consumption is below 750MWh, the metering installation must meet the relevant accuracy requirements of Type 3 metering installation for active energy only.	2	Moderate	Likely	High	Moderate	Audit Priority 2
356	Electricity Industry Metering Code clause 3.9(9)	If compensation is carried out within the meter then the resultant metering system error must be as close as practicable to zero.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
357	Electricity Industry Metering Code clause 3.10	A network operator must ensure that any programmable settings within any of its metering installations, data loggers or peripheral devices, that may affect the resolution of displayed or stored data, meet the relevant requirements specified in the applicable metrology procedure and comply with any applicable specifications or guidelines specified by the National Measurement Institute under the National Measurement Act.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
358	Electricity Industry Metering Code clause 3.11(1)	A network operator must ensure that a metering installation on its network is operating consistently with good electricity industry practice to measure and record data, and to permit collection of data within the time specified in the applicable service level agreement, for at least the percentages of the year specified.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
359	Electricity Industry Metering Code clause 3.11(2)	If an outage or malfunction occurs to a metering installation, the network operator must make repairs to the metering installation in accordance with the applicable service level agreement.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
360	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.	2	For the purposes of this clause, Horizon Power as the code participant is not separate to the network operator, therefore not applicable.				
361	Electricity Industry Metering Code clause 3.11A(1)	A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13.	2	Moderate	Likely	High	Moderate	Audit Priority 2
362	Electricity Industry Metering Code clause 3.11A(2)	Subject to clause 3.11A(3), if a “population” of meters is deemed to have failed under AS 1284.13, the network operator must ensure that all the meters that make up the population are removed and replaced with new meters within 3 years of the testing of the population.	2	Moderate	Likely	High	Moderate	Audit Priority 2

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
363	Electricity Industry Metering Code clause 3.12(1)	A network operator must ensure that each metering installation complies with, at least, the prescribed design requirements.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
364	Electricity Industry Metering Code clause 3.12(2)	A network operator must ensure that instrument transformers in its metering installations comply with the relevant requirements of any applicable specifications or guidelines (including any transitional arrangements) specified by the National Measurement Institute under the National Measurement Act and any requirements specified in the applicable metrology procedure.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
365	Electricity Industry Metering Code clause 3.12(3)	A network operator must provide isolation facilities, to the standard of good electricity industry practice, to facilitate testing and calibration of the metering installation.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
366	Electricity Industry Metering Code clause 3.12(4)	A network operator must maintain drawings and supporting information, to the standard of good electricity industry practice, detailing the metering installation for maintenance and auditing purposes.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
367	Electricity Industry Metering Code clause 3.13(1)	A network operator must procure the user or the user's customer to install (or arrange for the installation of) a full check metering installation or partial check metering installation in accordance with the prescribed requirements.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
368	Electricity Industry Metering Code clause 3.13(3)(c)	A partial check metering installation must be physically arranged in a manner determined by the network operator, acting in accordance with good electricity industry practice.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
369	Electricity Industry Metering Code clause 3.13(4)	A check metering installation for a metering point must comply with the prescribed requirements.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
370	Electricity Industry Metering Code clause 3.14(3)	If, under clause 3.14(2), a metering installation uses metering class CTs and VTs that do not comply with the Table 3 in Appendix 1, then the network operator must either or both install meters of a higher class accuracy and apply accuracy calibration factors within the meter to compensate for CT and VT errors, in order to achieve the accuracy requirements in Table 3 in Appendix 1.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
371	Electricity Industry Metering Code clause 3.16(1)	The network operator must ensure that a Type 1 metering installation to Type 5 metering installation on the network has the facilities and functionality prescribed.	2	These clauses specifically apply to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.				
372	Electricity Industry Metering Code clause 3.16(2)	The network operator must ensure that a Type 1 metering installation to Type 4 metering installation on the network includes a communications link.	2					
373	Electricity Industry Metering Code clause 3.16(3)	If a device is used as a data logger, the energy data for a metering point on the network must be collated in trading intervals or sub-multiples of a trading interval within the metering installation.	2					
374	Electricity Industry Metering Code clause 3.16(3A)	If, under subclause 3.16(3), energy data for a metering point on the network is collated in sub-multiples of a trading interval, then unless the Code participant agrees otherwise, the network operator must aggregate the energy data into trading intervals before providing it to a Code participant.	2					
375	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.	2	Obligation is not applicable as it specifically applies to the Electricity Retail Corporation.				
376	Electricity Industry Metering Code clause 3.20(1)	A network operator must, if reasonably requested by a Code participant, provide enhanced technology features in a metering installation.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
377	Electricity Industry Metering Code clause 3.20(3)	A network operator may only impose a charge for the provision of metering installations with enhanced technology features in accordance with the applicable service level agreement between it and the user.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
378	Electricity Industry Metering Code clause 3.21(1)	Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.	2	Moderate	Likely	High	Moderate	Audit Priority 2

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
379	Electricity Industry Metering Code clause 3.21(2)	If a metering installation includes measurement elements and an internal data logger at the same site, it must include facilities on site for storing the interval energy data for the periods prescribed.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
380	Electricity Industry Metering Code clause 3.22	A network operator providing one or more metering installations with enhanced technology features must be licensed to use and access the metering software applicable to all devices being installed and be able to program the devices and set parameters.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
381	Electricity Industry Metering Code clause 3.23(a)	Where signals are provided from the meter for the user or the user's customer use, a network operator must ensure that signals are isolated by relays or electronic buffers to prevent accidental or malicious damage to the meter.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
382	Electricity Industry Metering Code clause 3.23(b)	Where signals are provided from the meter for the user or the user's customer use, a network operator must provide the user or the user's customer with sufficient details of the signal specification to enable compliance with clause 3.23(c) of the Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
383	Electricity Industry Metering Code clause 3.24A(1)	If a retailer requests a network operator to install a pre-payment meter at a connection point, then the pre-payment meter must be sufficient to enable the retailer to comply with the retailer's obligations under the Code of Conduct.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
384	Electricity Industry Metering Code clause 3.24B(1)	If a retailer requests a network operator to replace a pre-payment meter at a connection point with a meter that is not a pre-payment meter then the network operator must do so in accordance with this Code and the Code of Conduct.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
385	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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
386	Electricity Industry Metering Code clause 3.29	A network operator must publish a list of registered metering installation providers, including the prescribed details, and at least annually, update the list.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 4 The metering database								
387	Electricity Industry Metering Code clause 4.1(1)	A network operator must establish, maintain and administer a metering database containing, for each metering point on its network, standing data and energy data	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
388	Electricity Industry Metering Code clause 4.1(2)	A network operator must ensure that its metering database and associated links, circuits, information storage and processing systems are secured by means of devices or methods which, to the standard of good electricity industry practice, hinder unauthorized access and enable unauthorized access to be detected.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
389	Electricity Industry Metering Code clause 4.1(3)	A network operator must prepare, and if applicable, must implement a disaster recovery plan to ensure that it is able, within 2 business days after the day of any disaster, to rebuild the metering database and provide energy data to Code participants.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
390	Electricity Industry Metering Code clause 4.2(1)	A network operator must ensure that its registry complies with the Code and the prescribed clause of the market rules.	2	Section 1.3 of the Code references the Electricity Industry Act section 123(1), which defines market rules as the rules relating to the market and the operation of the SWIS. This clause is therefore not applicable as it specifically applies to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.				
391	Electricity Industry Metering Code clause 4.3(1)	The standing data for a metering point must comprise at least the items specified.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
392	Electricity Industry Metering Code clause 4.4(1)	If there is a discrepancy between energy data held in a metering installation and data held in the metering database, the affected Code participants and the network operator must liaise together to determine the most appropriate way to resolve a discrepancy.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
393	Electricity Industry Metering Code clause 4.5(1)	A Code participant must not knowingly permit the registry to be materially inaccurate.	NR	For the purposes of this clause, Horizon Power as the code participant is not separate to the network operator, therefore not applicable.				
394	Electricity Industry Metering Code clause 4.5(2)	Subject to subclause 5.19(6), 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.	2	This obligation is on the code participant, which is not Horizon Power.				
395	Electricity Industry Metering Code clause 4.6(1)	If the network operator is notified of a change to, or inaccuracy in, an item of standing data by a Code participant which is the designated source for the item of standing data under Table 2 in clause 4.3(1), then the network operator must update the registry to reflect the change to, or correct the inaccuracy in, the standing data.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
396	Electricity Industry Metering Code clause 4.6(2)	If a network operator is notified of a change to or inaccuracy in an item of standing data by a Code participant which is not the designated source for the item of standing data, or otherwise becomes aware of a change to or inaccuracy in an item of standing data, then the network operator must undertake investigations to the standard of good electricity industry practice to determine whether the registry should be updated, and update the registry as required.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
397	Electricity Industry Metering Code clause 4.7	If standing data for a metering point is updated in the registry, the network operator must, within 2 business days after the update (or such other time as is specified in the applicable service level agreement) notify the update to the current user and each previous user, if the updated standing data relates to a period or periods when the previous user was the current user.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
398	Electricity Industry Metering Code clause 4.8(3)	A network operator must allow a user who is a retailer or a generator to have local and (where a suitable communications link is installed) remote access to the energy data for metering points at its associated connection points, using a password provided by the network operator which provides 'read only' access.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
399	Electricity Industry Metering Code clause 4.8(3A)	A network operator must allow a user who is a retailer or a generator to have access to data held in its metering database for metering points at its associated connection points, by means of a website (or otherwise by remote access to a "data storage device" as that expression is defined in the Electronic Transactions Act 2003), using a password provided by the network operator which provides 'read only' access.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
400	Electricity Industry Metering Code clause 4.8(4)(a)	A network operator must have devices and methods in place that ensure that energy data held in its metering installation is secured from unauthorised local or remote access using the methods prescribed	2	Moderate	Probable	Medium	Strong	Audit Priority 4
401	Electricity Industry Metering Code clause 4.8(4)(a & b)	A network operator must have devices and methods in place that ensure and ensure that the data held in its metering database is secured from unauthorised local or remote access using the methods prescribed.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
402	Electricity Industry Metering Code clause 4.8(5)	Without limiting subclause 4.8(4), a network operator must ensure that electronic passwords and other electronic security controls are only issued to the specified authorised personnel and otherwise keep its records of electronic passwords and other electronic security controls secure from unauthorised access.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
403	Electricity Industry Metering Code clause 4.9	A network operator must retain energy retain its metering database for each metering point on its network (including any energy data that has been replaced under subclause 5.24) for at least the periods, and with the level of accessibility, prescribed.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 5 Metering services								
404	Electricity Industry Metering Code clause 5.1 (1)	A network operator must use all reasonable endeavours to accommodate another Code participant's requirement to obtain a metering service and requirements in connection with the negotiation of a service level agreement.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
405	Electricity Industry Metering Code clause 5.1(2)	Without limiting subclause 5.1(1), a network operator must expeditiously and diligently process all requests for a service level agreement and negotiate its terms in good faith and, to the extent reasonably practicable in accordance with good electricity industry practice, permit a Code participant to acquire a metering service containing only those elements of the metering service which the Code participant wishes to acquire.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
406	Electricity Industry Metering Code clause 5.3	A network operator must, for each metering point on its network, obtain energy data from the metering installation and transfer the energy data into its metering database by no later than 2 business days after the date for the scheduled meter reading for the metering point (or such other time as is specified in the applicable service level agreement)	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
407	Electricity Industry Metering Code clause 5.4(1)	A network operator must, for each meter on its network, at least once in every 12 month period, undertake a meter reading that provides an actual value that passes the validation processes in Appendix 2	NR	Minor	Probable	Low	Strong	Audit Priority 5
408	Electricity Industry Metering Code clause 5.4(1A)	The meter reading referred to in clause 5.4(1) must not be undertaken by the customer associated with the meter, and must be undertaken by a person who is employed or appointed by the network operator and who is suitably skilled in accordance with good electricity industry practice to carry out meter readings.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
409	Electricity Industry Metering Code clause 5.4(2)	A user must, when reasonably requested by a network operator, assist the network operator to comply with the network operator's obligation under subclause 5.4(1).	NR	Obligation sits with the User not Horizon Power				

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
410	Electricity Industry Metering Code clause 5.5(2)	Subject to subclause 5.5(2A)(b), a network operator may impose a charge for the provision of data but only if a user has requested the energy data to the extent permitted by, and in accordance with the applicable service level agreement between it and the user, and if a customer has given a direction under subclause 5.17A(1), in accordance with the prescribed conditions. <i>Obligation (394) to 7 December 2012:</i> <i>A network operator may only impose a charge for the provision of data under this Code in accordance with the applicable service level agreement between it and the user and must not impose a charge for the provision of data if another enactment prohibits it from doing so.</i>	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
411	Electricity Industry Metering Code clause 5.5(2A)	A network operator must not impose a charge for the provision of standing data and for the provision of energy data if another enactment prohibits it doing so.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
412	Electricity Industry Metering Code clause 5.6(1)	Subject to subclause 5.6(2), a network operator must provide validated, and where necessary, substituted or estimated energy data for a metering point to the user for the metering point and the IMO within the timeframes prescribed in subclause 5.6(1)(2).	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
413	Electricity Industry Metering Code clause 5.7	If a replacement energy data value is inserted in a metering database for a metering point, the network operator must provide replacement energy data to the user for the metering point and the IMO within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
414	Electricity Industry Metering Code clause 5.8	A network operator must provide a user with whatever information the network operator has that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
415	Electricity Industry Metering Code clause 5.9	A network operator must provide standing data, provided to or obtained by it under this Code, to users where required to do so under any enactment.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
416	Electricity Industry Metering Code clause 5.10	A network operator must provide a subset of the standing data to a retailer in accordance with the provisions of Annex 4 of the Customer Transfer Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
417	Electricity Industry Metering Code clause 5.11	If a transfer occurs at a connection point, then within 2 business days after the transfer date, as defined in the Customer Transfer Code, the a network operator must provide the incoming retailer with a copy of the standing data for each metering point associated with the connection point.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
418	Electricity Industry Metering Code clause 5.12(1)	If a user gives a network operator an energy data request for a metering point in accordance with the communication rules and the energy data request relates only to a time or times for which the user was the current user at the metering point, then the a network operator must provide a user with a complete set of energy data for the a metering point within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
419	Electricity Industry Metering Code clause 5.13	If the current user for a metering point gives the network operator a standing data request for the metering point in accordance with the communication rules then the network operator must provide the current user with a complete current set of standing data for a metering point and advise whether there is a communications link for the metering point, within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
420	Electricity Industry Metering Code clause 5.14(3)	If a user makes a bulk standing data request, the network operator must in accordance with the communication rules, acknowledge receipt of the request and provide the requested standing data within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
421	Electricity Industry Metering Code clause 5.15	If a network operator provides energy data to a user or the IMO it must also provide the date of the meter reading in accordance with the requirements specified.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
422	Electricity Industry Metering Code clause 5.16	If a user collects or receives energy data from a metering installation then the user must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.	2	Obligation sits with a User, not Horizon Power.				
423	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.	2					
424	Electricity Industry Metering Code clause 5.17A(1)	A network operator must provide data for a metering point from its metering database to a person if (and to the extent that) the customer associated with the metering point gives the network operator a direction to do so that complies with subclause 5.17A(2).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
425	Electricity Industry Metering Code clause 5.17A(3)	A network operator must comply with a direction under subclause 5.17A(1) within the timeframes prescribed.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
426	Electricity Industry Metering Code clause 5.18	If a user collects or receives information regarding a change in the energisation status of a metering point then the user must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.	2	Obligation sits with a User, not Horizon Power.				
427	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, and provide that information to the network operator.	NR					
428	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 prescribed information in relation to the site of each connection point with which the user is associated.	NR					
429	Electricity Industry Metering Code clause 5.19(3)	Subject to subclauses 5.19(3A) and 5.19(6), the user must within 1 business day after becoming aware of any change in an attribute described in subclause 5.19(2), notify the network operator of the change.	2					
430	Electricity Industry Metering Code clause 5.19(5)	A network operator must give notice to a user, or (if there is a different current user) the current user, acknowledging receipt of any customer, site or address attributes from the user within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
431	Electricity Industry Metering Code clause 5.19(6)	The user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute described in subclause 5.19(2) that results from the provision of standing data by the network operator to the user.	NR	Obligation sits with a User, not Horizon Power.				
432	Electricity Industry Metering Code clause 5.20(1)	A network operator must, by not later than 6 months after the date this Code applies to the network operator, develop, in accordance with the communication rules, an Energy Data Verification Request Form.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
433	Electricity Industry Metering Code clause 5.20(2)	An Energy Data Verification Request Form must require a Code participant to provide the information prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
434	Electricity Industry Metering Code clause 5.20(4)	If a Code participant requests verification of energy data under subclause 5.20(3), the network operator must, in accordance with the metrology procedure, subject to subclause 5.20(5), use reasonable endeavours to verify energy data and inform the requesting Code participant of the result of the verification and provide the verified energy data within the timeframes prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
435	Electricity Industry Metering Code clause 5.21(2)	A network operator must comply with any reasonable request under subclause 5.21(1)	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
436	Electricity Industry Metering Code clause 5.21(4)	A test or audit under subclause 5.21(1) is to be conducted in accordance with the metrology procedure and the applicable service level agreement.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
437	Electricity Industry Metering Code clause 5.21(5)	A Code participant must not request a test or audit under subclause 5.21(1) 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.	2	This obligation is on the code participant, which is not Horizon Power.				
438	Electricity Industry Metering Code clause 5.21(6)	A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.	2					
439	Electricity Industry Metering Code clause 5.21(8)	A network operator may only impose a charge for the testing of the metering installations, or auditing of information from the meters associated with the metering installations, or both, in accordance with the applicable service level agreement between it and the user.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
440	Electricity Industry Metering Code clause 5.21(9)	Any written service level agreement entered into under subclause 5.21(7), must include a provision that no charge is to be imposed if the test or audit reveals a non-compliance with this Code.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
441	Electricity Industry Metering Code clause 5.21(11)	If a test or audit shows that the accuracy of the metering installation or information from the meter associated with the metering installation does not comply with the requirements under this Code, the network operator must advise the affected parties as soon as practicable of errors detected under a test or audit, the possible duration of the errors, and must restore the accuracy of the metering installation in accordance with the applicable service level agreement.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
442	Electricity Industry Metering Code clause 5.21(12)	The original stored error correction data in a meter must not be altered except during accuracy testing and calibration of a metering installation.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
443	Electricity Industry Metering Code clause 5.22(1)	A network operator must validate energy data in accordance with this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 2 and must, where necessary, substitute and estimate energy data under this Code applying, as a minimum, the prescribed rules and procedures set out in Appendix 3..	2	Moderate	Probable	Medium	Strong	Audit Priority 4
444	Electricity Industry Metering Code clause 5.22(2)	The network operator must use check metering data, where available, to validate energy data provided that the check metering data has been appropriately adjusted for differences in metering installation accuracy in accordance with subclause 3.13.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
445	Electricity Industry Metering Code clause 5.22(3)	If a check meter is not available or energy data cannot be recovered from the metering installation within the time required under this Code, then the network operator must prepare substitute values using a method contained in Appendix 3 and agreed where necessary with the relevant Code participants.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
446	Electricity Industry Metering Code clause 5.22(4)	If a network operator detects a loss of energy data or incorrect energy data from a metering installation, it must notify each affected Code participant of the loss or error within 24 hours after detection.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
447	Electricity Industry Metering Code clause 5.22(5)	Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
448	Electricity Industry Metering Code clause 5.22(6)	A network operator must review all validation failures before undertaking any substitution.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
449	Electricity Industry Metering Code clause 5.23(1)	If a network operator determines that there is no possibility of determining an actual value for a metering point, then the network operator must designate an estimated or substituted value for the metering point to be a deemed actual value for the metering point.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
450	Electricity Industry Metering Code clause 5.23(3)	If a network operator has designated a deemed actual value for a metering point then the network operator must repair or replace the meter or one or more of components of metering equipment (as appropriate) at the metering point and subclauses 5.24(3(c) and 5.24(4) apply in respect of the estimated or substituted value which was designated to be the deemed actual value.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
451	Electricity Industry Metering Code clause 5.24(1)	If a network operator uses an actual value (first value) for energy data for a metering point, and a better quality actual or deemed actual value is available (second value), the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
452	Electricity Industry Metering Code clause 5.24(2)	If a network operator uses a deemed actual value (first value) for energy data for a metering point, and a better quality deemed actual value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
453	Electricity Industry Metering Code clause 5.24(3)	If a network operator uses an estimated or substituted value (first value) for energy data for a metering point, and a better quality actual, deemed, estimated or substituted value is available (second value), then the network operator must replace the first value with the second value if doing so would be consistent with good electricity industry practice or the user and its customer jointly request it to do so.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
454	Electricity Industry Metering Code clause 5.24(4)	A network operator (acting in accordance with good electricity industry practice) must consider any reasonable request from a Code participant for an estimated or substituted value to be replaced under subclause 5.24.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
455	Electricity Industry Metering Code clause 5.25	A network operator must ensure the accuracy of estimated energy data in accordance with the methods in its metrology procedure and ensure that any transformation or processing of data preserves its accuracy in accordance with the metrology procedure.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
456	Electricity Industry Metering Code clause 5.27	Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	2	Obligation sits with a User, not Horizon Power.				
457	Electricity Industry Metering Code clause 5.29	If a network operator makes an election under subclause 5.28 in respect of a network, then, (unless the election is terminated under the meter data agency agreement) the parties must undertake the activities prescribed, as applicable.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
458	Electricity Industry Metering Code clause 5.30(1)	If a network operator makes an election under subclause 5.28 in relation to the network, then the parties must enter into an agreement in relation to the network, which must deal with at least the matters prescribed.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
459	Electricity Industry Metering Code clause 5.31(1)	If a network operator makes an election under subclause 5.28 in relation to a network, the electricity networks corporation must assess the compliance of each metering installation in the network with this Code and notify the electing network operator of each non-compliant metering installation.	2	The obligation is on the Electricity Networks Corporation, not the Regional Electricity Corporation.				
460	Electricity Industry Metering Code clause 5.31(2)	For each non-compliant metering installation notified under subclause 5.31(1)(b), the electing network operator may, by notice to the electricity networks corporation, require the electricity networks corporation to upgrade a non-compliant metering installation, in which case the electricity networks corporation must undertake the upgrade in accordance with the metering data agency agreement and good electricity industry practice.	2					
461	Electricity Industry Metering Code clause 5.34(2)	Except to the extent that the metering data agency agreement provides otherwise, the costs which may be recovered by the electricity networks corporation under subclause 5.34(1) must not exceed the amounts prescribed.	2					
462	Electricity Industry Metering Code clause 5.37(1)(a)	A network operator must for the year ending on each 30 June, prepare a report setting out the information listed in subclause 5.37(2) for each metering service it was requested during the year to provide or scheduled during the year to carry out.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
463	Electricity Industry Metering Code clause 5.37(1)(b)	A network operator must provide a copy of the report described in subclause 5.37(1)(a) to the Minister and the Authority not less than 5 business days before it is published under subclause 5.37(3).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
464	Electricity Industry Metering Code clause 5.37(1)(b)	A network operator must publish the report described in subclause 5.37(1) within 3 months after the year ends.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
465	Electricity Industry Metering Code clause 5.37(2)	The report prepared by the network operator must include the information prescribed.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
466	Electricity Industry Metering Code clause 5.37(3)	For each relevant metering service, the information in subclause 5.37(2) must be reported separately for the specified classes of connection point.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
467	Electricity Industry Metering Code clause 5.38	A network operator must keep such records of information as are required for the purposes of subclause 5.37, and must retain the information (in a format that is accessible within a reasonable period of time) for at least 7 years after the day on which a report containing the information is published under subclause 5.37(1)(c).	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
Part 6 Documentation								
468	Electricity Industry Metering Code clause 6.1(1)	A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed.	2	Moderate	Likely	High	Moderate	Audit Priority 2
469	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.	2	Obligation sits with a User, not Horizon Power.				
470	Electricity Industry Metering Code clause 6.20(4)	A network operator must amend any document in accordance with the Authority's final findings.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
471	Electricity Industry Metering Code clause 6.20(5)	The network operator must publish any document that has been amended under subclause 6.20(4).	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Part 7 Notices and confidential information								
472	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.	NR	This obligation is on the code participant, which is not Horizon Power.				
473	Electricity Industry Metering Code clause 7.2(2)	A network operator must notify each Code participant of its initial contact details and of any change to its contact details at least 3 business days before the change takes effect.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
474	Electricity Industry Metering Code clause 7.2(4)	If requested by a network operator with whom it has entered into an access contract, the Code participant must notify its contact details to a network operator within 3 business days after the request.	2	This obligation is on the code participant, which is not Horizon Power.				

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
475	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 under subclause 7.2(4) at least 3 business days before the change takes effect.	2	This obligation is on the code participant, which is not Horizon Power.				
476	Electricity Industry Metering Code clause 7.5	A Code participant must subject to subclauses 5.17A and 7.6 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.	2					
477	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.	2					
Part 8 Dispute resolution								
478	Electricity Industry Metering Code clause 8.1(1)	If any dispute arises between any Code participants then (subject to subclause 8.2(3)) 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 by negotiations in good faith.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
479	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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
480	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.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
481	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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
482	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 in subclause 8.3(1).	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
16 Electricity Industry (Network Quality and Reliability of Supply) Code								
483	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 5(1)	A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards.	NR	Minor	Probable	Low	Strong	Audit Priority 5
484	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 8	A distributor or transmitter must, so far as reasonably practicable, disconnect the supply of electricity to installations or property in specified circumstances, unless it is in the interest of the customer to maintain the supply.	NR	Minor	Probable	Low	Strong	Audit Priority 5
485	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 9	A distributor or transmitter must, as far as reasonably practicable, ensure that the supply of electricity is maintained and the occurrence and duration of interruptions is kept to a minimum.	NR	Minor	Probable	Low	Strong	Audit Priority 5
486	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(1)	A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.	NR	Minor	Probable	Low	Strong	Audit Priority 5
487	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(2)	A distributor or transmitter must consider whether, in specified circumstances, it should supply electricity by alternative means to a customer who will be affected by a proposed interruption.	NR	Minor	Probable	Low	Strong	Audit Priority 5
488	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 12(3)	A distributor must take prescribed action in the event of a significant interruption to a small use customer.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
489	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(2)	A distributor or transmitter must, so far as reasonably practicable, ensure that customers in specified areas do not have average total lengths of interruptions of supply greater than specified durations.	NR	Minor	Probable	Low	Strong	Audit Priority 5

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
490	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(3)	The average total length of interruptions of supply is to be calculated using the specified method.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
491	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 14(8)	A distributor or transmitter must, on request, provide to an affected customer a free copy of an instrument issued by the Minister and of any notice given under section 14(7) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
492	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 15(2)	A distributor or transmitter that agrees with a customer to exclude or modify certain provisions must set out the advantages and disadvantages to the customer of doing so in their agreement.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
493	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 18	A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe for a failure to give required notice of planned interruption.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
494	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 19	A distributor operating a relevant distribution system must, in specified circumstances, make a payment to a customer within a specific timeframe if a supply interruption exceeds 12 hours.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
495	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(1)	A distributor operating a relevant distribution system must provide eligible customers with information about applying for payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
496	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(2)	A distributor operating a relevant distribution system must provide written notice to customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
497	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(3)	A distributor operating a relevant distribution system must provide written notice to eligible customers about payments for failure to meet the requirements in sections 18 and 19 of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 not less than once in each financial year.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
498	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(1)	A distributor or transmitter must take all such steps as are reasonably necessary to monitor the operation of its network to ensure compliance with specified requirements.	NR	Minor	Probable	Low	Strong	Audit Priority 5
499	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(2)	A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
500	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(3)	A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
501	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(4)	A distributor or transmitter must report the results of an investigation to the customer concerned.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
502	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(2)	A distributor or transmitter must make available, at no cost, a copy of a document setting out its complaint handling processes to a small customer who makes a complaint to the distributor or transmitter or who asks to be given such information.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
503	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(3)	A document setting out a distributor's or transmitter's complaint handling process must contain the specified information.	2	Moderate	Probable	Medium	Strong	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
504	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 26	A distributor or transmitter must arrange for an independent audit and report on its systems for monitoring, and its compliance with specific requirements. This is to be carried out in respect of the operation of such systems during each year ending on 30 June.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
505	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1)	A distributor or transmitter must prepare and publish a report about its performance in accordance with specified requirements.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
506	Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(3)	A distributor or transmitter must give a copy of its report about its performance to the Minister and the Authority within the specified period.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
Licensee specific obligations								
507	Electricity Industry (Licence Conditions) Regulations regulation 8	The licensee must submit to the Coordinator a draft renewable source electricity contract by the time specified in the Act or by the Coordinator.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
508	Electricity Industry (Licence Conditions) Regulations regulation 8	The licensee must comply with a direction by the Coordinator to submit an amendment to the renewable source electricity contract by the time specified. <i>Up to 30 April 2011, this obligation was included under Electricity Industry (Licence Conditions) Regulations as obligation 80</i>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
509	Electricity Industry (Licence Conditions) Regulations regulation 6	The licensee must offer to purchase renewable source electricity from a renewable source electricity customer under an approved renewable source electricity contract. <i>Up to 30 April 2011, this obligation was included under Electricity Industry (Licence Conditions) Regulations as obligation 78</i>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
510	Electricity Industry (Licence Conditions) Regulations regulation 7	The licensee must submit to the Coordinator a written report detailing the amount of renewable source electricity purchased by the licensee and the cost of purchasing that renewable source electricity as soon as practicable at the end of each financial year. <i>Up to 30 April 2011, this obligation was included under Electricity Industry (Licence Conditions) Regulations as obligation 79</i>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
511	Electricity Industry Act section 61 and 65	The licensee must submit to the Coordinator a draft extension and expansion policy within the specified timeframe.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
512	Electricity Industry Act section 62, 64 and 65	The licensee must comply with a direction given by the Coordinator in relation to a draft extension and expansion policy or an amendment to an extension and expansion policy. <i>Up to 30 April 2011, this obligation was included under the Electricity Industry Act as three separate obligations (90, 91 and 92)</i>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
513	Electricity Industry Act section 65	The licensee must implement arrangements set out in an approved extension and expansion policy.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
514	Electricity Industry Act section 11	The licensee will operate and maintain a trouble call fault management system.	2	These obligations are applicable to Western Power's licence only				
515	Electricity Industry Act section 11	The licensee must provide prior notification to the Authority if it intends to outsource its trouble call fault management system.	2					
516	Electricity Industry Act section 11	Prior to entering into a standard form contract or a non-standard contract with a customer, the licensee must provide the specified information verbally and in writing.	2	This obligation is applicable to Clear Energy Retail's licence only				
517	Electricity Industry (Customer Contracts) Regulations 2005 regulation 40	Subject to specified exceptions, the licensee must offer to supply electricity under a standard form contract to a customer who requests it.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
Obligations removed from the 2013 Reporting Manual, but included in the May 2011 and June 2010 Reporting Manual' (23 Obligations below apply to Horizon Power's operations for the period 1 April 2011 to 31 December 2012)								
135	Code of Conduct clause 2.4(4) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
136	Code of Conduct clause 2.5(1) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
137	Code of Conduct clause 2.5(2) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	An electricity marketing agent must not exert undue pressure on a customer, nor harass or coerce a customer.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
141	Code of Conduct clause 2.6(1) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
144	Code of Conduct clause 2.6(4) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
145	Code of Conduct clause 2.6(5) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
146	Code of Conduct clause 2.6(6) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
148	Code of Conduct clause 2.7(1) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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"> the customer requests contact; or the customer has moved premises; or a retailer or other party has a legal obligation to contact the customer. 	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
149	Code of Conduct clause 2.7(2) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	A retailer or other party must keep a record of each customer who has requested not to be contacted, that includes the specified information.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
150	Code of Conduct clause 2.7(3) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	A retailer or other party must give a copy of the record to the Electricity Ombudsman or the Authority on request.	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
151	Code of Conduct clause 2.7(4) Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
152	Code of Conduct clause 2.7(5) Integrated Regional Licence condition 23.1	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.	2	Moderate	Unlikely	Medium	Moderate	Audit Priority 4
153	Code of Conduct clause 2.8 Integrated Regional Licence condition 23.1 Retail Licence condition 23.1	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.	2	Moderate	Probable	Medium	Moderate	Audit 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.	NR	Minor	Probable	Low	Moderate	Audit 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.	2	Moderate	Probable	Medium	Moderate	Audit 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.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
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.	NR	Minor	Probable	Low	Moderate	Audit Priority 5
237	Code of Conduct clause 7.7(2)	A distributor must undertake the actions specified in circumstances where the distributor has been informed by a retailer or a relevant government agency that a person residing at a customer's supply address requires life support equipment.	1	Major	Probable	High	Moderate	Audit Priority 2
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.	2	These clauses specifically apply to operations within the SWIS, which is not applicable to Horizon Power's licensed areas.				
362	Electricity Industry Metering Code clause 3.16(6)	A network operator may only impose a charge for the matters dealt with in the metrology procedure in accordance with the applicable service level agreement between it and the user.	2					
371	Electricity Industry Metering Code clause 3.25	A network operator that operates and maintains a pre-payment meter on its network must operate and maintain the pre-payment meter in accordance with good electricity industry practice and, as far as reasonably practicable, minimise any departure from what the requirements of the Code would have been in respect of the pre-payment meter if clause 3.24 were deleted.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
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.	2	Obligation sits with the User not Horizon Power				
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.	2					

Obligations removed from the May 2011 Reporting Manual, but included in the June 2010 Reporting Manual² (10 Obligations below apply to Horizon Power's operations for the period 1 to 30 April 2011)

78	Electricity Industry (Licence Conditions) Regulations regulation 6	The electricity corporation must offer to purchase renewable source electricity, under an approved contract, from an eligible customer who wishes to sell such electricity to the corporation. <i>From 1 May 2011, this obligation is referenced as obligation 509</i>	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
79	Electricity Industry (Licence Conditions) Regulations regulation 7	The electricity corporation must, as soon as practicable after the end of each financial year, submit a written report to the Coordinator regarding its costs in purchasing renewable source electricity under approved contracts. <i>From 1 May 2011, this obligation is referenced as obligation 510</i>	NR	Minor	Probable	Low	Moderate	Audit Priority 5

No.	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
80	Electricity Industry (Licence Conditions) Regulations regulation 8(8)	The electricity corporation must comply with a direction given by the Coordinator under regulation 8(5) of the Electricity Industry (Licence Conditions) Regulations to submit an appropriate amendment to its contract to provide for the purchase of renewable source electricity. <i>From 1 May 2011, this obligation is referenced as obligation 508</i>	NR	Minor	Probable	Low	Moderate	Audit Priority 5
90	Electricity Industry Act section 62(1)(b)	Electricity Networks Corporation and Regional Power Corporation must comply with a direction given by the Coordinator in relation to a draft extension and expansion policy. <i>From 1 May 2011, this obligation is referenced as obligation 512</i>	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
91	Electricity Industry Act section 64(2)	Electricity Networks Corporation and Regional Power Corporation must comply with a direction given by the Coordinator in relation to an amendment to an extension and expansion policy. <i>From 1 May 2011, this obligation is referenced as obligation 510</i>	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
92	Electricity Industry Act section 65(d)	Electricity Networks Corporation and Regional Power Corporation must implement arrangements set out in an approved extension and expansion policy. <i>From 1 May 2011, this obligation is referenced as obligation 510</i>	NR	Minor	Unlikely	Low	Moderate	Audit Priority 5
102	Integrated Regional 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.	2	Moderate	Unlikely	Medium	Strong	Audit Priority 4
103	Integrated Regional Licence condition 20.2 or 23.2	A licensee must amend the asset management system before an expansion or reduction in generating works, distribution systems and transmission systems and notify the Authority in the manner prescribed, if the expansion or reduction is not provided for in the asset management system.	2	Moderate	Probable	Medium	Strong	Audit Priority 4
104	Integrated Regional Licence condition 20.3 or 23.3	A licensee must not expand the generating works, distribution systems or transmission systems outside the licence area.	2	Moderate	Probable	Medium	Moderate	Audit Priority 4
281	Integrated Regional Licence condition 15.1	A retailer and distributor must produce and publish a Customer Service Charter.	2	Moderate	Probable	Medium	Strong	Audit Priority 4

¹Numbering based on the May 2011 Reporting Manual

²Numbering based on the June 2010 Reporting Manual

Appendix 3 – Changes to obligations

Legislative Element	New obligations ² Relevant period: 1 Jan – 31 Mar '13	New obligations ³ Relevant period: 1 May '11 – 31 Mar '13	Superseded obligations ³ Relevant period: 1 – 30 Apr '11	Superseded obligations ⁴ Relevant period: 1 Apr '11 – 31 Dec '12	Obligations amended ⁵ Relevant period: 1 Jan – 31 Mar '13
Electricity Industry Customer Transfer Code	N/A	N/A	N/A	N/A	N/A
Electricity Industry (Licence Conditions) Regulations	N/A	N/A	78: Regulation 6 79: Regulation 7 80: Regulation 8(8)	N/A	N/A
Electricity Industry (Obligation to connect) Regulations	N/A	N/A	N/A	N/A	N/A
Electricity Industry (Customer Contracts) Regulations	N/A	78: Act section 51 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)	N/A	N/A	N/A

² Obligation number is based on the current Electricity Compliance Reporting Manual (February 2013). Note that Metering Code obligations are applicable from 7 December 2012.

³ Obligation number is based on the June 2010 Electricity Compliance Reporting Manual.

⁴ Obligation number is based on the May 2011 Electricity Compliance Reporting Manual.

⁵ Amendment is of some substance, reflecting a real change to the obligation.

Legislative Element	New obligations ² Relevant period: 1 Jan – 31 Mar '13	New obligations ³ Relevant period: 1 May '11 – 31 Mar '13	Superseded obligations ³ Relevant period: 1 – 30 Apr '11	Superseded obligations ⁴ Relevant period: 1 Apr '11 – 31 Dec '12	Obligations amended ⁵ Relevant period: 1 Jan – 31 Mar '13
		98: Regulation 33(3), (4) 100: Regulation 38			
Electricity Industry Act	N/A	N/A	90: Section 62(1)(b) 91: Section 64(2) 92: Section 65(d)	N/A	N/A
Electricity Licences – Licence Conditions and Obligations	127: Licence condition 29.1 128: Licence condition 29.3 ⁶	N/A	102: Licence condition 15.2 103: Licence condition 20.2 104: Licence condition 20.3	N/A	N/A
Code of Conduct	132: clause 2.3(1)(c)-(d) 150: clause 4.2(2) 176: clause 4.16(1)(b) 178: clause 4.16(3) 183: clause 4.18(6) 184: clause 4.19(1) 185: clause 4.19(2) 186: clause 4.19(3) 187: clause 4.19(4) 210: clause 6.3(1)(b) 232: clause 7.7(2) 233: clause 7.7(3) 234: clause 7.7(4) 243: clause 9.3(2) 244: clause 9.3(3) 245: clause 9.3(4) 246: clause 9.4(2) 301: clause 13.1(2) 302: clause 13.1(3) 304: clause 13.2(c) 311: clause 13.7(2) 320: clause 13.13(2) 323: clause 13.16 324: clause 13.17(1) 326: clause 13.18 335: clause 14.5	N/A	281: Licence condition 15.1	141: clause 2.6(1) 144: clause 2.6(4) 145: clause 2.6(5) 146: clause 2.6(6) 148: clause 2.7(1) 149: clause 2.7(2) 150: clause 2.7(3) 151: clause 2.7(4) 152: clause 2.7(5) 153: clause 2.8 181: clause 4.14(1) 182: clause 4.14(2) 194: clause 5.2(2) 222: clause 6.9(2) 227: clause 8.3(1) 228: clause 8.3(2) 237: clause 7.7(2)	133: clause 2.3(2) 134: clause 2.3(3) 137: clause 2.4(3) 145: clause 2.9(2) 160: clause 4.6(1) 179: clause 4.17(2) 200: clause 5.8(1) 231: clause 7.7(1) 254: clause 9.7(a), (b) and (d) 257: clause 9.9(2) 264: clause 9.11 299: clause 12.4 303: clause 13.2 (a) and (b)
Electricity Industry Metering Code	344: clause 3.3A(1) 345: clause 3.3B 346: clause 3.3C 361: clause 3.11A(1) 362: clause 3.11A(2)	N/A	N/A	361: clause 3.16(5) 362: clause 3.16(6) 371: clause 3.25 395: clause 5.5(3) 412: clause 5.19(4)	341: clause 3.2(1) 397: clause 4.7 410: clause 5.5(2)

⁶ Obligations 127 and 128 relate to obligations being moved from the Code of Conduct (formerly 227 and 228) to Licence Conditions and Obligations

Legislative Element	New obligations ² Relevant period: 1 Jan – 31 Mar '13	New obligations ³ Relevant period: 1 May '11 – 31 Mar '13	Superseded obligations ³ Relevant period: 1 – 30 Apr '11	Superseded obligations ⁴ Relevant period: 1 Apr '11 – 31 Dec '12	Obligations amended ⁵ Relevant period: 1 Jan – 31 Mar '13
	374: clause 3.16(3A) 383: clause 3.24A(1) 384: clause 3.24B(1) 399: clause 4.8(3A) 401: clause 4.8(4)(a) 408: clause 5.4(1A) 411: clause 5.5(2A) 424: clause 5.17A(1) 425: clause 5.17A(3) 462: clause 5.37(1)(a) 463: clause 5.37(1)(b) 464: clause 5.37(1)(b) 465: clause 5.37(2) 466: clause 5.37(3) 467: clause 5.38 471: clause 6.20(5)				
Electricity Industry (Network Quality and Reliability of Supply) Code	N/A	N/A	N/A	N/A	N/A
Licence specific obligations	N/A	483: condition 2.1 484: condition 2.6 485: condition 3.1 and 3.2 486: condition 3.3 487: condition 4.1 488: condition 4.2 489: condition 4.3 490: Western Power Transmission Licence condition 3.1 491: Western Power Transmission Licence condition 3.2 492: Clear Energy Retail Licence condition 1 493: condition 5.1 505: regulation 8 506: regulation 6 507: regulation 7 509: clause 62, 64 and 65	N/A	N/A	N/A

Appendix 4 – Previous audit recommendations

Recommendations are drawn from the Horizon Power 2011 Electricity Integrated Regional Licence Performance Audit Report dated September 2011.

Issue 1/2011

Obligation 221 - Code of Conduct clause 4.1

Horizon Power's standard business practices are designed for disconnections not to be performed on Fridays, after midday on other business days, Saturdays, Sundays, public holidays or business days before a public holiday (the Code specifies that disconnections must not be arranged for after 12pm on Fridays or after 3pm on other business days).

Our sample testing of 30 disconnections performed during the period 1 October 2009 to 31 March 2011 identified the following:

- For 11 disconnections, the time of disconnection was not recorded. In such cases, it is difficult for Horizon Power to demonstrate that disconnection timing requirements have been met
- For 7 of the 19 disconnections for which the time of disconnection was recorded, the time was recorded as being after midday. These instances indicate disconnections have either been effected outside of Horizon Power's standard business practices, or the disconnection times have been incorrectly recorded.

Our examination of customer complaints received during the period 1 October 2009 to 31 March 2011 did not identify any complaints relating to disconnections being performed outside of the Code's requirements. The 2009 performance audit included action plans for this matter to be addressed with Horizon Power's contractor, AMRS, and specifically to include the requirement to record the time of disconnection in an agreed written contract management document. At the time of this audit, Horizon Power had not finalised contractual negotiations with AMRS outlining service standard requirements that are aligned to the Code. We also note that:

- Horizon Power has not implemented an exception reporting regime to monitor compliance with s.7.6 of the Code
- It appears that Metering Services staff have not been trained on Code requirements.

Recommendation 1/2011

Horizon Power:

- (a) Finalise the AMRS contract and communicate the requirements of the contract to the applicable personnel to ensure effective management of its terms
- (b) Update its disconnection procedures to:
 - Ensure that all service orders include a date and time of disconnection and are accurately entered into MBS
 - Implement an escalation process for instances of suspected breach (e.g. monitoring spreadsheet and reporting to Team Leader – Metering Services).
- (c) Consider updating the service order with the requirements of the Code so AMRS is aware at all times of service requirements
- (d) Provide training to Metering Services staff outlining the requirements of s.7.6 of the Code.

Action Plan 1/2011

- (a) The AMRS contract is to be signed by 30 June 2011
- (b) The procedure for closing de-energisation service orders has now been updated to require:
 - All service orders with missing time and date stamp to be returned to the meter reading contractor for completion. The time and date is then entered in MBS
 - Breaches to be escalated to the Field Services and Metering Co-ordinator.
- (c) As the inclusion of Code requirements in the service order is not possible with MBS, it will be considered for inclusion in mData21 (MBS Replacement)
- (d) Further training of Metering Services staff will be provided.

Responsible Person: Field Services and Metering Coordinator

Accountable Person: Manager Customer Services

Target Date: 31 July 2011

Issue 2/2011**Obligation 237 - Code of Conduct clause 9.6(1)**

Horizon Power's business practices require Horizon Power staff to enquire whether pre-payment meter customers require life support equipment and to record such instances on the Account Establishment form (used when signing up new customers). As the Account Establishment form does not specifically provide for the use of life support equipment at a supply address to be recorded, there is a greater risk of the record not being made or for the enquiry not to be made.

We acknowledge that:

- Meters are installed and programmed at the same time as when the customer's information are collected
- If the customer has life support equipment, the meter will be programmed as a credit meter.

Recommendation 2/2011

Horizon Power:

- Update its Account Establishment form to record whether or not a customer at the supply address requires life support equipment
- Communicate relevant changes to Horizon Power staff and ServiceWorks contractors.

Action Plan 2/2011

Horizon Power will:

- Update the Account Establishment form
- Communicate the change to relevant staff.

Responsible Person: Community Retail and Compliance Officer

Accountable Person: Manager Customer Services

Target Date: 30 September 2011

Note:

Issue 3/2011**Obligation 238 - Code of Conduct clause 9.6(2)**

The Code requires Horizon Power to ensure the pre-payment meters are not operational for supply addresses where a customer has made a notification regarding life support equipment.

Our examination of the priority restoration register identified one customer who was also registered as a pre-payment meter customer.

We determined that although the customer no longer required life support equipment, the priority restoration register had not been updated to reflect this change.

Recommendation 3/2011

Horizon Power:

- Strengthen its procedures for managing life support equipment register, specifically to monitor additions and removals
- Regularly reconcile its priority restoration register to its pre-payment customer listing to identify any anomalies.

Action Plan 3/2011

- Horizon Power will develop a new procedure in conjunction with ServiceWorks to ensure that all changes to the Life Support register are properly recorded
- The new procedure will include a quarterly reconciliation of the pre-payment meter list to the Life Support register.

Responsible Person: Manager Customer Services

Accountable Person: Manager Customer Services

Target Date: 30 September 2011

Issue 4/2011**Obligation 75 - Electricity Industry (Obligation to Connect) Regulations clause 6**

Sample testing performed of the new connections processed during the period 1 October 2009 to 31 March 2011 did not indicate non-compliance with regulation 6 of the Obligation to Connect Regulations.

However Horizon Power has acknowledged that in those instances where the connection is not scheduled to be completed within the 20 business day timeframe, the customer is not requested to evidence their agreement in writing, as required by sub regulation 6(2).

<p>Recommendation 4/2011</p> <p>Horizon Power implement a process for obtaining customers' written agreement with connection timing arrangements in instances where the connection is scheduled to be performed outside of the 20 business day timeframe, where such delay does not relate to a safety inspection under Energy Safety regulations.</p>	<p>Action Plan 4/2011</p> <p>Horizon Power will extend its connection procedures to ensure customers provide written acknowledgement of any arrangements to schedule connections at a time outside of the 20 business day timeframe provided for by sub regulation 6(2). This extension of procedures will involve the receipt of a customer's signature on a written statement on the service order, (or similar).</p> <p>Responsible Person: Manager Customer Services Accountable Person: Manager Customer Services Target Date: 31 December 2011</p>
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<p>Issue 5/2011</p> <p>Obligation 78 - Electricity Industry (Licence Conditions) Regulations clause 6</p> <p>At the time of this audit, Horizon Power had placed all applications from customers to sell renewable source electricity to Horizon Power on hold in order investigate the network impact of the additional load generated from those sources.</p> <p>While such applications had not been rejected at the time of this audit, it is possible that Horizon Power finds that its network capacity will not accommodate the additional electricity generated from customer renewable sources. In that event, Horizon Power may be in a position where it cannot offer to purchase all renewable source electricity made available by customers.</p>	
<p>Recommendation 5/2011</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Finalise its investigation into the extent to which its networks can accommodate the additional load generated from customer renewable sources (b) Liaise with the Office of Energy and the Authority for guidance in the event that its investigations find that Horizon Power cannot purchase all renewable source electricity from its customers. 	<p>Action Plan 5/2011</p> <ul style="list-style-type: none"> (a) Horizon Power will complete the reviews of its networks and develop suitable alternative feed in management system requirements that each customer will need to include in their installation once system capacity is reached (b) Liaison with the Office of Energy has commenced and all information will be provided when investigations are complete. <p>Note that the Office of Energy has advised that they understand Horizon Power not to be in breach of the code where a networks technical limit has been reached and Horizon Power is not approving systems above 1.5 kW.</p> <p>Responsible Person: Compliance and Billing Support Coordinator Accountable Person: Manager Customer Services Target Date: 31 December 2011</p>

<p>Issue 6/2011</p> <p>Obligation 114 - Code of Conduct clause 2.2</p> <p>At the time of this audit, Horizon Power's standard form contract was located only within the business customers section of its website. This location is difficult for residential customers to find.</p>	
<p>Recommendation 6/2011</p> <p>Horizon Power add a link to its standard form contract in the residential customers section of its website.</p>	<p>Action Plan 6/2011</p> <p>As part of the current update to the Horizon Power web page, links to the standard form contract will be updated.</p> <p>Responsible Person: Manager Customer Services Accountable Person: Manager Customer Services Target Date: 30 September 2011</p>

Issue 7/2011**Obligation 144 - Code of Conduct clause 4.1**

Although Horizon Power's standard business practices are designed to issue customer bills on a bi-monthly basis, our examination of a sample of customer accounts and monthly unbilled installation reports indicates that:

- In contravention to its system rules, the Velocity system had allowed a customer to be billed twice in one month. At the time of our audit, the reason for this contravention was not known
- A small number of customers have not been billed at least once in a three month period. Unbilled installation reports identify accounts not billed for greater than 90 days, categorised by type/cause. Horizon Power achieved a significant reduction in such unbilled installations during the eight month period to March 2011.

Horizon Power's reporting and monitoring regime does not identify breaches of billing frequency requirements or accounts at risk of breach (e.g. unbilled accounts approaching 90 days).

Recommendation 7/2011

Horizon Power:

- (a) Investigate and resolve the contravention to account billing frequency rules to ensure customers cannot be billed more frequently than once/month, unless agreed under s.4.2 of the Code
- (b) Update its exception reporting practices to proactively identify those accounts 'at risk' of breaching billing frequency requirements (e.g. a countdown report) to enable active management of Code requirements
- (c) Assign responsibility for monitoring billing timeframe compliance to an appropriate team member.

Action Plan 7/2011

- (a) The contravention to account billing frequency rules has been investigated and Horizon Power has determined that:
 - The instance of billing the same customer twice in a month was very early in the ongoing development of the Velocity Customer Information System and the system error was corrected at that time
 - The system now includes safeguards to ensure billing more than once per month does not reoccur
- (b) ServiceWorks process and procedures will be updated to produce exception reports for unbilled accounts at 80 days to ensure compliance with this Code requirement
- (c) Consideration will be given to the viability of producing an exception report for customers billed twice in a month.

Responsible Person: Manager Customer Services

Accountable Person: Manager Customer Services

Target Date: 30 September 2011

Issue 8/2011**Obligation 157 - Code of Conduct clause 4.7**

There were occasions during the period 1 October 2009 to 31 March 2011, where customers had not had an 'actual' meter read for more than 12 months.

Horizon Power's meter reading processes do provide for regular physical meter reads, reporting of exceptions to scheduled meter reads and special reads where required. However, an exception reporting process had not been implemented to identify installations that did not have an 'actual read' undertaken (i.e. actual meter read data has not been obtained) for more than 12 months, or for timeframes leading up to 12 months. Neither MBS nor Gentrack Velocity are able to produce exception reporting for customers without an actual read for 12 months.

We understand that Horizon Power is currently developing a report to identify installations that have not had a meter read for 10 months or longer.

<p>Recommendation 8/2011</p> <p>Horizon Power:</p> <p>(a) Update its exception reporting and compliance monitoring regime to ensure that all meters are read at least once in every 12 month period. Such a regime should forecast those installations that are at risk of breaching the 12 month timeframe</p> <p>(b) Assign responsibility for monitoring meter read requirements to an appropriate team member.</p>	<p>Action Plan 8/2011</p> <p>(a) The new metering database, mDATA21 has the required procedures built in to both ensure reads are obtained and identify meter reading exceptions approaching and after the 12 month milestone</p> <p>(b) mDATA21 will appropriately assign exceptions to the appropriate team member for monitoring and follow up.</p> <p>Responsible Person: Manager Customer Services</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>
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<p>Issue 9/2011</p> <p>Obligation 175 - Code of Conduct clause 4.19(2)</p> <p>Horizon Power has processes and procedures in place to manage the refund process. However, Horizon Power's work practices do not provide for customers to be asked for instructions as to whether the overcharged amount (if \$45 or more) should be credited to the customer's account or otherwise repaid to the customer. Rather the default resolution is to credit the customer's account unless the customer requests a payment via cheque. Accordingly, Horizon Power's practices do not fully comply with clause 4.19(6) of the Code.</p>	
<p>Recommendation 9/2011</p> <p>Horizon Power strengthen its refund procedures to ensure customers are asked to nominate the refund method they require Horizon Power to use.</p>	<p>Action Plan 9/2011</p> <p>Procedures for managing the refund process will be strengthened to ensure customers are asked to nominate the refund method they require Horizon Power to use.</p> <p>Responsible Person: Manager Customer Services</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>

<p>Issue 10/2011</p> <p>Obligation 192, 193 - Code of Conduct clause 5.8(2) and (3)</p> <p>Although Horizon Power's debt collection procedures meet the requirements of section 5.8 of the Code, we observed that once referrals are made to its debt collection agent, Horizon Power had not:</p> <ul style="list-style-type: none"> • Applied a consistent approach for actively monitoring the status of customers referred to debt collection and any subsequent action relating to the customer's debt (e.g. regular reporting of collection results, including any failure to recover overdue amounts within 30 days, therefore triggering debt write-off procedures) • Assigned responsibility for monitoring debt collection activity to an appropriate staff member. <p>We acknowledge that Horizon Power only refers debt to collections agencies for account holders who are no longer customers.</p>	
<p>Recommendation 10/2011</p> <p>Horizon Power:</p> <p>(a) Strengthen its debt collection procedures to provide for active monitoring of the status of customers referred to debt collection</p> <p>(b) Assign responsibility for monitoring debt collection activity to an appropriate staff member.</p>	<p>Action Plan 10/2011</p> <p>The procedures for monitoring debt referred to a collection agency will be improved and follow-up and reporting responsibilities will be assigned to an appropriate staff member.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>

Issue 11/2011**Obligation 216 - Code of Conduct clause 7.1**

Our sample testing of 20 disconnections performed during the period 1 October 2009 to 31 March 2011 identified the following:

- In one case (July/August 2010), a customer was sent both the reminder notice and disconnection warnings in breach of the timing requirements of sections 7.1(1)(a) and 7.1(1)(c) of the Code
We note that Horizon Power remains in the process of designing an effective exception reporting regime to assist in monitoring compliance with the timing requirements of section 7.1 of the Code. *This matter is addressed at item 6/2009 of this report*
- For 14 disconnections, there was no evidence to indicate that Horizon Power had attempted to make contact with the customer other than via the reminder and disconnection notices. Horizon Power's Credit Management procedures provide for a phone call to be made to the customer prior to the disconnection service order being raised.

We also observed one case in July/August 2010 where the reminder notice and disconnection warning included amounts that were not outstanding at the time of the notice or warning i.e. the notice/warning included current charges, not just aged debt. This result appears to be in contravention with Velocity system rules. At the time of our audit, the reason for this contravention was not known.

We understand that Horizon Power's notification methods prior to disconnection includes a letter to the customer by mail, a text message to the customer by mobile phone (where possible), at least one attempted phone call and a disconnection warning card that is left at the front door of the customer's address (where possible).

The Manager Customer Services advised that the two instances identified above occurred during the period of a malfunction with the market interface. A recurrence has not been identified since that time.

Recommendation 11/2011

Horizon Power:

- Strengthen its disconnection procedures to ensure that appropriate contact notes are maintained in Velocity records for "best endeavours" attempts made to make contact with the customer (i.e. phone call or other contact methods used)
- Investigate and resolve the contravention to the Velocity system rules on the content of reminder notice and disconnection warning letters to ensure that they only include those charges that are overdue, not current supply charges.

Action Plan 11/2011

- ServiceWorks will keep active spreadsheet records of contacts made for overdue accounts. This data will not be recorded in Velocity, however will be accessible to all credit officers and the Manager Customer Services
- The two identified instances have been investigated to establish that both occurred during the period of a malfunction with the market interface. A recurrence has not been identified since that time
- Random audit procedures will be established and audits conducted during visits to the call centre back office operations.

Responsible Person: Manager Customer Services

Accountable Person: Manager Customer Services

Target Date: 31 October 2011

Issue 12/2011**Obligation 217 - Code of Conduct clause 7.2**

Our sample testing of 20 disconnections performed during the period 1 October 2009 to 31 March 2011 indicated that:

- In October 2009, one customer was disconnected for failure to pay a bill, even though the customer had agreed to an alternative payment arrangement (extension of time) and paid the bill in the requisite timeframe.

Although this may be an isolated occurrence at the beginning of the audit period, it does highlight Horizon Power's exposure breaches where staff do not have a sufficient understanding of the compliance implications of all activity in the lead up to disconnection.

Horizon Power took over the disconnection process from Western Power in October 2009. Since that time the Customer Service team has established a procedure where by all de-energisation are referred to the Hardship Officer on a daily basis for their approval.

<p>Recommendation 12/2011</p> <p>Horizon Power:</p> <p>(a) Strengthen its disconnection procedures to provide for the approval of all de-energisation service orders by an appropriate staff member (e.g. the Team Leader – Metering Services) prior to being issued</p> <p>(b) Ensure all relevant staff are sufficiently aware of the disconnection requirements of the Code.</p>	<p>Action Plan 12/2011</p> <p>Horizon Power will hold regular awareness training sessions, which will be diarised for occurrence every six months.</p> <p>Responsible Person: Manager Customer Services</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>
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<p>Issue 13/2011</p> <p>Obligation 282, 283 - Code of Conduct clause 12.1(1) and (2)</p> <p>Currently Horizon Power's records of complaints are stored in two locations, being:</p> <ul style="list-style-type: none"> • The Velocity system – for those complaints received directly by Horizon Power representatives • A separate spreadsheet – for complaints received via the Ombudsman. <p>As the Velocity system has limited capability to record complaints received via the Ombudsman, Horizon Power has elected to continue to utilise the separate spreadsheet. The two records are then manually consolidated in order to monitor and record performance in relation to the Code's handling and resolution requirements.</p> <p>We also understand the Velocity system is currently unable to provide exception report or alerts to assist users in meeting the Code's complaints acknowledgement and response timeframe requirements.</p>	
<p>Recommendation 13/2011</p> <p>Horizon Power seek to upgrade the Velocity system's capabilities to provide:</p> <p>(a) A central repository for all complaints records, including complaints received from the Ombudsman</p> <p>(b) Exception reports or alerts to assist in monitoring performance against the Code's complaints acknowledgement and response timeframe requirements.</p>	<p>Action Plan 13/2011</p> <p>The Customer Service team has commenced a process to identify the needed changes in Velocity to make it capable of being the one stop complaints recording and follow-up system. The changes to the system will be completed by the end of 2011 and will include the recommendations.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 31 December 2011</p>

<p>Issue 14/2011</p> <p>Obligation 285 - Code of Conduct clause 12.2</p> <p>Horizon Power's <i>Comprehensive Guide to the Complaints Process and Procedures</i> appropriately references relevant material from the Authority's Customer Complaints Guidelines, including guidance on how to distinguish between an enquiry and a complaint.</p> <p>We understand that Customer Service Representatives (CSR) do not record as complaints calls from customers who express dissatisfaction in relation to a high bill that is found to correct (i.e. the dissatisfaction is unfounded). Although the Authority's Guidelines indicate a customer's dissatisfaction at the price of electricity (tariffs) is not to be considered as a complaint, there remains some doubt as to whether CSRs appropriately interpret the contact to be related to the price of electricity only, rather than the compilation of the bill itself (which may relate to meter reads or energy consumption).</p> <p>Horizon Power's complaints numbers appear to be low, particularly when considering the number of complaints received via the Ombudsman, a number of which are for matters which Horizon Power could have treated as a complaint at the time of the customer's initial contact with Horizon Power.</p>
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<p>Recommendation 14/2011</p> <p>Horizon Power:</p> <p>(a) Investigate and determine whether there is any link between the low volumes of recorded complaints with the manner in which it distinguishes a query from a complaint</p> <p>(b) Review its approach in identifying complaints and where appropriate, provide suitable training to front line personnel who handle customer calls.</p>	<p>Action Plan 14/2011</p> <p>The Customer Service team will investigate the manner in which it records complaints by conducting a benchmarking approach with other utilities and develop any identified required changes to the manner in which it both identifies and manages complaints.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>
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<p>Issue 15/2011</p> <p>Obligation 288 to 296 and 298 to 304 - Code of Conduct clause 13.1 – 13.8(1), 13.9 – 13.14</p> <p>During this audit period, Horizon Power has strengthened its procedures for obtaining data required for input into the annual Code of Conduct performance report.</p> <p>Those procedures have not yet been fully documented and Horizon Power has experienced some difficulty in:</p> <ul style="list-style-type: none"> • Collating that data from different personnel and sources • Ensuring supporting documentation was readily available and retained. <p>Although a designated folder has been used to store copies of data and supporting documentation, some records were only retained in Horizon Power's document management system.</p>	
<p>Recommendation 15/2011</p> <p>Horizon Power:</p> <p>(a) Formalise the data collation and reporting processes for the preparation of the annual Code of Conduct performance report:</p> <ul style="list-style-type: none"> • Process documentation should include the data source and contact details for relevant staff responsible for the provision of data • Any investigation on the accuracy and completeness of data/records should be formally documented <p>(b) Retain, in a central location, copies of all data and supporting documentation used in the preparation of the performance report.</p>	<p>Action Plan 15/2011</p> <p>(a) Data collation and reporting processes will be formalised and will specifically include:</p> <ul style="list-style-type: none"> • Documentation of all ERA reporting requirements • Data sources and contact details for relevant staff responsible for the provision of data • Requirements for any investigation on the accuracy and completeness of data/records to be formally documented <p>(b) Copies of all data and supporting documentation used in the preparation of the performance report will be stored in a designated folder on Horizon Power's secure network drive.</p> <p>Responsible person: Compliance Liaison Officer</p> <p>Accountable person: Manager Risk, Audit & Governance</p> <p>Target date: 30 September 2011</p>

<p>Issue 16/2011</p> <p>Obligation 306 and 469 - Code of Conduct clause 13.15(3) and Network Quality & Reliability of Supply Code clause 27(1)</p> <p>The Small Use Code of Conduct and the Network Quality and Reliability of Supply annual performance reports were provided to the Minister and the Authority on 23 September 2010.</p> <p>Both reports were subsequently published on Horizon Power's website on 24 September 2010 therefore not meeting the requirement of the Code for the reports to be provided to the Minister and the Authority at least 7 days before they are published.</p>
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<p>Recommendation 16/2011</p> <p>Horizon Power update its compliance timetable to match the Code's requirements for providing reports to the Minister and the Authority and for subsequently publishing those reports.</p>	<p>Action Plan 16/2011</p> <p>The compliance timetable will be updated to match the Code's requirements for providing reports to the Minister and the Authority at least 7 days before those reports are subsequently published.</p> <p>Responsible person: Compliance Liaison Officer</p> <p>Accountable person: Manager Risk, Audit & Governance</p> <p>Target date: 30 September 2011</p>
<p>Issue 17/2011</p> <p>Obligation 307 - Code of Conduct clause 14.1(1)</p> <p>During the period 1 October 2009 to 31 March 2011, Horizon Power made two service standard payments for not reconnecting customers in the specified timeframes.</p> <p>However, one of the payments (made on 8 September 2010) was for the incorrect amount of \$50, being the amount payable pre 1 July 2010. The Code's requirement changed on 1 July 2010 for such payments to be \$60.</p>	
<p>Recommendation 17/2011</p> <p>Horizon Power update service standard payment procedures and communicate those procedures to staff to ensure the correct payments are made.</p>	<p>Action Plan 17/2011</p> <p>The Customer Service Team will hold a review training session which will be repeated on a six monthly basis.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>
<p>Issue 18/2011</p> <p>Obligation 309 - Code of Conduct clause 14.2(1)</p> <p>Walkthrough of Horizon Power's current systems and procedures and discussions with staff indicate that Horizon Power is limited in its ability to identify and acknowledge instances of wrongful disconnection in order to initiate a service standard payment for wrongful disconnection.</p> <p>Our sample testing of 20 disconnections performed during the period 1 October 2009 to 31 March 2011 identified two breaches of the Code's disconnection requirements (as detailed in the audit findings for obligations 216 and 217). In both cases, as Horizon Power had not recognised the breach, the service standard payment had not been made.</p>	
<p>Recommendation 18/2011</p> <p>Horizon Power:</p> <ol style="list-style-type: none"> Make service standard payments to those customers who remain entitled to such payments, including those identified by this audit Strengthen its disconnection procedures to: <ul style="list-style-type: none"> Specifically identify instances where service standard payments are applicable Ensure service standard payments are made by a delegated staff member Train staff on the requirements of s.14.2 of the Code for identifying and acting on instances where service standard payments must be made. 	<p>Action Plan 18/2011</p> <p>The Customer Service team will:</p> <ol style="list-style-type: none"> Make the service standard payments to customers entitled for such payments Ensure all disconnection breaches are identified through strengthening daily review processes and corresponding payments are made for each breach Run regular review training sessions on these requirements, at least six monthly. <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>

Issue 19/2011**Obligation 319, 324, 327, 330, 331, 353 and 432 - Metering Code clause 3.1, 3.5(3) and (9), 3.9(3) and (7), 3.21(1) and 6.1(1)**

The 2009 performance audit report identified that after an audit of Western Power's meters concluded meters failed to test to standard, Horizon Power recognised that its meters may have also not been compliant with metrology requirements. Horizon Power has since developed a meter testing plan using the principles set out in its Metering Management Plan.

We note that:

- The test plan requires approximately 600 meters to be randomly selected across the service area for testing
- At the time of this audit, approximately 200 meters had been tested, with a failure rate of approximately 54%
- Failures have occurred in almost all of the populations of meters installed
- The most recently installed three phase meters have not recorded failures

Horizon Power has not formally notified the Authority or the Office of Energy on the status of its testing in accordance with its Metering Management Plan and associated findings.

Recommendation 19/2011

Horizon Power develop a strategy for:

- Communicating the status and results of its meter testing to the Authority and Office of Energy
- Achieving compliance with the relevant requirements of the metering code and engage the Authority on actions to be taken.

Action Plan 19/2011

The Customer Service team will:

- Complete the meter test plan in accordance with the test schedule
- Complete the analysis of all the data from the meters tested
- Identify the level of failure of its meter populations
- Notify affected customers of the results of meter tests (including instances of failure/non-compliance)
- Develop a management plan that will include population replacement where necessary
- Convey the information to the Authority and the Office of Energy for discussion and agreement of a suitable plan.

Responsible Person: Field Services and Metering Coordinator

Accountable Person: Manager Customer Services

Target Date: 31 December 2011

Issue 20/2011**Obligation 378 - Metering Code clause 5.3**

Horizon Power's contract with AMRS requires meter reading data to be uploaded to Horizon Power's metering database by 4.30 pm of the business day after readings are obtained. The upload of meter reading data does not form part of the KPI reporting requirement of that contract.

The Code requires Horizon Power to obtain meter reading energy data and transfer that data to its metering database within two business days of the meter reading.

Our sample testing of 20 meter reading upload timeframes identified nine that were not uploaded within the two business day requirement.

As the 2009 audit also reported non-compliances with this requirement and in accordance with Action Plan 24/09, Horizon Power had attempted to address this matter by reviewing its processes and procedures and re-stating the importance of compliance with AMRS. It is apparent that those efforts have not achieved the required improvement in compliance results.

<p>Recommendation 20/2011</p> <p>Horizon Power</p> <ul style="list-style-type: none"> (a) Establish effective monitoring and reporting requirements within its arrangements with AMRS (b) Develop a strategy for achieving compliance with the requirements clause 5.3 of the Metering Code: <ul style="list-style-type: none"> (i) For the period leading up to the implementation of mDATA21 (ii) Once mDATA21 becomes operational. 	<p>Action Plan 20/2011</p> <p>The Customer Service team will:</p> <ul style="list-style-type: none"> (a) Remove the meter reading download and upload processes from the AMRS contract and complete these tasks in house, in line with the delivery of the mDATA21 metering system (b) Request AMRS to comply with this part of the contract and request a fortnightly report of compliance from AMRS. <p>Responsible Person: Field Services and Metering Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>
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<p>Issue 21/2011</p> <p>Obligation 456 - Network Quality & Reliability of Supply Code clause 18</p> <p>Horizon Power's 2009/10 Network Quality & reliability of Supply Performance Report disclosed one payment being made for failure to give required notice of planned interruption. Although details of such payments are expected to be recorded in a spreadsheet maintained by the Team Leader Billing Services, the spreadsheet available to the audit did not reflect the payment disclosed in the 2009/10 Performance Report.</p> <p>Horizon Power's Trouble Call System (TCS) is the existing source of information on supply interruptions. As TCS records are not integrated with the Velocity system, Horizon Power requires a manual process for recognising applications for payment for failure to give required notice of planned interruption.</p>	
<p>Recommendation 21/2011</p> <p>Horizon Power</p> <ul style="list-style-type: none"> (a) Develop clear instructions for recording details of payments for failure to give required notice of planned interruption (b) Investigate the capability of Velocity or mDATA21 for recording such customer applications and payments and for monitoring payment timeframes. 	<p>Action Plan 21/2011</p> <p>The Customer Service team will:</p> <ul style="list-style-type: none"> (a) Develop clear procedures for the daily management of "reliability" payments by review of the TCS system (b) Record all applications and payments will in the spreadsheet maintained by the Team Leader - Billing Services. <p>Responsible Person: Field Services and Metering Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>

<p>Issue 22/2011</p> <p>Obligation 457 - Network Quality & Reliability of Supply Code clause 19</p> <p>Horizon Power makes relevant payments to eligible customers under its Extended Outage Payment Scheme. The Code requires such payments to be made within 30 days of the customer's application. Our testing of 40 of the 99 payments made during the period 1 October 2009 and 31 March 2011 identified three that were made outside of the 30 day timeframe. There were no explanations recorded in the Velocity system for the timeframe not being met, however each of the three instances occurred during a period in which the role for processing applications was being transitioned to a new employee.</p> <p>As Horizon Power's current processes are manual and performed by a single employee, there is a continued chance of eligible applications not being processed in a timely manner, particularly if the employee is absent from work, or has other duties to perform.</p>	
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<p>Recommendation 22/2011</p> <p>Horizon Power strengthen its monitoring processes to ensure eligible customers receive payments in relation to supply interruptions exceeding 12 hours within the 30 day timeframe.</p>	<p>Action Plan 22/2011</p> <p>The Customer Service team will review the processes for payments made under the Extended Outage Payment scheme and retrain relevant staff members for these processes.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>
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<p>Issue 23/2011</p> <p>Obligation 460 - Network Quality & Reliability of Supply Code clause 21(3)</p> <p>During its 2009/10 financial year, Horizon Power had not provided written notice to eligible customers about payments for failure to give required notice of planned interruption and supply interruption exceeding 12 hours.</p> <p>This matter was duly reported in Horizon Power's 2009/10 Compliance Report, including a planned resolution of delivering an annual Customer Notification letter to customers at the address which accounts are sent to. At the time of the fieldwork performed for this audit (June 2011), the notification had not yet been delivered.</p>	
<p>Recommendation 23/2011</p> <p>Horizon Power update its compliance timetable and ensure that it diarises and actions the requirement to provide written notice to eligible customers about payments for failure to meet the requirements in sections 18 and 19 of the Code.</p>	<p>Action Plan 23/2011</p> <p>The Customer Service team will establish the annual distribution of this notification to customers through the invoicing process.</p> <p>Responsible Person: Compliance and Billing Support Coordinator</p> <p>Accountable Person: Manager Customer Services</p> <p>Target Date: 30 September 2011</p>

<p>Issue 24/2011</p> <p>Obligation 467 - Electricity Industry (Network Quality and Reliability of Supply) Code clause 26</p> <p>For the year ending 30 June 2010, Horizon Power appointed Qualeng to undertake an independent audit of Horizon Power's systems for monitoring its compliance with part 2 of the Code.</p> <p>However we note that the audit report did not conclude on Horizon Power's systems for monitoring compliance with Part 2 of the Code, instead more specifically concluding that those systems are in compliance with the Code</p>	
<p>Recommendation 24/2011</p> <p>Horizon Power require future Network Quality & Reliability of Supply Code audits to specifically conclude on Horizon Power's systems for monitoring compliance with Part 2 of the Code.</p>	<p>Action Plan 24/2011</p> <p>Commencing from the 2011/2012 Network Quality & Reliability of Supply Code audit, the audit report will be required to specifically conclude on Horizon Power's systems for monitoring compliance with Part 2 of the Code.</p> <p>Responsible Person: Compliance Liaison Officer</p> <p>Accountable Person: Manager Risk, Audit & Governance</p> <p>Target Date: 30 June 2012</p>

Outstanding action plans from the 2009 Audit:

<p>Issue 4/2009</p> <p>Obligation 97 – Integrated Regional Licence condition 6.1 113 – Code of Conduct clause 2.1</p> <p>Horizon Power does not undertake marketing activities for the purposes of competing with other retailers, however the Code of Conduct does consider relevant employees and ServiceWorks' Customer Service Representatives (CSRs) to be "marketing representatives" as they act on behalf of Horizon Power:</p> <ul style="list-style-type: none"> • "for the purpose of obtaining new customers" or • "in dealings with existing customers in relation to contracts for the supply of electricity". <p>Horizon Power's training processes in relation to electricity marketing activities undertaken by staff members or ServiceWorks staff have not been formally developed and consistently applied.</p> <p>Horizon Power also has not yet established a mechanism for active monitoring of the performance of relevant staff against the marketing requirements of the Code of Conduct.</p>	
<p>Recommendation 4/2009</p> <p>Horizon Power:</p> <ol style="list-style-type: none"> Ensure that it fully understands the intent of the Code of Conduct's marketing related clauses, relevant to Horizon Power's activities Identify which of its employees and ServiceWorks employees are considered to be marketing agents or marketing representatives, for the purpose of the Code of Conduct Develop an appropriate training package that outlines the key Code requirements with which those marketing agents/representatives must comply. 	<p>Revised Action Plan 4/2009</p> <p>A training package will be developed to address the marketing related requirements of the Code suitable for the type of work being undertaken by Horizon Power employees and ServiceWorks CSRs.</p> <p>Responsible Person: Manager Customer Service Accountable Person: Manager Customer Service Target Date: 30 June 2012</p>
<p>Issue 5/2009</p> <p>Obligation 104 – Licence condition 20.3</p> <p>As part of the regularisation of communities, Horizon Power requires its Licence boundary to be amended to include new supply locations.</p> <p>In its 2008/09 compliance report to the Authority, Horizon Power disclosed that:</p> <ul style="list-style-type: none"> • The most recent request for boundary amendments for this purpose were not submitted in a timely manner to allow for remapping prior to extensions of supply • Mapping software was found to be faulty • Action had been initiated to prevent recurrence of the breach by December 2009. 	
<p>Recommendation 5/2009</p> <p>Horizon Power:</p> <ol style="list-style-type: none"> Pursue its commitment to improved staff awareness of the requirement for more timely forecasting and communication of supply location extensions, which impact on licence boundaries. Consider implementing a regular report which lists any system asset or supply address which falls outside licence boundaries. 	<p>Revised Action Plan 5/2009</p> <p>The draft Electricity Supply & Extension manual will be finalised upon response from the Office of Energy.</p> <p>Responsible Person: Manager Asset and Works Management Accountable person: Manager Asset and Works Management Target Date: Within one month of response from the Office of Energy</p>

<p>Issue 6/2009</p> <p>Obligation 142, 168, 174, 175, 191, 211, 212 & 221 – Code of Conduct clauses 4.1, 4.15(2), 4.19(3) & (4), 6.1(1), 7.1,7.2 & 8.2</p> <p>Horizon Power has a number of obligations under the Code of Conduct, which have associated target timeframes or require action to be taken in a specified sequence. In these cases, Horizon Power is exposed to breaching its obligations if its standard business processes are not upheld. During the period subject to audit, examples of such breaches noted by this audit related to obligations 142 (customers not billed for longer than 3 months), 211(customers not sent a disconnection reminder notice) and 221 (customers not connected within the required timeframe).</p> <p>An effective exception reporting arrangement will provide Horizon Power with greater certainty that breaches have not occurred, as well as the opportunity to forecast transactions at risk of breaching target timeframes. Horizon Power does not currently receive a suite of exception reports from ServiceWorks for compliance monitoring purposes. The three primary reasons for this situation are:</p> <ul style="list-style-type: none"> • Management has focussed on ensuring there are appropriate system controls and procedures in place to identify and mitigate breaches when they occur • Horizon Power has not yet determined what information and data it requires to be extracted from Velocity and reported. We recognise that a project was initiated in August 2009 for this purpose • The reporting capabilities of Velocity and ServiceWorks have generally not yet been aligned with Horizon Power’s requirements. 	
<p>Recommendation 6/2009</p> <p>Horizon Power:</p> <p>(a) Investigate the feasibility of implementing an exception reporting and monitoring regime, particularly for obligations where a time frame is prescribed</p> <p>(b) Refine its existing repertoire of standard reports to allow for better monitoring of its business operations.</p>	<p>Revised Action Plan 6/2009</p> <p>As a key element of its implementation of mDATA21, Horizon Power will implement exception and management reports specifically designed to monitor compliance with the various requirements of the Code.</p> <p>Responsible Person: Manager Customer Services</p> <p>Accountable person: Manager Customer Services</p> <p>Target Date: 31 December 2011</p>
<p>Issue 11/2009</p> <p>Obligation 185 – Code of Conduct clause 5.7(1)</p> <p>The Code requires Horizon Power not to charge a customer for electricity consumed from the day they vacate the supply address, provided the customer has provided a minimum of 3 business days notice. Until recently, Horizon Power required customers to provide 5 business days notice in advance of vacating the premises, in order to have a final meter read performed. This requirement was reflected in the Customer Charter and also evidenced in correspondence with customers who had made complaints regarding final bills.</p> <p>Horizon Power’s current practices and revised Customer Charter now requires 3 business days notice and AMRS advises it has committed to complying with the 3 day timeframe. However AMRS’s contractual arrangements with Horizon Power still provide for a final meter read to take up to 5 days to be performed. Horizon Power’s current procedures remain exposed to a breach of the requirements of this obligation as in the event that the meter is read later than 3 business days after the customer’s notification, the customer may be incorrectly charged for electricity consumed.</p>	
<p>Recommendation 11/2009</p> <p>Horizon Power:</p> <p>(a) Confirm the effectiveness of its arrangements with AMRS for performing final meter reads</p> <p>(b) Investigate the practicalities of implementing additional mechanisms for ensuring that customers are not overcharged for electricity consumed.</p>	<p>Revised Action Plan 11/2009</p> <p>Horizon Power:</p> <p>(a) Implement a monitoring regime to ensure compliance with s.5.7(1) of the Code</p> <p>(b) Finalise negotiations of the AMRS contract, including specific reference to the requirements of s.5.7(1) of the Code.</p> <p>Responsible Person: Manager Customer Service</p> <p>Accountable Person: Manager Customer Service</p> <p>Target Date: 30 September 2011</p>

Appendix B – References

Key Horizon Power contacts

• Frank Buttigieg	Regulation Compliance Coordinator
• Michelle Niski	Governance & Compliance Manager
• Greg Will	Manager Customer Services
• Damien Carr	National Sales & Marketing Manager (ServiceWorks)
• Neil Hyde	GM Operations (ServiceWorks)
• Scott Davis	Manager Sales, Marketing & Product Development
• Christo Van Rensburg	Manager Risk, Audit and Governance
• Leah Lees	Compliance and Billing Support Coordinator
• Tim Middlehurst	Renewable Energy Buyback Product Manager
• Terry Corfield	Technical Regulation & Compliance Coordinator
• Nyssa Saxby-Walsh	Field Services and Metering Coordinator
• Paul Beattie	Hardship Officer
• Tara Stigwood	Customer Liaison Officer
• Meryl Hunt	Asset and Works Process Officer
• Helen Fraser	Claims & Subsidies Officer

Deloitte staff

Name	Position	Hours
• Richard Thomas	Partner	24.5
• Andrew Baldwin	Account Director	121
• Michael Genever	Senior Analyst	294
• Emlyn King	Analyst	292
• Le-On Lim	Analyst	40
• Tania Jorge	Analyst	21
• Darren Gerber	Partner (Quality Assurance Review)	4

Key Documents and other information sources

- Extracts from Asset Management Plan
- Financial hardship policy
- Financial hardship guideline
- The Authority's Financial Hardship Policy Guidelines August 2010
- 2012 and 2009 versions of the Customer Service Charter
- Life support customer register
- Open and closed complaints reports
- Standard form contract template

- Standard, estimated, final and overdue bill templates
- Reminder and de-energisation warning notices
- De-energisation warning cards
- Application for direct debit services form
- DCP and HUGS payments register
- Tariff brochure
- Credit management and debt collection policy
- Payment arrangement letter template
- Correspondence with WACOSS for input into hardship policy
- Work instructions for complaints and reviewing a customer's bill
- System notification for complaints
- Alternative tariff review report
- HUGS in-house assessment limits
- Correspondence regarding termination of energy efficiency audits
- List of disconnections and reconnections performed during the audit period
- Must read service order report
- Evidence of submission of hardship policy and compliance reports
- 2011-12 Code of Conduct performance report
- Payments and billing procedure
- Complaints guidelines
- Account establishment form
- Wrongful disconnection, late reconnection and planned outage compensation letters
- Billing and collections policy
- Priority restoration procedure
- Emergency plan and regional contingency plan
- Cost of Living Allowance (CoLA) financial assistance increase letter
- Unbilled installations report as at 28 March 2013
- NCML confirmation of compliance with applicable codes and regulations
- ServiceWorks hardship process guide
- Representations from Manager Customer Services
- Representations from Regulation and Compliance Coordinator
- Representations from Field Services and Metering Coordinator
- Representations from Compliance and Billing Support Coordinator
- Representations from Customer Liaison Officer
- Representations from Hardship Officer
- Qualeng NQ&RS performance audit report 2012
- Horizon Power NQ&RS performance report 2011/12
- Power quality investigation handbook
- Evidence of submission of NQ&RS performance report to the Authority

- Meter test fees
- ServiceWorks Management Horizon Power Business Continuity plan
- Customer care, billing & CIS hosting Services Agreement
- Horizon Power Electricity Integrated Regional Licence
- Annual financial reports for 2011 and 2012
- Meter testing plan and meter replacement plan
- Meter test data (January 2012)
- Correspondence with the Authority re metering test plan and 20 day connection timeframe.

Appendix C – Post Audit Implementation Plan

Issue 1/2013

Obligation 75 – Electricity Industry (Obligation to Connect) Regulations reg 6

In accordance with the action plan devised in response to the non-compliance reported by the 2011 performance audit, Horizon Power was to extend its connection processes through a letter for distribution to customers where, through discussion with the relevant electrical contractor, it is identified that the expected connection completion date would fall outside the 20 day timeframe. The letter was designed to enable Horizon Power to have obtained customers' acceptance of a revised connection timeframe and therefore to maintain compliance with the Regulations. However this process has not been implemented.

A summary report of all 3,965 completed connection service orders for the period 1 April 2011 to 31 March 2013 evidenced that 15 new connections were not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.

Recommendation 1/2013

Horizon Power further amend its new connection procedures to appropriately prioritise new connection service orders and, where Horizon Power identifies that the 20 day timeframe will be breached, obtain the customer's verifiable consent.

Action Plan 1/2013

- (a) The new connections process will be reviewed with the intent that no new connections reach the 20 day timeframe. A component of this review is to find the root cause of these 15 late connections
- (b) Preliminary investigations found that 8 of these exceptions are as a result of contractors completing notices ahead of the work required and as a result field crew are unable to connect. Further investigation is required
- (c) Once the causes of this issue are confirmed, solutions will be considered within the customer services improvement plan, including improved reporting to monitor for compliance. The plan will be developed and then reviewed with the Authority.

Responsible Person: Manager Customer Service

Target Date: 31 December 2013

Issue 2/2013**Obligation 114 – Integrated Regional Licence condition 23.1****Obligations 129, 133, 135 - 137 – Code of Conduct clauses 2.1, 2.3(2), 2.4(1), (2) and (3)**

The relevant requirements of Part 2 of the Code of Conduct, relate to dealings with customer contracts and the provision of required information to customers when establishing an account.

Following a severe flood event that destroyed the Warmun community and all of Horizon Power's prepayment meters, the Department of Housing and Horizon Power acted to provide 97 new premises with electricity supply as a high priority. These new connections used credit meters as current prepayment meters do not comply with the requirements of the Code of Conduct.

Neither of Horizon Power or the Department of Housing provided a copy of the contract or all relevant information to each customer when establishing the accounts.

We understand that Horizon Power expects to have similar occasions in future, where the Department of Housing facilitates new connections in remote communities.

Further, Horizon Power has not yet established a mechanism to determine the full breadth of staff, contractors and other parties that would be required to participate in marketing training, or achieve active monitoring of compliance levels for marketing activities. The breach of the Code's requirements in relation to the Warmun community's customer accounts demonstrates the need for relevant Horizon Power staff (as electricity marketing agents) to fully understand the requirements of the Code.

Recommendation 2/2013

Horizon Power establish mechanisms to:

- (a) Ensure all new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained
- (b) Determine the full breadth of staff, contractors and other parties that would be required to participate in training on the marketing components of the Code
- (c) Actively monitor compliance levels for the marketing components of the Code.

Action Plan 2/2013

Horizon Power has recently appointed an Aboriginal Service Coordinator to focus on service improvements to Aboriginal communities.

- (a) To ensure new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained, a connections pack and process for engagement for new community connections will be developed.
- (b) A training plan will be developed for all staff, contractors and other parties as required to achieve compliance requirements.
- (c) Monitoring processes will be reviewed to determine where improvement can be made.

Responsible Person: Customer Service
Framework Coordinator

Target Date: 30 September 2013

Issue 3/2013**Obligation 124 – Integrated Regional Licence condition 23.1**

Horizon Power is required to submit compliance reports to the Authority by 31 August each year. Horizon Power submitted its 2011 compliance report to the Authority on-time, however although a copy of the 2012 compliance report was emailed to the Authority by 31 August 2012, the required hard copy was submitted one business day late.

Recommendation 3/2013

Horizon Power modify its compliance calendar to include the requirement to submit the hard copy of compliance reports to the Authority by the 31 August deadline.

Action Plan 3/2013

Modify the compliance action monitoring system to include automated notifications/ reminders to submit hard copies of compliance reports.

Responsible Person: Regulation Compliance
Coordinator

Target Date: 31 August 2013

Issue 4/2013**Obligations 144, 294 and 297 – Code of Conduct clauses 2.9(1), 12.1(1) and 12.2**

The 2011 performance audit identified the opportunity for CSRs to more effectively record complaints.

From a site visit to ServiceWorks, plus consideration of an increase in recorded complaints, we observed an improvement in Horizon Power's effectiveness in identifying and recording customer complaints. However, we identified instances of customer contact that suggest further improvement regarding practical interpretation of the complaint identification criteria can be achieved. Examples include:

- Instead of CSRs consistently applying the Authority's complaints recognition guidelines, ServiceWorks work practices do not mandate CSRs to record complaints unless it is either escalated to a Team Leader, or the customer agrees to formally record a complaint
- A customer who was wrongfully disconnected (the correct disconnection was for another supply address) on a Friday and not reconnected until the following Monday. Although it would be reasonable to expect the customer to have expressed dissatisfaction and expected reconnection to occur immediately, there was no recorded complaint on the customer's account. In instances of wrongful disconnection, Horizon Power's usual practice is to treat the matter as a priority service task and to process a service standard payment, rather than to record and manage as a complaint
- During our site visit to ServiceWorks, we observed a contact from a customer who had previously contacted Horizon Power regarding a dispute on their account. The second contact was escalated to the Team Leader, however the complaint was not recorded in Velocity.

Recommendation 4/2013

Horizon Power further strengthen its complaints handling process by:

- (a) More effectively training ServiceWorks' CSRs to recognise a complaint based on the key criteria from the Authority's Guidelines
- (b) Recording all avenues of complaints where a customer has expressed dissatisfaction, including customer service activity involving a priority resolution and associated service standard payment.

Action Plan 4/2013

- (a) Horizon Power acknowledges that the process for managing complaints is relatively new and not consistent or integrated within Horizon Power. Initially a training plan will be developed to ensure all customer facing staff recognise a complaint based on the key criteria from the Authority's Guidelines
- (b) The required improvements include monitoring of all avenues for complaints including social media. A business case for an integrated system, based on the mainframe and available to all staff (regions, Bentley & ServiceWorks), that captures complaints from all sources and allows visibility for all customer facing staff will be developed.

Responsible Person: (a) Customer Service Framework Coordinator
(b) Compliance and Billing Support Coordinator

Target Date: (a) 31 December 2013
(b) 30 June 2014

Issue 5/2013**Obligation 148 – Code of Conduct clause 4.1**

Upon examination of monthly unbilled installation reports and confirmation from the Manager Customer Service, we determined that:

- Following the 2011 performance audit, there have been no known instances of a customer being systematically billed more than once per month, other than in the instance of a special bill (for which specific agreement is reached with the customer)
- Despite efforts to manage the volume of unbilled installations, Horizon Power has continued to consistently breach the ‘at least one bill every three months’ Code requirement. As at 31 March 2013, there were 163 installations unbilled for greater than 90 days. That volume fluctuated from month to month throughout the audit period
- Horizon Power’s processes do not provide for obtaining the customer’s verifiable consent for billing outside the required timeframes. Horizon Power has verbally notified the Authority’s Secretariat of its non-compliance with the Code of Conduct.

Recommendation 5/2013

Horizon Power establish a plan for:

- (a) Further improving its billing validation and exception reporting practices to minimise the backlog of unprocessed bills and to proactively identify those accounts at risk of breaching billing frequency requirements
- (b) Determining what may constitute an acceptable volume of unbilled installations in order to achieve effective compliance with clause 4.1 of the Code.

Action Plan 5/2013

Horizon Power intends to improve performance so that it does not bill outside the required timeframe (i.e. no unbilled installations in a three month period).

To achieve this, a working group with ServiceWorks has been formed to review all validations and exception reporting processes. The findings from this review will be included in a customer services improvement plan that is being developed encompassing exception management, reporting and other causes of billing performance issues.

Responsible Person: Manager Customer Service

Target Date: 31 December 2013

Issue 6/2013**Obligation 162 – Code of Conduct clause 4.7**

In January 2012, Horizon Power implemented an improved process for managing the volume of meters that had not had an actual meter read within the 12 month timeframe specified by the Code. Despite a reduction in the volume of breaches of this requirement, Horizon Power has continued to experience a volume of breaches which it considers to be unacceptably high.

Recommendation 6/2013

Horizon Power establish a plan for:

- (a) Further improving its “must read” and exception reporting practices to minimise those accounts at risk of breaching actual meter reading data frequency requirements
- (b) Determining what may constitute an acceptable volume of unread meters in order to achieve effective compliance with clause 5.4 of the Code.

Action Plan 6/2013

Horizon Power intends to improve performance so that it does not read meters outside the required timeframe (i.e. all meters are read annually).

To achieve this, management meetings have been set up to report on meter reading performance. Further reporting and a process for escalation will be developed to ensure the Code is not breached.

Responsible Person: Field Services and Metering Coordinator

Target Date: 31 March 2014

Issue 7/2013**Obligation 180 – Code of Conduct clause 4.18(2)**

Section 4.18(6) of the Code allows, where a customer has been overcharged by an amount less than \$75, Horizon Power to credit the amount to the customer's account and notify the customer by the next bill. However, for amounts overcharged that are greater than \$75, Horizon Power must ask the customer for instructions as to whether the amount should be credited to the customer's account or repaid to the customer. For overcharge amounts greater than \$75, Horizon Power's procedures do not provide for the customer to be informed of the refund option available. By default, Horizon Power will credit the amount to the customer's account unless requested otherwise.

Recommendation 7/2013

Horizon Power:

- (a) Train CSRs to advise all customers, where an overcharge greater than \$75 is identified, of the option to refund the overcharged amount as well as the option of a future credit to their account
- (b) Update its Payments and Billing work instructions to reflect the requirements of the Code.

Action Plan 7/2013

- (a) Specific work instructions will be issued to all staff (Regions, Bentley & ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge. A training plan will also be developed to ensure CSRs are fully trained
- (b) Appropriate reporting to monitor compliance to this requirement/work instruction will be developed and monitored regularly.

Responsible Person: Customer Service
Framework Coordinator

Target Date: 31 December 2013

Issue 8/2013**Obligations 181 and 186 – Code of Conduct clauses 4.18(3) and 4.19(3)**

In instances where customers elect the option to request a cheque refund of an amount overcharged, Horizon Power's procedures include:

- Cheques are generated by a contracted, external print house and provided to Horizon Power to on-forward to the relevant customer's supply/alternate mailing address. Previously, cheques were sent directly from the print house to the customer
- As cheques are processed on a fortnightly basis, there is the potential for customers to receive the cheque up to 15 business days after Horizon Power received payment instructions, in contravention of the 12 business day requirement.

To rectify the timing issue, Horizon Power plans to better utilise EFT facilities so that customers can be refunded immediately.

Horizon Power has not implemented a compliance monitoring process to identify customers who have been overcharged, or the timeframes that customers were refunded. Examination of the customer complaint register did not identify complaints in relation to the late repayment of an overcharged amount.

<p>Recommendation 8/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Fully implement the EFT payment program to limit the need for cheque payments (b) Revise the cheque payment process such that all cheques are mailed to the customer within 10 business days of the receipt of a request, therefore considered to be received by the customer within 12 business days (c) Consider the implementation of an exception report to monitor compliance with the Code. 	<p>Action Plan 8/2013</p> <ul style="list-style-type: none"> (a) Improvements to the systems and structures are required to allow customer services to issue cheques or credits to bank accounts. To achieve this, the customer services improvement program will develop options to facilitate payments to customers according to the Code (b) Specific work instructions will be issued to all staff (Regions, Bentley & ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge (c) Improvement options to be considered include IT system changes to use the customer system to process non-energy transactions and refunds with associated process and training redevelopment. The implementation of compliance reports will be considered depending upon the payment options to be made available. <p>Responsible Person: Manager Customer Service Target Date: 31 December 2013</p>
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<p>Issue 9/2013</p> <p>Obligation 197 – Code of Conduct clause 5.7(1)</p> <p>Testing of a sample of final read service orders completed during the audit period identified that, based on records of customer correspondence in Velocity, two customers were billed for consumption outside the Code requirements (one and two business days late respectively)</p> <p>Horizon Power has not established a compliance monitoring system to identify customers who have been billed for consumption outside the timeframes required by the Code.</p>	
<p>Recommendation 9/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Reinforce the requirement for CSRs to maintain complete and timely customer contact logs (b) Establish a compliance monitoring system to identify vacated customers who have been billed for consumption outside the specified timeframes in the Code (c) Where necessary, rectify any instances where customers have been incorrectly billed for consumption after vacating a supply address. 	<p>Action Plan 9/2013</p> <ul style="list-style-type: none"> (a) Training plans will be reviewed to reinforce the requirement for CSRs to maintain complete and timely customer contact logs. (b) Preliminary investigations show that ServiceWorks has not followed process. An action plan to fully investigate and address this issue will be developed. <p>Responsible Person: (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator</p> <p>Target Date: (a) 30 September 2013 (b) 31 December 2013</p>

<p>Issue 10/2013</p> <p>Obligations 210 and 216 – Code of Conduct clauses 6.3(1)(b) and 6.8</p>

Section 3.7 of the Hardship Policy outlines customers' rights and responsibilities and identifies the provision of information requirements of s.6.8 of the Code. Through discussions with the Compliance and Billing Support Coordinator and consideration of Horizon Power's Hardship Policy, we determined that Horizon Power provides the necessary advice to a customer, either over the phone, by email or in writing, except for advising customers of the option for an energy efficiency audit.

Note that on 8 June 2012 the government made a decision to stop funding energy efficiency audits. The Compliance and Billing Support Coordinator advised that in response to this option ceasing, Horizon Power has attempted to recruit individuals in remote communities who can advise residents on energy efficiency initiatives. Also, if requested, CSRs will direct the customer to energy efficiency information on Horizon Power's website.

<p>Recommendation 10/2013</p> <p>Horizon Power consider amending its procedures so that CSRs advise the customer experiencing financial hardship whether there is an option for an energy efficiency audit and the location of any energy efficiency information on its website.</p>	<p>Action Plan 10/2013</p> <p>(a) Horizon Power's website will be upgraded to ensure that customers are advised of the option for an energy efficiency audit</p> <p>(b) The relevant stakeholders will be engaged to determine the practicality of and reasonable parameters for provision of energy audits in Horizon Power's jurisdiction.</p> <p>Responsible Person: (a) Customer Service Framework Coordinator (b) Aboriginal Service Coordinator</p> <p>Target Date: 31 December 2013</p>
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Issue 11/2013

Obligation 222 – Code of Conduct clause 6.10(5)

Through discussions with the Compliance and Billing Support Coordinator and examination of relevant correspondence with the Authority, we determined that:

- As the Authority completed its review of the 2010 Horizon Power Financial Hardship Policy in September 2011, Horizon Power understood that it would not be required to review its policy for submission to the Authority for the year ending 31 December 2011
- When contacted by the Authority in February 2012, Horizon Power initiated the review process and submitted the revised policy to the Authority in April 2012. As such, Horizon Power breached its obligation to review its Hardship Policy and to submit to the Authority within the required timeframe
- The 2012 review process was initiated in August 2012 and was submitted before the 31 December 2012 deadline.

Horizon Power's compliance calendar did not adequately recognise this annual compliance obligation, however has since been updated to accurately reflect this requirement.

<p>Recommendation 11/2013</p> <p>n/a - no further action required.</p>	<p>Action Plan 11/2013</p> <p>n/a - no further action required.</p>
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Issue 12/2013**Obligation 225 – Code of Conduct clause 7.1(1)**

Our testing of 30 of 3,276 disconnection service orders raised during the period 1 April 2011 to 31 March 2013, identified the following:

- Although all reminder and disconnection notices were issued in the appropriate timeframes, for two disconnection service orders, a reminder notice was issued for the total outstanding debt owed by the customer, including an amount billed less than 13 business days from the date of that reminder notice. These exceptions appear to be a recurrence of the Velocity system issues noted by the 2011 performance audit where reminder notices contain total overdue amounts relating to multiple bills.

Recommendation 12/2013

Horizon Power revise its process for generating reminder notices to ensure that customer consumption charges less than 13 business days overdue are not included in the reminder notice.

Action Plan 12/2013

- For the two service orders where the total debt has been included on the warning, identify root cause
- Develop a business case to make the appropriate changes in Velocity should this be required.

Responsible Person: Manager Customer Service

Target Date: 31 March 2014

Issue 13/2013**Obligation 230 – Code of Conduct clause 7.6**

Clause 7.6 of the Code requires disconnections to not be arranged:

- If the customer has made a complaint directly related to the reason for the proposed disconnection and the matter is unresolved
- For Fridays (after 12pm), Saturdays, Sundays, public holidays, the day before a public holiday or after 3pm on all other business days.

Our testing of 30 of 3,276 disconnections processed for the audit period:

- Did not identify any disconnections in breach of Code requirements
- Identified instances of:
 - A customer being wrongfully disconnected for non-application prior to 12pm on a Friday
 - A supply address being disconnected for non-application the day before a public holiday.

Although these disconnections were not breaches in themselves, they occurred outside Horizon Power's normal business rules because they were for non-application, not for failure to pay a bill. Therefore, in the event that Horizon Power wrongfully disconnects a customer for non-application, there is a greater risk that Horizon Power breaches the Code requirements.

The Manager Customer Service confirmed that field officers are fully aware to not disconnect a customer after 12pm on a Friday.

Recommendation 13/2013

Horizon Power amend its disconnection processes to:

- Not arrange for any disconnections on a Friday or the day before a public holiday
- Specifically account for public holidays that do not fall on a constant day each consecutive year (e.g. Australia day and ANZAC day).

Action Plan 13/2013

- Investigate a system driven way to limit the issuing of service orders, at specific times, to stay within Horizon Power's normal business rules
- Review business rules to ensure compliance with the Code requirements
- Ensure the Code requirements for disconnections are incorporated into the Field Service Officer training package.

Responsible Person: Field Services and Metering Coordinator

Target Date: 31 March 2014

<p>Issue 14/2013</p> <p>Obligation 231 – Code of Conduct clause 7.7(1)</p> <p>Clause 7.7(1)(b) of the Code, which came into effect on 1 January 2013, requires Horizon Power to (upon the appropriate confirmation) register the life support equipment required by the customer.</p> <p>At the time of this audit, Horizon Power’s Life Support Customer Register did not include details of the life support equipment required by the customer. Accordingly, for those new life support customers recognised and registered from 1 January 2013, Horizon Power has not complied with the Code’s requirements.</p>	
<p>Recommendation 14/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Update its Life Support Customer Register with details of the life support equipment required by its current life support customers (b) Revise its procedures to ensure details of the life support equipment required by new life support customers are obtained and included in the Life Support Customer Register. 	<p>Action Plan 14/2013</p> <p>Horizon Power will:</p> <ul style="list-style-type: none"> (a) Strengthen its procedures to ensure that details of customers’ life support equipment, which are currently recorded in the (spreadsheet) register maintained by ServiceWorks, are captured in the Life Support Customer Register in a timely manner (b) Investigate how life support customer information can be captured in Velocity. <p>Responsible Person:</p> <ul style="list-style-type: none"> (a) Manager Customer Service (b) Systems Change Coordinator <p>Target Date:</p> <ul style="list-style-type: none"> (a) 31 July 2013 (b) 31 December 2013
<p>Issue 15/2013</p> <p>Obligation 234 – Code of Conduct clause 7.7(4)</p> <p>Horizon Power’s Planned Outage Procedure outlines the action to be taken when organising a planned interruption, including regional depots to inform life support customers of the planned interruption.</p> <p>The Manager Customer Service confirmed that in instances where Horizon Power receives confirmation of a life support customer after Horizon Power has provided notice of a planned interruption, but before the planned interruption event, current processes do not provide for that customer to be contacted prior to the planned interruption.</p> <p>This audit did not identify specific instances where a new life support customer was required to be notified of an existing planned outage.</p>	
<p>Recommendation 15/2013</p> <p>Horizon Power amend its Planned Outage Procedure so that upon notification of a new life support customer, Horizon Power identifies whether there is a planned interruption to that customer’s supply address and if so, arrange for sufficient notice of the planned interruption to the customer.</p>	<p>Action Plan 15/2013</p> <ul style="list-style-type: none"> (a) Develop a system driven process to ensure that every time a new customer is added, the regions’ outage schedules are reviewed and the relevant customer is notified. Links to ENMAC to be considered (b) Train relevant customer service staff. <p>Responsible Person: Customer Service Framework Coordinator</p> <p>Target Date: 31 December 2013</p>

Issue 16/2013**Obligation 237 – Code of Conduct clause 8.2**

During the period 1 April 2011 to 31 March 2013, Horizon Power made six service standard payments for not reconnecting a customer's supply address in the timeframes specified by section 8.2 of the Code. Our testing of 20 of 4,137 reconnection service orders processed for the period 1 April 2011 to 31 March 2013 did not identify any further instances of non-compliance with those timeframes.

Recommendation 16/2013

Horizon Power establish a plan for:

- (a) Further improving its reconnection service order and exception reporting practices to minimise those accounts at risk of breaching reconnection timeframes
- (b) Determining what may constitute an acceptable volume of reconnection timeframe breaches in order to achieve effective compliance with clause 8.2 of the Code.

Action Plan 16/2013

- (a) Horizon Power aims to improve service order exception reporting practices. A comprehensive customer services improvement plan encompassing meter to cash processes is being developed to address this
- (b) Develop a reporting process to effectively monitor compliance with clause 8.2 of the Code
- (c) Arrange rollout of targets to Field based staff to help ensure delivery is in line with the required targets.

Responsible Person: (a) Manager Customer Service
(b) Customer Service Framework Coordinator
(c) Customer Service Framework Coordinator

Target Date: 31 December 2013

Issue 17/2013**Obligations 340, 348, 351, 354 and 355 – Metering Code clauses 3.1, 3.5(3) and (9), 3.9(3) and (7)**

The 2011 performance audit recognised Horizon Power's doubts whether its meters were compliant with relevant requirements and specifications. A Metering Management Plan was developed detailing Horizon Power's approach to testing its meters, including sample sizes, metrology requirements subject to testing and reporting of the results.

The results of the sample meter testing performed by Formway Group in February and June 2011 for both single and three phase meters were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis & Gyr EM3330 meters and the new Elster meters installed post January 2010.

Clause 3.14(1) and (2) provides an exemption to all meters installed pre the 2005 Metering Code, or committed to and installed within 18 months after the 2005 Metering Code commenced. As Horizon Power cannot be certain that no pre 2005 Metering Code meters were committed to and installed later than 18 months after the 2005 Metering Code commenced, Horizon Power has concluded that it currently operates non-compliant meters.

Action has not yet been taken to replace the failed meters, however Horizon Power is in the process of developing a cost-neutral business case to replace those meters with advanced meters.

At the time of this audit, Horizon Power had not formally notified the Authority or the Public Utilities Office of the status of its Metering Management Plan and associated findings.

<p>Recommendation 17/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Formalise its strategy for the replacement of all non-compliant meters on its networks (b) Liaise with the Authority and Public Utilities Office to reach agreement on actions to be taken. 	<p>Action Plan 17/2013</p> <ul style="list-style-type: none"> (a) Horizon Power has developed a draft business case for replacement of meters with Advanced Meter Infrastructure (smart meters). The initial phase to implement pre-payment meters in Aboriginal Communities has been approved and is in progress (b) The strategy for full replacement of all non-compliant meters is awaiting budget approval (c) Horizon Power will formally notify the Authority and the Public Utilities Office of the status of its Metering Management Plan and associated findings reach agreement on actions to be taken. <p>Responsible Person: Manager Customer Service</p> <p>Target Date: (a) and (b) 31 March 2014 (c) 30 June 2014</p>
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<p>Issue 18/2013</p> <p>Obligation 344 – Metering Code clause 3.3A(1)</p> <p>Horizon Power's procedures provide for:</p> <ul style="list-style-type: none"> • No party to be authorised to connect into its networks without approval • Inspectors to inspect installations according to WA electricity safety standards, not the Metering Code, therefore may not be aware of bi-directional flow meter requirements. <p>Prior to 8 December 2012, when the Metering Code clause 3.3A(1) became effective, Horizon Power became aware of instances where unauthorised electrical contractors connected customers' solar systems into existing mechanical meters, therefore providing for bi-directional flow, which was not capable of being separately measured and recorded. In all known instances, Horizon Power replaced the mechanical meter with an electronic meter capable of separately measuring and recording electricity flows in each direction. Horizon Power has not yet fully investigated whether there are other customers with installed solar systems, for which a new electronic meter has not been installed (i.e. to ensure bi-directional flows are measured and recorded).</p>	
<p>Recommendation 18/2013</p> <p>Horizon Power:</p> <ul style="list-style-type: none"> (a) Investigate whether there are further instances of customers with installed solar systems, for which a new electronic meter has not been installed to measure and record bi-directional flow (b) Take appropriate remedial action where appropriate (c) Provide training to electrical inspectors on relevant Metering Code requirements, specifically with regards to bi-directional flow installations (e.g. how to identify unauthorised connections). 	<p>Action Plan 18/2013</p> <ul style="list-style-type: none"> (a) An investigation will be undertaken to determine the extent of the issue of bi-directional flows and recommend required action (b) Training for relevant staff will be reviewed to ensure that relevant Metering Code requirements are met. Specifically with regards to bi-directional flow installations. <p>Responsible Person: Manager Customer Service</p> <p>Target Date: 31 December 2013</p>

Issue 19/2013**Obligation 370 – Metering Code clause 3.14(3)**

Clause 3.14 of the Metering Code provides for transitional arrangements for metering installations commissioned prior to the commencement of the 2005 Metering Code.

The Manager Customer Service confirmed that Horizon Power has audited approximately half of its relevant power station and transfer point meters, with the result that:

- Horizon Power has doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1. We note that those installations currently fall within the transitional arrangements outlined in clause 3.14, with the exception of clauses 3.3A and 3.11A, which are applicable to all licensees regardless of when the metering installations were commissioned
- One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1. Horizon Power is currently developing a cost estimate to rectify the affected metering installation.

Recommendation 19/2013

Horizon Power rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.

Action Plan 19/2013

Rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.

Responsible Person: Manager Customer Service

Target Date: 30 June 2014

Issue 20/2013**Obligation 494 – Electricity Industry (Network Quality & Reliability of Supply) Code 2005 clause 19**

The Electricity Industry (Network Quality & Reliability of Supply) Code requires extended outage payments to be made within 30 days of the customer's application.

For the period between 1 April 2011 and 31 March 2013, Horizon Power made 60 extended outage payments, of which one was made outside of the 30 day timeframe. This breach was not formally recognised by the officer responsible for maintaining Horizon Power's Extended Outage Payment Scheme Spreadsheet. Further, the spreadsheet is currently not structured to measure the timeframe since application and therefore to monitor compliance with the payment timeframe requirements.

Recommendation 20/2013

Horizon Power:

- Reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes
- Strengthen the Extended Outage Payment Scheme Spreadsheet so that it has the capability to identify payments due to customers that are nearing the timeframes required by the Code
- Ensure the Extended Outage Payment Scheme Spreadsheet is accurately maintained to enable effective compliance monitoring.

Action Plan 20/2013

- Reinforce the compliance requirements to those responsible for monitoring the Extended Outage Payment Scheme spreadsheet
- Strengthen the Extended Outage Payment Scheme Spreadsheet so that it monitors payments due to customers that are nearing the timeframes required by the Code
- Include the date claim made into Extended Outage Payment Scheme spreadsheet.

Responsible Person: Compliance and Billing Support Coordinator

Target Date: 30 September 2013

Issue 21/2013**Obligation 103 – Electricity Industry Act Regulation 14.0(1)(b)**

Through discussions with the Technical Regulation and Compliance Coordinator and consideration of Horizon Power’s Asset Management Plan documents, we determined that Horizon Power’s asset management system has evolved considerably since the Authority was last advised of the details of the system, including the decision to stop using the legacy Western Power data management systems and extend the current use of Ellipse for all asset data management. This change has resulted more sophisticated information being sought and used in the asset management process.

There is currently some doubt as to whether changes to the asset management system during the audit period are sufficiently substantial as to require specific notification to the Authority in accordance with the requirements of section 14(1) of the Act.

As it may be reasonable to form a view either way, we consider Horizon Power has not breached the requirements of the Act. We note that the clause 20.3 of the Licence specifies a 10 business day timeframe for providing such a notification.

Recommendation 21/2013

Horizon Power:

- (a) Notify the Authority of the current details of its asset management system for setting out the measures to be taken for the proper maintenance of assets used in its operations
- (b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority.

Action Plan 21/2013

- (a) Notify the Authority of the current details of its asset management system for setting out the measures to be taken for the proper maintenance of assets used in its operations
- (b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority.

Responsible Person: Technical Regulation and Compliance Coordinator

Target Date: (a) 30 September 2013
(b) 31 December 2013