

**Horizon Power**  
**Electricity Integrated Regional**  
**Licence (EIRL 2)**  
**2015 Performance Audit**  
**(Independent Assurance) Report**  
**July 2015**

Mr Liang Tay  
Risk and Audit Manager  
Horizon Power  
18 Brodie-Hall Drive  
Bentley WA 6102

30 July 2015

Dear Liang

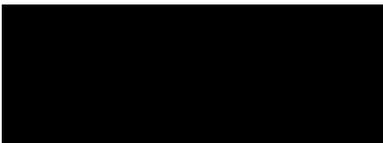
## **Electricity Integrated Regional Licence (EIRL 2) Performance Audit Report**

We have completed the Electricity Integrated Regional Licence Performance Audit for Horizon Power for the period 1 April 2013 to 31 March 2015 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 Kobus Beukes on 9365 7256 or myself on 9365 7200.

Yours sincerely



**Darren Gerber**  
Partner  
Deloitte Touche Tohmatsu

# Contents

1	Independent Auditor’s report	1
2	Executive summary	9
	2.1 Introduction and background	9
	2.2 Observations	9
	2.3 Findings	10
	2.4 Horizon Power’s response to previous audit recommendations	11
	2.5 Recommendations and action plans	13
	2.6 Scope and objectives	34
	2.7 Approach	34
3	Summary of findings	35
4	Detailed findings, recommendations and action plans	62
	4.1 Type 1 Reporting obligations for all licence types	64
	4.2 Electricity Industry (Customer Transfer) Code	69
	4.3 Electricity Industry (Obligation to connect) Regulations	83
	4.4 Electricity Industry (Customer Contracts) Regulations	87
	4.5 Electricity Industry Act 2004	92
	4.6 Electricity Licences – Licence Conditions and Obligations	96
	4.7 Code of Conduct for the Supply of Electricity to Small Use Customers	102
	4.8 Electricity Industry Metering Code 2012	189
	4.9 Electricity Industry (Network Quality and Reliability of Supply) Code	224
	4.10 Electricity Licences - Licensee Specific Conditions and Obligations	232
5	Previous audit non-compliances and recommendations	234
	Appendix A – Audit Plan	252
	Appendix B – References	253
	Key Horizon Power contacts	253
	Deloitte staff	253
	Key Documents and other information sources	253
	Appendix C – Post Audit Implementation Plan	256

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/au/about](http://www.deloitte.com/au/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Liability limited by a scheme approved under Professional Standards Legislation.

© 2015 Deloitte Touche Tohmatsu

# 1 Independent Auditor's report

With the approval of the Economic Regulation Authority (**the Authority**) Regional Power Corporation (**Horizon Power**) engaged Deloitte Touche Tohmatsu (**Deloitte**) to conduct a performance audit of Horizon Power's compliance with the conditions of its Electricity Integrated Regional Licence (**Licence**).

Deloitte conducted the performance audit as a reasonable assurance engagement and in accordance with the specific requirements of the Licence and the April 2014 issue of the *Audit and Review Guidelines: Electricity and Gas Licences* (**Audit Guidelines**).

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

Horizon Power is responsible for:

- Ensuring that it has complied in all material respects with the requirements of the Licence
- Establishing and maintaining an effective system of internal control over its systems designed to achieve its compliance with the Licence requirements
- 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 in respect of Horizon Power's compliance with the conditions of the Licence based on our audit procedures. The reasonable assurance engagement has been conducted in accordance with the Audit Guidelines and the Australian Standard on Assurance Engagements (**ASAE**) 3100 *Compliance Engagements* issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in our opinion, based on the procedures performed, Horizon Power has complied, in all material respects with the conditions of its Licence as outlined in the approved Audit Plan (dated 1 May 2015) for the period 1 April 2013 to 31 March 2015.

ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures consisted primarily of:

- Utilising the Audit Guidelines and the Electricity Compliance Reporting Manual (**Reporting Manual**) as a guide for development of a risk assessment, and document review to assess controls
- Development of an Audit Plan for approval by the Authority and an associated work programme, set out in Appendix A
- Interviews with and representations from relevant Horizon Power staff to gain an understanding of process controls
- Review of documents and walkthrough of processes and controls to assess the overall compliance and effectiveness in accordance with Licence obligations
- Sample testing where relevant for obligations rated as an Audit Priority 3 and above in the approved Audit Plan.

## 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 understand that a copy of this report will be provided to the Authority for the purpose of reporting on the performance audit for Horizon Power's Licence. We agree that a copy of this report may be provided to the Authority for its information in connection with this purpose but only on the basis that we accept no duty, liability or responsibility to the Authority in relation to the report. We accept no duty, responsibility or liability to any party, other than Horizon Power, in connection with the report or this engagement.

## Inherent limitations

Our engagement will provide reasonable assurance as defined in ASAE 3100. 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 and testing as at a point of time
- The inherent limitations of internal controls
- The fact that much of the evidence available to us is persuasive rather than conclusive
- The use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance are undertaken on a test basis.

The conclusion expressed in this report has been formed on the above basis. Any projection of the evaluation of the level of compliance to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with management procedures may deteriorate.

## Independence

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

## Conclusion

In our opinion, based on the procedures performed, except for the effect of the issues set out below, Horizon Power has, in all material respects, complied with the conditions of its Licence as outlined in the approved Audit Plan (dated 1 May 2015) for the period 1 April 2013 to 31 March 2015.

## Exceptions

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

Reporting Manual number and Licence condition	Issue
<p>75 <b>Electricity Industry (Obligation to Connect) Regulations - regulation 6</b></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>	<p>The findings of the 2013 audit were that of all 3,965 completed connection service orders during that audit period 15 new connections (0.38%) were not completed within the 20 day timeframe.</p> <p>Horizon Power developed an action plan to extend the duration of its connection processes through a letter for distribution to customers where, it is identified that the expected connection completion date would fall outside the 20 day timeframe. The letter would be designed to enable Horizon Power to obtain customers' acceptance of a revised connection timeframe and therefore to</p>

Reporting Manual number and Licence condition		Issue
		<p>maintain compliance with the Regulations. This process has not been implemented.</p> <p>A summary report of all 4,486 completed connection service orders for the period 1 April 2013 to 31 March 2015 evidenced that 30 new connections were (0.67%) not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.</p>
129	<p><b>Code of Conduct clause 2.1</b> A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.</p>	<p>Based on audit testing of five customers that signed up as part of the Go-live process, we determined that valid copies of the signed contracts had not been maintained on file for any of the selected customers (as per the requirement of Part 2 of the Code of Conduct). As a result, Horizon Power was non-compliant with Part 2 of the Code of Conduct, for the period 1 April 2013 to 1 July 2014.</p> <p>The Authority is also of the view that the Department of Housing's actions in relation to facilitating Horizon Power's account establishment process constitute 'marketing' activity and the Department is deemed to be acting as a marketing agent on behalf of Horizon Power.</p> <p>We note that Obligations 142* and 143* have been removed from the new Code of Conduct, effective from 1 July 2014.</p>
142*	<p><b>Code of Conduct clause 2.6(2)</b> <i>"Activities to be complied with by an electricity marketing agent who meets with a customer face to face."</i></p>	
143*	<p><b>Code of Conduct clause 2.6(3) and 2(6)(4)</b> <i>"Records to be maintained by a retailer or other party each time it initiates contact with a customer for the purposes of marketing."</i></p>	
145	<p><b>Code of Conduct clause 4.1</b> 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.</p>	<p>The 2013 performance audit identified 163 accounts that were unbilled for longer than 90 days. Horizon Power has continued to issue bills to customers at intervals of greater than the three month period stipulated in the Code of Conduct. Through examination of the Customer Services Dashboard, we identified that 28 accounts were unbilled for longer than 90 days as at 30 June 2014.</p> <p>However, we acknowledge that Horizon Power has made a significant effort to reduce this number and as at 31 March 2015, no accounts remained unbilled for over 90 days.</p>
158	<p><b>Code of Conduct clause 4.7</b> <i>"Frequency of meter readings"</i></p>	<p>During the 2013 audit eight out of a sample of ten meters tested had not had an actual read in 12 months.</p> <p>For the current audit period Horizon Power's Customer Services Dashboard reflected recurring instances of accounts that have not had an actual read in 12 months (81 in March 2014; 16 in June 2014 and 176 in March 2015).</p> <p>We were advised by the Meter Data Coordinator that as a result of staff changes in Horizon Power monitoring of the exceptions was re-assigned to the regions and that the exception reports were not followed up efficiently by the regions.</p>
386	<p><b>Metering Code clause 5.4(1)</b></p>	
387	<p><b>Metering Code clause 5.4(1A)</b> <i>"Network operator must do at least one meter reading that provides an actual value per year that passes validation"</i></p>	

Reporting Manual number and Licence condition		Issue
160	<b>Code of Conduct clause 4.8(2)</b> 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).	The wording required by subclause 4.8(2)(c) has not been fully reflected on the estimated bill template (e.g. the template does not specifically reference the words "a verification of a meter reading"). As a result, the format of Horizon Power's bill does not fully comply with the requirements of the Code of Conduct.
177 183	<b>Code of Conduct clause 4.18(2)</b> <i>"Information and repayment to an overcharged customer"</i> <b>Code of Conduct clause 4.19(2)</b> <i>"Information and repayment of an adjustment amount owing to the customer"</i>	Based on our testing of 20 refunds made to customers following overcharges, we identified one instance where Horizon Power did not comply with the requirements of the Code, in that it did not advise the customer of an overcharge to their account within 10 business days.  In the identified instance of non-compliance, an actual read was performed, following previous estimations, which generated a credit to the customer's account. Horizon Power did not advise the customer of the overcharge or ask the customer for instructions regarding repayment of the overcharge after the credit was recorded on the customer's account. Horizon Power only took action when the customer identified the credit on their bill and contacted Horizon Power to request a refund.
197	<b>Code of Conduct clause 5.7(1)</b> 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).	Testing of a sample of 15 final read service orders completed during the audit period identified that 10 customers had been charged for consumption for seven calendar days (five business days) from the date of notification.  The same issue was raised in the previous audit and Horizon Power undertook to address the issue under Action Plan 9/2013. Notwithstanding the improvements Horizon Power has implemented to complete Action Plan 9/2013, we identified a systemic issue with regards to the configuration of its billing system (Velocity). Subclause 5.7(1) of the Code of Conduct requires the following: <i>"a retailer must not require a customer to pay for electricity consumed at the customer's supply address from:</i> <i>d) the date the customer vacated the supply address, if the customer gave at least 5 days notice; or</i> <i>e) 5 days after the customer gave notice, in any other case."</i>  Based on our understanding of the requirements of the Code of Conduct, Horizon Power has not configured Velocity to support compliance with the above requirements since Velocity has been configured to allow for five business days, as opposed to calendar days. We note that the Code of Conduct expressly refers to certain timeframes in 'business days' where it is intended that such timeframes be calculated in business days and also specifically defines 'business days'. In this instance, the Code of Conduct does not refer to business days and as a result, Horizon Power should

Reporting Manual number and Licence condition		Issue
		have configured Velocity to calculate the period involved in calendar days.
225	<b>Code of Conduct clause 6.10(6)</b> If a retailer reviews its hardship policy and hardship procedures, the retailer must submit to the Authority the results of that review within 5 business days after it is completed.	In 2013, Horizon Power made a change to its Financial Hardship Policy to reflect its internal structural changes for a staff member's position. The Authority was only advised of this change on 18 August 2014. As such, Horizon Power had not complied with the five business day notification requirement stipulated by the Code of Conduct.
227	<b>Code of Conduct clause 6.10(8)</b> If a retailer amends its hardship policy, the retailer must submit to the Authority a copy of the retailer's hardship policy within 5 business days of the amendment.	Horizon Power self-reported the breach to the Authority and acknowledged that the breach occurred as a result of a misinterpretation of a communication received from the Authority.
229	<b>Code of Conduct clause 7.1(1)</b> 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).	The 2013 audit identified two instances (6.67%) out of a sample of 30 disconnection service orders tested where 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.  The 2015 audit also identified two instances (6.67%) out of a sample of 30 disconnection service orders tested where reminder notices sent to customers included the total debt owed by the customer, including amounts billed less than 13 business days prior to the date of the reminder.
235	<b>Code of Conduct (Disconnection) Regulations - regulation 7.7(1)</b> 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).	Clause 7.7(1)(b) of the Code of Conduct requires Horizon Power to register the life support equipment required by the customer.  At the time of 2013 audit, Horizon Power's Life Support Customer Register did not include details of the life support equipment required by customers.  During the 2015 audit it was identified that Horizon Power has updated its Life Support Register in respect of most affected customers, but for 18 of the 83 life support customers the recorded details of the life support equipment were not complete, as required by the Code of Conduct.  However, following the audit Horizon Power has addressed the issue by updating the Life Support Customer Register with the required details.
244	<b>Code of Conduct (Reconnection) Regulations - regulation 8.2</b> A distributor must reconnect the customer's supply address upon the request of a retailer, within	The 2013 audit identified that 6 out of 4,137 reconnections (0.15%) had not occurred within the specified time frame.  The 2015 audit identified that 194 (2.77%) reconnections out of all 6,994 reconnection service orders issued during the audit period did not occur

Reporting Manual number and Licence condition		Issue
	the timeframes specified in subclause 8.2(2).	within the specified timeframes.
245	<b>Code of Conduct clause 9.1(2)</b> 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.	During the audit period, Horizon Power installed prepayment meters in two communities (Bayulu and Mowanjum), which have not yet been published in the Government Gazette at the date of this report.
249*	<b>Code of Conduct clause 9.4(5)</b> 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.	Horizon Power did not send the required notice to advise residential pre-payment meter customers of the date of the expiry of the customer's rights to revert to a standard meter during the period under audit.  This requirement has been removed from the new Code of Conduct, effective from 1 July 2014.
280	<b>Code of Conduct clause 10.3A</b> 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.	Prior to 2013 Horizon Power provided customers with letters detailing its obligations to make Standard Service Payments. In 2013, Horizon Power decided that its Corporate Communications would publish the obligations in the <i>On The Horizon</i> newsletter. At the date of the audit Horizon Power had not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers.  However, following the audit Horizon Power has taken corrective action by publishing the required obligation in the <i>On the Horizon</i> newsletter.
301*	<b>Code of Conduct clause 13.1(2)</b> <i>"Required information that a retailer must keep"</i>	Being a vertically integrated business, Horizon Power records and maintains the information in a single system at an organisational level and not separated into retail and distribution.  The Authority is of the view that maintaining an aggregated set of records rendered Horizon Power non-compliant with the requirements of clause 13.1(2), 13.1(3), 13.1(5) and 13.1(12).  These requirements have been removed from the new Code of Conduct, effective from 1 July 2014.
302*	<b>Code of Conduct clause 13.1(3)</b> <i>"Required information that a distributor must keep"</i>	
308*	<b>Code of Conduct clause 13.5</b> <i>"Call centre performance indicators that a retailer must keep"</i>	
318*	<b>Code of Conduct clause 13.12</b> <i>"Call centre performance indicators that a distributor must keep"</i>	

Reporting Manual number and Licence condition		Issue
319	<b>Metering Code clause 3.1</b> <i>"Meters must comply with metrology procedure and National Measurement Act"</i>	<p>The 2011 performance audit recognised Horizon Power's doubts whether its meters were compliant with relevant requirements and specifications. Horizon Power developed a Metering Management Plan detailing its 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 (<b>Formway Group</b>) 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 &amp; 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 concluded that it currently operates non-compliant meters.</p> <p>During the current audit period Horizon Power has initiated the process of rolling out Advanced Metering Installations (<b>AMI</b>) to replace its current meters, consistent with the recommendations arising from the 2013 audit. AMI installations are anticipated to be completed by December 2016, but at the end of the current audit period Horizon Power still had non-compliant meters in operation.</p>
327	<b>Metering Code clause 3.5(3)</b> <i>"Requirements for a metering installation"</i>	
330	<b>Metering Code clause 3.5(9)</b> <i>"Requirements for a metering installation"</i>	
333	<b>Metering Code clause 3.9(3)</b> <i>"Metering installation types and accuracy requirements"</i>	
334	<b>Metering Code clause 3.9(7)</b> <i>"Metering installation types and accuracy requirements"</i>	
340	<b>Metering Code clause 3.11A(1)</b> <i>"Meters are systematically sampled and tested"</i>	
341	<b>Metering Code clause 3.11A(2)</b> <i>"Replacement of meters deemed to have failed the testing"</i>	
349	<b>Metering Code clause 3.14(3)</b> 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 of the Metering Code.	<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 2013 audit confirmed that Horizon Power had audited approximately half of its relevant power station and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> <li>• Horizon Power had doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1 of the Metering Code. 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</li> <li>• One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1 of the Metering Code.</li> </ul> <p>The 2013 audit recommendation that Horizon Power rectify the new metering installation to ensure it</p>

Reporting Manual number and Licence condition		Issue
		<p>complied with the accuracy requirements of Table 3 in Appendix 1 of the Metering Code has not yet been implemented at the time of this engagement.</p> <p>Horizon Power is developing a business case to install the required generation metering, but the business case has been delayed due to other urgent works in the NWIS, currently being carried out by the asset management team. It is anticipated that the business case will be finalised by 31 July 2015 and that progression will be subject to funding approval.</p>
473	<p><b>Network Quality &amp; Reliability of Supply Code 2005 clause 19</b></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>	<p>The Electricity Industry (Network Quality &amp; Reliability of Supply) Code requires extended outage payments to be made within 30 days of an application for such a payment by a customer.</p> <p>During the period 1 July 2014 to 31 March 2015, Horizon Power received 945 applications for extended outage payments, all relating to Cyclone Olwyn in March 2015. Of those 945 applications, 11 payments were made outside of the 30 day requirement.</p>
476	<p><b>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(3)</b></p> <p>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.</p>	<p>Clause 21(3) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 requires Horizon Power to provide a written notice at least once in each financial year to eligible customers about payments for failure to meet the requirements in clauses 18 and 19.</p> <p>At the date of the audit Horizon Power had not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers. However, following the audit Horizon Power has taken corrective action by publishing the required obligation in the <i>On the Horizon</i> newsletter.</p>

\* Obligation relates to Code of Conduct 2012

DELOITTE TOUCHE TOHMATSU

**Darren Gerber**

Partner

Perth, June 2015

# 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 some of the recommendations and control improvements associated with elements of non-compliance identified in the 2013 audit
- Been impacted by restructuring and decentralisation during the audit period. Additional monitoring and reporting measures have been implemented. However in some instances, they require further improvement and/or more rigorous follow-up
- Maintained procedures and controls designed to improve its customer service standards relating to customer connections, billing communication and complaint handling
- Recognised further instances of non-compliance throughout the audit period. As a result, associated control improvements were implemented and/or some matters of non-compliance were brought to the attention of this audit
- A potential to further improve its compliance management framework, which will enhance the level of compliance with its regulatory obligations
- 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 (such as Customer Services Process Manager and Retail Services Manager) playing a more effective compliance management and monitoring role than observed in previous audits
- Maintained support for its Gentrack Velocity Customer Information System (**Velocity**) and Metering system (**mDATA21**).

## 2.3 Findings

The following tables summarise the assessments made during the audit on Horizon Power’s compliance with and the adequacy of controls in place for Horizon Power to manage its compliance with the relevant obligations or conditions of the Licence:

Table 1 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 1: Compliance and control adequacy rating scale**

Adequacy of Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties

- On a scale of A to D, “A” is the highest control adequacy rating (defined as “Adequate controls – no improvement needed”) with the rating scale moving through to “D”, the lowest control adequacy rating possible (defined as “No controls evident”).
- On a scale of 1 to 4, “1” is the highest compliance rating possible (defined as “Compliant”) with the rating scale moving through to “4”, the lowest rating possible (defined as “Non-compliant – major impact on customers or third parties”).

**Table 4** at section 3 of this report provides further detail on the compliance and control adequacy rating scales. The above rating scale is defined by the Authority in its Audit Guidelines.

**Table 2: Summary of findings, by audit priority and compliance rating**

Audit Priority	Compliance rating				NR	Total
	1	2	3	4		
Priority 1	-	-	-	-	-	-
Priority 2	9	18	1	-	3	31
Priority 3	15	2	-	-	-	17
Priority 4	189	6	-	-	154	349
Priority 5	22	-	-	-	28	50
<b>Total:</b>	<b>235</b>	<b>26</b>	<b>1</b>	<b>-</b>	<b>185</b>	<b>447</b>

**Table 3: Summary of findings, by audit priority and controls adequacy**

Audit Priority	Control adequacy rating				NP <sup>1</sup>	Total
	A	B	C	D		
Priority 1	-	-	-	-	-	-
Priority 2	9	18	1	-	3	31
Priority 3	11	4	-	-	2	17
Priority 4	-	12	1	-	336	349
Priority 5	-	-	-	-	50	50
<b>Total:</b>	<b>20</b>	<b>34</b>	<b>2</b>	<b>-</b>	<b>391</b>	<b>447</b>

Note that, in accordance with the new Audit Guidelines, obligations assessed as being “not applicable” to Horizon Power’s operations have not been included within this report. Further, an assessment of control adequacy is not required for obligations with an audit priority of 4 or 5 and a compliance rating of 1.

For the audit period 1 April 2013 to 31 March 2015, a total of 27 licence obligations were rated as non-compliant. For the purposes of reporting some of the 27 obligations have been grouped together, resulting in 19 findings related to non-compliance:

- Ten relate to obligations that were also non-compliant in the 2013 performance audit period. In one of these instances, the non-compliance has not been addressed at all. In other instances, some actions have been taken to address the root cause of the non-compliance, but such actions are either still in progress or have not been effective. This report details updated action plans relevant to those items
- Eight relate to obligations that were not rated as non-compliant in the 2013 performance audit
- One relates to an obligation under the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 that was not rated as non-compliant in the 2013 performance audit.

Specific assessments for each licence obligation are summarised at **Table 4** 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 considered Horizon Power’s progress in completing the action plans detailed in the 2013 performance audit report.

Based on 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 11 of the 21 action plans detailed in the 2013 performance audit report. Of the remaining ten action plans:

- Seven have not been effectively implemented, resulting in the same issues resurfacing
- One has been implemented but a different issue has been identified within the same process resulting in a requirement for additional action
- One has been implemented but owing to the large scale of implementation required, remains in progress

<sup>1</sup> Refers to the obligations for which a control assessment was not required (obligations with an audit priority of 4 or 5 and a compliance rating of 1, or which were not rateable).

- The remaining one has not yet been implemented.

Those ten action plans have now been assessed and superseded by new recommendations and action plans captured in the 2015 performance audit.

Refer to section 5 of this report for further detail.

## 2.5 Recommendations and action plans

Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 1/2015
75	<p><b>Electricity Industry (Obligation to Connect) Regulations regulation 6 -</b> 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 2	B	<p>2</p> <p>The findings of the 2013 audit were that of all 3,965 completed connection service orders during that audit period 15 new connections (0.38%) were not completed within the 20 day timeframe.</p> <p>Horizon Power developed an action plan to extend the duration of its connection processes through a letter for distribution to customers where, it is identified that the expected connection completion date would fall outside the 20 day timeframe. The letter would be designed to enable Horizon Power to obtain customers' acceptance of a revised connection timeframe and therefore to maintain compliance with the Regulations. This process has not been implemented.</p> <p>A summary report of all 4,486 completed connection service orders for the period 1 April 2013 to 31 March 2015 evidenced that 30 new connections were (0.67%) not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.</p> <p>The existing controls are not adequate to prevent new connections from exceeding the 20 day timeframe, identify new connections that were approaching the 20 day timeframe, identify new connections that exceeded the 20 day timeframe, or trigger a process to obtain customers' verifiable consent to exceed the 20 day timeframe.</p>
	<p><b>Recommendation 1/2015</b> Horizon Power should identify and implement:</p> <ul style="list-style-type: none"> <li>(a) Process improvements aimed at preventing new connections from exceeding the 20 day timeframe</li> <li>(b) Monitoring measures to identify new connections that are likely to exceed the 20 day timeframe</li> <li>(c) Monitoring measures to identify connections exceeding the 20 day timeframe</li> <li>(d) Measures to trigger a process to obtain customers' verifiable consent, where Horizon Power identifies that new connections will exceed the 20 day timeframe.</li> </ul>			<p><b>Action Plan 1/2015</b> Change customer service Dashboard Report to 10 business days requirement to facilitate earlier identification and communication to obtain customers' verifiable consent.</p> <p><b>Responsible Person:</b> Customer Services Process Manager <b>Target Date:</b> 30 September 2015</p>

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 2/2015
103	<b>Electricity Industry Act section 14(1)(b)</b> <i>“Notification of asset management system details”</i>	Priority 3	B	1	<p>Horizon Power is unable to provide evidence that it has notified the Authority of the details of its asset management system and maintenance measures, as required under section 14(1)(b) of the Electricity Industry Act.</p> <p>Horizon Power is unable to provide evidence of publication dates of the following reports, which were required to be published on its website by 1 October:</p> <ul style="list-style-type: none"> <li>• 2013 Performance report under the Code of Conduct 2012. Note that the requirement has been removed from the Code of Conduct 2014 and as a result, the non-compliance is only applicable for the period 1 April 2013 to 30 June 2014.</li> <li>• 2013 and 2014 performance reports under the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1).</li> </ul> <p>The existing controls are not adequate to ensure that evidence is maintained of compliance with due dates for submission and publication of reports.</p>
124	<b>Integrated Regional Licence condition 16.1</b> <i>“Provision of information to the Authority”</i>	Priority 3	B	1	
125	<b>Integrated Regional Licence condition 17.1 and 17.2</b> <i>“Publishing of information”</i>	Priority 4	B	1	
126	<b>Integrated Regional Licence condition 18.1</b> <i>“Notices must be in writing”</i>	Priority 4	B	1	
306	<b>Code of Conduct clause 13.2</b> <i>“Provision of report to the Authority”</i>	Priority 4	B	1	
307	<b>Code of Conduct clause 13.3</b> <i>“Publication of report”</i>	Priority 4	B	1	
324*	<b>Code of Conduct clause 13.17(1)</b> <i>“Publication of annual retailer and distributor reports”</i>	Priority 4	B	1	
484	<b>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1)</b> <i>“Publication of annual report”</i>	Priority 4	B	1	
485	<b>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(3)</b> <i>“Submission of report to the Minister and the Authority”</i>	Priority 4	B	1	

<p><b>Recommendation 2/2015</b></p> <p>Horizon Power should consider establishing a centralised:</p> <p>(a) Compliance Register to record and track due dates for submission and publication of reports</p> <p>(b) Repository to retain evidence of submission and publication of reports within the required timeframe.</p>	<p><b>Action Plan 2/2015</b></p> <p>Establish a centralised:</p> <p>(a) Compliance Register to record and track due dates for submission and publication of reports</p> <p>(b) Repository to retain evidence of submission and publication of reports within the required timeframe.</p> <p><b>Responsible Person:</b> Customer Services Process Manager, Manager Asset Management Support</p> <p><b>Target Date:</b> 30 September 2015</p>
--	---

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 3/2015
129	<b>Code of Conduct clause 2.1</b> A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.	Priority 3	B	2	Based on audit testing of five customers that signed up as part of the Go-live process, we determined that valid copies of the signed contracts had not been maintained on file for any of the selected customers (as per the requirement of Part 2 of the Code of Conduct). As a result, Horizon Power was non-compliant with Part 2 of the Code of Conduct, for the period 1 April 2013 to 1 July 2014. The controls relating to document retention and archiving were not effective in facilitating appropriate record keeping during the period this obligation was in force. Horizon Power has implemented an improved process for archiving documents, and has undertaken to reinforce the importance of appropriate record keeping with ServiceWorks again. The Authority is also of the view that the Department of Housing's actions in relation to facilitating Horizon Power's account establishment process constitute 'marketing' activity and the Department is deemed to be acting as a marketing agent on behalf of Horizon Power. We note that Obligations 142* and 143* have been removed from the new Code of Conduct, effective from 1 July 2014.
142*	<b>Code of Conduct clause 2.6(2)</b> <i>"Activities to be complied with by an electricity marketing agent who meets with a customer face to face."</i>	Priority 4	B	2	
143*	<b>Code of Conduct clause 2.6(3) and 2.6(4)</b> <i>"Records to be maintained by a retailer or other party each time it initiates contact with a customer for the purposes of marketing."</i>	Priority 4	B	2	

<p><b>Recommendation 3/2015</b></p> <p>Horizon Power should follow through on its undertaking to reinforce with ServiceWorks the importance of document retention and maintenance of appropriate archiving processes for retention of key information.</p>	<p><b>Action Plan 3/2015</b></p> <p>Reinforce with ServiceWorks the importance of document retention and maintenance of appropriate archiving processes for retention of key information.</p> <p><b>Responsible Person:</b> Retail Services Manager</p> <p><b>Target Date:</b> 30 September 2015</p>
--	--

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 4/2015
145	<p><b>Code of Conduct clause 4.1</b></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 in subclause 4.1.</p>	Priority 2	B	2	<p>The 2013 performance audit identified 163 accounts that were unbilled for longer than 90 days. Horizon Power has continued to issue bills to customers at intervals of greater than the three month period stipulated in the Code of Conduct. Through examination of the Customer Services Dashboard, we identified that 28 accounts were unbilled for longer than 90 days as at 30 June 2014.</p> <p>During a portion of the audit period the existing controls were not adequate to prevent accounts from being unbilled for longer than 90 days.</p> <p>However, we acknowledge that significant effort has been applied by Horizon Power to reduce this number and as at 31 March 2015, no accounts remained unbilled for over 90 days.</p>
<p><b>Recommendation 4/2015</b></p> <p>n/a – no further action is required.</p>					<p><b>Action Plan 4/2015</b></p> <p>n/a – no further action is required.</p>

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 5/2015
158	<p><b>Code of Conduct clause 4.7</b> 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.</p>	Priority 2	B	2	<p>During the 2013 audit eight out of a sample of 10 meters tested had not had an actual read in 12 months.</p> <p>For the current audit period Horizon Power's Customer Services Dashboard reflected recurring instances of accounts that have not had an actual read in 12 months (81 in March 2014; 16 in June 2014 and 176 in March 2015).</p>
386	<p><b>Metering Code clause 5.4(1)</b> 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.</p>	Priority 2	B	2	<p>We were advised by the Meter Data Coordinator that as a result of staff changes in Horizon Power, monitoring of the exceptions was re-assigned to the regions and that the exception reports were not followed up efficiently by the regions.</p> <p>The existing controls are not adequate to prevent meters from going without an actual read for longer than 12 months.</p>
387	<p><b>Metering Code clause 5.4(1A)</b> 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.</p>	Priority 2	B	2	

**Recommendation 5/2015**

Until the successful implementation of the AMI installation program, Horizon Power should identify and implement measures to trigger a process to expedite actual reads of meters where the time elapsed from the previous actual read is approaching or has exceeded the 12 month timeframe.

**Action Plan 5/2015**

The 176 accounts at the end of March included 166 in the NIS and 10 in the NWIS. In the existing process, the system generates a queue for all installations that have not received a read for eight months. The process is to generate manual must read service orders to attain these reads. In this instance, the process has not been followed.

- (a) Customer Service will continue with its existing continual process improvement methodology through weekly reporting and root cause analysis
- (b) Process enhancements will be implemented, if identified
- (c) Regional Managers are to reinforce with staff the importance of following the process.

Additionally via the implementation of AMI the likelihood of this breach will be further reduced.

There is no additional action proposed.

**Responsible Person:** Customer Services  
Process Manager

**Target Date:** 30 September  
2015

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 6/2015
160	<p><b>Code of Conduct clause 4.8(2)</b></p> <p>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).</p>	Priority 4	B	2	<p>The wording required by subclause 4.8(2) (c) of the Code of Conduct has not been fully reflected on the estimated bill template (e.g. the template does not specifically reference the words "a verification of a meter reading"). As a result, the format of Horizon Power's bill does not fully comply with the requirements of the Code of Conduct.</p> <p>The existing controls did not identify that the wording of the estimated bill template does not comply with the Code of Conduct.</p>
	<p><b>Recommendation 6/2015</b></p> <p>Horizon Power should update its estimated bill template to completely reflect the requirements of clause 4.8(2), specifically displaying the option for a customer to request for a verification of a meter reading.</p>				<p><b>Action Plan 6/2015</b></p> <p>Update estimated bill template to address the requirements of clause 4.8(2) of the Code.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 28 February 2016</p>

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 7/2015
177	<p><b>Code of Conduct clause 4.18(2)</b></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 2	B	2	<p>Based on our testing of a sample of 20 refunds made to customers following overcharges, we identified one instance where Horizon Power did not comply with the requirements of the Code of Conduct, in that it did not advise the customer of an overcharge to their account within ten business days.</p> <p>In the identified instance of non-compliance an actual read was performed, following previous estimations, which generated a credit to the customer's account. Horizon Power did not advise the customer of the overcharge or ask the customer for instructions regarding repayment of the overcharge after the credit was recorded on the customer's account. Horizon Power only took action when the customer identified the credit on their bill and contacted Horizon Power to request a refund.</p>
183	<p><b>Code of Conduct clause 4.19(2)</b></p> <p>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.</p>	Priority 4	B	2	<p>The existing controls were not adequate to ensure that the customer was informed of the overcharge within ten business days of Horizon Power becoming aware thereof.</p>
	<p><b>Recommendation 7/2015</b></p> <p>Horizon Power should reinforce with ServiceWorks the importance of adhering to the existing process for notification to customers within the required timeframe where overcharges occur on accounts.</p>				<p><b>Action Plan 7/2015</b></p> <p>Reinforce with ServiceWorks the importance of managing the existing process. A robust process and monitoring is currently in place.</p> <p><b>Responsible Person:</b> Retail Service Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 8/2015
197	<p><b>Code of Conduct clause 5.7(1)</b></p> <p>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 2	C	3	<p>Testing of a sample of 15 final read service orders completed during the audit period identified that 10 customers had been charged for consumption for seven calendar days (five business days) from the date of notification.</p> <p>The same issue was raised in the previous audit and Horizon Power undertook to address the issue under Action Plan 9/2013. Notwithstanding the improvements Horizon Power has implemented to complete Action Plan 9/2013, we identified a systemic issue with regards to the configuration of its billing system (Velocity).</p> <p>Subclause 5.7(1) of the Code of Conduct requires the following:</p> <p><i>“a retailer must not require a customer to pay for electricity consumed at the customer’s supply address from:</i></p> <p><i>d) the date the customer vacated the supply address, if the customer gave at least 5 days notice; or</i></p> <p><i>e) 5 days after the customer gave notice, in any other case.”</i></p> <p>Based on our understanding of the requirements of the Code of Conduct, Horizon Power has not configured Velocity to support compliance with the above requirements as Velocity has been configured to allow for five business days, as opposed to calendar days. We note that the Code of Conduct expressly refers to certain timeframes in ‘business days’ where it is intended that such timeframes be calculated in business days and also specifically defines ‘business days’. In this instance, the Code of Conduct does not refer to business days and as a result, Horizon Power should have configured Velocity to calculate the period involved in calendar days.</p> <p>The existing controls were not adequate to identify that the configuration of Velocity to calculate consumption in business days was not in compliance with the Code of Conduct.</p> <p>This non-compliance is material, in light of the number of customers potentially affected and significant improvement is required to facilitate compliance with the Code of Conduct.</p>

<p><b>Recommendation 8/2015</b></p> <p>Horizon Power should:</p> <p>(a) Reconfigure the Service Order 'required by date' to calculate consumption in calendar days, as provided by the Code of Conduct</p> <p>(b) Endeavour to determine the extent of the customer population affected and the number and quantum of transactions involved</p> <p>(c) Liaise with the Authority to obtain guidance on what further actions should be taken.</p>	<p><b>Action Plan 8/2015</b></p> <p><b>Recommendation Accepted</b></p> <p>Horizon Power has always managed service order delivery/compliance based on business days and it appears that there has been a misinterpretation of the change to final reading timeframes in the 2014 code of conduct for conduct.</p> <p>Horizon Power will assess the extent of the customers impacted and liaise with the authority by December 2015.</p> <p>Following the implementation of AMI the likelihood of this breach will be further reduced. AMI will incorporate remote facilitation of final reads across any AMI-enabled meter on the date requested by the customer.</p> <p><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> 30 September 2015</p>
--	---

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 9/2015
225	<p><b>Code of Conduct clause 6.10(6)</b></p> <p>If a retailer reviews its hardship policy and hardship procedures, the retailer must submit to the Authority the results of that review within 5 business days after it is completed.</p>	Priority 2	B	2	Horizon Power made changes to its Financial Hardship Policy in response to a review performed in 2013. The Authority was only advised of this change on 18 August 2014. As such, Horizon Power had not complied with the five business day notification requirement stipulated by the Code of Conduct.
227	<p><b>Code of Conduct clause 6.10(8)</b></p> <p>If a retailer amends its hardship policy, the retailer must submit to the Authority a copy of the retailer's hardship policy within 5 business days of the amendment.</p>	Priority 4	B	2	Horizon Power self-reported the breach to the Authority and acknowledged that the breach occurred as a result of a misinterpretation of a communication received from the Authority. <p>The existing controls were not adequate to ensure that the interpretation of the communication from the Authority was correct. However, Horizon Power identified the issue prior to the 2015 audit and corrected it.</p>
<p><b>Recommendation 9/2015</b></p> <p>n/a - no further action is required.</p>					<p><b>Action Plan 9/2015</b></p> <p>n/a - no further action is required.</p>

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 10/2015
229	<p><b>Code of Conduct clause 7.1(1)</b></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 2	B	2	<p>The 2013 audit identified two instances (6.67%) out of a sample of 30 disconnection service orders tested where 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.</p> <p>The 2015 audit also identified two instances (6.67%) out of a sample of 30 disconnection service orders tested where reminder notices sent to customers included the total debt owed by the customer, including amounts billed less than 13 business days prior to the date of the reminder.</p> <p>The existing controls did not identify and prevent the issuance of reminder notices that included amounts billed less than 13 business days prior to the date of those notices and as such need some improvement.</p>
	<p><b>Recommendation 10/2015</b></p> <p>Horizon Power should reconfigure the reminder notice to exclude amounts billed less than 13 business days prior to the date of such a reminder.</p>				<p><b>Action Plan 10/2015</b></p> <p>Reconfigure the reminder notice to exclude amounts billed less than 13 business days prior to the date of such a reminder.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 28 February 2016</p>

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 11/2015
235	<p><b>Code of Conduct clause 7.7(1)</b></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	B	2	<p>Clause 7.7(1)(b) of the Code of Conduct requires Horizon Power to register the life support equipment required by the customer.</p> <p>At the time of 2013 audit, Horizon Power's Life Support Customer Register did not include details of the life support equipment required by customers.</p> <p>During the 2015 audit it was identified that Horizon Power has updated its Life Support Register in respect of most affected customers, but for 18 of the 83 life support customers the recorded details of the life support equipment were not complete, as required by the Code of Conduct.</p> <p>This obligation is a Type 1 licence obligation and a licensee must immediately notify the Authority when it becomes aware of a breach of a Type 1 licence obligation. The existing controls did not identify that Horizon Power was not compliant with this obligation and were not adequate to facilitate compliance with Horizon Power's Type 1 reporting obligations.</p> <p>Following the audit Horizon Power has addressed the issue by updating the Life Support Customer Register with the required details.</p>
	<p><b>Recommendation 11/2015</b></p> <p>n/a - no further action is required.</p>				<p><b>Action Plan 11/2015</b></p> <p>n/a - no further action is required.</p>

Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 12/2015	
244	<b>Code of Conduct clause 8.2</b> A distributor must reconnect the customer's supply address upon the request of a retailer, within the timeframes specified in subclause 8.2(2).	Priority 3	B	2	<p>As a distributor, Horizon Power is required to reconnect a previously disconnected customer's supply address within the time frames specified in clause 8.2(2) of the Code of Conduct.</p> <p>The 2013 audit identified that 6 out of 4,137 reconnections (0.15%) had not occurred within the specified time frame.</p> <p>The 2015 audit identified that 194 (2.77%) reconnections out of all 6,994 reconnection service orders issued during the audit period did not occur within the specified timeframes.</p> <p>The existing controls did not identify reconnections that exceeded the specified timeframe or were approaching the specified timeframe and as such require some improvement.</p>
<p><b>Recommendation 12/2015</b></p> <p>Horizon Power should identify and implement:</p> <ul style="list-style-type: none"> <li>(a) Improved monitoring measures to identify reconnection service orders approaching the specified timeframe</li> <li>(b) Improved monitoring measures to identify reconnection service orders that have exceeded the specified time frames</li> <li>(c) Process improvements aimed at preventing reconnections from exceeding the specified timeframe</li> <li>(d) Measures to trigger a process to expedite reconnections at risk of exceeding the specified timeframes.</li> </ul>				<p><b>Action Plan 12/2015</b></p> <p>Following the implementation of AMI, the likelihood of this breach will be further reduced. AMI will incorporate remote facilitation of re-energisations across any AMI-enabled meter.</p> <ul style="list-style-type: none"> <li>(a) Customer Service will continue with its existing continual process improvement methodology through weekly reporting and root cause analysis</li> <li>(b) Process enhancements will be implemented, if identified.</li> </ul> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>	

Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 13/2015	
245	<b>Code of Conduct clause 9.1(2)</b> 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.	Priority 4	C	2	<p>During the 2015 audit period, Horizon Power installed prepayment meters in two communities (Bayulu and Mowanjum), which have not yet been published in the Government Gazette by the end of the audit period.</p> <p>The existing controls did not identify the pre requirement for those new communities to be gazetted and as such require some improvement.</p>

<p><b>Recommendation 13/2015</b></p> <p>Horizon Power should provide for inclusion of Mowanjum and Bayulu communities in the Government Gazette.</p>	<p><b>Action Plan 13/2015</b></p> <p>Work with Public Utilities Office to include Mowanjum and Bayulu communities in the Government Gazette.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>
--	---

Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 14/2015
249* <b>Code of Conduct clause 9.4(5)</b> 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.	Priority 4	B	2	Horizon Power did not send the required notice to advise residential pre-payment meter customers of the date of the expiry of the customer's rights to revert to a standard meter during the period under audit.  This requirement has been removed from the new Code of Conduct, effective from 1 July 2014.
<p><b>Recommendation 14/2015</b></p> <p>n/a - no further action is required.</p>				<p><b>Action Plan 14/2015</b></p> <p>n/a - no further action is required.</p>

\* Obligation relates to Code of Conduct 2012

	Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 15/2015
280	<p><b>Code of Conduct clause 10.3(A)</b></p> <p>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.</p>	Priority 4	B	2	<p>Prior to 2013 Horizon Power provided customers with letters detailing its obligations to make Standard Service Payments. In 2013, Horizon Power decided that its Corporate Communications would publish the obligations in the <i>On The Horizon</i> newsletter. At the date of the audit Horizon Power had not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers. The existing controls were not adequate to ensure the provision of required details to its customers and require improvement.</p> <p>However, following the audit Horizon Power has taken corrective action by publishing the required obligation in the <i>On the Horizon</i> newsletter.</p>
	<p><b>Recommendation 15/2015</b></p> <p>Horizon Power should identify and implement improved controls to ensure that details of its obligations under Part 14 of the Code is published in the 'On the Horizon' Newsletter at least once a year in accordance with the requirements of clause 10.3A of the Code of Conduct.</p>				<p><b>Action Plan 15/2015</b></p> <p>Ensure that details of Horizon Power's obligations under Part 14 of the Code are published in the 'On the Horizon' Newsletter at least once a year in accordance with the requirements of clause 10.3A of the Code of Conduct.</p> <p><b>Responsible Person:</b> Manager Asset Management Support</p> <p><b>Target Date:</b> 31 July 2015</p>

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 16/2015
301*	<b>Code of Conduct clause 13.1(2)</b> <i>“Required information that a retailer must keep”</i>	Priority 4	B	2	Being a vertically integrated business, Horizon Power records and maintains the information in a single system at an organisational level and not separated into retail and distribution.
302*	<b>Code of Conduct clause 13.1(3)</b> <i>“Required information that a distributor must keep”</i>	Priority 4	B	2	The Authority is of the view that maintaining an aggregated set of records rendered Horizon Power non-compliant with the requirements of clause 13.1(2), 13.1(3), 13.1(5) and 13.1(12).
308*	<b>Code of Conduct clause 13.5</b> <i>“Call centre performance indicators that a retailer must keep”</i>	Priority 4	B	2	These requirements have been removed from the new Code of Conduct, effective from 1 July 2014.
318*	<b>Code of Conduct clause 13.12</b> <i>“Call centre performance indicators that a distributor must keep”</i>	Priority 4	B	2	
<b>Recommendation 16/2015</b> n/a - no further action is required.					<b>Action Plan 16/2015</b> n/a - no further action is required.

\* Obligation relates to Code of Conduct 2012

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 17/2015
305	<b>Code of Conduct clause 13.1</b> A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the Authority.	Priority 4	B	1	<p>Clause 13.1 of the Code of Conduct requires Horizon Power to prepare a report in respect of each reporting year setting out the information specified by the Authority.</p> <p>Whilst a report was prepared and submitted to the Authority for each of the two reporting years during the audit period, we identified that in the 2013/14 report, Horizon Power has indicated a figure of 154 residential customer accounts that have been placed on a shortened billing cycle. Horizon Power does not offer a shortened billing cycle to any of its customers.</p> <p>We note that the issue relates to control deficiency only and not non-compliance. The existing controls did not prevent reporting of incorrect information to the Authority and hence require some improvement.</p>

<p><b>Recommendation 17/2015</b></p> <p>Horizon Power should rectify the 2014 data sheets to remove data referenced to shortened billing cycle.</p>	<p><b>Action Plan 17/2015</b></p> <p>Rectify the 2014 data sheets to remove data referenced to shortened billing cycle.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>
---	--

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 18/2015
319	<b>Metering Code clause 3.1</b> <i>“Meters must comply with metrology procedure and National Measurement Act”</i>	Priority 2	B	2	<p>The 2011 performance audit recognised Horizon Power’s doubts whether its meters were compliant with relevant requirements and specifications. .</p> <p>Horizon Power developed a Metering Management Plan detailing its 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 (<b>Formway Group</b>) 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 &amp; 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 concluded that it currently operates non-compliant meters.</p> <p>During the current audit period Horizon Power has initiated the process of rolling out AMI to replace its current meters, consistent with the recommendations arising from the 2013 audit. AMI installations are anticipated to be completed by December 2016, but at the end of the current audit period Horizon Power still had non-compliant meters in operation.</p>
327	<b>Metering Code clause 3.5(3)</b> <i>“Requirements for a metering installation”</i>	Priority 2	B	2	
330	<b>Metering Code clause 3.5(9)</b> <i>“Requirements for a metering installation”</i>	Priority 2	B	2	
333	<b>Metering Code clause 3.9(3)</b> <i>“Metering installation types and accuracy requirements”</i>	Priority 2	B	2	
334	<b>Metering Code clause 3.9(7)</b> <i>“Metering installation types and accuracy requirements”</i>	Priority 2	B	2	
340	<b>Metering Code clause 3.11A(1)</b> <i>“Meters are systematically sampled and tested”</i>	Priority 2	B	2	
341	<b>Metering Code clause 3.11A(2)</b> <i>“Replacement of meters deemed to have failed the testing”</i>	Priority 2	B	2	
<b>Recommendation 18/2015</b> n/a - no further action is required.					<b>Action Plan 18/2015</b> n/a - no further action is required.

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 19/2015
349	<b>Metering Code clause 3.14(3)</b> 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	Priority 2	B	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 2013 audit confirmed that Horizon Power had audited approximately half of</p>

<p>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>its relevant power stations and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> <li>• Horizon Power had doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1 of the Metering Code. 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</li> <li>• One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1 of the Metering Code.</li> </ul> <p>The 2013 audit recommendation that Horizon Power rectify the new metering installation to ensure it complied with the accuracy requirements of Table 3 in Appendix 1 of the Metering Code, has not yet been implemented.</p> <p>During the current audit period, the Manager NWIS System advised that:</p> <ul style="list-style-type: none"> <li>• Horizon Power does not pay the power station (ATCO) for energy based on volume, but at a flat hourly rate for the use of the machine, irrelevant of how much energy it is producing</li> <li>• A substantial investment is required to address the recommendation of the 2013 audit.</li> <li>• Horizon Power is developing a business case to install the required generation metering, but the business case has been delayed due to other urgent works in the NWIS, currently being carried out by the asset management team</li> <li>• It is anticipated that the business case will be finalised by 31 July 2015 and that progression will be subject to funding approval.</li> </ul>
<p><b>Recommendation 19/2015</b></p> <p>Subject to finalisation of the business case to install the required generation metering,, no further action is required</p>				<p><b>Action Plan 19/2015</b></p> <p>The business case has been delayed due to other urgent works in the NWIS, currently being carried out by the asset management team.</p> <p>It is anticipated that the business case will be finalised by 31 July 2015 and that progression will be subject to funding approval.</p>

Reporting manual number and Licence condition reference		Audit Priority	Control Rating	Compliance Rating	Issue 20/2015
473	<p><b>Network Quality &amp; Reliability of Supply Code 2005 clause 19</b></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 2	B	2	<p>The Electricity Industry (Network Quality &amp; Reliability of Supply) Code requires extended outage payments to be made within 30 days of an application for such a payment by a customer.</p> <p>The 2013 audit had identified that one (1.67%) out of 60 extended outage payments had been made outside of the 30 day timeframe.</p> <p>During the period 1 July 2014 to 31 March 2015, Horizon Power received 945 applications for extended outage payments, all relating to Cyclone Olwyn in March 2015. Of those 945 applications, 11 payments (1.16%) were made outside of the 30 day requirement.</p> <p>The existing controls relating to extended outage payments did not identify and prevent some of those payments from occurring outside the specified timeframe and as such need some improvement.</p>
<p><b>Recommendation 20/2015</b></p> <p>Horizon Power should reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes by accurately maintaining the Extended Outage Payment Scheme Spreadsheet.</p>					<p><b>Action Plan 20/2015</b></p> <p>Reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes</p> <p><b>Responsible Person:</b> Retail Service Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

Reporting manual number and Licence condition reference	Audit Priority	Control Rating	Compliance Rating	Issue 21/2015	
476	<p><b>Network Quality &amp; Reliability of Supply Code 2005 clause 21(3)</b></p> <p>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.</p>	Priority 4	B	2	<p>Clause 21(3) of Electricity Industry (Network Quality and Reliability of Supply) Code 2005 requires Horizon Power to provide a written notice at least once in each financial year to eligible customers about payments for failure to meet the requirements in clauses 18 and 19.</p> <p>At the date of the audit Horizon Power had not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers. The existing controls were not adequate to ensure the provision of required details to its customers and require improvement.</p> <p>However, following the audit Horizon Power has taken corrective action by publishing the required obligation in the <i>On the Horizon</i> newsletter.</p>
<p><b>Recommendation 21/2015</b></p> <p>Horizon Power should identify and implement improved controls to ensure that details of its obligations about payments for failure to meet the requirements in clauses 18 and 19 of the Network Quality &amp; Reliability of Supply Code 2005 are published in the 'On the Horizon' Newsletter at least once a financial year in accordance with the requirements of clause 21(3) of the Code.</p>				<p><b>Action Plan 21/2015</b></p> <p>Ensure that details of Horizon Power's obligations about payments for failure to meet the requirements in clauses 18 and 19 of the Network Quality &amp; Reliability of Supply Code 2005 is published in the 'On the Horizon' Newsletter at least once a financial year in accordance with the requirements of clause 21(3) of the Code.</p> <p><b>Responsible Person:</b> Manager Asset Management Support</p> <p><b>Target Date:</b> 31 July 2015</p>	

## 2.6 Scope and objectives

As described in our proposal dated 13 March 2015, we have conducted a reasonable assurance audit in order to state whether, in our opinion, based on our procedures, Horizon Power has complied, in all material respects, with the conditions of its Licence as outlined in the approved Audit Plan (dated April 2015) during the period 1 April 2013 to 31 March 2015.

The Authority has summarised the requirements of the applicable legislation that it expects to be reported upon and included in the scope of this audit in its *September 2014 Electricity Compliance Reporting Manual (Reporting Manual)*.

The Audit Plan approved by the Authority for this audit sets out the Licence conditions confirmed to be included in the scope of the audit, along with the risk assessments and audit priority assigned to each licence obligation. Note that under the current Audit Guidelines, the audit report is not required to include reference to those obligations assessed as “Not Applicable” to Horizon Power’s operations.

## 2.7 Approach

Our approach for this audit involved the following activities, which were undertaken in respect of the period April 2013 to March 2015:

- Utilising the Audit Guidelines and Reporting Manuals (June 2013, May 2014, July 2014 and September 2014 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 1 in section 2 above 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.

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 4: Compliance Ratings**

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

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
8 Type 1 Reporting Obligations																
127	29.1	Major	Unlikely	High	Strong	✓						Priority 2	✓			
128	29.3	Major	Unlikely	High	Moderate					✓		Priority 2				✓
234	7.6	Major	Probable	High	Moderate	✓						Priority 2	✓			
235	7.7(1)	Major	Probable	High	Moderate		✓					Priority 2		✓		
236	7.7(2)	Major	Probable	High	Moderate	✓						Priority 2	✓			
237	7.7(3)	Major	Unlikely	High	Moderate	✓						Priority 2	✓			
238	7.7(4)	Major	Probable	High	Moderate	✓						Priority 2	✓			
257	9.5(1)	Major	Unlikely	High	Moderate	✓						Priority 2	✓			
258	9.5(2)	Major	Probable	High	Moderate					✓		Priority 2				✓
9 Electricity Industry Customer Transfer Code – Licence Conditions and Obligations																
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				✓
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				✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
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					✓
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					✓
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					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
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					✓
50	6.3(1)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
51	6.3(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
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 clause A4.1	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
64	Annex 4 clause A4.2	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
65	Annex 5 clause A5(5)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
66	Annex 5 clause A5(6)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
67	Annex 5 clause	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating							
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR	
	A5(7)																
68	Annex 6 clause A6.2(a)	Minor	Unlikely	Low	Moderate						✓	Priority 5					✓
69	Annex 6 clause A6.2(b)	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
70	Annex 6 clause A6.6	Minor	Unlikely	Low	Moderate						✓	Priority 5					✓
71	Annex 6 clause A6.7	Minor	Unlikely	Low	Moderate						✓	Priority 5					✓
10 Electricity Industry (Obligation to Connect) Regulations – Licence Conditions and Obligations																	
72	4	Moderate	Unlikely	Medium	Strong						✓	Priority 4	✓				
73	5(5)	Moderate	Unlikely	Medium	Strong						✓	Priority 4	✓				
74	5(6)	Moderate	Unlikely	Medium	Strong						✓	Priority 4	✓				
75	6	Moderate	Likely	High	Moderate		✓					Priority 2		✓			
76	7(1)	Moderate	Unlikely	Medium	Strong						✓	Priority 4	✓				
77	8	Moderate	Unlikely	Medium	Strong						✓	Priority 4	✓				
11 Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations																	
78	51	Moderate	Unlikely	Medium	Strong						✓	Priority 4	✓				
79	5	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
80	6	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
81	7	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
82	8	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
83	9	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
84	10	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓
85	11	Moderate	Unlikely	Medium	Moderate						✓	Priority 4					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
86	12	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
87	13	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
88	14	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
89	15	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
90	16 and 34	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
91	17	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
92	18	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
93	19	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
94	20	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
95	21	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
96	32	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
97	33(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
98	33(3) and (4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
99	36	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
100	38	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
12 Electricity Industry Act – Licence Conditions and Obligations																
101	13(1)	Minor	Unlikely	Low	Strong					✓	Priority 5	✓				
102	14(1)(a)	Minor	Probable	Low	Strong					✓	Priority 5	✓				
103	14(1)(b)	Moderate	Probable	Medium	Weak		✓				Priority 3	✓				
104	14(1)(c)	Minor	Unlikely	Low	Strong					✓	Priority 5	✓				
105	17(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
106	31(3)	Minor	Unlikely	Low	Moderate					✓	Priority 5	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
107	41(6)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
108	54(1)	Moderate	Unlikely	Medium	Strong					✓	Priority 4	✓				
109	54(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
110	76	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
111	101	Moderate	Unlikely	Medium	Strong					✓	Priority 4	✓				
112	115(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
113	115(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	Weak		✓				Priority 3	✓				
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	Moderate	✓					Priority 2	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
128	29.3	Major	Probable	High	Moderate					✓	Priority 2					✓
14 Code of Conduct – Licence Conditions and Obligations																
Part 2 Marketing																
129	2.1	Moderate	Probable	Medium	Weak		✓				Priority 3		✓			
130	2.2(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
131	2.2(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
132	2.3(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
133	2.3(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
134	2.3(4)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
135	2.3(5)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
136	2.4(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
137	2.4(2)	Moderate	Unlikely	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	2.6	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
141	2.9(1)	Moderate	Unlikely	Medium	Weak	✓					Priority 3	✓				
142	2.10	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
Part 4 Billing																
145	4.1	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
146	4.2(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
147	4.2(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
148	4.2(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
149	4.2(4)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
150	4.2(5)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
151	4.2(6)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
152	4.3(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
153	4.3(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
154	4.4	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
155	4.5(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
156	4.5(3)	Minor	Likely	Medium	Strong					✓	Priority 4	✓				
157	4.6(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
158	4.7	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
159	4.8(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
160	4.8(2)	Moderate	Probable	Medium	Strong		✓				Priority 4		✓			
161	4.8(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
162	4.9	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
163	4.10	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
164	4.11(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
165	4.11(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
166	4.12(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
167	4.13	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
168	4.14(1)	Minor	Probable	Low	Strong					✓	Priority 5	✓				
169	4.14(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
170	4.14(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
171	4.15	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
172	4.16(1)(a)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
173	4.16(1)(b)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
174	4.16(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
175	4.16(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
176	4.17(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
177	4.18(2)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
178	4.18(3)	Moderate	Probable	Medium	Weak	✓					Priority 3	✓				
179	4.18(4)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
180	4.18(6)	Minor	Likely	Medium	Weak	✓					Priority 3	✓				
181	4.18(7)	Minor	Likely	Medium	Weak	✓					Priority 3	✓				
182	4.19(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
183	4.19(2)	Minor	Likely	Medium	Moderate		✓				Priority 4		✓			
184	4.19(3)	Moderate	Probable	Medium	Weak	✓					Priority 3	✓				
185	4.19(4)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
186	4.19(7)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
Part 5 Payment																
187	5.1	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
188	5.2	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
189	5.3	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
190	5.4	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
191	5.5	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
192	5.6(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
193	5.6(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
194	5.6(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
195	5.6(4)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
196	5.6(5)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
197	5.7(1)	Moderate	Likely	High	Moderate			✓			Priority 2			✓		
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	✓				
Part 6 Payment Difficulties & Financial Hardship																
202	6.1(1)	Moderate	Probable	Medium	Weak	✓					Priority 3	✓				
203	6.1(3)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
204	6.1(4)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
205	6.2(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
206	6.2(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
207	6.2(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
208	6.2(4)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
209	6.3(1)(a)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
210	6.3(1)(b)	Moderate	Probable	Medium	Weak	✓					Priority 3	✓				
211	6.4(1)(a)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
212	6.4(1)(b)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
213	6.4(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
214	6.4(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
215	6.6(1)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
216	6.6(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
217	6.7	Minor	Likely	Medium	Moderate					✓	Priority 4	✓				
218	6.8	Moderate	Probable	Medium	Weak	✓					Priority 3	✓				
219	6.9(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
220	6.10(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
221	6.10(2)	Moderate	Likely	High	Strong	✓					Priority 2	✓				
222	6.10(3)	Moderate	Likely	High	Strong	✓					Priority 2					✓
223	6.10(4)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
224	6.10(5)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
225	6.10(6)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
226	6.10(7)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
227	6.10(8)	Moderate	Probable	Medium	Moderate		✓				Priority 4		✓			
228	6.11	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
Part 7 Disconnection																
229	7.1(1)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
230	7.2(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
232	7.4(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
233	7.5	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
234	7.6	Major	Probable	High	Moderate	✓					Priority 2	✓				
235	7.7(1)	Major	Probable	High	Moderate		✓				Priority 2		✓			

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating							
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR	
236	7.7(2)	Major	Probable	High	Moderate	✓						Priority 2	✓				
236A	7.7(2)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
237	7.7(3)	Major	Probable	High	Moderate	✓						Priority 2	✓				
237A	7.7(3)	Moderate	Probable	Medium	Moderate					✓		Priority 4					✓
238	7.7(4)	Major	Probable	High	Moderate	✓						Priority 2	✓				
239	7.7(5)	Moderate	Probable	Medium	Weak	✓						Priority 3	✓				
240	7.7(6)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
241	7.7(7)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
Part 8 Reconnection																	
242	8.1(1)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
244	8.2	Moderate	Probable	Medium	Weak		✓					Priority 3		✓			
Part 9 Pre-Payment Meters																	
245	9.1(2)	Moderate	Unlikely	Medium	Moderate			✓				Priority 4		✓			
246	9.2(1)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
247	9.2(2)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
248	9.2(3)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
249	9.3(1)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
250	9.3(2)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
251	9.3(3)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
252	9.3(4)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
253	9.3(5)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓				
254	9.4(1)	Moderate	Probable	Medium	Moderate					✓		Priority 4					✓
255	9.4(2)	Moderate	Probable	Medium	Moderate					✓		Priority 4					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
256	9.4(4)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
257	9.5(1)	Major	Probable	High	Moderate	✓					Priority 2	✓				
258	9.5(3)	Major	Probable	High	Moderate					✓	Priority 2					✓
259	9.6	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
260	9.7(a), (b) and (d)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
261	9.8	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
262	9.9(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
263	9.9(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
264	9.9(4)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
265	9.10(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
266	9.10(2)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
267	9.10(3)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
268	9.10(4)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
269	9.10(6)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
270	9.12(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
271	9.12(2) and (3)	Minor	Probable	Low	Moderate					✓	Priority 5	✓				
Part 10 Information & Communication																
272	10.1(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
273	10.1(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
274	10.1(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
275	10.2(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
276	10.2(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
277	10.2(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
278	10.2(4)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
279	10.3	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
280	10.3A	Moderate	Unlikely	Medium	Moderate		✓				Priority 4		✓			
281	10.4	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
282	10.5	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
283	10.6	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
284	10.7(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
285	10.7(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
286	10.7(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
287	10.7(4)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
288	10.8(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
289	10.8(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
290	10.9	Minor	Probable	Low	Strong					✓	Priority 5	✓				
291	10.10(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
292	10.10(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
293	10.10(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
294	10.11(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
295	10.11(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
296	10.12(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
297	10.12(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				

Part 12 Complaints & Dispute Resolution

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
298	12.1(1)	Moderate	Probable	Medium	Weak					✓	Priority 3	✓				
299	12.1(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
300	12.1(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
301	12.1(4)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
302	12.2	Moderate	Probable	Medium	Weak					✓	Priority 3	✓				
303	12.3	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
304	12.4	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
Part 13 Reporting																
305	13.1	Moderate	Probable	Medium	Moderate		✓				Priority 4	✓				
306	13.2	Moderate	Probable	Medium	Moderate		✓				Priority 4	✓				
307	13.3	Moderate	Probable	Medium	Moderate		✓				Priority 4	✓				
Part 14 Service Standard Payments																
308	14.1(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
309	14.1(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
310	14.2(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
311	14.2(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
312	14.3(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
313	14.4(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
314	14.5	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
315	14.7(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
316	14.7(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
15 Electricity Industry Metering Code – Licence Conditions and Obligations																
317	2.2(1)(a)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
318	2.2(1)(b)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
319	3.1	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
320	3.2(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
321	3.3(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
322	3.3(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
323	3.3A(1)	Moderate	Probable	Medium	Weak	✓					Priority 3	✓				
324	3.3B	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
325	3.3C	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
326	3.5(1) and (2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
327	3.5(3)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
328	3.5(4)	Moderate	Unlikely	Medium	Strong					✓	Priority 4	✓				
329	3.5(6)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
330	3.5(9)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
331	3.7	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
332	3.8	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
333	3.9(3)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
334	3.9(7)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
335	3.9(9)	Moderate	Probable	Medium	Strong					✓	Priority 4					✓
336	3.10	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
337	3.11(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
338	3.11(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
340	3.11A(1)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
341	3.11A(2)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
342	3.12(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
343	3.12(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
344	3.12(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
345	3.12(4)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
346	3.13(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
347	3.13(3)(c)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
348	3.13(4)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
349	3.14(3)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
355	3.20(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
356	3.20(3)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
357	3.21(1)	Moderate	Likely	High	Moderate	✓					Priority 2	✓				
358	3.21(2)	Moderate	Probable	Medium	Strong					✓	Priority 4					✓
359	3.22	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
360	3.23(a)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
361	3.23(b)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
362	3.24A(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
363	3.24B(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
364	3.27	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
365	3.29	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
366	4.1(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
367	4.1(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
368	4.1(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
370	4.3(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
371	4.4(1)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
374	4.6(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
375	4.6(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
376	4.7	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
377	4.8(3)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
378	4.8(3A)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
379	4.8(4)(a)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
380	4.8(4)(a)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
381	4.8(5)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
382	4.9	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
383	5.1 (1)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
384	5.1(2)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
385	5.3	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
386	5.4(1)	Minor	Likely	High	Moderate		✓				Priority 2		✓			
387	5.4(1A)	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
389	5.5(2)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
390	5.5(2A)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
391	5.6(1)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
392	5.7	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
393	5.8	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
394	5.9	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
395	5.10	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
396	5.11	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
397	5.12(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
398	5.13	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
399	5.14(3)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
400	5.15	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
403	5.17A(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
404	5.17A(3)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
409	5.19(5)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
411	5.20(1)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
412	5.20(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
413	5.20(4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
414	5.21(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
415	5.21(4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
418	5.21(8)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
419	5.21(9)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
420	5.21(11)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
421	5.21(12)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
422	5.22(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
423	5.22(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
424	5.22(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
425	5.22(4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
426	5.22(5)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
427	5.22(6)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
428	5.23(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
429	5.23(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
430	5.24(1)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
431	5.24(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
432	5.24(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
433	5.24(4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
434	5.25	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
436	5.29	Moderate	Probable	Medium	Strong					✓	Priority 4					✓
437	5.30(1)	Moderate	Unlikely	Medium	Strong					✓	Priority 4					✓
441	5.37(1)(a)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
442	5.37(1)(b)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
443	5.37(1)(b)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
444	5.37(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
445	5.37(3)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
446	5.38	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
447	6.1(1)	Moderate	Likely	High	Moderate	✓					Priority 2	✓				
449	6.20(4)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
450	6.20(5)	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
452	7.2(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
457	8.1(1)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
458	8.1(2)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
459	8.1(3)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
460	8.1(4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
461	8.3(2)	Minor	Unlikely	Low	Moderate					✓	Priority 5					✓
16 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations																
462	5(1)	Minor	Probable	Low	Strong					✓	Priority 5	✓				
463	8	Minor	Probable	Low	Strong					✓	Priority 5	✓				
464	9	Minor	Probable	Low	Strong					✓	Priority 5	✓				
465	10(1)	Minor	Probable	Low	Strong					✓	Priority 5	✓				
466	10(2)	Minor	Probable	Low	Strong					✓	Priority 5	✓				
467	12(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
468	13(2)	Minor	Probable	Low	Strong					✓	Priority 5	✓				
469	13(3)	Moderate	Unlikely	Medium	Strong					✓	Priority 4	✓				
470	14(8)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
471	15(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
472	18	Moderate	Unlikely	Medium	Strong					✓	Priority 4	✓				
473	19	Moderate	Likely	High	Moderate		✓				Priority 2		✓			
474	21(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
475	21(2)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
476	21(3)	Moderate	Probable	Medium	Moderate		✓				Priority 4		✓			
477	23(1)	Minor	Probable	Low	Strong					✓	Priority 5	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
478	23(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
479	24(3)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
480	24(4)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
481	25(2)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
482	25(3)	Moderate	Probable	Medium	Strong					✓	Priority 4	✓				
483	26	Moderate	Unlikely	Medium	Moderate					✓	Priority 4	✓				
484	27(1)	Moderate	Unlikely	Medium	Moderate		✓				Priority 4	✓				
485	27(3)	Moderate	Unlikely	Medium	Moderate		✓				Priority 4	✓				
17 Electricity Licences - Licensee Specific Conditions and Obligations																
486	8	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
487	8	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
488	6	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
489	7	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
490	61 and 65	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
491	62, 64 and 65	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
492	65	Moderate	Probable	Medium	Moderate					✓	Priority 4					✓
496	40	Moderate	Unlikely	Medium	Strong					✓	Priority 4	✓				

**The following obligations were amended in / removed from July 2014 and September 2014 Reporting Manuals and are applicable only for the period 1 April 2013 to 30 June 2014**

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
The following obligations were amended in / removed from July 2014 and September 2014 Reporting Manuals and are applicable only for the period 1 April 2013 to 30 June 2014.																
130*	Code of Conduct clause 2.2	Moderate	Probable	Medium	Moderate		✓					Priority 4		✓		
132*	Code of Conduct clause 2.3(1)(c)-(d)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓			
133*	Code of Conduct clause 2.3(2)	Moderate	Likely	High	Moderate		✓					Priority 2		✓		
134*	Code of Conduct clause 2.3(3)	Moderate	Unlikely	Medium	Strong					✓		Priority 4				✓
135*	Code of Conduct clause 2.4(1)	Moderate	Likely	High	Moderate	✓						Priority 2	✓			
136*	Code of Conduct clause 2.4(2)	Moderate	Likely	High	Moderate	✓						Priority 2	✓			
137*	Code of Conduct clause 2.4(3)	Moderate	Likely	High	Moderate	✓						Priority 2	✓			
139*	Code of Conduct clause 2.5(2)	Moderate	Unlikely	Medium	Moderate					✓		Priority 4				✓
142*	Code of Conduct clause 2.6(2)	Moderate	Unlikely	Medium	Moderate		✓					Priority 4		✓		
143*	Code of Conduct clause 2.6(3) and 2.6(4)	Moderate	Unlikely	Medium	Moderate		✓					Priority 4		✓		
161*	Code of Conduct clause 4.6(2)	Moderate	Probable	Medium	Strong					✓		Priority 4	✓			
190*	Code of Conduct clause 5.3	Moderate	Unlikely	Medium	Moderate					✓		Priority 4	✓			
200*	Code of Conduct clause 5.8(1)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓			
211*	Code of Conduct clause 6.4(1)	Moderate	Probable	Medium	Moderate					✓		Priority 4	✓			

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating							
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR	
214*	Code of Conduct clause 6.6(2)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
222*	Code of Conduct clause 6.10(5)	Moderate	Likely	High	Moderate		✓					Priority 2		✓			
244*	Code of Conduct clause 9.3(3)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
249*	Code of Conduct clause 9.4(5)	Moderate	Probable	Medium	Moderate		✓					Priority 4		✓			
251*	Code of Conduct clause 9.5(2)	Major	Probable	High	Moderate	✓						Priority 2	✓				
252*	Code of Conduct clause 9.5(3)	Major	Probable	High	Moderate						✓	Priority 2					✓
254*	Code of Conduct clause 9.7(a), (b) and (d)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
264*	Code of Conduct clause 9.11	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
267*	Code of Conduct clause 9.13 (3)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
277*	Code of Conduct clause 10.4	Moderate	Probable	Medium	Strong						✓	Priority 4	✓				
300*	Code of Conduct clause 13.1(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
301*	Code of Conduct clause 13.1(2)	Moderate	Probable	Medium	Moderate		✓					Priority 4		✓			
302*	Code of Conduct clause 13.1(3)	Moderate	Probable	Medium	Moderate		✓					Priority 4		✓			
303*	Code of Conduct clause 13.2 (a) and (b)	Moderate	Probable	Medium	Weak	✓						Priority 3	✓				
304*	Code of Conduct clause 13.2(c)	Moderate	Probable	Medium	Weak	✓						Priority 3	✓				
305*	Code of Conduct clause 13.3(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating							
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR	
306*	Code of Conduct clause 13.3(2)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
307*	Code of Conduct clause 13.4	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
308*	Code of Conduct clause 13.5	Moderate	Probable	Medium	Moderate		✓					Priority 4		✓			
309*	Code of Conduct clause 13.6	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
310*	Code of Conduct clause 13.7(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
311*	Code of Conduct clause 13.7(2)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
312*	Code of Conduct clause 13.8(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
313*	Code of Conduct clause 13.8(2)	Moderate	Unlikely	Medium	Moderate						✓	Priority 4	✓				
314*	Code of Conduct clause 13.9(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
315*	Code of Conduct clause 13.10(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
316*	Code of Conduct clause 13.10(2)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
317*	Code of Conduct clause 13.11	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
318*	Code of Conduct clause 13.12	Moderate	Probable	Medium	Moderate		✓					Priority 4		✓			
319*	Code of Conduct clause 13.13(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
320*	Code of Conduct clause 13.13(2)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
321*	Code of Conduct clause 13.14(1)	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				
323*	Code of Conduct clause 13.16	Moderate	Probable	Medium	Moderate						✓	Priority 4	✓				

#	Obligation reference (condition/clause)	Consequence	Likelihood	Inherent Risk Rating	Adequacy of controls rating					Compliance rating						
					Control assessment	A	B	C	D	NP	Audit Risk/ Priority	1	2	3	4	NR
324*	Code of Conduct clause 13.17(1)	Moderate	Probable	Medium	Moderate		✓				Priority 4	✓				
325*	Code of Conduct clause 13.17(3)	Moderate	Probable	Medium	Moderate		✓				Priority 4	✓				
326*	Code of Conduct clause 13.18	Moderate	Probable	Medium	Moderate		✓				Priority 4	✓				
331*	Code of Conduct clause 14.3(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
332*	Code of Conduct clause 14.3(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓
333*	Code of Conduct clause 14.4(1)	Moderate	Probable	Medium	Moderate					✓	Priority 4	✓				
334*	Code of Conduct clause 14.4(2)	Moderate	Unlikely	Medium	Moderate					✓	Priority 4					✓

\*Obligation number obtained from June 2013 Reporting Manual

# 4 Detailed findings, recommendations and action plans

This section has been structured in subsections for the relevant Codes and Regulations against which we assessed Horizon Power's compliance. The sections are:

- 4.1 Type 1 Reporting obligations for all licence types
- 4.2 Electricity Industry Customer Transfer Code 2004
- 4.3 Electricity Industry (Obligation to Connect) Regulations
- 4.4 Electricity Industry (Customer Contracts) Regulations
- 4.5 Electricity Industry Act 2004
- 4.6 Electricity Licenses - Licence Conditions and Obligations
- 4.7 Code of Conduct for the Supply of Electricity to Small Use Customers
- 4.8 Electricity Industry Metering Code 2005
- 4.9 Electricity Industry (Network Quality and Reliability of Supply) Code
- 4.10 Electricity Licences – Licensee Specific Conditions and Obligations.

Each section contains:

**Assessment of compliance and control adequacy** – the conclusions from our audit procedures and our assessment 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.

The compliance and control adequacy ratings have been summarised below for each sub-section.

Controls adequacy rating						Compliance rating					
A	B	C	D	NP	Total	1	2	3	4	NR	Total
4.1 Type 1 Reporting Obligations											
5	2	-	-	2	9	6	1	-	-	2	9
4.2 Electricity Industry Customer Transfer Code – Licence Conditions and Obligations											
-	-	-	-	56	56	-	-	-	-	56	56
4.3 Electricity Industry (Obligation to Connect) Regulations – Licence Conditions and Obligations											
-	1	-	-	5	6	5	1	-	-	-	6
4.4 Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations											
-	-	-	-	23	23	2	-	-	-	21	23

Controls adequacy rating						Compliance rating					
A	B	C	D	NP	Total	1	2	3	4	NR	Total
4.5 Electricity Industry Act – Licence Conditions and Obligations											
-	1	-	-	12	13	10	-	-	-	3	13
4.6 Electricity Licences – Licence Conditions and Obligations											
2	3	-	-	10	15	9	-	-	-	6	15
4.7 Code of Conduct – Licence Conditions and Obligations											
Part 2 Marketing											
1	1	-	-	12	14	6	1	-	-	7	14
Part 4 Billing											
4	5	-	-	33	42	28	5	-	-	9	42
Part 5 Payment											
-	-	1	-	14	15	14	-	1	-	-	15
Part 6 Payment Difficulties & Financial Hardship											
4	2	-	-	21	27	24	2	-	-	1	27
Part 7 Disconnection											
5	2	-	-	7	14	11	2	-	-	1	14
Part 8 Reconnection											
-	1	-	-	1	2	1	1	-	-	-	2
Part 9 Pre-Payment Meters Part 10 Information & Communication											
1	-	1	-	25	27	17	1	-	-	9	27
Part 10 Information & Communication											
-	1	-	-	25	26	25	1	-	-	-	26
Part 12 Complaints & Dispute Resolution											
-	-	-	-	7	7	7	-	-	-	-	7
Part 13 Reporting											
-	3	-	-	-	3	3	-	-	-	-	3
Part 14 Service Standard Payments											
-	-	-	-	9	9	5	-	-	-	4	9
4.8 Electricity Industry Metering Code – Licence Conditions and Obligations											
3	10	-	-	103	116	44	10	-	-	62	116
4.9 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations											
-	4	-	-	20	24	20	2	-	-	2	24
4.10 Electricity Licences - Licensee Specific Conditions and Obligations											
-	-	-	-	8	8	4	-	-	-	4	8
22	32	2	-	391	447	241	24	1	-	181	447

## 4.1 Type 1 Reporting obligations for all licence types

No	Obligation Under Condition	Findings
127	<p>A distributor must create and maintain a Priority Restoration Register. <i>Integrated Regional Licence condition 29.1</i></p>	<p>Through discussions with the Manager Asset Management Support and Retail Manager (East Pilbara) 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"> <li>• Crisis and Emergency Management Plan, which outlines the protocol to be followed by staff in case of an emergency or crisis to enhance Horizon Power’s ability to respond rapidly and appropriately. The plan applies to all Horizon Power and Independent Power Producer sites, including its network infrastructure and all office locations</li> <li>• Critical Customer Policy, which classifies customers into different categories of criticality for guiding the operations personnel in the management and restoration of electricity supply in event of an emergency or outage</li> <li>• Emergency Procedure – Severe Storms, Cyclones and Flood and Bushfire Response, which outlines the process to be followed and measures to be carried out, including roles and responsibilities at the executive level, in the event of a cyclone, severe storm, flood or bushfire</li> <li>• A Regional Contingency Plan for each region, which is maintained at each regional depot and tailored to integrate with the Crisis Management Plan and the Emergency Procedure. The purpose of the plan is to facilitate a quick restoration to power supplies within the regional district in the event of an emergency. The plan also specifically details the number and location of customers on life support</li> <li>• Feeder Priority Lists for each district, contained within the regional contingency plan, which outlines restoration priority of the all relevant feeders within that region.</li> </ul> <p>Emergency response processes, including priority restoration procedures, are governed by the Critical Customer Policy and take into consideration the current life support customer listing when determining the priority of feeder restoration.</p> <p>We note that Horizon Power has also provided for an Asset Management Strategy and System to provide an overarching framework for reviewing the performance of its assets and identifying gaps and risks as well as developing plans to minimise those risks.</p> <p>During our Port Hedland site visit, we examined the East Pilbara Region Contingency Plan and determined that it contains the relevant elements described above.</p> <p>As part of our audit testing, we tested the priority accorded in restoration of feeders at Carnarvon in Gascoyne region, following the impact of Cyclone Olwyn during March 2015</p>

				and determined that the restoration was according to the Priority restoration register contained in the Gascoyne region contingency plan.
	Priority:2	Controls rating: A	Compliance Rating: 1	
128	The Priority Restoration Register must comply with any criteria determined by the Minister. <i>Integrated Regional Licence condition 29.3</i>			The Manager Customer Services confirmed that 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 those criteria are published.
	Priority:2	Controls rating: NP	Compliance Rating: NR	
234	Subject to subclause 7.6(3), 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. <i>Code of Conduct clause 7.6</i>			<p>Through discussions with the Retail Services Manager 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"> <li>• Customers' supply addresses to not be disconnected until all required communication has been made regarding the cause of disconnection</li> <li>• Disconnections are not arranged: <ul style="list-style-type: none"> <li>○ If the customer had made a complaint directly related to the reason for the proposed disconnection, and the matter is unresolved</li> <li>○ For Fridays, Saturdays, Sundays, public holidays, the day before a public holiday or after 3pm on all other business days.</li> </ul> </li> </ul> <p>Our testing of all 8,701 disconnections processed for the audit period reflected that three disconnections were performed on a Saturday or Sunday. Horizon Power investigated these instances and advised that the disconnections were actually performed in compliance with the Code of Conduct, but that the dates of the disconnections were captured incorrectly in Horizon Power's systems, which triggered the exceptions.</p> <p>Weekly reporting currently identifies any potential breaches of 7.6. Suspected breaches are reported as soon as possible to the regional Retail services Managers to investigate. The identified issues were purely data entry errors. The occurrence in 2015 was escalated according to this process.</p>
	Priority: 2	Controls rating: A	Compliance Rating: 1	
235	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			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

	<p>retailer must comply with subclause 7.7(1). <i>Code of Conduct clause 7.7(1)</i></p>	<p>provide written confirmation from a qualified medical practitioner.</p> <p>Through discussions with the Retail Services Manager, 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"> <li>• 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</li> <li>• ServiceWorks provides an updated file (uploaded into Velocity) of life support customers on a monthly basis and immediately following a cyclone alert</li> <li>• The Life Support Customers Register is designed to include the life support equipment required by the customer.</li> </ul> <p>A comparison of 30 disconnections performed during the period 1 April 2013 to 31 March 2015 against the Life Support Register did not evidence a life support customer being de-energised owing to failure to pay a bill.</p> <p>However, we also identified that the Life Support Customers Register does not include details of the life support equipment for 18 of the 83 life support customers.</p> <p>This obligation is a Type 1 licence obligation and a licensee must immediately notify the Authority when it becomes aware of a breach of a Type 1 licence obligation. The existing controls did not identify that Horizon Power was not compliant with this obligation and were not adequate to facilitate compliance with Horizon Power's Type 1 reporting obligations.</p> <p>We note that by the time of finalisation of this audit report, Horizon Power has addressed the issue by updating the Life Support Customer Register with the required details.</p>		
	Priority: 2	Controls rating: B	Compliance Rating: 2	
	<p><b>Recommendation 11/2015</b> n/a - no further action is required.</p>			
236	<p>Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's supply address or contact details the retailer must undertake the actions specified in subclause 7.7(2). <i>Code of Conduct clause 7.7(2)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's policies and guidelines surrounding life support customers, we determined that Horizon Power's procedures provide for any changes to life support to be circulated immediately to all RCM's and customer service related staff by the Retail Services Manager.</p> <p>If the customer notifies a Horizon Power Regional Office that they no longer require life support or of a change of the customer's details, the Regional Office will immediately advise a CSR to update the customer's account.</p> <p>Horizon Power's Customer Services Process Manager has advised that customers on the register can change quite regularly. A new life support register is circulated at least monthly.</p>		
	Priority: 2	Controls rating: A	Compliance Rating: 1	

237	<p>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 the customer's supply address or contact details under subclause 7.7(2), the distributor must comply with subclause 7.7(3). <i>Code of Conduct clause 7.7(3)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of policies and procedures, we determined that Horizon Power's processes provide for:</p> <ul style="list-style-type: none"> <li>• Registration of the customer's supply address as a life support equipment address: <ul style="list-style-type: none"> <li>○ The next business day if notification has been received before 3pm</li> <li>○ Within two business days if notification has been received after 3pm.</li> </ul> </li> <li>• Life support customers are not to be de-energised for failure to pay a bill</li> <li>• 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.</li> </ul> <p>Testing performed for 10 of the 83 life support customers registered at 31 March 2015, 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>	
	<p>Priority: 2</p>	<p>Controls rating: A</p>	<p>Compliance Rating: 1</p>
238	<p>Where life support equipment is registered at a customer's supply address under subclause 7.7(3), the distributor must:</p> <ul style="list-style-type: none"> <li>• not disconnect the customer's supply address for failure to pay a bill while the person continues to reside at that address and requires the use of life support equipment; and</li> <li>• prior to any planned interruption, provide at least 3 business days written or electronic notice to the customer's supply address and use best endeavours to obtain acknowledgement (by verbal, written or electronic means) from the customer that the notice has been received, unless expressly requested in writing by the customer not to.</li> </ul> <p><i>Code of Conduct clause 7.7(4)</i></p>	<p>Through discussions with the Retail Services Manager and Retail Manager (East Pilbara) and consideration of policies and procedures, we determined that Horizon Power's processes provide for:</p> <ul style="list-style-type: none"> <li>• 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. Further, disconnections service order are analysed by the Hardship Officer to ensure that life support customers are not disconnected</li> <li>• 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. We sighted an example of Planned Power Interruption Notification Card</li> <li>• Life supporter customers and/or their carers are either visited or contacted telephonically and notified of the planned interruption.</li> </ul> <p>A comparison of all life support customers against all disconnections performed during the audit period did not identify any instances where a life support customer was de-energised because of failure to pay a bill.</p>	

	Priority: 2	Controls rating: A	Compliance Rating: 1
257	<p>A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires life support equipment.</p> <p>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.</p> <p><i>Code of Conduct clause 9.5(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Senior Customer Service Officer, 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 did not identify any customer who was on both listings.</p>	
	Priority:2	Controls rating: A	Compliance Rating: 1
258	<p>A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires life support equipment.</p> <p>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.</p> <p><i>Code of Conduct clause 9.5(1)</i></p>	<p>Obligation for a distributor (network operator) to act in relation to a retailer can only exist where the network operator is separate to the retailer, which is not the case in Horizon Power's circumstances.</p>	
	Priority:2	Controls rating: NP	Compliance Rating: NR

## 4.2 Electricity Industry (Customer Transfer) Code

No	Obligation Under Condition	Findings			
1	<p>A network operator must treat all retailers which are its associates on an arms-length basis.</p> <p><i>Electricity Industry Customer Transfer Code clause 2.2(1)(a)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: NR	
Priority: 5	Controls rating: NP	Compliance Rating: NR			
2	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 2.2(1)(b)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
3	<p>A network operator must publish a request for standing data form which must comply with Annex 1 of the Electricity Industry Customer Transfer Code.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.1(1)(a)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
4	<p>A network operator must publish a request for historical data form which must comply with Annex 2 of the Electricity Industry Customer Transfer Code.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.1(1)(b)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			

No	Obligation Under Condition	Findings			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
5	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.1(2)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
10	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.7(1)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
11	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.7(2)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
12	<p>A network operator must use all reasonable endeavours to provide to the retailer the requested data under a valid data request.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.8(1)</i></p>	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>			

No	Obligation Under Condition	Findings			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: NR	
Priority: 5	Controls rating: NP	Compliance Rating: NR			
13	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.8(2)(a)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
14	<p>A network operator must provide the requested data under a valid data request in accordance with a specified timetable.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.8(2)(b)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
15	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.8(3)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
16	<p>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</p>	<p>Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this</p>			

No	Obligation Under Condition	Findings
	to the contestable customer. <i>Electricity Industry Customer Transfer Code clause 3.9(1)</i>	obligation cannot be rated for the period subject to audit.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
17	A retailer must not aggregate a contestable customer's historical consumption data with that of other contestable customers for the purposes of internal business development, if requested not to do so by the customer. <i>Electricity Industry Customer Transfer Code clause 3.9(2)</i>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
18	A retailer must not disclose a contestable customer's data to any other person without the verifiable consent of the contestable customer, except in the circumstances defined. <i>Electricity Industry Customer Transfer Code clause 3.9(3)</i>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
19	A retailer must keep a copy of the verifiable consent received from a contestable customer for two years. <i>Electricity Industry Customer Transfer Code clause 3.9(4)</i>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
20	A network operator must not charge for the provision of standing data. <i>Electricity Industry Customer Transfer Code clause 3.10(1)</i>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.

No	Obligation Under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
21	<p>A network operator must not charge more for historical consumption data than the defined amounts.</p> <p><i>Electricity Industry Customer Transfer Code clause 3.10(2)</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
22	<p>A network operator must publish a customer transfer request form which must comply with Annex 3 of the Electricity Industry Customer Transfer Code.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.1</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
31	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.9(1)</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
32	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.9(2)</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
33	<p>A network operator that objects to a customer transfer request must give an electronic notice detailing specified information to a retailer within</p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this

No	Obligation Under Condition	Findings
	<p>the timeframe prescribed.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.9(3)</i></p>	obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
34	<p>A network operator and retailer must agree to a revised nominated transfer date in certain circumstances.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.9(6)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
35	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.10(1)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
36	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.10(2)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
37	In certain circumstances a network operator must electronically notify	Until such time as a competing retailer enters the market, Horizon Power remains the sole

No	Obligation Under Condition	Findings			
	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.10(3)</i></p>	retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
38	<p>A transfer may only occur on a day the contestable customer's meter is actually read.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.11(1)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
39	<p>A network operator and the retailer must take certain action if the contestable customer's meter is not read on the nominated transfer date.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.11(3)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
40	<p>The parties to an access contract must negotiate in good faith any necessary amendments to the access contract arising from certain circumstances.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.12(3)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: NR	
Priority: 5	Controls rating: NP	Compliance Rating: NR			
41	<p>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</p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this			

No	Obligation Under Condition	Findings
	<p>market operator.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.13</i></p>	obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
42	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.14</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
43	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.15</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
44	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.16</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.

No	Obligation Under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
45	<p>A previous retailer must not bill a contestable customer for charges incurred after the transfer time, except in the case of an erroneous transfer.</p> <p><i>Electricity Industry Customer Transfer Code clause 4.17</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
46	<p>A network operator must submit communication rules to the Authority within six months after the commencement of the Electricity Industry Customer Transfer Code.</p> <p><i>Electricity Industry Customer Transfer Code clause 5.1(1)</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 5	Controls rating: NP	Compliance Rating: NR	
47	<p>A network operator must take certain action before submitting the communication rules to the Authority.</p> <p><i>Electricity Industry Customer Transfer Code clause 5.1(3)</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 5	Controls rating: NP	Compliance Rating: NR	
48	<p>A network operator and a retailer must comply with approved communication rules.</p> <p><i>Electricity Industry Customer Transfer Code clause 5.1(4)</i></p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
50	<p>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</p>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this

No	Obligation Under Condition	Findings
	<p>communication.</p> <p><i>Electricity Industry Customer Transfer Code clause 6.3(1)</i></p>	obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
51	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 6.3(2)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
54	<p>A network operator or a retailer must send required electronic communications to the applicable electronic communication address, in accordance with Annex 6.</p> <p><i>Electricity Industry Customer Transfer Code clause 6.6</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
55	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 7.1(1)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
56	If the negotiations in 7.1(1) of the Electricity Industry Customer Transfer	Until such time as a competing retailer enters the market, Horizon Power remains the sole

No	Obligation Under Condition	Findings
	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 7.1(2)</i></p>	retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
57	<p>If the dispute is resolved, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.</p> <p><i>Electricity Industry Customer Transfer Code clause 7.1(3)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
58	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 7.2(4)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
59	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code clause 7.3(2)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
60	<p>A network operator's request for standing data must require a retailer to provide certain information.</p> <p><i>Electricity Industry Customer Transfer Code Annex 1</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.

No	Obligation Under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
61	A network operator's request for historical consumption data must require a retailer to provide certain information. <i>Electricity Industry Customer Transfer Code Annex 2</i>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
62	A network operator's customer transfer request form must require a retailer to provide certain information. <i>Electricity Industry Customer Transfer Code Annex 3</i>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
63	A network operator must provide certain information, if available, to a retailer who submits a request for standing data. <i>Electricity Industry Customer Transfer Code Annex 4 clause A4.1</i>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
64	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. <i>Electricity Industry Customer Transfer Code Annex 4 clause A4.2</i>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
65	A network operator must respond to a request from a retailer for a UMI			Until such time as a competing retailer enters the market, Horizon Power remains the sole

No	Obligation Under Condition	Findings
	<p>and checksum for an exit point within one business day of receiving a retailer's request</p> <p><i>Electricity Industry Customer Transfer Code Annex 5 clause A5(5)</i></p>	retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
66	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code Annex 5 clause A5(6)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
67	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code Annex 5 clause A5(7)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
68	<p>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.</p> <p><i>Electricity Industry Customer Transfer Code Annex 6 clause A6.2(a)</i></p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
69	<p>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</p>	Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this

No	Obligation Under Condition			Findings
	the electronic communication address. <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.2(b)</i>			obligation cannot be rated for the period subject to audit.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
70	The originator of an electronic communication must identify itself in the communication. <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.6</i>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 5	Controls rating: NP	Compliance Rating: NR	
71	The originator of an electronic communication must use reasonable endeavours to adopt a consistent data format for information over time, to facilitate any automated processing of the information by the addressee. <i>Electricity Industry Customer Transfer Code Annex 6 clause A6.7</i>			Until such time as a competing retailer enters the market, Horizon Power remains the sole retailer operating in its licensed areas. As such, customer transfers cannot occur and this obligation cannot be rated for the period subject to audit.
	Priority: 5	Controls rating: NP	Compliance Rating: NR	

## 4.3 Electricity Industry (Obligation to connect) Regulations

No.	Obligation under Condition	Findings			
72	<p>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.</p> <p><i>Electricity Industry (Obligation to Connect) Regulations regulation 4</i></p>	<p>Through discussions with the Manager Asset Management Support and the examination of Horizon Power's Customer Charter (the Charter) and the Horizon Power website, we determined that Horizon Power has the following procedures in place to manage customer connections:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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)</li> <li>• 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.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
73	<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 extend the distribution system to a suitable connection point.</p> <p><i>Electricity Industry (Obligation to Connect) Regulations regulation 5(5)</i></p>	<p>Through discussions with the Manager Asset Management Support and examination of the Charter 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:</p> <p>Horizon Power is obliged to connect customers where the distribution is not required to be extended greater than 100 metres.</p> <p>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</p> <p>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</p> <p>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.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			

No.	Obligation under Condition	Findings			
74	<p>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.</p> <p><i>Electricity Industry (Obligation to Connect) Regulations regulation 5(6)</i></p>	<p>The Manager Asset Management Support confirmed that all connections and practices followed by Horizon Power are in accordance with accepted good practices, including the:</p> <ul style="list-style-type: none"> <li>• Western Australian Electrical Requirements</li> <li>• Western Australian Distributors Manual</li> <li>• Electricity Distribution Regulations 1997</li> <li>• Electricity Industry (Obligation to Connect) Regulations 2005</li> <li>• Electricity Industry (Code of Conduct) Regulations 2005</li> <li>• Electricity (Supply Standards and System Safety) Regulations 2001</li> <li>• AS/NZS 61000.3.3:1998 Electromagnetic Compatibility</li> <li>• AS/NZS 61000.3.2:1998.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 632 432 632">Priority: 4</td> <td data-bbox="439 632 696 632">Controls rating: NP</td> <td data-bbox="703 632 1055 632">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
75	<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> <p><i>Electricity Industry (Obligation to Connect) Regulations regulation 6</i></p>	<p>Through discussions with the Customer Services Process Manager, 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"> <li>• The customer contacts the call centre requesting a new account and a new connection</li> <li>• 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</li> <li>• Once works are completed, the electrical contractor submits a ‘Notice of Completion’ (Notices) to the Electrical Notices Inbox</li> <li>• All Notices that are submitted are electronically time and date stamped (including the name of the employee who receipted the notice) by Connections Officers. Notices are saved in Mdata21. This action commences the 20 business day requirement</li> <li>• Horizon Power conducts inspections of selected contractors’ work prior to dispatching a crew to install the meter</li> <li>• For those premises that are not inspected, the 20 day business requirement commences once the Completion Notice has been logged as received</li> <li>• Horizon Power will then generate a Service Order and allocate a crew to fit a meter and energise the installation. The crew installs and energises the meter when they receive an Install meter service order</li> <li>• Connection timeframes are monitored via a Customer Service Process Performance Weekly Dashboard and an Open Order Service Weekly Report connections spreadsheet and assigned staff are responsible for ensuring connections are processed as soon as</li> </ul>			

No.	Obligation under Condition	Findings			
		<p>possible.</p> <p>Horizon Power completed 4,486 connection service orders for the period 1 April 2013 to 31 March 2015.</p> <p>Horizon Power’s Meter Data Coordinator advised us that she maintains a ‘Late New Connections Register - Over 20 Business Days’ (Late Connections Register), detailing instances where new connections are done outside the 20 day business requirement. The Late Connections Register reflects that, during the period 1 April 2013 to 31 March 2015, 30 connections were done outside 20 days.</p> <p>The Late Connections Register provides the reasons why the connections were made outside the 20 day business requirement, including:</p> <ul style="list-style-type: none"> <li>• Misplaced paperwork</li> <li>• Limited resources to meet demand of new installations</li> <li>• Awaiting meters to be delivered from other Horizon Power locations.</li> </ul> <p>In accordance with the action plan devised in response to the non-compliance reported by the 2011 and 2013 performance audits, 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 was not implemented during the 2013 performance audit or during the current audit period.</p> <p>The existing controls are not adequate to prevent new connections from exceeding the 20 day timeframe, identify new connections that were approaching the 20 day timeframe, identify new connections that exceeded the 20 day timeframe, or trigger a process to obtain customers’ verifiable consent to exceed the 20 day timeframe.</p>			
	<table border="1"> <tr> <td data-bbox="248 1070 432 1114">Priority: 2</td> <td data-bbox="439 1070 696 1114">Controls rating: B</td> <td data-bbox="703 1070 1055 1114">Compliance Rating: 2</td> </tr> </table>	Priority: 2	Controls rating: B	Compliance Rating: 2	
Priority: 2	Controls rating: B	Compliance Rating: 2			
	<p><b>Recommendation 1/2015</b></p> <p>Horizon Power should identify and implement:</p> <ol style="list-style-type: none"> <li>(a) Process improvements aimed at preventing new connections from exceeding the 20 day timeframe</li> <li>(b) Monitoring measures to identify new connections that are likely to exceed the 20 day timeframe</li> <li>(c) Monitoring measures to identify connections exceeding the 20 day timeframe</li> <li>(d) Measures to trigger a process to obtain customers’ verifiable</li> </ol>	<p><b>Action Plan 1/2015</b></p> <p>Change customer service Dashboard Report to 10 business days requirement to facilitate earlier identification and communication to obtain customers’ verifiable consent.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>			

No.	Obligation under Condition	Findings	
	consent, where Horizon Power identifies that new connections will exceed the 20 day timeframe.		
76	A distributor must energise premises in certain prescribed circumstance <i>Electricity Industry (Obligation to Connect) Regulations regulation 7(1)</i>	<p><i>Obligations 76 and 77</i></p> <p>Through discussions with the Customer Services Process Manager, review of connection procedures and walkthrough of the mData21 and Velocity systems, we determined that: Horizon Power acts as both a retailer and distributor in first receiving customer connection requests and then performing the actual energisation of the premises</p> <p>Horizon Power will connect customers if a request is made from a customer and:</p> <ul style="list-style-type: none"> <li>• The customer's connection point is within 100 metres of the distribution network, or</li> <li>• The customer applies to have the distribution network extended.</li> </ul> <p>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</p> <p>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.</p>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1
77	A distributor that is obliged to energise premises must do so within a defined timetable. <i>Electricity Industry (Obligation to Connect) Regulations regulation 8</i>		
	Priority: 4	Controls rating: NP	Compliance Rating: 1

## 4.4 Electricity Industry (Customer Contracts) Regulations

No.	Obligation under Condition	Findings			
78	<p>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.</p> <p><i>Electricity Industry Act section 51 Electricity Industry (Customer Contracts) Regulations 2005</i></p>	Through examination of Horizon Power's website we noted that, when accessing the standard form contract, the customer is directed to the Authority's website, from where the " <i>Horizon Power – Standard Form Contract</i> " can be downloaded.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
79	<p>A non-standard contract must be in a format that is easy to read and expressed in clear, simple and concise language.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 5</i></p>	The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
80	<p>A non-standard contract must specify when it comes into effect and the period for which it has effect.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 6</i></p>	The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
81	<p>A non-standard contract must specify certain information about the retailer.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 7</i></p>	The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
82	<p>A non-standard contract must give an exact description of the goods and services the retailer will provide under the contract.</p> <p><i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 8</i></p>	The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			

83	A non-standard contract must require the customer to pay for electricity supplied under the contract. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 9</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP Compliance Rating: NR	
84	A non-standard contract must prohibit the customer from tampering with or bypassing network equipment or allowing any other person to do so. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 10</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP Compliance Rating: NR	
85	A non-standard contract must describe the circumstances where a retailer has the right to disconnect supply and is required to reconnect supply. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 11</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP Compliance Rating: NR	
86	A non-standard contract must require the retailer to deal with security deposits and the payment of interest in the manner specified. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 12</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP Compliance Rating: NR	
87	A non-standard contract must describe the retailer's obligations in relation to the provision of prices and tariff information. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 13</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP Compliance Rating: NR	
88	A non-standard contract must describe the procedures to be followed by the retailer in relation to the preparation, issue and review of customer bills.		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.

	<i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 14</i>		
	Priority: 4	Controls rating: NP	Compliance Rating: NR
89	A non-standard contract must describe the matters relating to the termination of the contract specified in the regulation. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 15</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR
90	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. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 16</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR
91	A non-standard contract must deal with the assignment of rights and obligations including assignment without the customer's consent. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 17</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR
92	A non-standard contract must describe the procedures to be followed by the retailer in responding to a complaint made by the customer. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 18</i>		The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.

	Priority: 4	Controls rating: NP	Compliance Rating: NR	
93	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. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 19</i>			The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
94	A non-standard contract must deal with the governing law, the effect of an invalid or unenforceable provision, the way in which notice may be given and the use of electronic communication by the retailer. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 20</i>			The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
95	A non-standard contract must not include a provision that excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers unless it is authorised by the Code, <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 21</i>			The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
96	A non-standard contract must include details about the cooling off period specified in the regulation. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 32</i>			The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
97	A non-standard contract must authorise the customer to terminate the contract at any time with no less than 5 days notice. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation</i>			The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.

	33(2)		
	Priority: 4	Controls rating: NP	Compliance Rating: NR
98	A non-standard contract that is a fixed contract must describe the matters relating to the termination of the contract specified in the regulation. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 33(3) and (4)</i>	The Customer Services Process Manager 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 this obligation relates to a non-standard contract, it is not rateable.	
	Priority: 4	Controls rating: NP	Compliance Rating: NR
99	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. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 36</i>  <i>Note – This obligation was included in the 2015 audit plan. However, it is recommended that in the next audit plan this obligation be excluded from the audit plan, as it is Not Applicable.</i>	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. Therefore this obligation is not rateable.	
	Priority: 4	Controls rating: NP	Compliance Rating: NR
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>	Through discussions with the Customer Services Process Manager 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"> <li>All small use customers to be contracted under an approved standard form contract upon account establishment</li> <li>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.</li> </ul>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1

## 4.5 Electricity Industry Act 2004

No.	Obligation under Condition	Findings			
101	<p>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.</p> <p><i>Electricity Industry Act section 13(1)</i></p>	<p>Deloitte was appointed with the Authority's approval to undertake the performance audit for the period 1 April 2013 to 31 March 2015. This is the fifth audit conducted by an independent expert since the granting of the Licence in March 2006.</p>			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: 1	
Priority: 5	Controls rating: NP	Compliance Rating: 1			
102	<p>A licensee must provide for an asset management system.</p> <p><i>Electricity Industry Act section 14(1)(a)</i></p>	<p><i>Obligations 102 and 103</i></p> <p>Through discussions with the Manager Asset Management Support and examination of relevant documents and correspondence with the Authority, we determined that during the audit period 1 April 2013 to 31 March 2015, Horizon Power has:</p>			
	<table border="1"> <tr> <td>Priority:5</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority:5	Controls rating: NP	Compliance Rating: 1	<ul style="list-style-type: none"> <li>• Provided for a functioning asset management system, which was applicable to all of its operations. The 2014 Asset Management System Review reported on the effectiveness of Horizon Power's Asset Management System for the period 1 April 2011 to 30 June 2014</li> <li>• Notified the Authority of current details of its asset management system as well as measures to be taken for proper maintenance of assets used in its operations, as confirmed by the Manager Asset Management Support</li> <li>• Established a protocol for determining what constitutes a "substantial change" in its asset management system for duly notifying the Authority</li> <li>• Submitted to the Authority an independent expert's report on status of its Ventyx Ellipse implementation project by the required due date of 30 September 2013.</li> </ul> <p>We note however, that Horizon Power is unable to provide the relevant correspondence to the Authority in November 2013, in which Horizon Power notified the Authority of the details of its asset management system and maintenance measures. In the absence of those records, Horizon Power cannot demonstrate compliance with the requirements of section 14(1)(b) of the Electricity Industry Act.</p> <p><i>Refer to recommendation 2/2015 at obligation 124 in relation to maintaining relevant records to demonstrate compliance.</i></p>
Priority:5	Controls rating: NP	Compliance Rating: 1			
103	<p>A licensee must notify details of the asset management system and any substantial changes to it to the Authority.</p> <p><i>Electricity Industry Act section 14(1)(b)</i></p>				

	Priority:3	Controls rating: B	Compliance Rating: 1	
104	<p>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.</p> <p><i>Electricity Industry Act section 14(1)(c)</i></p>			<p>Engineering Consulting Services Pty Ltd (Qualeng) was appointed with the Authority's approval to undertake the asset management system review for the period 1 April 2011 to 30 June 2014. This is the fourth review of Horizon Power's asset management system in accordance with its Licence.</p> <p>As per the Authority's notice published on 15 December 2014, the original review interval was 24 months (1 April 2011 to 31 March 2013). However, the end date of the review was extended to 30 June 2014 because of problems experienced by Horizon Power during the transition to its new asset management system, which commenced in 2012.</p> <p>The Authority has also indicated its decision to extend the interval until the next review from 24 months to 36 months, covering the period from 1 July 2014 to 30 June 2017.</p>
	Priority:5	Controls rating: NP	Compliance Rating: 1	
105	<p>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.</p> <p><i>Electricity Industry Act section 17(1)</i></p>			<p>Through examination of Horizon Power's financial records of licence fee payments processed and the respective invoices issued by the Authority for licence fees payable, we determined that the annual licence fees for 2014 and 2015 were paid within one month of the 30 March anniversary date.</p>
	Priority:4	Controls rating: NP	Compliance Rating: 1	
106	<p>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.</p> <p><i>Electricity Industry Act section 31(3)</i></p>			<p>Through discussions with the Manager Asset Management Support and Customer Services Process Manager and examination of Horizon Power's Crisis and Emergency Management Plan (the Plan), we confirmed that:</p> <ul style="list-style-type: none"> <li>• Horizon Power maintains a Crisis, Emergency &amp; Business Continuity Management System, which is tested annually</li> <li>• 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"> <li>○ Crisis Management and Communication</li> <li>○ Emergency Management</li> <li>○ Incident reporting and close-out</li> <li>○ Preparedness.</li> </ul> </li> <li>• Appendix 11 of the Plans outlines specific actions to be taken for supply system emergencies</li> <li>• Horizon Power managers are notified of significant disruptions as and when they occur.</li> </ul>
	Priority:5	Controls rating: NP	Compliance Rating: 1	

107	A licensee must pay the costs of taking an interest in land or an easement over land. <i>Electricity Industry Act section 41(6)</i>	The Land, Environment, Native Title & Heritage Manager confirmed that: <ul style="list-style-type: none"> <li>• Horizon Power owns a number of properties or has interests in a number of easements over land on which it conducts its operations</li> <li>• Payments made in relation to easements or purchasing of land are made from appropriate project allowances, or through budgeted expenditure</li> <li>• A set of policies and procedures for Horizon Power's land management activities remains under development with an anticipated completion date of August 2015. Third party resources have also been engaged to facilitate the development of the policies and procedures.</li> </ul>	
	Priority:4	Controls rating: NP	Compliance Rating: 1
108	A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract.  <i>Electricity Industry Act section 54(1)</i>	Through discussions with the Customer Services Process Manager 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.  Horizon Power's website provides the customer with a link to the latest version of the Standard Form Contract (Sept 2011) available on the Authority's website.	
	Priority:4	Controls rating: NP	Compliance Rating: 1
109	A licensee must comply with any direction by the Authority to amend the standard form contract and do so within the period specified. <i>Electricity Industry Act section 54(2)</i>	The Customer Services Process Manager confirmed that during the current audit period the Authority has not directed Horizon Power to amend the standard form contract.  Horizon Power had 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.	
	Priority:4	Controls rating: NP	Compliance Rating: NR
110	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.  <i>Electricity Industry Act section 76</i>	As the Authority has not yet designated an area under section 68(1) of the Electricity Industry Act, Horizon Power's compliance with this obligation cannot be rated for the period under audit.	
	Priority:4	Controls rating: NP	Compliance Rating: NR

111	<p>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.</p> <p><i>Electricity Industry Act section 101</i></p>	<ul style="list-style-type: none"> <li>Horizon Power has been granted an Electricity Integrated Regional Licence. The Licence precludes Horizon Power from supplying electricity to a small use customer 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.</li> </ul>	
	Priority:4	Controls rating: NP	Compliance Rating: 1
112	<p>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.</p> <p><i>Electricity Industry Act section 115(1)</i></p>	<p>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.</p>	
	Priority:4	Controls rating: NP	Compliance Rating: NR
113	<p>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.</p> <p><i>Electricity Industry Act section 115(2)</i></p>	<p>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.</p>	
	Priority:4	Controls rating: NP	Compliance Rating: NR

## 4.6 Electricity Licences – Licence Conditions and Obligations

No.	Obligation under condition	Findings			
114	<p>A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable Codes.</p> <p><i>Integrated Regional Licence condition 23.1</i></p>	<p>Through discussions with the Retail Services Manager and our understanding of the extent of Horizon Power’s marketing activities, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power is only considered to meet the Marketing Code to the extent of its activities in establishing new contracts/connections</li> <li>• The Go-Live process was used during the audit period for the Looma community. Based on our testing of whether the correct documentation was maintained (signed copies of the application form), we determined that all applicable sections of the Code of Conduct had been met.</li> </ul> <p>Given Horizon Power’s current situation (as the only retailer in its market), it is not required to perform any marketing activities beside that of establishing a contract. The Retail Services Manager confirmed that for the period 1 April 2013 to 31 March 2015, no other marketing related activities were conducted by, or on behalf of, Horizon Power.</p> <p><i>Refer to obligation 129 for further information on Horizon Power’s processes for establishment of customer accounts.</i></p>			
	<table border="1"> <tr> <td>Priority:3</td> <td>Controls rating: A</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority:3	Controls rating: A	Compliance Rating: 1	
Priority:3	Controls rating: A	Compliance Rating: 1			
115	<p>The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the Authority within the prescribed timeframe.</p> <p><i>Integrated Regional Licence condition 23.2</i></p>	<p>The Retail Services Manager confirmed that for the period 1 April 2013 to 31 March 2015, no other marketing related activities were conducted by, or on behalf of, Horizon Power. Further, based on our testing of the application of the Looma “Go-Live” process, we determined that no breach of part 2 of the Code occurred, which would have had to be reported to the Authority.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
116	<p>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.</p>	<p><i>Obligations 116 to 118</i></p> <p>The Customer Services Process Manager confirmed that during the current audit period, Horizon Power did not receive any directions from the Authority to review or amend the</p>			

No.	Obligation under condition	Findings
	<i>Integrated Regional Licence condition 24.2</i>	standard form contract. Therefore, an assessment of Horizon Power's compliance with these obligations cannot be made for the period subject to audit.
	Priority:5    Controls rating: NP    Compliance Rating: NR	
117	A licensee must comply with any direction given by the Authority in relation to the scope, process and methodology of the standard form contract review. <i>Integrated Regional Licence condition 24.3</i>	
	Priority:5    Controls rating: NP    Compliance Rating: NR	
118	A licensee may only amend the standard form contract with the Authority's approval. <i>Integrated Regional Licence condition 25.1</i>	
	Priority:4    Controls rating: NP    Compliance Rating: NR	
119	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards. <i>Integrated Regional Licence condition 12.1 or 24.1</i>	<p>The Manager Finance confirmed that:</p> <ul style="list-style-type: none"> <li>• Horizon Power is compliant with Australian Accounting Standards</li> <li>• 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)</li> <li>• For the years ended 30 June 2013 and 2014, RSM Bird Cameron conducted the audit on the OAG's behalf</li> <li>• There are no significant accounting transactions or items that would currently jeopardise Horizon Power's compliance with accounting standards.</li> </ul> <p>Horizon Power's published financial statements and signed annual audit reports from the OAG were sighted for the years ending 30 June 2013 and 2014. The financial statements were unqualified.</p>
	Priority:4    Controls rating: NP    Compliance Rating: 1	
120	A licensee must comply with any individual performance standards prescribed by the Authority. <i>Integrated Regional Licence condition 13.4 or 25.4</i>	The Customer Services Process Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power was not prescribed individual performance standards by the Authority. Therefore, an assessment of Horizon Power's compliance with this obligation

No.	Obligation under condition			Findings
	Priority:4	Controls rating: NP	Compliance Rating: NR	cannot be made for the period subject to audit
121	A licensee must comply, and require its auditor to comply, with the Authority's standard audit guidelines dealing with the performance audit. <i>Integrated Regional Licence condition 14.2</i>			In relation to the 2013 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 August 2013, Deloitte confirmed that the 2013 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.
	Priority:4	Controls rating: NP	Compliance Rating: 1	
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. <i>Integrated Regional Licence condition 20.5</i>			In relation to the 2014 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 August 2014, Qualeng confirmed that the 2014 review was conducted in accordance with the specific requirements of the Licence and the April 2014 issue of the <i>Audit and Review Guidelines: Electricity and Gas Licences</i> issued by the Authority.
	Priority:4	Controls rating: NP	Compliance Rating: 1	
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. <i>Integrated Regional Licence condition 15.1</i>			The Manager Finance confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power was not under external administration and there were no significant changes that affected Horizon Power's ability to meet its obligations.
	Priority:4	Controls rating: NP	Compliance Rating: 1	
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.			Through discussions with the Customer Services Process Manager, we determined that Horizon Power has processes in place to respond to requests for information from the Authority. We note that:

No.	Obligation under condition	Findings
	<i>Integrated Regional Licence condition 16.1</i>	<ul style="list-style-type: none"> <li>• The Manager Customer Services is responsible for monitoring compliance with Horizon Power’s licence obligations, including the timing of submission of required information and reports</li> <li>• Horizon Power is required to submit compliance reports to the Authority by 31 August each year. Horizon Power submitted its 2013 and 2014 compliance reports to the Authority on-time by due date of 31 August</li> <li>• Each year, Horizon Power is required to provide information on its distribution and retail operations utilising the performance data sheets provided by the Authority. The 2014 performance data sheets were submitted to the Authority by the due date of 20 September 2014. However, owing to unavailability of relevant correspondence records, Horizon Power is unable to demonstrate whether 2013 performance datasheets (Retail and Distribution) were submitted by the due date of 20 September 2013. We note that by querying the Authority, Horizon Power subsequently confirmed that the data sheets were submitted on 19 September 2013</li> <li>• The Customer Services Process Manager 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. We also note that an independent expert’s report on the status of Horizon Power’s Ventyx Ellipse implementation project was submitted to the Authority by the due date of 30 September 2013.</li> </ul> <p>We also identified that Horizon Power’s current process for keeping track of regulatory due dates is primarily dependant on periodic reminders from the Authority on approaching due dates and by means of recurring reminders in individual staff calendars.</p> <p>In spite of the different types of reports that need to be submitted and published within distinct time frames by different departments (for example Code of Conduct reports by the Customer Services team, and Network Quality and Reliability of Supply reports by the Asset Support team), there is no centralised system to:</p> <ul style="list-style-type: none"> <li>• Track approaching due dates</li> <li>• Record actual dates of submission and publication to effectively demonstrate compliance with those due dates.</li> </ul> <p>The existing controls are not adequate to ensure that evidence is maintained of compliance</p>

No.	Obligation under condition			Findings
	Priority:3	Controls rating: B	Compliance Rating: 1	with due dates for submission and publication of reports.
	<p><b>Recommendation 2/2015</b></p> <p>Horizon Power should consider establishing a centralised:</p> <p>(c) Compliance Register to record and track due dates for submission and publication of reports</p> <p>(d) Repository to retain evidence of submission and publication of reports within the required timeframe.</p>			<p><b>Action Plan 2/2015</b></p> <p>Establish a centralised:</p> <p>(c) Compliance Register to record and track due dates for submission and publication of reports</p> <p>(d) Repository to retain evidence of submission and publication of reports within the required timeframe.</p> <p><b>Responsible Person:</b> Customer Services Process Manager, Manager Asset Management Support</p> <p><b>Target Date:</b> 30 September2015</p>
125	<p>A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified.</p> <p><i>Integrated Regional Licence condition 17.1and 17.2</i></p>			<p>Horizon Power was directed by the Authority to publish the 2014 performance data sheet reports for both retail and distribution by 16 February 2015. Through discussion with the Customer Service Process Manager and examination of relevant documents and correspondence, we identified that those reports were published on Horizon Power’s website on 13 February 2015.</p> <p>The Customer Services Process Manager also confirmed that during the period 1 April 2013 to 31 March 2015, the Authority did not direct Horizon Power to publish any other information.</p> <p>However, we note that under clause 27(1) of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005, Horizon Power is also required to publish its annual performance report on its website by 1 October each year. Horizon Power is unable to provide evidence to demonstrate that those reports were published on its website by the required due date.</p> <p><i>Refer to recommendation 2/2015 at obligation 124 in relation to maintaining relevant records to demonstrate compliance with regulatory due dates of submission and publication.</i></p>
	Priority:4	Controls rating: B	Compliance Rating: 1	
126	Unless otherwise specified, all notices must be in writing.			Through discussions with the Customer Services Process Manager, we determined that the

No.	Obligation under condition	Findings	
	<i>Integrated Regional Licence condition 18.1</i>	<p>Manager Customer Services maintains manual and scanned records to evidence formal communications with the Authority, which have been made via post or email.</p> <p>As defined in Horizon Power’s licence, the term “notice” means a written notice, agreement, consent, direction, representation, advice, statement or other communication required or given pursuant to, or in connection with, this licence.</p> <p>Through examination of relevant correspondence records, we identified that allegedly because of recent internal restructuring, Horizon Power is unable to provide evidence of correspondence with the Authority in relation to:</p> <ul style="list-style-type: none"> <li>• Submission of 2013 performance data sheets to the Authority</li> <li>• Notification of asset management system details and maintenance measures.</li> </ul> <p>As such, Horizon Power cannot demonstrate compliance with the requirement of its licence condition clause 18.1.</p> <p><i>Refer to recommendation 2/2015 at obligation 124 in relation to maintaining relevant records to demonstrate compliance.</i></p>	
	Priority:4	Controls rating: B	Compliance Rating: 1
127	A distributor must create and maintain a Priority Restoration Register. <i>Integrated Regional Licence condition 29.1</i>	<i>Refer to Type 1 Reporting Obligations section for detailed findings in relation to obligation 127 and 128.</i>	
	Priority:2	Controls rating: A	Compliance Rating: 1
128	The Priority Restoration Register must comply with any criteria determined by the Minister. <i>Integrated Regional Licence condition 29.3</i>		
	Priority:2	Controls rating: NP	Compliance Rating: NR

## 4.7 Code of Conduct for the Supply of Electricity to Small Use Customers

No.	Obligation under Condition	Findings
<b>Part 2 Marketing</b>		
129	A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct. <i>Code of Conduct clause 2.1</i>	<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 CSRs to be “electricity marketing agents” as they act on behalf of Horizon Power:</p> <ul style="list-style-type: none"> <li>• For the purpose of obtaining new customers, or</li> <li>• In dealings with existing customers in relation to contracts for the supply of electricity.</li> </ul> <p>As such, the obligations in the Code of Conduct related to marketing are applicable to Horizon Power.</p> <p>We note that action plan (2/2013), which was raised during the 2013 Performance Audit to address prior concerns with Horizon Power’s contract establishment processes, was fully implemented by Horizon Power in October 2013. Horizon Power has further improved its controls via the introduction of the following processes:</p> <ul style="list-style-type: none"> <li>• A new <i>Account Establishment Form</i> or “Go-live” form, which is used to obtain the customer’s verifiable consent, has been established to be used for remote communities in emergency situations <ul style="list-style-type: none"> <li>○ A hard copy of the form is agreed to by the new customer and signed on-site, and maintained on the customer’s manual file at ServiceWorks.</li> </ul> </li> <li>• A training package on the contents of Part 2 of the Code of Conduct has been developed and rolled out to staff <ul style="list-style-type: none"> <li>○ Monitoring of completion of training is performed via a spreadsheet-based training register implemented in January 2014, which outlines staff training completed</li> <li>○ The register is completed on a month by month basis and reviewed by the Retail Services Manager.</li> </ul> </li> <li>• Promulgated the importance of close monitoring by local management in times of regularisation of local communities <ul style="list-style-type: none"> <li>○ A local community (Looma) was regularised in August 2013, for which the Go-live pack was used</li> <li>○ A full listing of all customers signed up through the Go-live process has been maintained to ensure accuracy with Velocity details</li> </ul> </li> <li>• The new connections script has been revised to ensure all requirements of clause 2.2 have</li> </ul>

No.	Obligation under Condition	Findings			
		<p>been adequately reflected, which is used by CSRs during the contract establishment process</p> <ul style="list-style-type: none"> <li>○ Adherence and completion of the script by CSRs is reviewed by Team Leaders (three calls per CSR per month)</li> <li>○ Further, the Retail Services Manager reviews 20 calls a month to assess the quality of information provided and whether staff are following procedure.</li> </ul> <ul style="list-style-type: none"> <li>● A modified application form has been developed for use by the Department of Housing that outlines Horizon Power's processes for dealing with prospective customers, which have been developed in alignment with clause 2.2 of the Code of Conduct. The Department of Housing facilitates the submission of account establishment forms to Horizon Power, which have been completed by new customers.</li> </ul> <p>Based on our testing of five customers that signed up as part of the Go-live process, we determined that valid copies of the signed contracts had not been maintained on file for all customers (as per the requirement of Part 2 of the Code of Conduct). As a result, Horizon Power was non-compliant with Part 2 of the Code of Conduct, for the period 1 April 2013 to 1 July 2014.</p> <p>Based on our observation of calls taken by a CSR, we determined that the appropriate information had been provided over the phone during a call to establish a new account.</p> <p>The Retail Services Manager confirmed that, for the period 1 April 2013 to 31 March 2015, Horizon Power has not engaged any persons with the intention of conducting marketing activities.</p> <p>The controls relating to document retention and archiving were not effective in facilitating appropriate record keeping during the period this obligation was in force.</p>			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #00a0e3; color: white; padding: 2px;">Priority: 3</td> <td style="background-color: #ffff00; padding: 2px;">Controls rating: B</td> <td style="background-color: #ffff00; padding: 2px;">Compliance Rating: 2</td> </tr> </table>	Priority: 3	Controls rating: B	Compliance Rating: 2	
Priority: 3	Controls rating: B	Compliance Rating: 2			
	<p><b>Recommendation 3/2015</b></p> <p>Horizon Power should:</p> <ol style="list-style-type: none"> <li>(a) Follow through on its undertaking to reinforce with ServiceWorks the importance of document retention and maintenance of appropriate archiving processes for retention of key information.</li> <li>(b) Develop procedures to ensure that officials of the Department of Housing who interacts with prospective customers in a manner that could be interpreted as acting as a marketing agent for Horizon Power comply with the provisions of Part 2 of the Code of Conduct.</li> </ol>	<p><b>Action Plan 3/2015</b></p> <p>Reinforce with ServiceWorks the importance of document retention and maintenance of appropriate archiving processes for retention of key information.</p> <p><b>Responsible Person:</b> Retail Services Manager  <b>Target Date:</b> 30 September 2015</p>			

No.	Obligation under Condition	Findings			
130	<p>A retailer or electricity marketing agent must ensure that standard form contracts, that are not unsolicited consumer agreements, are entered into in the manner set out, and the contract is provided as specified in clause 2.2(1).</p> <p><i>Code of Conduct clause 2.2(1)</i></p>	<p>Through discussions with the Retail Services Manager, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power only offers a standard form contract to small use customers <ul style="list-style-type: none"> <li>○ Contracts can only be entered into over the telephone</li> <li>○ Customer consent is sought verbally.</li> </ul> </li> <li>• CSRs will log consent related information (e.g. date originally signed up, consenting statement) on the customer's account in Velocity <ul style="list-style-type: none"> <li>○ For all customers, consent is obtained over the phone (except in the circumstances where the Go-live pack is used)</li> <li>○ As a result, consent will be in the form of a voice recording.</li> </ul> </li> <li>• All customers are advised of the following two options (both free of charge): <ul style="list-style-type: none"> <li>○ Customers can obtain a copy of the standard form contract on Horizon Power's website</li> <li>○ A copy of the contract can be mailed to the customer <ul style="list-style-type: none"> <li>▪ Should the customer select this option, the CSRs will process the request to a mailing queue</li> <li>▪ The mailing queue will be processed every night and will be in the mail the following day</li> <li>▪ As a quality control check, the Manager of Customer Services at ServiceWorks checks the queue at shift commencement to ensure that all requests have been processed.</li> </ul> </li> </ul> </li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 935 432 978">Priority: 4</td> <td data-bbox="439 935 696 978">Controls rating: NP</td> <td data-bbox="703 935 1055 978">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
131	<p>Subject to subclause 2.2(3), the retailer or electricity marketing agent must give to the customer the specified information in subclause 2.2(2) no later than on, or with, the customer's first bill.</p> <p><i>Code of Conduct clause 2.2(2)</i></p>	<p>Through discussions with the Retail Services Manager, we were advised that for customers entering into standard form contracts:</p> <ul style="list-style-type: none"> <li>• The following is provided to customers <ul style="list-style-type: none"> <li>○ Customer Services Charter</li> <li>○ Option of standard form contract (directed to website initially)</li> <li>○ Concession details.</li> </ul> </li> <li>• The above documents are automatically sent to the customer by Velocity when the account is opened (i.e. no later than the first bill).</li> </ul> <p>Based on our testing of the contents of the Customer Services Charter, we determined that all relevant information specified in subclause 2.2(2) has been adequately reflected.</p>			
	<table border="1"> <tr> <td data-bbox="248 1366 432 1409">Priority: 4</td> <td data-bbox="439 1366 696 1409">Controls rating: NP</td> <td data-bbox="703 1366 1055 1409">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			

No.	Obligation under Condition			Findings
132	A retailer or electricity marketing agent must ensure that non-standard contracts, that are not unsolicited consumer agreements, are entered into in the manner set out, and the contract is provided as specified in clause 2.3(1). <i>Code of Conduct clause 2.3(1)</i>			<p><i>Obligations 132 to 135</i></p> <p>The Retail Services Manager confirmed that, for the period 1 April 2013 to 31 March 2015, Horizon Power did not enter into a non-standard contract with a small use customer. As a result, an assessment of Horizon Power's processes for entering into non-standard contract with small use customers could not be assessed.</p> <p>We note that the provisions of clause 2.3 could come into effect should Horizon Power elect to offer non-standard contracts to small use customers in the future. Should this occur, Horizon Power will need to address the requirements of clause 2.3 of the Code of Conduct.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
133	A retailer or electricity marketing agent must ensure that the information specified in subclause 2.3(2) is provided to the customer before entering into a non-standard contract. <i>Code of Conduct clause 2.3(2)</i>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
134	The Electricity Retail Corporation or Regional Power Corporation, or an electricity marketing agent acting on behalf of Electricity Retail Corporation or Regional Power Corporation must ensure that the information specified in subclause 2.3(4) is provided to the customer before arranging a non-standard contract. <i>Code of Conduct clause 2.3(4)</i>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
135	Subject to subclause 2.3(3), the retailer or electricity marketing agent must obtain the customer's verifiable consent that the specified information in subclause 2.3(2) and 2.3(4), as applicable, has been given. <i>Code of Conduct clause 2.3(5)</i>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
136	A retailer or electricity marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed. <i>Code of Conduct clause 2.4(1)</i>			
	Priority: 4	Controls rating: NP	Compliance Rating: 1	

No.	Obligation under Condition	Findings			
137	<p>A retailer or electricity marketing agent must ensure that a customer is able to contact the retailer or electricity marketing agent on the retailer's or electricity marketing agent's telephone number during normal business hours for the purposes of enquiries, verifications and complaints.</p> <p><i>Code of Conduct clause 2.4(2)</i></p>	<p>Through discussions with the Retail Services Manager and examination of relevant documentation, we confirmed that the enquiry and complaints hotline number can be located on:</p> <ul style="list-style-type: none"> <li>• Horizon Power's website</li> <li>• Standard bill templates</li> <li>• Customer Services Charter.</li> </ul> <p>We were also advised that customers are provided the option to make enquiries or complaints at Regional Depots with a Horizon Power representative.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
138	<p>A retailer or electricity marketing agent must, on request, provide a customer with the information specified in subclause 2.5(1).</p> <p><i>Code of Conduct clause 2.5(1)</i></p>	<p>As Horizon Power operates as the sole electricity retailer in the North West Interconnected System, there is no situation where Horizon Power will be required to make contact with a potential customer for marketing purposes.</p> <p>It was previously noted that Horizon Power may from time to time offer local communities a new connection, however this interaction does not constitute a direct approach for marketing purposes (as per clause 2.5(1) of the Code of Conduct) but rather forms part of Horizon Power's contract establishment processes (as per clause 2.2 of the Code of Conduct).</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>In relation to clause 2.6, Horizon Power does not conduct marketing at the customers' premises and as a result, would not be required to comply with any signs regarding the prohibition of marketing activities.</p> <p>The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power did not engage in direct marketing activities or initiate contact with customers.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
139	<p>A retailer or electricity marketing agent who meets with a customer face to face must:</p> <ul style="list-style-type: none"> <li>• Wear a clearly visible and legible identity card showing the information specified in subclause 2.5(2)(a); and</li> <li>• As soon as practicable provide the written information specified in subclause 2.5(2)(b).</li> </ul> <p><i>Code of Conduct clause 2.5(2)</i></p>				
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
140	<p>A retailer or electricity marketing agent who visits a person's premises for the purposes of marketing must comply with any clear visible signs indicating that canvassing is not permitted at the premises, or no advertising is to be left at the premises.</p> <p><i>Code of Conduct clause 2.6</i></p>				
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			

No.	Obligation under Condition	Findings
141	<p>An electricity marketing agent must keep a record of complaints about marketing carried out by or on behalf of the electricity marketing agent made by a customer or person contacted for the purposes of marketing and 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.</p> <p><i>Code of Conduct clause 2.9(1)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of the complaints handling process we determined that:</p> <ul style="list-style-type: none"> <li>Complaints are monitored by the Retail Services Manager and the Manager of Customer Services at ServiceWorks</li> <li>All recognised complaints are logged on the customer's account in Velocity</li> <li>Complaints information logged in customer accounts is kept for at least seven years</li> <li>No requests for complaint information in relation to marketing had been received from the electricity ombudsman.</li> </ul> <p>We note that in response to action plan 4/2013 (regarding classification of customer complaints), Horizon Power has improved its complaints classification process to separately list complaints in relation to contract establishment processes as marketing complaints.</p> <p>We also note that ServiceWorks are engaged by Horizon Power to fulfil some of their retail functions only and not to operate as a marketing agent acting on behalf of Horizon Power.</p> <p>Based on our examination of customer complaints records and discussions with relevant ServiceWorks and Horizon Power staff, we determined that no complaints in relation to marketing activities (limited to establishing a customer contract) were made during the audit period.</p>
	<p>Priority: 3</p>	<p>Controls rating: A</p>
		<p>Compliance Rating: 1</p>
142	<p>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, or after receipt of the last contact from or on behalf of the electricity marketing manager, whichever is the later.</p> <p><i>Code of Conduct clause 2.10</i></p>	<p>Through discussions with the Retail Services Manager we determined that customer information is recorded in Velocity and kept for a minimum of seven years. Horizon Power does not have any processes in place for destroying customer data and customer data is archived off-site in case it is required in the future.</p> <p>Based on our testing of five customers that signed up as part of the Go-live process we determined that a valid copy of the signed contract had been maintained on file for all customers (as per the requirement of Part 2 of the Code of Conduct).</p> <p>We also note that ServiceWorks are engaged by Horizon Power to fulfil some of their retail functions only and not to operate as a marketing agent acting on behalf of Horizon Power.</p>
	<p>Priority: 4</p>	<p>Controls rating: NP</p>
		<p>Compliance Rating: 1</p>
<b>Part 4 Billing</b>		

No.	Obligation under Condition	Findings
145	<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 in subclause 4.1.</p> <p><i>Code of Conduct clause 4.1</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power’s billing processes, we determined that:</p> <ul style="list-style-type: none"> <li>• Bill generation is automated in Velocity, which extracts meter read data from mData21</li> <li>• The Standard Billing cycle for residential customers is 60 days, although customers can request a 30 day cycle. A 30 day billing cycle is automatically applied to business customers in Velocity</li> <li>• Monthly billing cycles are set at 30 calendar days, however may differ slightly should the 30th day fall on a weekend or public holiday</li> <li>• Velocity receives meter reading data from mData21 to facilitate the generation of customer bills. Where an actual read could not be obtained, mData21 produces an estimated read, which is used to generate the bill</li> <li>• Validation exception criteria has been applied to all bills, which will flag all bills that meet certain criteria (e.g. high bill consumption as compared to previous periods)</li> <li>• Validations are flagged and resolved by ServiceWorks staff</li> <li>• All accounts, including those with just one day into the next billing cycle, are captured on an unbilled report. ServiceWorks reviews the report daily to identify any customers who are close to breaching the 90 day timeframe</li> <li>• 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 the option to contact Horizon Power’s call centre for payment terms</li> <li>• Some accounts appear on the unbilled report, but are not valid exceptions, for example: <ul style="list-style-type: none"> <li>○ New connections – accounts are only billed based on when the account was originally set up, not when meter was active. It may happen that an account was set up long enough after a meter was energised for the first bill for consumption to go out more than 90 days after the meter became active</li> <li>○ Reconnections - timeframe between the date the meter was last active to the date of the next bill. For example, if the customer was disconnected for a period of six months, the system will capture the unbilled timeframe as six months, as that was the last date the meter was active. As a result, this is not a valid reflection of the time elapsed between consumption of electricity and billing for such consumption. However, where bills have been issued at intervals greater than 90</li> </ul> </li> </ul>

No.	Obligation under Condition	Findings			
		<p>days, it will be reflected as an exception for validation.</p> <p>Based on our examination of the 2014 Compliance Report and the current Customer Services Dashboard report, we determined that during the period 1 April 2013 to 31 March 2015:</p> <ul style="list-style-type: none"> <li>• 6912 accounts remained unbilled over 90 days as at the end of 2012</li> <li>• 40 accounts remained unbilled over 90 days as at 2 February 2014</li> <li>• 28 accounts remained unbilled over 90 days as at 30 June 2014 (reported in 2014 Compliance Report)</li> <li>• 13 accounts remained unbilled over 90 days as at 29 December 2014</li> <li>• 7 accounts remained unbilled over 90 days as at 31 March 2015.</li> </ul> <p>However, we acknowledge that significant work has been performed to bring this number down, which has been a result of proactive monitoring of accounts and reporting designed to raise issues earlier. Further, the AMI roll-out, which is due to be completed for most regions by June 2016, will reduce the number of exceptions as there will be no need to wait for actual reads to be completed.</p> <p>Based on our validation of the seven accounts reported for 31 March 2015, we note that the seven accounts reflected listed on the Dashboard as exceptions were false positive, as they were not actually unbilled for more than 90 days and as a result, Horizon Power is currently in compliance with the Code of Conduct.</p>			
	<table border="1"> <tr> <td data-bbox="248 914 432 914">Priority: 2</td> <td data-bbox="432 914 696 914">Controls rating: B</td> <td data-bbox="696 914 1048 914">Compliance Rating: 2</td> </tr> </table>	Priority: 2	Controls rating: B	Compliance Rating: 2	
Priority: 2	Controls rating: B	Compliance Rating: 2			
	<p><b>Recommendation 4/2015</b> n/a – no further action is required.</p>	<p><b>Action Plan 4/2015</b> n/a – no further action is required.</p>			
146	<p>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). <i>Code of Conduct clause 4.2(1)</i></p>	<p>Through discussions with the Retail Services Manager and an examination of Horizon Power’s Hardship Policy, we determined that Horizon Power can offer shortened billing cycles to its customers.</p> <p>The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not processed any requests to shorten a billing cycle as described by the Code.</p>			
	<table border="1"> <tr> <td data-bbox="248 1318 432 1318">Priority: 4</td> <td data-bbox="432 1318 696 1318">Controls rating: NP</td> <td data-bbox="696 1318 1048 1318">Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
147	<p>A retailer must not place a residential customer on a shortened billing cycle without the customer’s verifiable consent if the customer informs</p>	<p>Through discussions with the Retail Services Manager and an examination of Horizon Power’s Hardship Policy, we determined that Horizon Power can offer shortened billing</p>			

No.	Obligation under Condition			Findings
	the retailer that the customer is experiencing payment difficulties or financial hardship. <i>Code of Conduct clause 4.2(2)</i>			cycles to its customers. The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not processed any requests to shorten a billing cycle as described by the Code.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
148	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. <i>Code of Conduct clause 4.2(3)</i>			Through discussions with the Retail Services Manager and an examination of Horizon Power's Hardship Policy, we determined that Horizon Power can offer shortened billing cycles to its customers. The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not processed any requests to shorten a billing cycle as described by the Code.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
149	A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days. <i>Code of Conduct clause 4.2(4)</i>			Through discussions with the Retail Services Manager and an examination of Horizon Power's Hardship Policy, we determined that Horizon Power can offer shortened billing cycles to its customers. The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not processed any requests to shorten a billing cycle as described by the Code.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
150	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. <i>Code of Conduct clause 4.2(5)</i>			Through discussions with the Retail Services Manager and an examination of Horizon Power's Hardship Policy, we determined that Horizon Power can offer shortened billing cycles to its customers. The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not processed any requests to shorten a billing cycle as described by the Code.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
151	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. <i>Code of Conduct clause 4.2(6)</i>			Through discussions with the Retail Services Manager and an examination of Horizon Power's Hardship Policy, we determined that Horizon Power can offer shortened billing cycles to its customers. The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not processed any requests to shorten a billing cycle as described by the Code.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
152	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			<i>Obligations 152 and 153</i>

No.	Obligation under Condition	Findings	
	smoothing arrangement. <i>Code of Conduct clause 4.3(1)</i>	The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, Horizon Power has not received any requests from a customer to initiate a bill smoothing arrangement.	
	Priority: 4    Controls rating: NP    Compliance Rating: NR		
153	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. <i>Code of Conduct clause 4.3(2)</i>		
	Priority: 4    Controls rating: NP    Compliance Rating: NR		
154	A retailer must issue a bill to a customer at the customer's supply address, unless the customer has nominated another address or an electronic address. <i>Code of Conduct clause 4.4</i>	<p>Through discussions with the Retail Services Manager and examination of Horizon Power's billing processes and systems, we determined that Horizon Power's processes provide for:</p> <ul style="list-style-type: none"> <li>• The customer to be requested for a mailing address for the bill to be sent to on account set-up</li> <li>• Only the owner of the account to nominate a new mailing address for the bill</li> <li>• 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.</li> </ul>	
	Priority: 4    Controls rating: NP    Compliance Rating: 1		
155	Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in subclause 4.5(1) on the customer's bill. <i>Code of Conduct clause 4.5(1)</i>	Through examination of Horizon Power's current standard bill template, we determined that all minimum information required by clause 4.5 of the Code had been adequately reflected.	
	Priority: 4    Controls rating: NP    Compliance Rating: 1		

No.	Obligation under Condition	Findings			
156	<p>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.</p> <p><i>Code of Conduct clause 4.5(3)</i></p>	<p>Through discussion with the Retail Services Manager, we determined that in the event a historical debt is identified, Horizon Power's processes provide for:</p> <ul style="list-style-type: none"> <li>The amount to be recovered through the standard bill with the debt appearing under the outstanding 'balance' section or 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</li> <li>Portfolio managed customers (e.g. large high value customers) will be contacted when the debt is identified and advised of any payment options</li> <li>The amount of historical debt can only be back-dated for a period of up to 12 months.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 491 432 536">Priority: 4</td> <td data-bbox="432 491 696 536">Controls rating: NP</td> <td data-bbox="696 491 1048 536">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
157	<p>A retailer must base a customer's bill on the following:</p> <ul style="list-style-type: none"> <li>the distributor's or metering agent's reading of the meter at the customer's supply address, or</li> <li>the customer's reading of the meter in the circumstances specified in subclause 4.6(1)(b) or</li> <li>where the connection point is a type 7 connection point, the procedure as set out in the metrology procedure or Metering Code.</li> </ul> <p><i>Code of Conduct clause 4.6(1)</i></p>	<p>Through discussion with the Retail Services Manager 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"> <li>Horizon Power performs meter reading services in-house or via sub-contractors. Meter readings are uploaded by field crew or sub-contractors (previously contracted through AMRS) using electronic handhelds to mData21</li> <li>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"> <li>Salmat mails a meter reading card to the customer</li> <li>The customer uses the card to record the meter read and mails back to Salmat, where a data file is generated and uploaded to mData21.</li> </ul> </li> <li>Horizon Power will at times accept a photo of the customer's meter as evidence to base a bill, so long as it is appropriately time stamped. However, the reading will still be listed as an "estimated read" and captured as such in Velocity.</li> </ul> <p>The Retail Services Manager confirmed that, during the period 1 April 2013 to 31 March 2015, there were no small use customers with type 7 connection points.</p>			
	<table border="1"> <tr> <td data-bbox="248 1134 432 1179">Priority: 4</td> <td data-bbox="432 1134 696 1179">Controls rating: NP</td> <td data-bbox="696 1134 1048 1179">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
158	<p>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.</p> <p><i>Code of Conduct clause 4.7</i></p>	<p>Through discussion with the Retail Services Manager 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"> <li>Horizon Power obtains meter readings through mData21 (following upload of the meter read by Horizon Power field crew, Salmat or sub-contractors)</li> <li>Billing schedules are managed by Horizon Power with bills being generated either bi-</li> </ul>			

No.	Obligation under Condition	Findings			
		<p>monthly or monthly depending on the customer's billing cycle</p> <ul style="list-style-type: none"> <li>○ Clause 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)</li> <li>○ Horizon Power only has residential customers on a monthly billing cycle if the customer requests for a shorter billing cycle.</li> </ul> <ul style="list-style-type: none"> <li>● Where an actual read cannot be performed, an estimated read is generated by mData21 and uploaded to Velocity</li> <li>● mData21 has been programed to stop performing estimated reads where no actual read has been obtained after: <ul style="list-style-type: none"> <li>○ Four consecutive bi-monthly billing cycles (eight months)</li> <li>○ Seven consecutive monthly billing cycles.</li> </ul> </li> <li>● A Customer Services Dashboard has been developed to provide insight into the accounts that have not had any actual reads within 12 months.</li> </ul> <p>The Customer Services Dashboard for 2013-14 and 2014-15 reported the following volume of accounts that did not have an actual read in 12 months:</p> <ul style="list-style-type: none"> <li>● 81 accounts as at 30 March 2014</li> <li>● 16 accounts as at 1 June 2014</li> <li>● 176 accounts as at 29 March 2015.</li> </ul> <p>We were advised by the Meter Data Coordinator that as a result of staff changes in Horizon Power monitoring of the exceptions was re-assigned to the regions and that the exception reports were not followed up efficiently by the regions.</p> <p>In order to address this issue of actual reads not being obtained in a 12 month period, Horizon Power has committed to implementing its AMI program. This program comprises the installation of smart meters for all customers and as a result, all reads will be performed automatically without the need for the meter to be read by a Field Services Officer. The program is scheduled to be completed in majority by the end of 2016.</p> <p>The existing controls are not adequate to prevent meters from going without an actual read for longer than 12 months.</p>			
	<table border="1"> <tr> <td data-bbox="248 1235 432 1278">Priority: 2</td> <td data-bbox="432 1235 696 1278">Controls rating: B</td> <td data-bbox="696 1235 1048 1278">Compliance Rating: 2</td> </tr> </table>	Priority: 2	Controls rating: B	Compliance Rating: 2	
Priority: 2	Controls rating: B	Compliance Rating: 2			
	<p><b>Recommendation 5/2015</b></p> <p>Until the successful implementation of the AMI installation program, Horizon Power should identify and implement measures to trigger a</p>	<p><b>Action Plan 5/2015</b></p> <p>The 176 accounts at the end of March included 166 in the NIS, and 10 in the NWIS. In the existing process, the system generates a queue for all installations that have not received a</p>			

No.	Obligation under Condition	Findings
	<p>process to expedite actual reads of meters where the time elapsed from the previous actual read is approaching or has exceeded the 12 month timeframe.</p>	<p>read for 8 months. The process is to generate manual must read service orders to attain these reads. In this instance the process has not been followed.</p> <p>(a) Customer Service will continue with its existing continual process improvement methodology through weekly reporting and root cause analysis</p> <p>(b) Process enhancements will be implemented, if identified</p> <p>(c) Regional Managers are to reinforce with staff the importance of following the process.</p> <p>Additionally via the implementation of AMI the likelihood of this breach will be further reduced.</p> <p>There is no additional action proposed.</p> <p><b>Responsible Person:</b> Customer Services Process Manager  <b>Target Date:</b> 30 September 2015</p>
159	<p>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.</p> <p><i>Code of Conduct clause 4.8(1)</i></p>	<p>Clause 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> <p>Through discussions with the Retail Services Manager and consideration of Horizon Power's billing processes, we determined that Horizon Power's procedures provide for :</p> <ul style="list-style-type: none"> <li>• An estimated read to be automatically generated by mData21 and included in the next bill, should a meter reading not be received</li> <li>• 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</li> <li>• The bill to clearly identify that it is based on an estimated read (e.g. watermark across the page).</li> </ul>
160	<p>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).</p> <p><i>Code of Conduct clause 4.8(2)</i></p>	<p>Clause 4.8(2) requires Horizon Power to clearly and visibly display certain information on its estimated bill template.</p> <p>Based on our examination of Horizon Power's estimated bill template and consideration of the information listed in clause 4.8(2), we determined that the following has been reflected clearly and visibly:</p> <ul style="list-style-type: none"> <li>• The read was based on estimation (clause 4.8(2)(a))</li> <li>• Horizon Power can provide, on request, information on the basis and reason for estimation (clause 4.8(2)(b))</li> <li>• A customer can request a meter reading (clause 4.8(2)(c)(i))</li> </ul>
Priority: 4	Controls rating: NP	Compliance Rating: 1

No.	Obligation under Condition	Findings
		<ul style="list-style-type: none"> <li>A watermark across the bill to highlight that it is based on an estimate.</li> </ul> <p>However, the template does not include specific reference to the option for a customer to be able to request for a verification of a meter reading, as per clause 4.8(2)(c)(ii). We recognise that the intent of a meter reading (as per 4.8(2)(c)(i)) covers verification of meter readings, however the Code explicitly states that the wording, “verification of a meter reading”, is to be displayed on the template of the bill.</p> <p>The existing controls did not identify that the wording of the estimated bill template does not comply with the Code of Conduct.</p>
	Priority: 4      Controls rating: B      Compliance Rating: 2	
	<p><b>Recommendation 6/2015</b></p> <p>Horizon Power should update its estimated bill template to completely reflect the requirements of clause 4.8(2), specifically displaying the option for a customer to request for a verification of a meter reading.</p>	<p><b>Action Plan 6/2015</b></p> <p>Update estimated bill template to address the requirements of clause 4.8(2) of the Code.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 28 February 2016</p>
161	<p>Upon request, a retailer must inform a customer of the basis and the reason for the estimation.</p> <p><i>Code of Conduct clause 4.8(3)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power’s billing processes, we determined that:</p> <ul style="list-style-type: none"> <li>CSRs are trained and provided with relevant information in Velocity, to inform a customer of the basis and the reason for the estimation</li> <li>Scripts within Velocity drive the exact wording to be advised to the customer.</li> </ul>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	

No.	Obligation under Condition	Findings			
162	<p>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.</p> <p><i>Code of Conduct clause 4.9</i></p>	<p>Through discussions with the Retail Services Manager, examination of clause 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"> <li>• 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"> <li>○ The customer will be contacted immediately (or within a reasonable timeframe) and advised of their payment options (e.g. cheque)</li> <li>○ Direct debits are not advised as an option to the customer, however if the customer requests for a direct debit, Horizon Power will process the request</li> <li>○ If the customer requests an amount to be repaid via cheque, Horizon Power will arrange for the cheque to be processed in the next cheque run (performed twice a week)</li> <li>○ Horizon Power's processes provide for the customer to receive the cheque within the 12 business day timeframe required by the Code.</li> </ul> </li> <li>• Where the account is in debit (i.e. the customer owes Horizon Power) the standard process is to recoup monies up to 12 months as historical debt on the following bill, which is itemised to indicate to the customer the charge.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 762 432 810">Priority: 4</td> <td data-bbox="439 762 696 810">Controls rating: NP</td> <td data-bbox="703 762 1055 810">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
163	<p>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.</p> <p><i>Code of Conduct clause 4.10</i></p>	<p>Through discussion with the Retail Services Manager and consideration of Horizon Power's standard form contract, we determined that Horizon Power has processes and procedures in place to:</p> <ul style="list-style-type: none"> <li>• Replace an estimated bill with a bill based on actual meter read if requested by a customer</li> <li>• The request will be processed as a special read service order by the CSR</li> <li>• Once the read has been received, the bill will be reissued and include the updated amount</li> <li>• If the account is in credit following the adjustment, the customer can request for the money to be repaid or applied against any other accounts.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 1086 432 1134">Priority: 5</td> <td data-bbox="439 1086 696 1134">Controls rating: NP</td> <td data-bbox="703 1086 1055 1134">Compliance Rating: 1</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: 1	
Priority: 5	Controls rating: NP	Compliance Rating: 1			
164	<p>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.</p> <p><i>Code of Conduct clause 4.11(1)</i></p> <p><b>Note – This obligation was included in the 2015 audit plan. However, it is recommended that in the next audit plan this obligation be excluded</b></p>	<p>As Horizon Power is both the retailer and the distributor, the requirements of subclause 4.11(1) are not relevant to Horizon Power's operations for the period 1 April 2013 to 31 March 2015.</p>			

No.	Obligation under Condition			Findings
	<b>from the audit plan, as it is Not Applicable.</b>			
		Priority: 4	Controls rating: NP	Compliance Rating: NR
165	If the meter is tested and found to be defective, the retailer's reasonable charge for testing the meter (if any) is to be refunded to the customer. <i>Code of Conduct clause 4.11(2)</i>			
		Priority: 4	Controls rating: NP	Compliance Rating: 1
166	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 <i>Code of Conduct clause 4.12(1)</i>			<i>Obligations 166 and 167</i> Through discussion with Retail Services Manager and consideration of Horizon Power's tariff change process, we determined that: <ul style="list-style-type: none"> <li>Business customers who consume less than 160MWhs 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)</li> <li>Eligibility requirements are dependent on the customer's consumption, i.e. for an L2 tariff the customer must consume no more than 50MWhs and for an L4 tariff, the customer must consume between 50MWhs and 160MWhs (to be captured by the Code requirements)</li> <li>Business customers can apply to Horizon Power for a change in their tariff by contacting the customer care centre.</li> <li>The request will be reviewed by the CSRs and be processed accordingly based on the customer's eligibility. ServiceWorks' processing timeframe is a maximum of three business days</li> </ul>
		Priority: 4	Controls rating: NP	Compliance Rating: 1
167	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. <i>Code of Conduct clause 4.13</i>			<ul style="list-style-type: none"> <li>If the customer is eligible for a more favourable alternative tariff, as a gesture of goodwill, Horizon Power will back-date the new tariff from the beginning of the customer's billing cycle</li> <li>Horizon Power also reviews customer's usage at regional depots to identify if any customer can move to an alternative tariff</li> </ul>

No.	Obligation under Condition	Findings
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<ul style="list-style-type: none"> <li>If a customer's consumption is consistently over the usage for the current tariff for a 12 month period, Horizon Power will provide the customer with 30 days' notice that it intends placing the customer on a higher tariff. The notification also provides the customer with the option to contest the decision prior to the change being made.</li> </ul>
168	<p>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.</p> <p><i>Code of Conduct clause 4.14(1)</i></p> <p>Priority: 5      Controls rating: NP      Compliance Rating: 1</p>	<p><i>Obligations 168 to 170</i></p> <p>Clause 9.3 of the standard form contract outlines the requirements for finalising customer accounts. The clause 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"> <li>Three business days before the customer moves out of the premises</li> <li>Of an address where the final bill can be sent.</li> </ul>
169	<p>Subject to subclause 4.14(3), if a customer's account is in credit at the time of account closure, the retailer must transfer the amount of credit to another account the customer has with the retailer; or a bank account nominated by the customer within 12 business days or other agreed time, in accordance with the customer's instructions.</p> <p><i>Code of Conduct clause 4.14(2)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</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 and procedures in place to finalise customer accounts at the customer's request:</p> <ul style="list-style-type: none"> <li>A final meter read service order is arranged from which a final bill is generated</li> <li>Any credit left on the account will be advised to the customer, together with options for refund of the credit (e.g. applied to another account, refund via cheque)</li> <li>Once the request has been made, the payment will be processed within 12 business days.</li> </ul>
170	<p>If a customer's account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may use that credit to set off the debt owed to the retailer by giving the customer written notice. If any amount remains after the set off, the retailer must ask the customer for instructions to transfer the remaining amount in accordance with subclause 4.14(2).</p> <p><i>Code of Conduct clause 4.14(3)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
171	<p>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</p>	<p><i>Obligation 174 to 178</i></p> <p>Through discussions with the Retail Services Manager 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>

No.	Obligation under Condition			Findings	
	request by the customer. <i>Code of Conduct clause 4.15</i>			<ul style="list-style-type: none"> <li>• CSRs receive training on how to review a customer's bill, including guidance on what should be done following review</li> <li>• Bill reviews can lead to either: <ul style="list-style-type: none"> <li>○ The issue being resolved immediately through CSRs or Call Centre Team Lead at ServiceWorks, or</li> <li>○ The issue being logged in Velocity and escalated to the Credit Team Leader, who will investigate further and provide a response to the customer within 20 business days</li> <li>○ Where a response is unable to be made within 20 business days, ServiceWorks will notify the customer of the reason for the delay (as per SLAs and work instructions).</li> </ul> </li> <li>• Where the bill is assessed as incorrect by Horizon Power and is an overcharge, the customer will be notified of the overcharge and advised of options for refund (if over \$75). Where the amount of the overcharge is less than \$75, the customer's account will be credited and a note placed on the next bill</li> <li>• 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, the customer will be advised of Horizon Power's complaints handling process.</li> </ul> <p>Based on our examination of the complaints register for 1 April 2013 to 31 March 2015, we did not identify any complaint in relation to a customer not being advised of the status of a review of their bill.</p>	
		Priority: 4	Controls rating: NP		Compliance Rating: 1
172	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. <i>Code of Conduct clause 4.16(1)(a)</i>				
		Priority: 4	Controls rating: NP		Compliance Rating: 1
173	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. <i>Code of Conduct clause 4.16(1)(b)</i>				
		Priority: 4	Controls rating: NP	Compliance Rating: 1	
174	The retailer must inform a customer of the outcome of the review of a bill as soon as practicable. <i>Code of Conduct clause 4.16(2)</i>				
		Priority: 4	Controls rating: NP	Compliance Rating: 1	
175	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				

No.	Obligation under Condition	Findings
	status of the review as soon as Practicable. <i>Code of Conduct clause 4.16(3)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
176	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). <i>Code of Conduct clause 4.17(2)</i>	Through discussions with the Retail Services Manager and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following procedures in place to manage accounts requiring adjustments: <ul style="list-style-type: none"> <li>• 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</li> <li>• 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 in accordance with clause 4.17(2)(e) can be devised, if requested by the customer</li> <li>• Horizon Power does not charge interest or fees on the undercharged amount being recovered from the customer.</li> </ul>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
177	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. <i>Code of Conduct clause 4.18(2)</i>	Through discussions with the Retail Services Manager 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 an overcharge identified: <ul style="list-style-type: none"> <li>• Immediately notifying the customer of any overcharge and discussing resolution alternatives (account adjustment or cheque payment)</li> <li>• Unless advised otherwise by the customer, if the amount overcharged relates to an amount already paid by the customer, the customer is offered the option of a cheque being issued for the amount of the overcharge. However if the customer still owes an outstanding balance, their account is credited</li> <li>• CSRs attempt to contact customers who have been overcharged and have moved address</li> <li>• A report of all credit charges to customer accounts is run and reviewed by the Retail Services Manager to confirm the validity of the charges.</li> </ul> These work practices provide for the customer to be informed of any such overcharge immediately once identified where possible, but at most no longer than 10 business days after an overcharge has been identified. During the previous audit in 2013, a recommendation was raised to address the issue where

No.	Obligation under Condition	Findings
	<p data-bbox="255 911 427 948">Priority: 2</p> <p data-bbox="439 911 696 948">Controls rating: B</p> <p data-bbox="707 911 1043 948">Compliance Rating: 2</p>	<p data-bbox="1068 225 2069 347">Horizon Power was not formally advising a customer with debt over \$75 of their options for repayment. As a result, Horizon Power has updated its work instructions to provide for all customers with an overcharge of greater than \$75 to be notified of the overcharge and the options available to such customers.</p> <p data-bbox="1068 360 2069 483">Based on our testing of 20 overcharges during the period 1 April 2013 to 31 March 2015, we identified one instance where Horizon Power had not complied with the requirements of the Code, in relation to not advising the customer of an overcharge on their account within 10 business days.</p> <p data-bbox="1068 496 1621 523">We note that the above issue occurred as a result of:</p> <ul data-bbox="1068 536 2069 834" style="list-style-type: none"> <li data-bbox="1068 536 2069 576">• An actual read being performed, following previous estimations because of a locked gate</li> <li data-bbox="1068 579 2069 667">• Following the actual read, it was identified that the customer was not consuming electricity at the property and a credit adjustment (together with an updated bill) was issued</li> <li data-bbox="1068 670 2069 758">• Horizon Power did not advise the customer of the overcharge or ask the customer for instructions regarding repayment of the overcharge after the credit was recorded on the customer's account.</li> <li data-bbox="1068 761 2069 834">• Horizon Power only took action when the customer identified the credit on their bill and contacted Horizon Power to request a refund.</li> </ul> <p data-bbox="1068 842 2069 903">The existing controls were not adequate to ensure that the customer was informed of the overcharge within ten business days of Horizon Power becoming aware thereof.</p>
	<p data-bbox="255 962 539 989"><b>Recommendation 7/2015</b></p> <p data-bbox="255 1002 1021 1094">Horizon Power should reinforce with ServiceWorks the importance of adhering to the existing process for notification to customers within the required timeframe where overcharges occur on accounts.</p>	<p data-bbox="1068 962 1285 989"><b>Action Plan 7/2015</b></p> <p data-bbox="1068 1038 2018 1099">Reinforce with ServiceWorks the importance of managing the existing process. A robust process and monitoring is currently in place.</p> <p data-bbox="1068 1139 1563 1166"><b>Responsible Person:</b> Retail Service Manager</p> <p data-bbox="1068 1174 1514 1201"><b>Target Date:</b> 30 September 2015</p>

No.	Obligation under Condition	Findings
178	<p>A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.</p> <p><i>Code of Conduct clause 4.18(3)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's billing processes, we determined that:</p> <ul style="list-style-type: none"> <li>• 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)</li> <li>• 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.</li> </ul> <p>Horizon Power has further strengthened its processes to rectify action plan 8/2013, so that:</p> <ul style="list-style-type: none"> <li>• Cheque runs are performed twice a week so that customers are able to receive payments within the required 12 business day timeframe</li> <li>• CSRs are able to request a cheque to be processed individually should there be a concern that the Code requirements may be breached</li> <li>• Customers are able to request for repayment of the overcharge to be made via EFT payment</li> <li>• Implemented an exception report to identify all credits made to a customer's account.</li> </ul> <p>Based on our testing of 20 overcharges during the period 1 April 2013 to 31 March 2015, we did not identify any instances where Horizon Power had not processed the refund within the required 12 business day timeframe.</p>
	<p>Priority: 3</p> <p>Controls rating: A</p> <p>Compliance Rating: 1</p>	
179	<p>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.</p> <p><i>Code of Conduct clause 4.18(4)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's billing process, we determined that Horizon Power will credit any refund amount to the customer's account after the 20 day period has expired if the customer has not contacted Horizon Power to advise of their preferred option for repayment within the required 20 days' timeframe.</p>
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
180	<p>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.</p> <p><i>Code of Conduct clause 4.18(6)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's process for dealing with overcharges, we determined that:</p> <ul style="list-style-type: none"> <li>• When an overcharge of less than \$75 is identified, Horizon Power automatically credits the amount to the customer's account, following a check to confirm the customer is not experiencing payment difficulties or has an active payment arrangement, and notifies the</li> </ul>

No.	Obligation under Condition			Findings
	Priority: 3	Controls rating: A	Compliance Rating: 1	customer on the next bill
181	<p>The retailer may, by giving the customer written notice, use an amount overcharged to set off a debt owed to the retailer provided that the customer is not a residential customer experiencing payment difficulties or financial hardship, or making payments under an alternative payment arrangement. If, after the set off, an amount less than \$75 remains, the retailer must deal with that amount in accordance with subclause 4.18(6). If the amount is \$75 or more, the retailer must deal with it in accordance with subclause 4.18(2).</p> <p><i>Code of Conduct clause 4.18(7)</i></p>			<ul style="list-style-type: none"> <li>Should the customer request a refund via cheque, cheques are processed via a bi-weekly cheque run</li> <li>If the customer has other accounts, where a debt is owed to Horizon Power, the customer may request for the credit to be applied to the outstanding amount. Should a credit still remain, Horizon Power will deal with the credit in accordance with the standard overcharge process reflected in obligations 177 to 179.</li> </ul> <p>Based on our testing of 20 overcharges during the period 1 April 2013 to 31 March 2015, we did not identify any instances where the customer did not immediately state what method of payment should be used for the refund.</p>
182	Priority: 3	Controls rating: A	Compliance Rating: 1	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's billing processes, we determined that Horizon Power has the following procedures in place:</p> <ul style="list-style-type: none"> <li>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, including the details of the undercharge</li> <li>Horizon Power does not charge interest or fees on the undercharged amount being recovered from the customer.</li> <li>An instalment plan in accordance with clause 4.19(1)(d) can be devised, if requested by the customer .</li> </ul>
183	Priority: 4	Controls rating: NP	Compliance Rating: 1	<p>Through discussions with the Retail Services Manager, 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"> <li>Contact the customer within 10 business days to confirm the validity of the act or omission</li> <li>Inform the customer of their options for repayment of the adjustment, where: <ul style="list-style-type: none"> <li>If the customer wishes for the adjustment to be applied to their account, the adjustment will be applied against the customer's next bill</li> </ul> </li> </ul>

No.	Obligation under Condition	Findings	
		<ul style="list-style-type: none"> <li>○ 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.</li> </ul> <p><i>Refer to recommendation 7/2013 at obligation 177 for detailed findings, recommendation and action plan.</i></p>	
	Priority: 4	Controls rating: B	Compliance Rating: 2
184	<p>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.</p> <p><i>Code of Conduct clause 4.19(3)</i></p>	<p>Through discussions with the Retail Services Manager, we were advised that Horizon Power undertakes the same process for overcharges as performed for adjustments. As a result, Horizon Power's processes have been designed to support payment of amounts owed to a customer within 12 business days.</p> <p>Based on our testing of 20 customers who were overcharged, we did not identify any instances where a customer had not been repaid amounts owing within 12 business days.</p> <p><i>Refer to obligation 178 for detailed findings.</i></p>	
	Priority: 3	Controls rating: A	Compliance Rating: 1
185	<p>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.</p> <p><i>Code of Conduct clause 4.19(4)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's billing process, we determined that Horizon Power will credit any refund amount to the customer's account after the 20 day period has expired if the customer has not contacted Horizon Power to advise of their preferred option for repayment within the required 20 days' timeframe.</p>	
	Priority: 5	Controls rating: NP	Compliance Rating: 1

No.	Obligation under Condition	Findings	
186	<p>The retailer may, by giving the customer written notice, use the amount of an adjustment to set off a debt owed to the retailer provided that the customer is not a residential customer experiencing payment difficulties or financial hardship, or making payments under an alternative payment arrangement. If, after the set off, an amount less than \$75 remains, the retailer must deal with that amount in accordance with subclause 4.19(5). If the amount is \$75 or more, the retailer must deal with it in accordance with subclause 4.19(2).</p> <p><i>Code of Conduct clause 4.19(7)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power’s process for dealing with overcharges, we determined that:</p> <ul style="list-style-type: none"> <li>• When an overcharge of less than \$75 is identified, Horizon Power automatically credits the amount to the customer’s account, following a check to confirm the customer is not experiencing payment difficulties or has an active payment arrangement, and notifies the customer on the next bill</li> <li>• Should the customer request a refund via cheque, cheques are processed via a bi-weekly cheque run</li> <li>• If the customer has other accounts, where a debt is owed to Horizon Power, the customer may request for the credit to be applied to the outstanding amount. Should a credit still remain, Horizon Power will deal with the credit in accordance with the standard overcharge process reflected in obligations 177 to 179.</li> </ul> <p>Based on our testing of 20 overcharges during the period 1 April 2013 to 31 March 2015, we did not identify any instances where the customer did not immediately state what method of payment should be used for the refund.</p>	
	Priority: 5	Controls rating: NP	Compliance Rating: 1
<b>Part 5 Payment</b>			
187	<p>The due date on the bill must be at least 12 business days from the date of the bill. Unless a retailer specifies a later date, the date of dispatch is the date of the bill.</p> <p><i>Code of Conduct clause 5.1</i></p>	<p>Through discussions with the Retail Services Manager and walkthrough of the payment processes, we determined that Horizon Power has the following arrangements in place to manage the customer bill payment cycle:</p> <ul style="list-style-type: none"> <li>• Horizon Power’s standard form contract (clause 6.2) states the requirement for the due date to be at least 12 business days from the date of the bill</li> <li>• Velocity will calculate the due date automatically according to the criteria of the Code, being at least 12 business days from the date of the bill. Velocity has been programmed to take public holidays and weekends into account in the calculation of the due date. For example, if the bill is issued on the Friday, the due date will be 16 calendar days (12 business days + 4 weekend days) from the date of the bill</li> <li>• The current credit management process diagram reflects the 12 business day requirement, which is used in relevant work instructions. However, the diagram refers to “12 days” and not “12 business days”. In light of our findings in respect of Obligation 197 below, it is recommended that Horizon Power consider updating the diagram to refer to “business days”.</li> </ul> <p>Based on examination of both the standard and estimated bill template, we identified that both bills had due dates of at least 12 business days from the date of the bill.</p>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1

No.	Obligation under Condition	Findings			
188	<p>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.</p> <p><i>Code of Conduct clause 5.2</i></p>	<p>Through discussions with the Retail Services Manager and examination of the current bill template, we determined that all minimum payment methods prescribed in clause 5.2(1) of the Code have been reflected in the relevant templates and documents provided to customers (such as the standard bill, Customer Services Charter and website).</p> <p>Horizon Power has made further changes to the payment process for pre-payment meters, removing the requirement for cards to be purchased. As a result, payments made over the counter are directly credited to the system.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
189	<p>A retailer must, prior to commencing a direct debit facility, obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.</p> <p><i>Code of Conduct clause 5.3</i></p>	<p>Through discussions with the Retail Services Manager and examination of Horizon Power's <i>Direct Debit request (DDR)</i> form, we determined that Horizon Power's procedures provide for:</p> <ul style="list-style-type: none"> <li>Obtaining a customer's verifiable consent to the direct debit via the DDR, which was last reviewed in 2014. Consent via telephone is being considered as a future improvement; however no final decision has been made</li> <li>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</li> <li>CSRs are required to verbally confirm the date of commencement and frequency of direct debit with the customer over the phone</li> <li>Direct debits can only be set-up against a bank account, however an assessment of the viability of offering direct debits against credit cards is underway.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
190	<p>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.</p> <p><i>Code of Conduct clause 5.4</i></p>	<p>Through discussions with the Retail Services Manager and walkthrough of Horizon Power's payment process, we determined that Horizon Power:</p> <ul style="list-style-type: none"> <li>Accepts payment in advance for any amount, with no minimum amount applicable</li> <li>Allows for the option to place the customer's account in credit should the customer wish to make such a payment</li> <li>Has a process in place for refunding a customer any amount in credit, which has been a result of a payment in advance.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			

No.	Obligation under Condition	Findings			
191	<p>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.</p> <p><i>Code of Conduct clause 5.5</i></p>	<p>Through discussions with the Retail Services Manager and examination of Horizon Power's billing process, we determined that Horizon Power's processes provide for:</p> <ul style="list-style-type: none"> <li>• A bill to be redirected to an alternative mailing address</li> <li>• Approval by the account holder to be provided prior to the bill being redirected</li> <li>• The redirection to be made at no additional cost to the customer.</li> </ul> <p>Based on our examination of the complaints register, we noted that no complaints had been made by customers for being wrongfully charged for redirection of a bill.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
192	<p>A retailer must not charge a residential customer a late payment fee in the circumstances specified in subclause 5.6(1).</p> <p><i>Code of Conduct clause 5.6(1)</i></p>	<p><i>Obligations 192 to 196</i></p> <p>Through discussions with the Retail Services Manager 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>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
193	<p>If a retailer has charged a late payment fee in the circumstances set out in subclause 5.6(1)(c) because the retailer was not aware of the complaint, the retailer must refund the late payment fee on the customer's next bill.</p> <p><i>Code of Conduct clause 5.6(2)</i></p>	<ul style="list-style-type: none"> <li>• Late payment fees are not charged to an account in the following circumstances: <ul style="list-style-type: none"> <li>○ An account has been suppressed. Customer accounts are suppressed when payment arrangements are agreed to, or there is an open customer complaint regarding the matter</li> <li>○ A customer makes full payment of the outstanding debt</li> <li>○ The customer is a concession customer and has not received two notices (Reminder and Disconnection Warning).</li> </ul> </li> <li>• Velocity is programmed so that: <ul style="list-style-type: none"> <li>○ A maximum of two late payment fees are charged for each bill</li> <li>○ Late payment fees are to be charged at the time of each reminder notice, which are at least five business days apart (16 days from issue of bill until first fee on Reminder notice and a further five days for second fee on Disconnection warning)</li> <li>○ No more than 12 late payment fees are charged for any given customer over one year.</li> </ul> </li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
194	<p>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.</p> <p><i>Code of Conduct clause 5.6(3)</i></p>	<ul style="list-style-type: none"> <li>• Customers are not charged interest due to late payment</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
195	<p>A retailer must not charge a residential customer more than 2 late payment fees in relation to the same bill or more than 12 late payment fees in a year.</p> <p><i>Code of Conduct clause 5.6(4)</i></p>	<ul style="list-style-type: none"> <li>• 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 waived.</li> </ul>			

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
196	<p>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.</p> <p><i>Code of Conduct clause 5.6(5)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
197	<p>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> <p><i>Code of Conduct clause 5.7(1)</i></p>			<p>Through discussions with the Retail Services Manager 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"> <li>• Clause 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"> <li>○ At least three business days before the customer vacates the premises</li> <li>○ Of an address where the final account can be sent.</li> </ul> </li> <li>• Should the customer not advise Horizon Power of the intended date of vacating the supply address and the customer has already vacated, consumption will be charged up to five <b>business days</b> of notification by the customer (or sooner should the final read be conducted prior to the five <b>business day</b> period).</li> <li>• Clause 9.3(d) of the standard form contract, which states that if a customer does not notify Horizon Power that he/she is vacating the supply address, he/she may be charged for "5 days" consumption of electricity, is consistent with the Code of Conduct. However, Horizon Power's interpretation of <u>five business days</u> is not consistent with either the standard form contract or the Code of Conduct.</li> <li>• Once Horizon Power has been notified of the vacation date, CSRs will commence the account finalisation process and raise a final read service order in Velocity (to obtain meter reading). If no notification has been received and a move-in to the property has been established, Velocity will automatically finalise the old account and issue a final read service order (to prevent charges to the previous customer beyond their move-out date)</li> <li>• Horizon Power's field crew or sub-contractors read the meter within five <b>business days</b> of</li> </ul>

No.	Obligation under Condition	Findings
		<p>request, or a later date agreed with the customer via one of the following methods:</p> <ul style="list-style-type: none"> <li>○ For customers that provide at least five business days' notice, agreements for final reads are made in advance</li> <li>○ If a customer notifies Horizon Power of their move after vacating the supply address, the customer may be charged for usage for up to five business days after providing notification</li> <li>○ Velocity has been programmed to align with the above timeframes.</li> </ul> <ul style="list-style-type: none"> <li>● Customers are charged for consumption up to the final meter read, unless the customer has been evicted from the premise and can provide sufficient evidence to support such a claim.</li> </ul> <p>In response to action plan 9/2013 raised during the previous audit, Horizon Power has further strengthened its move-out process by implementing the following:</p> <ul style="list-style-type: none"> <li>● Template wording has been developed and is used by CSRs, which requires, among other information, a nominated move-out date to be entered into the customer call logs</li> <li>● Correct use of the above template wording is monitored via Team Leaders during mandatory call reviews and by the Regional Services Manager during customer services performance reviews (review of 20 calls per week)</li> <li>● Velocity has been amended to automatically issue a final read service order when a new account has been established at the old address (indicating that the previous customer has not yet notified Horizon Power of the date of intended vacation).</li> </ul> <p>Testing of a sample of 15 final read service orders completed during the audit period identified that 10 customers had been charged for consumption during seven calendar days (<b>five business days</b>) from the date of notification.</p> <p>Notwithstanding the improvements Horizon Power has implemented to complete action plan 9/2013, we identified a systemic issue with regards to the configuration of its billing system (Velocity).</p> <p>Subclause 5.7(1) of the Code requires the following:</p> <p><i>“a retailer must not require a customer to pay for electricity consumed at the customer’s supply address from:</i></p> <ul style="list-style-type: none"> <li><i>d) the date the customer vacated the supply address, if the customer gave at least 5 days notice; or</i></li> <li><i>e) 5 days after the customer gave notice, in any other case.”</i></li> </ul> <p>Based on our understanding of the requirements of the Code, Horizon Power has not</p>

No.	Obligation under Condition	Findings
	<p data-bbox="255 580 427 616">Priority: 2</p> <p data-bbox="439 580 645 616">Controls rating: C</p> <p data-bbox="703 580 949 616">Compliance Rating: 3</p>	<p data-bbox="1068 225 2078 347">configured Velocity to support compliance with the above requirements as Velocity has been configured to allow for five business days, as opposed to calendar days. We note that the Code is very clear on when a timeframe is related to a business day and also specifically defines 'business days' and as a result, Horizon Power should have configured Velocity as such.</p> <p data-bbox="1068 363 2078 517">Through discussions with relevant staff, we understand that Horizon Power believes that the current wording of subclause 5.7(1) provides ambiguity on the timeframe for obtaining final reads for vacating customers and also may prohibit Horizon Power from complying in times of multiple public holidays. As a result of the ambiguity raised, we have reflected this concern in point (a) of our recommendation below.</p> <p data-bbox="1068 533 2024 587">The existing controls were not adequate to identify that the configuration of Velocity to calculate consumption in business days was not in compliance with the Code of Conduct.</p>
	<p data-bbox="255 635 539 660"><b>Recommendation 8/2015</b></p> <p data-bbox="255 671 506 697">Horizon Power should:</p> <ul style="list-style-type: none"> <li data-bbox="255 715 1025 769">(a) Reconfigure the Service Order 'required by date' to calculate consumption in calendar days, as provided by the Code of Conduct</li> <li data-bbox="255 778 972 833">(b) Endeavour to determine the extent of the customer population affected and the number and quantum of transactions involved</li> <li data-bbox="255 842 1032 896">(c) Liaise with the Authority to obtain guidance on what further actions should be taken.</li> </ul>	<p data-bbox="1068 635 1285 660"><b>Action Plan 8/2015</b></p> <p data-bbox="1068 676 2040 762">Horizon Power has always managed service order delivery / compliance based on business days, and appears that there has been a misinterpretation of the change to final reading timeframes in the 2014 code of conduct for conduct.</p> <p data-bbox="1068 778 2056 833">Horizon Power will assess the extent of the customers impacted and liaise with the authority by December 2015.</p> <p data-bbox="1068 849 2063 935">Following the implementation of AMI the likelihood of this breach will be further reduced. AMI will in-corporate remote facilitation of final reads across any AMI enabled meter on the date requested by the customer.</p> <p data-bbox="1068 995 1603 1021"><b>Responsible Person:</b> Manager Customer Service</p> <p data-bbox="1068 1031 1514 1056"><b>Target Date:</b> 30 September 2015</p>

No.	Obligation under Condition	Findings
198	<p>If a customer reasonably demonstrates to a retailer that the customer was evicted or otherwise required to vacate a supply address, a retailer must not require a customer to pay for electricity consumed at the customer's supply address from the date the customer gave the retailer notice.</p> <p><i>Code of Conduct clause 5.7(2)</i></p>	<p>Through discussions with the Retail Services Manager 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:</p> <ul style="list-style-type: none"> <li>• Clause 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</li> <li>• Should a customer notify Horizon Power after being evicted (not immediately) and provides evidence of eviction (statutory declaration or notification from estate agent), Horizon Power will back-date the bill to the date of eviction.</li> </ul>
Priority: 4	Controls rating: NP	Compliance Rating: 1
199	<p>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).</p> <p><i>Code of Conduct clause 5.7(4)</i></p>	<p>Through discussions with the Retail Services Manager and examination of Horizon Power's billing processes, we determined that:</p> <ul style="list-style-type: none"> <li>• Debt is recoverable only from the customer who is listed as the account owner</li> <li>• Once a contract is established and formalised in Velocity, the system does not permit an amount to be billed to a previous customer at the same supply address</li> <li>• When a new account is established, a final read service order is automatically generated by Velocity for the previous customer. As a result, the system does not allow for an overlap in consumption between the previous and new customer at a supply address</li> <li>• When a disconnection is performed, a final read is taken and updated in the corresponding customer's account.</li> </ul> <p>As Horizon Power is the sole retailer within its licenced area, subclause 5.7(4)(b) is not rateable for the audit period.</p>
Priority: 4	Controls rating: NP	Compliance Rating: 1
200	<p>A retailer must not commence proceedings for recovery of a debt from a residential customer who meets the criteria in subclause 5.8(2).</p> <p><i>Code of Conduct clause 5.8(1)</i></p>	<p><i>Obligations 200 and 201</i></p> <p>Through discussions with the Retail Services Manager 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"> <li>• Customers are contacted prior to being referred to Horizon Power's debt collection provider (National Credit)</li> <li>• Customers are not referred to National Credit if they: <ul style="list-style-type: none"> <li>○ Are experiencing payment difficulties or financial hardship</li> <li>○ Are making payments under agreed payment plans</li> </ul> </li> </ul>

No.	Obligation under Condition	Findings
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
201	<p>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.</p> <p><i>Code of Conduct clause 5.8(2)</i></p>	<ul style="list-style-type: none"> <li>○ Made full payment of outstanding debt.</li> <li>• 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</li> <li>• The Retail Services Manager monitors the status of customers referred to debt collection by means of monthly statements and progress reports generated by National Credit.</li> </ul> <p>Sample testing performed of five customers referred to debt collection during the period 1 April 2013 to 31 March 2015 did not identify any non-compliance with clause 5.8 of the Code.</p>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
<b>Part 6 Payment Difficulties &amp; Financial Hardship</b>		
No.	Obligation under Condition	Findings
202	<p>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 3 business days, or the retailer must refer the residential customer to an independent financial counsellor or relevant consumer representative organisation to make the assessment.</p> <p><i>Code of Conduct clause 6.1(1)</i></p>	<p>Through discussion with the Hardship Officer and examination of relevant documentation, we determined that Horizon Power has the following processes, procedures and documents to facilitate an assessment of a customer's financial situation within three business days:</p> <ul style="list-style-type: none"> <li>• A comprehensive Financial Hardship Guideline (<b>Guideline</b>) to assist CSRs in performing preliminary assessments of a customer's financial situation. CSRs are trained in relation to the Guideline</li> <li>• An initial assessment is performed by CSRs immediately on receipt of a call from a customer: <ul style="list-style-type: none"> <li>○ If the customer is assessed as experiencing financial hardship, the customer is then referred to either the Hardship Officer or a Financial Counsellor</li> <li>○ If the customer is assessed as experiencing payment difficulties, the CSR will discuss further options such as payment plans or time extensions.</li> </ul> </li> <li>• Where a customer has contacted Horizon Power via email, the email is stored in the email queue, which is monitored by CSRs on a daily basis and. any pending emails are processed by the end of each day</li> <li>• Horizon Power's service standards are to respond to all customer queries, whether by</li> </ul>

No.	Obligation under Condition	Findings
		<p>phone, email or letter, within three business days. All discussions with customers are logged in notes within Velocity</p> <ul style="list-style-type: none"> <li>• For customers referred to the Hardship Officer, where their debt is less than \$1660 (for customers located north of S26 - Carnarvon) or \$1000 (for customers located south of S26): <ul style="list-style-type: none"> <li>○ Their account is suppressed for 21 days, or until a Hardship Utility Grant Scheme (HUGS) grant has been received</li> <li>○ The Hardship Officer will lodge an online application for a HUGS grant within three business days of the customer being referred</li> <li>○ The status of outstanding applications is tracked daily using a spreadsheet and summarised every month.</li> </ul> </li> <li>• 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"> <li>○ Communication regarding the status or reasons for assessment by the Financial Counsellor to Horizon Power is limited</li> <li>○ Horizon Power will be notified on whether the customer's HUGS application was successful when the grant is applied to the customer's account</li> <li>○ Further information regarding the outcome of a Financial Counsellor's assessment is not provided to Horizon Power.</li> </ul> </li> <li>• The Hardship Officer is responsible for monitoring the status of payment difficulty and financial hardship cases.</li> </ul> <p>Financial Hardship assessments are forwarded to the Hardship Officer in the first instance (if debt is within the internal limits stated above). Should the amount of the debt be in excess of the internal limits stated above, the customer will be advised of the option of visiting a Financial Counsellor. In addition, a new assessment service has been developed by the Financial Counsellors Association, whereby customers are able to call a hotline to get an assessment over the phone by a registered Financial Counsellor.</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>
	Priority: 3	Controls rating: A
		Compliance Rating: 1

No.	Obligation under Condition	Findings			
203	<p>When undertaking an assessment regarding payment difficulties or financial hardship, unless a retailer adopts an assessment from an independent financial counsellor or relevant consumer representative organisation, a retailer must give reasonable consideration to the information given by the residential customer and requested or held by the retailer; or any advice given by an independent financial counsellor or relevant consumer representative organisation.</p> <p><i>Code of Conduct clause 6.1(3)</i></p>	<p>Through discussions with the Hardship Officer and examination of the Financial Hardship Policy and Procedure, we determined that:</p> <ul style="list-style-type: none"> <li>Horizon Power has developed a Financial Hardship work instruction to assist CSRs in making preliminary assessments of a customer's financial situation, using information: <ul style="list-style-type: none"> <li>Provided by the customer</li> <li>Currently held by Horizon Power</li> <li>From relevant third parties, e.g. financial counsellor/relevant government agencies.</li> </ul> </li> <li>CSRs are trained on how to assess a customer's situation in accordance with the Financial Hardship work instruction</li> <li>Horizon Power's standard practice is to grant payment extensions to customers who are experiencing payment difficulties.</li> </ul> <p>Based on our observations of credit calls made to ServiceWorks, we noted that CSRs were trained and competent in advising customers experiencing payment difficulties.</p>			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: 1	
Priority: 5	Controls rating: NP	Compliance Rating: 1			
204	<p>Upon request, a retailer must advise a residential customer of the details and outcome of an assessment carried out under subclause 6.1(1).</p> <p><i>Code of Conduct clause 6.1(4)</i></p>	<p>Through discussions with the Hardship Officer, we determined that:</p> <ul style="list-style-type: none"> <li>About half of all assessments are made in-house by Horizon Power's trained Hardship Officer</li> <li>CSRs are aware that customers are entitled to information regarding their assessment. The Customer Services Process Manager confirmed that no such request was received from any customer during the audit period</li> <li>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</li> <li>If a customer requests information regarding the detailed financial counsellor's assessment, Horizon Power will direct the customer to the respective financial counsellor.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
205	<p>A retailer must grant a residential customer a temporary suspension of actions if the residential customer is referred to an independent financial counsellor or relevant consumer representative organisation under subclause 6.1(1)(b).</p> <p><i>Code of Conduct clause 6.2(1)</i></p>	<p><i>Obligations 205 to 208</i></p> <p>Based on discussions with the Hardship Officer and our understanding of Horizon Power's credit processes, we identified that:</p> <ul style="list-style-type: none"> <li>CSRs will suppress a customer's account for a period of 21 days following referral to a Financial Counsellor or the Hardship Officer</li> <li>The Hardship Policy advertises a 15 business day suppression period, which is in line</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			

No.	Obligation under Condition	Findings			
206	<p>A retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions if the customer informs the retailer that the customer is experiencing payment problems and demonstrates to the retailer that the customer has made an appointment with a relevant consumer representative organisation or provides the retailer with an assessment from an independent financial counsellor or relevant consumer representative.</p> <p><i>Code of Conduct clause 6.2(2)</i></p>	<p>with the requirements of clause 6.2(3) of the Code of Conduct</p> <ul style="list-style-type: none"> <li>Any request by a customer for suppression of their account, where the customer is not experiencing financial hardship or payment difficulties, will be reasonably considered by the CSR.</li> </ul> <p>Through discussions with CSRs during our site visit to ServiceWorks, we noted that CSRs will generally accept a temporary suppression of an account if requested by the customer. Should a customer request an additional period of suppression due to payment difficulties, the CSR will either refer the customer to the Hardship Officer or to a Financial Counsellor.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
207	<p>A retailer must allow a temporary suspension of actions for a period of at least 15 business days.</p> <p><i>Code of Conduct clause 6.2(3)</i></p>				
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
208	<p>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.</p> <p><i>Code of Conduct clause 6.2(4)</i></p>				
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: 1	
Priority: 5	Controls rating: NP	Compliance Rating: 1			
209	<p>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.</p> <p><i>Code of Conduct clause 6.3(1)(a)</i></p>	<p>Through discussions with the Hardship Officer and examination of Horizon Power's policies, guidelines and procedures, we determined that:</p> <ul style="list-style-type: none"> <li>Horizon Power offers all alternative payment arrangements listed in subclause 6.4(1) to customers who are experiencing payment difficulties or financial hardship</li> <li>CSRs are trained to advise customers of additional assistance available (e.g. HUGS payments) if they are unable to meet alternative payment arrangements.</li> </ul> <p>Further, during our observations of calls received by CSRs we did not identify any instances where customers had not been appropriately advised of the options referred to in subclause 6.4(1).</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
210	<p>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.</p>	<p>Through discussions with the Hardship Officer and examination of relevant policies, procedures and guidance documents, we understand that Horizon Power's processes provide for the following options to be provided to customers experiencing financial hardship (in the order below):</p>			

No.	Obligation under Condition	Findings				
	<p><i>Code of Conduct clause 6.3(1)(b)</i></p>	<ol style="list-style-type: none"> <li>1. Additional time to pay a bill through placement of a suppression to the customer's account</li> <li>2. Redirection of the bill to a nominated address</li> <li>3. An instalment plan that takes into account the customer's prior usage and payment history</li> <li>4. A referral for a HUGS grant, to be completed by either a Financial Counsellor or the Hardship Officer (depending on internal limits)</li> <li>5. Consideration of a reduction of fees, charges and debt when developing an instalment plan or following advice from a Financial Counsellor               <ul style="list-style-type: none"> <li>○ In certain circumstances, Horizon Power will reduce a customer's debt by up to 25% of the full amount.</li> </ul> </li> <li>6. Information on the minimum payment in advance to be made for debt.</li> </ol> <p>Review of Horizon Power's complaints register did not identify any instances where a customer had complained for not being offered any assistance with their financial hardship situation.</p> <p>Note that during the previous performance audit in 2013, an action plan had been developed for investigating the feasibility of offering energy efficiency audits and education to customers. Further, the Code of Conduct no longer requires licensees to offer energy efficiency audits and as a result, the action plan has been closed out.</p>				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; background-color: #ffffcc;">Priority: 4</td> <td style="width: 25%; background-color: #e6ffe6;">Controls rating: NP</td> <td style="width: 25%; background-color: #e6ffe6;">Compliance Rating: 1</td> <td style="width: 25%;"></td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1		
Priority: 4	Controls rating: NP	Compliance Rating: 1				
211	<p>If the residential customer is experiencing payment difficulties, a retailer must offer the residential customer at least the following payment arrangements:</p> <ul style="list-style-type: none"> <li>• additional time to pay a bill; and</li> <li>• if requested by the residential customer, 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.</li> </ul> <p><i>Code of Conduct clause 6.4(1)(a)</i></p>	<p><i>Obligations 211 and 212</i></p> <p>Through discussions with the Hardship Officer and examination of relevant policies, procedures and guidance documents, we understand that Horizon Power's processes provide for the following options to be provided to customers experiencing financial hardship (in the order below):</p> <ol style="list-style-type: none"> <li>1. Additional time to pay a bill through placement of a suppression to the customer's account</li> <li>2. An instalment plan that takes into account the customer's prior usage and payment history</li> <li>3. A referral for a HUGS grant, to be completed by either a Financial Counsellor or the Hardship Officer (depending on internal limits)</li> <li>4. Consideration of a reduction of fees, charges and debt when developing an instalment plan or following advice from a Financial Counsellor</li> </ol>				
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; background-color: #ffffcc;">Priority: 4</td> <td style="width: 25%; background-color: #e6ffe6;">Controls rating: NP</td> <td style="width: 25%; background-color: #e6ffe6;">Compliance Rating: 1</td> <td style="width: 25%;"></td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1		
Priority: 4	Controls rating: NP	Compliance Rating: 1				
212	If the residential customer is experiencing financial hardship, a retailer					

No.	Obligation under Condition	Findings
	<p>must offer the residential customer at least the following payment arrangements:</p> <ul style="list-style-type: none"> <li>• additional time to pay a bill; and</li> <li>• 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.</li> </ul> <p><i>Code of Conduct clause 6.4(1)(b)</i></p>	<ul style="list-style-type: none"> <li>○ In certain circumstances, Horizon Power will reduce a customer's debt by up to 25% of the full amount.</li> </ul> <p>5. Information on the minimum payment in advance to be made for debt.</p> <p>Review of Horizon Power's complaints register did not identify any instances where a customer had complained for not being offered any assistance with their financial hardship situation.</p>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
213	<p>When offering an instalment plan to a residential customer experiencing payment difficulties or financial hardship, a retailer must comply with subclause 6.4(2).</p> <p><i>Code of Conduct clause 6.4(2)</i></p>	<p><i>Obligations 213 and 214</i></p> <p>Through discussions with the Hardship Officer, we determined that Horizon Power has the following procedures in place for placing customers onto a payment instalment plan:</p> <ul style="list-style-type: none"> <li>• Section 3.3 of Horizon Power's Financial Hardship Policy outlines the option of a payment arrangement, including the conditions of such an arrangement</li> <li>• 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</li> <li>• Horizon Power will provide the following information relating to an instalment plan to the customer over the phone, at the time of contact, and via a template letter outlining the details of the plan: <ul style="list-style-type: none"> <li>○ Terms of the payment arrangement (subclause 6.4(3)(a)(i))</li> <li>○ Consequences of not adhering to the payment arrangement (subclause 6.4(3)(a)(ii))</li> <li>○ Actions to be taken if the customer is unable to meet the terms of the payment arrangement (subclause 6.4(3)(a)(iii)).</li> </ul> </li> </ul>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
214	<p>If a residential customer accepts an instalment plan offered by the retailer, the retailer must, within 5 business days, provide the residential customer with the information specified in subclause 6.4(3)(a), and notify the residential customer of any amendments to the instalment plan at least 5 business days before they come into effect.</p> <p><i>Code of Conduct clause 6.4(3)</i></p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
215	<p>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.</p> <p><i>Code of Conduct clause 6.6(1)</i></p>	<p><i>Obligations 215 and 216</i></p> <p>Through discussions with the Retail Services Manager and an examination of the Hardship Policy and Procedure, we determined that Horizon Power's policies and procedures provide for:</p>

No.	Obligation under Condition	Findings
	<p>Priority: 5    Controls rating: NP    Compliance Rating: 1</p>	<ul style="list-style-type: none"> <li>All customers who are assessed as being under financial hardship to have all non-payment related fees and charges removed from their account</li> <li>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.</li> </ul>
216	<p>In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the hardship procedures referred to in subclause 6.10(3). <i>Code of Conduct clause 6.6(2)</i></p> <p>Priority: 4    Controls rating: NP    Compliance Rating: 1</p>	<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. Once the Hardship Procedures have been submitted and approved by the Authority, it will be used by ServiceWorks in training to CSRs.</p>
217	<p>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. <i>Code of Conduct clause 6.7</i></p> <p>Priority: 4    Controls rating: NP    Compliance Rating: 1</p>	<p>From an examination of the Hardship Policy and Procedure and discussions with the Hardship Officer, we determined that Horizon Power's processes require its staff to give reasonable consideration to offering a customer an instalment plan or to revise an existing plan, if requested.</p> <p>As a first point of call, CSRs are trained to allow the customer additional time to make payment, followed by the option of a payment arrangement. The details of the payment arrangement are provided to the customer over the phone.</p>
218	<p>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 and/or tariffs; independent financial counselling available to the customer; and the availability of any other financial assistance and grants schemes. <i>Code of Conduct clause 6.8</i></p> <p>Priority: 4    Controls rating: NP    Compliance Rating: 1</p>	<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 Hardship Officer and consideration of Horizon Power's Hardship Policy and Procedure, we determined that Horizon Power provides the necessary advice to a customer, either over the phone, by email or in writing.</p> <p>We note that the Authority reviewed subclause 6.8 of the Code to remove details on energy efficiency audits to be conducted. As a result, action plan 10/2013 has been closed out and no further action was required from Horizon Power.</p>
219	<p>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. <i>Code of Conduct clause 6.9(1)</i></p>	<p>Through discussions with the Hardship Officer and walkthrough of Horizon Power's credit processes, we determined that:</p> <ul style="list-style-type: none"> <li>CSRs calculate the minimum payment advance amount for customers experiencing payment difficulties or financial hardship within Velocity, which takes into account the customer's capacity to pay and previous payment history</li> </ul>

No.	Obligation under Condition			Findings
				<ul style="list-style-type: none"> <li>The minimum payment in advance amount is based on the individual customer's historical usage extracted from Velocity and is handled on a case by case basis</li> <li>In some instances Horizon Power elects not to impose a minimum payment in advance on customers.</li> </ul>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
220	<p>A retailer must develop a hardship policy and hardship procedures to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer.</p> <p><i>Code of Conduct clause 6.10(1)</i></p>			<p>Since the previous audit, the Code has been amended to require a retailer to develop a Financial Hardship Policy (external) and a Financial Hardship Procedure (internal), which are to be provided to the Authority by 1 July (starting in 2015) each year for approval. In relation to the aforementioned documents:</p> <ul style="list-style-type: none"> <li>The Hardship Policy is: <ul style="list-style-type: none"> <li>Applicable to those customers that are assessed as experiencing payment difficulties or financial hardship</li> <li>Designed to assist customers in meeting their financial obligations to Horizon Power</li> <li>Applicable only to residential and small use business customers who consume not more than 160MWh per annum.</li> </ul> </li> <li>The Hardship Procedure: <ul style="list-style-type: none"> <li>Is designed to provide internal staff with a detailed understanding of the processes applicable to customers experiencing financial hardship or payment difficulties</li> <li>Includes key information reflected in the Hardship Policy</li> <li>Includes the relevant information required by subclause 6.10(3).</li> </ul> </li> </ul> <p>The Hardship Officer is responsible for the development and maintenance of the Hardship Policy and Procedure, which includes arranging for input from Western Australia Council of Social Services (WACOSS) and the Financial Counsellors Association. Horizon Power's Financial Hardship Policy can be found on its website. Note that the latest version of the Financial Hardship Policy is the December 2013 version, as the Authority has provided licensees with an extension for submission due to the introduction of the Financial Hardship Procedure.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	

No.	Obligation under Condition	Findings			
221	<p>A retailer must ensure that its hardship policy complies with the criteria specified in subclause 6.10(2).</p> <p><i>Code of Conduct clause 6.10(2)</i></p>	<p>Based on our framework assessment of Horizon Power's Hardship Policy (December 2013 version) against the requirements of subclause 6.10(2), we determined that the policy:</p> <ul style="list-style-type: none"> <li>• Has been developed in consultation with relevant consumer representative organisations (e.g. WACOSS and Financial Counsellors Association)</li> <li>• 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</li> <li>• Includes guidelines: <ul style="list-style-type: none"> <li>○ That provide for an annual review of the policy in consultation with relevant consumer representative organisations</li> <li>○ To assist Horizon Power in identifying customers who are experiencing financial hardship</li> <li>○ For suspension of disconnection and debt recovery procedures</li> <li>○ On the reduction and/or waiving of fees, charges and debt</li> <li>○ On the recovery of debt</li> <li>○ Concessions available</li> <li>○ Forms of assistance such as TTY services.</li> </ul> </li> </ul>			
	<table border="1"> <tr> <td>Priority: 2</td> <td>Controls rating: A</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 2	Controls rating: A	Compliance Rating: 1	
Priority: 2	Controls rating: A	Compliance Rating: 1			
222	<p>A retailer must ensure that its hardship procedures comply with the criteria specified in subclause 6.10(3).</p> <p><i>Code of Conduct clause 6.10(3)</i></p>	<p>We note that the Hardship Procedures is not yet due for submission (1 July 2015). A preliminary assessment of the draft procedures identified that all information contained in subclause 6.10(3) has been adequately reflected in the draft version of the Procedure.</p>			
	<table border="1"> <tr> <td>Priority: 2</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 2	Controls rating: NP	Compliance Rating: NR	
Priority: 2	Controls rating: NP	Compliance Rating: NR			
223	<p>A retailer must give residential customers, financial counsellors and relevant consumer representative organisations details of the retailer's hardship policy, including by post, at no charge.</p> <p><i>Code of Conduct clause 6.10(4)</i></p>	<p>Through discussions with the Hardship Officer and examination of the Hardship Policy and Procedure, we determined that Horizon Power:</p> <ul style="list-style-type: none"> <li>• Provides the Hardship Policy to customers, financial counsellors or welfare agencies, upon request, at no charge via mail or email</li> <li>• Published the latest (December 2013) version of the Hardship Policy on its website.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
224	<p>A retailer must keep a record of the following: the relevant consumer representative organisations consulted on the contents of its hardship policy and hardship procedures; the dates the hardship policy and</p>	<p>Through discussion with the Hardship Officer, review of relevant documentation and consideration of Horizon Power's Hardship Policy and Procedure, we determined that</p>			

No.	Obligation under Condition	Findings
	<p>hardship procedures were established; the dates the hardship policy and hardship procedures were reviewed; and the dates the hardship policy and hardship procedures were amended.</p> <p><i>Code of Conduct clause 6.10(5)</i></p>	Horizon Power maintains the records as required by clause 6.10(5) of the Code of Conduct.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
225	<p>If a retailer reviews its hardship policy and hardship procedures, the retailer must submit to the Authority the results of that review within 5 business days after it is completed.</p> <p><i>Code of Conduct clause 6.10(6)</i></p>	<p>Through discussions with the Hardship Officer and examination of relevant correspondence with the Authority, we determined that:</p> <ul style="list-style-type: none"> <li>In 2013, the Authority issued an extension to all retailers for the provision of the revised 2013 version of the Financial Hardship Policy to 31 December 2014</li> <li>In August 2014, the Authority issued a further extension to all retailers that the submission date had been moved to 1 July 2015 to align with the submission date of the Hardship Procedure</li> <li>The current Financial Hardship Procedure and Policy have been developed and are awaiting feedback from relevant organisations.</li> </ul> <p>However, we note that in 2013, Horizon Power made a change to its Financial Hardship Policy, to reflect the change of the Customer Services Manager (as contact person for the policy). Whilst the policy was amended on 20 December 2013, the Authority was only advised of the change on 18 August 2014 and as such, Horizon Power had not complied with the five business day notification requirement contained in the Code of Conduct.</p> <p>Horizon Power self-reported the breach to the Authority and acknowledged that the breach occurred as a result of a misinterpretation of a communication received from the Authority.</p> <p>The existing controls were not adequate to ensure that the interpretation of the communication from the Authority was correct. However, Horizon Power identified the issue and corrected it.</p>
	<p>Priority: 2</p> <p>Controls rating: B</p> <p>Compliance Rating: 2</p>	
	<p><b>Recommendation 9/2015</b></p> <p>n/a - no further action is required.</p>	<p><b>Action Plan 9/2015</b></p> <p>n/a - no further action is required.</p>
226	<p>The retailer must comply with the Authority's Financial Hardship Policy Guidelines.</p> <p><i>Code of Conduct clause 6.10(7)</i></p>	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.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	

No.	Obligation under Condition	Findings
227	<p>If a retailer amends its hardship policy, the retailer must submit to the Authority a copy of the retailer's hardship policy within 5 business days of the amendment.</p> <p><i>Code of Conduct clause 6.10(8)</i></p>	<p>Through discussions with the Hardship Officer, we were advised that Horizon Power did not comply with the requirements of subclause 6.10(8) when it made an amendment to its Hardship Policy, of which the Authority was not advised within five business days of the change.</p> <p><i>Refer to findings, recommendation and action plan for obligation 225 above.</i></p>
	<p>Priority: 4</p> <p>Controls rating: B</p> <p>Compliance Rating: 2</p>	
228	<p>A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.</p> <p><i>Code of Conduct clause 6.11</i></p>	<p>Through discussions with the Hardship Officer, we determined that:</p> <ul style="list-style-type: none"> <li>Assistance is offered to both small and large use customers experiencing payment difficulties, which includes the option of a payment arrangement</li> <li>HUGS grants are only applicable to small use residential customers; however the feasibility of grants offered to business customers is currently being investigated by the government.</li> </ul>
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
<b>Part 7 Disconnection</b>		
No.	Obligation under Condition	Findings
229	<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> <p><i>Code of Conduct clause 7.1(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and examination for Horizon Power's policies and procedures, including the Customer Service Policy and Credit Management Process Flow Map, we determined that Horizon Power has established the following procedures for disconnecting customers for failure to pay a bill:</p> <ul style="list-style-type: none"> <li>For customers with a designated mobile phone number, Horizon Power will send an SMS reminder 14 business days after the invoice issue date</li> <li>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. The Reminder Notice advises the customer to contact Horizon Power if they are experiencing financial difficulty</li> <li>A Disconnection Warning Notice, which complies with subclause 7.1(1)(c)(ii) 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</li> <li>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</li> </ul>

No.	Obligation under Condition	Findings			
		<p>overdue account</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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.</li> </ul> <p>Our testing of 30 of 8,701 disconnection service orders raised during the period 1 April 2013 to 31 March 2015, identified the following:</p> <ul style="list-style-type: none"> <li>• All reminder and disconnection notices were issued in the appropriate timeframes</li> <li>• Horizon Power attempted to contact the customer before disconnection</li> <li>• The disconnection was not less than 5 business days after the date of the disconnection warning letter</li> <li>• For two disconnection service orders, reminder notices were issued for the total outstanding debt owed by the customers including amounts billed less than 13 days from the date of the reminder notices. These instances appear to represent a recurrence of the Velocity system issues noted by the 2011 and 2013 performance audits where the reminder notices contain total overdue amounts relating to multiple bills.</li> </ul> <p>The existing controls did not identify and prevent the issuance of reminder notices that included amounts billed less than 13 business days prior to the date of those notices and as such need some improvement.</p>			
	<table border="1"> <tr> <td data-bbox="248 1032 432 1072">Priority: 2</td> <td data-bbox="432 1032 696 1072">Controls rating: B</td> <td data-bbox="696 1032 1048 1072">Compliance Rating: 2</td> </tr> </table>	Priority: 2	Controls rating: B	Compliance Rating: 2	
Priority: 2	Controls rating: B	Compliance Rating: 2			
	<p><b>Recommendation 10/2015</b></p> <p>Horizon Power should reconfigure the reminder notice to exclude amounts billed less than 13 business days prior to the date of such a reminder.</p>	<p><b>Action Plan 10/2015</b></p> <p>Reconfigure the reminder notice to exclude amounts billed less than 13 business days prior to the date of such a reminder.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 28 February 2016</p>			

No.	Obligation under Condition	Findings			
230	<p>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).</p> <p><i>Code of Conduct clause 7.2(1)</i></p>	<p>Through discussion with the Customer Services Process Manager 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"> <li>• 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"> <li>○ Until at least 17 business days from the receipt of the Disconnection Warning Notice</li> <li>○ The customer has agreed to and met the conditions of an alternative payment arrangement</li> <li>○ The customer has made an application for a concession and a decision about the application has not yet been made</li> <li>○ Amounts owing do not relate to the supply of electricity</li> <li>○ The supply address does not relate to the bill in question.</li> </ul> </li> <li>• 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.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 858 432 906">Priority: 4</td> <td data-bbox="439 858 696 906">Controls rating: NP</td> <td data-bbox="703 858 1055 906">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
232	<p>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.</p> <p><i>Code of Conduct clause 7.4(1)</i></p>	<p>Through discussions with the Customer Services Process Manager, we determined that:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Horizon Power will use its best endeavours to contact the customer to arrange for alternative access to the meter, and will issue "Must Read" notices to the customer's supply/ mailing address</li> <li>• 'General' disconnection service orders are used for disconnections for failure to provide access to a meter in the above circumstance.</li> </ul> <p>For the period 1 April 2013 to 31 March 2015, Horizon Power had not disconnected any customer for failure to provide access to their meter.</p>			
	<table border="1"> <tr> <td data-bbox="248 1262 432 1310">Priority: 4</td> <td data-bbox="439 1262 696 1310">Controls rating: NP</td> <td data-bbox="703 1262 1055 1310">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
233	<p>A distributor who disconnects a customer's supply address for emergency reasons must provide a 24 hour emergency line and use its</p>	<p>Through discussions with the Customer Services Process Manager and consideration of</p>			

No.	Obligation under Condition	Findings
	<p>best endeavours to restore supply as soon as possible.</p> <p><i>Code of Conduct clause 7.5</i></p>	<p>Horizon Power's emergency disconnection process, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power has a 24 hour emergency line available for customers to obtain information regarding the emergency outage and an expected restoration time</li> <li>• The 24 hour emergency number appears on all formats of Horizon Power's billing templates, the customer service charter and the website.</li> </ul> <p>Horizon Power has emergency plans in place to restore supply to customers as soon as possible.</p>
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
234	<p>Subject to subclause 7.6(3), 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> <p><i>Code of Conduct clause 7.6</i></p>	<p><i>Refer to Type 1 Reporting Obligations section for detailed findings in relation to obligation 234, 235 and 236.</i></p>
	<p>Priority: 2</p> <p>Controls rating: A</p> <p>Compliance Rating: 1</p>	
235	<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> <p><i>Code of Conduct clause 7.7(1)</i></p>	
	<p>Priority: 2</p> <p>Controls rating: B</p> <p>Compliance Rating: 2</p>	
236	<p>Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's supply address or contact details the retailer must undertake the actions specified in subclause 7.7(2).</p> <p><i>Code of Conduct clause 7.7(2)</i></p>	
	<p>Priority: 2</p> <p>Controls rating: A</p> <p>Compliance Rating: 1</p>	
236A	<p>Where a customer registered with a retailer under subclause 7.7(1) notifies the retailer of a change of the customer's life support equipment, or that the customer no longer requires registration as a life support customer the retailer must undertake the actions specified in subclause 7.7(2).</p> <p><i>Code of Conduct clause 7.7(2)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Powers policies and guidelines surrounding life support customers, we determined that Horizon Power's procedures provide for any changes to life support to be circulated immediately to all RCM's and customer service related staff by the Retail Services Manager.</p> <p>If the customer notifies a Horizon Power Regional Office that they no longer require life support or of a change of the customer's details, the Regional Office will immediately advise</p>

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: 1	a CSR to update the customer's account.
237	<p>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 the customer's supply address or contact details under subclause 7.7(2), the distributor must comply with subclause 7.7(3). <i>Code of Conduct clause 7.7(3)</i></p>			<p><i>Refer to Type 1 Reporting Obligations section for detailed findings in relation to obligation 237.</i></p>
	Priority: 2	Controls rating: A	Compliance Rating: 1	
237A	<p>Where a distributor has been informed by a retailer of a change of the customer's life support equipment, or that the customer no longer requires registration as a life support customer under subclause 7.7(2), the distributor must comply with subclause 7.7(3). <i>Code of Conduct clause 7.7(3)</i></p> <p><b>Note – This obligation was included in the 2015 audit plan. However, it is recommended that in the next audit plan this obligation be excluded from the audit plan, as it is Not Applicable.</b></p>			<p>This obligation is non rateable as Horizon Power is both retailer and distributor.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
238	<p>Where life support equipment is registered at a customer's supply address under subclause 7.7(3), the distributor must:</p> <ul style="list-style-type: none"> <li>● not disconnect the customer's supply address for failure to pay a bill while the person continues to reside at that address and requires the use of life support equipment; and</li> <li>● prior to any planned interruption, provide at least 3 business days written or electronic notice to the customer's supply address and use best endeavours to obtain acknowledgement (by verbal, written or electronic means) from the customer that the notice has been received, unless expressly requested in writing by the customer not to.</li> </ul> <p><i>Code of Conduct clause 7.7(4)</i></p>			<p><i>Refer to Type 1 Reporting Obligations section for detailed findings in relation to obligation 238.</i></p>

No.	Obligation under Condition			Findings
	Priority: 2	Controls rating: A	Compliance Rating: 1	
239	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 prior to the distributor registering the customer's supply address as a life support equipment address, the distributor must use best endeavours to contact that customer or someone residing at the supply address prior to the planned interruption. <i>Code of Conduct clause 7.7(5)</i>			Through discussions with the Retail Manager (East Pilbara) and consideration of Horizon Power's Life Support Framework we determined that: <ul style="list-style-type: none"> <li>• A Life Support Report is run the same day each new customer is added</li> <li>• This report is checked to ensure that the new customer is not part of planned outage areas</li> <li>• If the customer is part of planned outage area, the planned outage is updated immediately and the customer and/or their carer are either visited or contacted telephonically and notified of the planned interruption.</li> </ul> This audit did not identify specific instances where a new life support customer was required to be notified of an existing planned outage.
	Priority: 3	Controls rating: A	Compliance Rating: 1	
240	A retailer must contact the customer to ascertain whether life support equipment is required or to request recertification in the manner and circumstances specified in subclause 7.7(6). <i>Code of Conduct clause 7.7(6)</i>			Through examination of the Life Support Process Map and an example of a letter addressed to a customer requiring life support equipment, as well as discussions with the Customer Services Process Manager, we determined that Horizon Power contacts life support customers on an annual basis to ascertain whether life support equipment is required or to request recertification.
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
241	A retailer or a distributor must remove the customer's details from the life support equipment register in the circumstances and timeframes specified in subclause 7.7(7). <i>Code of Conduct clause 7.7(7)</i>			Through discussions with the Retail Services Manager and consideration of policies and procedures, we determined that Horizon Power's processes provide for removal of the customer's details from the Life Support Register when the customer vacates the supply address or no longer requires the life support equipment.
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
<b>Part 8 Reconnection</b>				
242	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. <i>Code of Conduct clause 8.1(1)</i>			Through discussion with the Customer Services Process Manager 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: <ul style="list-style-type: none"> <li>• For instances of disconnection due to non-payment, reconnection will occur if the customer: <ul style="list-style-type: none"> <li>○ Pays the outstanding balance owed</li> </ul> </li> </ul>

No.	Obligation under Condition			Findings
				<ul style="list-style-type: none"> <li>○ Agrees to a payment plan</li> <li>○ Has been successfully assessed as experiencing financial hardship or payment difficulties.</li> </ul> <ul style="list-style-type: none"> <li>● 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.</li> </ul>
244	<p>A distributor must reconnect the customer's supply address upon the request of a retailer, within the timeframes specified in subclause 8.2(2). <i>Code of Conduct clause 8.2</i></p>			<p>Clause 8.2(2) of the Code of Conduct defines the 'timeframe' to be:</p> <ul style="list-style-type: none"> <li>● 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</li> <li>● 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.</li> </ul> <p>Through discussions with the Meter Data Coordinator and Customer Services Process Manager 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"> <li>● Customers who were disconnected due to failure to pay can apply for reconnection by calling Horizon Power (via the ServiceWorks call centre)</li> <li>● 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</li> <li>● A service order is to be processed immediately based on the conversation/request from the customer and sent to the regional depot for action</li> <li>● Reconnection timeframes are monitored via a weekly dashboard.</li> </ul> <p>Our testing of all 6,994 reconnection service orders processed for the period 1 April 2013 to 31 March 2015 identified 194 (2.7%) instances which were non-compliant with the specified timeframes.</p> <p>The existing controls did not identify reconnections that exceeded the specified timeframe or were approaching the specified timeframe and as such require some improvement.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
	Priority: 3	Controls rating: B	Compliance Rating: 2	<p><b>Recommendation 12/2015</b></p> <p>Horizon Power should identify and implement:</p> <ul style="list-style-type: none"> <li>(a) Improved monitoring measures to identify reconnection service orders approaching the specified timeframe</li> <li>(b) Improved monitoring measures to identify reconnection service orders that have exceeded the specified time frames</li> </ul> <p><b>Action Plan 12/2015</b></p> <ul style="list-style-type: none"> <li>(a) Customer Service will continue with its existing continual process improvement methodology through weekly reporting an root cause analysis</li> <li>(b) Process enhancements will be implemented, if identified.</li> <li>(c) Over the past 12 months, Horizon Power has reduced the percentage of late reconnections to 0.05%.</li> </ul>

No.	Obligation under Condition	Findings
	<p>(c) Process improvements aimed at preventing reconnections from exceeding the specified timeframe</p> <p>(d) Measures to trigger a process to expedite reconnections at risk of exceeding the specified timeframes.</p>	<p>(d) Horizon Power will continue to monitor reconnections on a weekly basis and make any commercially suitable improvement, where required. Following the implementation of AMI, the likelihood of this breach will be further reduced. AMI will incorporate remote facilitation of re-energisations across any AMI enabled meter. Horizon Power anticipates completing 60% of the AMI project by December 2015 and 95% by June 2016. A commercial decision has been made to rely on the new functionality from AMI to impose the process improvement required. Following the implementation of AMI, the likelihood of this breach will be further reduced. AMI will incorporate remote facilitation of re-energisations across any AMI enabled meter.</p> <p><b>Responsible Person:</b> Customer Services Process Manager  <b>Target Date:</b> 30 September 2015</p>
<b>Part 9 Pre-Payment Meters</b>		
No.	Obligation under Condition	Findings
245	<p>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.</p> <p><i>Code of Conduct clause 9.1(2)</i></p>	<p>Through discussion with the Customer Services Process Manager and examination of relevant documents, we determined that Horizon Power has previously operated a pre-payment meter service only in remote or town reserve communities, in which the following have been implemented:</p> <ul style="list-style-type: none"> <li>• Town Reserves Regularisation Program (TRRP)</li> <li>• Aboriginal and Remote Community Power Supply Program (ARCPSP).</li> </ul> <p>However, during the current audit period, Horizon Power installed prepayment meters in two other communities (Mowanjum and Bayulu), which have not yet been gazetted by the Minister.</p> <p>We note that before the end of the current audit period, Horizon Power has provided a briefing note to the Minister and is currently working with the Public Utilities Office (PUO) to prepare documents for publication of notice in the government gazette. The Customer Services Process Manager also confirmed that Horizon Power has no plans to install prepayment meters in any new areas.</p> <p>However, as at the end of the audit period, the two communities remain ungazetted.</p> <p>The existing controls did not identify the pre requirement for those new communities to be gazetted and as such require some improvement.</p>
	<p>Priority:4</p>	<p>Controls rating: C</p> <p>Compliance Rating: 2</p>

No.	Obligation under Condition	Findings	
	<p><b>Recommendation 13/2015</b></p> <p>Horizon Power should provide for inclusion of Mowanjum and Bayulu communities in the Government Gazette.</p>	<p><b>Action Plan 13/2015</b></p> <p>Work with Public Utilities Office to include Mowanjum and Bayulu communities in the Government Gazette.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>	
246	<p>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.</p> <p><i>Code of Conduct clause 9.2(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Senior Customer Service Officer and review of current account establishment form, we determined that Horizon Power has practices in place for:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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.</li> </ul>	
	Priority:4	Controls rating: NP	Compliance Rating: 1
247	<p>A retailer must establish an account for each pre-payment meter operating at a residential customer's supply address.</p> <p><i>Code of Conduct clause 9.2(2)</i></p>	<p>Through discussion with the Customer Services Process Manager and Senior Customer Service Officer, 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. All active prepayment meters have accounts established. For the new AMI based prepayment systems, active accounts and contact information are required for the system to function.</p>	
	Priority:4	Controls rating: NP	Compliance Rating: 1
248	<p>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.</p>	<p>The Customer Services Process Manager 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.</p>	

No.	Obligation under Condition	Findings
	<i>Code of Conduct clause 9.2(3)</i>	Horizon Power liaises with Communities and nominated representatives to negotiate the best possible solution for that community through the use of standard form contracts.
	Priority:4      Controls rating: NP      Compliance Rating: 1	
249	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). <i>Code of Conduct clause 9.3(1)</i>	<i>Obligations 249 to 252</i> Through discussion with the Customer Services Process Manager and Senior Customer Service Officer and review of relevant documentation, we determined that Horizon Power provides the prescribed information in clause: <ul style="list-style-type: none"> <li>• 9.3(1) to the customer on request at no charge</li> <li>• 9.3(2) to the customer during the door to door visits no later than 10 business days after the customer enters into a pre-payment meter contract</li> <li>• 9.3(3) in the form of stickers next to the meters and the meter display.</li> </ul> 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. However, under the provisions of clause 9.12 of the Code, all of Horizon Power's pre-payment meters installed prior to amendment date (1 July 2014) are deemed compliant with requirements of Part 9 of the Code.
	Priority:4      Controls rating: NP      Compliance Rating: 1	
250	No later than 10 business days after 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). <i>Code of Conduct clause 9.3(2)</i>	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. However, under the provisions of clause 9.12 of the Code, all of Horizon Power's pre-payment meters installed prior to amendment date (1 July 2014) are deemed compliant with requirements of Part 9 of the Code.
	Priority:4      Controls rating: NP      Compliance Rating: 1	
251	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. <i>Code of Conduct clause 9.3(3)</i>	We were also informed that Horizon Power is currently in the process of rolling out Advanced Metering Infrastructure (AMI) installation as part of replacing its current metering infrastructure that would provide for Horizon Power to also be compliant with requirements of clause 9.3(4) upon completion.
	Priority:4      Controls rating: NP      Compliance Rating: 1	
252	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	

No.	Obligation under Condition	Findings
	meter contract (whichever is shorter), divided into quarterly segments. <i>Code of Conduct clause 9.3(4)</i>	
	Priority:4      Controls rating: NP      Compliance Rating: 1	
253	If the recharge facilities available to a residential customer change from the initial recharge facilities referred to in subclause 9.3(2)(f), the retailer must notify the pre-payment meter customer, in writing or by electronic means, of the change within 10 business days. <i>Code of Conduct clause 9.3(5)</i>	Through discussion with the Customer Services Process Manager and Senior Customer Service Officer and review of relevant documentation, we determined that Horizon Power's processes in relation to recharge facilities for prepayment meters provide for notifying the prepayment meter customer about a change in recharge facilities by means of a postal letter as well as a text message within 10 business days.
	Priority:4      Controls rating: NP      Compliance Rating: 1	
254	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. <i>Code of Conduct clause 9.4(1)</i>	<i>Obligations 254 and 255</i> 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.
	Priority:4      Controls rating: NP      Compliance Rating: NR	
255	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. <i>Code of Conduct clause 9.4(2)</i>	
	Priority:4      Controls rating: NP      Compliance Rating: NR	
256	If a retailer requests the distributor to revert a pre-payment meter, the	Obligation for a distributor (network operator) to act in relation to a retailer can only exist

No.	Obligation under Condition	Findings			
	<p>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.</p> <p><i>Code of Conduct clause 9.4(4)</i></p>	<p>where the network operator is separate to the retailer, which is not the case in Horizon Power's circumstances.</p>			
	<table border="1"> <tr> <td data-bbox="248 408 414 459">Priority:4</td> <td data-bbox="421 408 696 459">Controls rating: NP</td> <td data-bbox="703 408 1055 459">Compliance Rating: NR</td> </tr> </table>	Priority:4	Controls rating: NP	Compliance Rating: NR	
Priority:4	Controls rating: NP	Compliance Rating: NR			
257	<p>A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires 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.</p> <p><i>Code of Conduct clause 9.5(1)</i></p>	<p><i>Refer to Type 1 Reporting Obligations section for detailed findings in relation to obligation 257 and 258.</i></p>			
	<table border="1"> <tr> <td data-bbox="248 850 414 895">Priority:2</td> <td data-bbox="421 850 696 895">Controls rating: A</td> <td data-bbox="703 850 1055 895">Compliance Rating: 1</td> </tr> </table>	Priority:2	Controls rating: A	Compliance Rating: 1	
Priority:2	Controls rating: A	Compliance Rating: 1			
258	<p>A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires 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.</p> <p><i>Code of Conduct clause 9.5(1)</i></p>				
	<table border="1"> <tr> <td data-bbox="248 1286 414 1331">Priority:2</td> <td data-bbox="421 1286 696 1331">Controls rating: NP</td> <td data-bbox="703 1286 1055 1331">Compliance Rating: NR</td> </tr> </table>	Priority:2	Controls rating: NP	Compliance Rating: NR	
Priority:2	Controls rating: NP	Compliance Rating: NR			
259	<p>A retailer must ensure that a pre-payment meter service complies with the prescribed requirements in subclause 9.6.</p>	<p>Under the provisions of the grandfathering clause 9.12 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</p>			

No.	Obligation under Condition	Findings
	<i>Code of Conduct clause 9.6</i>	<p>provision of pre-payment meter services and Horizon Power has not installed any new, or modified any existing, pre-payment meters since 1 July 2010.</p> <p>We note that if it were not for clause 9.12 of the Code, Horizon Power's current pre-payment meters would not be in compliance with subclause 9.6.</p> <p>We were also informed that Horizon Power is currently in the process of rolling out Advanced Metering Infrastructure (AMI) installation as part of replacing its current metering infrastructure that would provide for Horizon Power to also be compliant with requirements of clause 9.6 upon completion.</p>
	Priority:4	Controls rating: NP
		Compliance Rating: 1
260	<p>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 \$20 per increment.</p> <p><i>Code of Conduct clause 9.7(a), (b) and (d)</i></p>	<p>Through discussions with the Customer Services Process Manager and Senior Customer Service Officer, we determined that Horizon Power's processes in relation to recharge facility ensure that prepayment cards can be purchased from:</p> <ul style="list-style-type: none"> <li>• At least one agency within each community with pre-payment meters installed</li> <li>• Road houses or convenience shops located nearby with opening hours that meet the minimum Code requirements.</li> </ul> <p>The Senior Customer Service Officer confirmed that the minimum amount to be credited by a recharge facility does not exceed \$10 per increment, even though the Code provides for the amount to not exceed \$20.</p>
	Priority:4	Controls rating: NP
		Compliance Rating: 1
261	<p>If a pre-payment meter customer demonstrates to a retailer that the customer is entitled to receive a concession, the retailer must ensure that the pre-payment meter customer receives the benefit of the concession.</p> <p><i>Code of Conduct clause 9.8</i></p>	<p>The Customer Services Process Manager 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 is paid to the customer on two occasions each year by cheque or EFT. Horizon Power's Customer Services Process Manager has confirmed that the customers have received those concessions by way of cheques.</p> <p>We were also informed that with the completion of AMI installation, the concession will be applied directly to the pre-payment meter on a bi-monthly basis, instead of being provided via cheque or EFT.</p>
	Priority:4	Controls rating: NP
		Compliance Rating: 1
262	<p>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</p>	<p>Under the provisions of the grandfathering clause 9.12 of the Code, Horizon Power is deemed to have complied with this Part 9 of the Code as the obligations relate to the meter itself, not the provision of pre-payment meter services and Horizon Power have not installed any new,</p>

No.	Obligation under Condition	Findings
	<p>connection point.</p> <p><i>Code of Conduct clause 9.9(1)</i></p>	<p>or modified any existing, pre-payment meters since 1 July 2010.</p> <p>We note that if it were not for clause 9.12 of the Code, Horizon Power's current pre-payment meters would not be in compliance with subclause 9.9.</p> <p>The Meter Services Manager confirmed that during the audit period Horizon Power has not received a request from a pre-payment meter customer to check the metering data, test the pre-payment meter and/or arrange for a test of the metering installation at the connection point.</p>
	<p>Priority:4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
263	<p>If requested by a retailer, a distributor must check or test a pre-payment meter.</p> <p><i>Code of Conduct clause 9.9(2)</i></p>	<p>Obligation for a distributor (network operator) to act in relation to a retailer can only exist where the network operator is separate to the retailer, which is not the case in Horizon Power's circumstances.</p>
	<p>Priority:4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
264	<p>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.</p> <p><i>Code of Conduct clause 9.9(4)</i></p>	<p>Under the provisions of the grandfathering clause 9.12 of the Code, Horizon Power is deemed to have complied with this Part 9 of the Code as the obligations relate 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> <p>We note that if it were not for clause 9.12 of the Code, Horizon Power's current pre-payment meters would not be in compliance with subclause 9.9.</p> <p>The Meter Services Manager confirmed that during the audit period Horizon Power has not received a request from a pre-payment meter customer to check the metering data, test the pre-payment meter and/or arrange for a test of the metering installation at the connection point.</p>
	<p>Priority:4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
265	<p>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.</p> <p><i>Code of Conduct clause 9.10(1)</i></p>	<p>Through discussion with the Customer Services Process Manager and Senior Customer Service Officer, we determined that pre-payment customers can get their remaining credit refunded provided they notify Horizon Power they are vacating the premises.</p> <p>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.</p> <p>We were informed that following AMI installation, Horizon Power will be able to move any unused credit on customers account from one premise to another, instead of a cash refund.</p>
	<p>Priority:4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	

No.	Obligation under Condition	Findings			
266	<p>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.</p> <p><i>Code of Conduct clause 9.10(2)</i></p>	<p>Through discussion with the Customer Services Process Manager and Senior Customer Service Officer, we determined that:</p> <ul style="list-style-type: none"> <li>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</li> <li>Should an overcharge be identified, Horizon Power has procedures in place to notify customers of that overcharge and return overcharged funds to customers.</li> </ul> <p>The Meter Services Manager confirmed that Horizon Power did not become aware of any overcharging of pre-payment meter customers for the audit period.</p>			
	<table border="1"> <tr> <td data-bbox="248 624 416 671">Priority:5</td> <td data-bbox="423 624 696 671">Controls rating: NP</td> <td data-bbox="703 624 1055 671">Compliance Rating: 1</td> </tr> </table>	Priority:5	Controls rating: NP	Compliance Rating: 1	
Priority:5	Controls rating: NP	Compliance Rating: 1			
267	<p>The retailer must pay the amount in accordance with the pre-payment meter customer's instructions within 12 business days of receiving the instructions.</p> <p><i>Code of Conduct clause 9.10(3)</i></p>	<p>The Meter Services Manager confirmed that no overcharging of customers on pre-paid meters has occurred during the audit period 1 April 2013 to 31 March 2015.</p>			
	<table border="1"> <tr> <td data-bbox="248 868 416 916">Priority:4</td> <td data-bbox="423 868 696 916">Controls rating: NP</td> <td data-bbox="703 868 1055 916">Compliance Rating: NR</td> </tr> </table>	Priority:4	Controls rating: NP	Compliance Rating: NR	
Priority:4	Controls rating: NP	Compliance Rating: NR			
268	<p>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.</p> <p><i>Code of Conduct clause 9.10(4)</i></p>				
	<table border="1"> <tr> <td data-bbox="248 1112 416 1160">Priority:5</td> <td data-bbox="423 1112 696 1160">Controls rating: NP</td> <td data-bbox="703 1112 1055 1160">Compliance Rating: NR</td> </tr> </table>	Priority:5	Controls rating: NP	Compliance Rating: NR	
Priority:5	Controls rating: NP	Compliance Rating: NR			
269	<p>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).</p> <p><i>Code of Conduct clause 9.10(6)</i></p>	<p>The Meter Services Manager confirmed that Horizon Power has not attempted to recover any undercharged monies from pre-payment meter customers for the period under audit.</p>			
	<table border="1"> <tr> <td data-bbox="248 1340 416 1388">Priority:4</td> <td data-bbox="423 1340 696 1388">Controls rating: NP</td> <td data-bbox="703 1340 1055 1388">Compliance Rating: NR</td> </tr> </table>	Priority:4	Controls rating: NP	Compliance Rating: NR	
Priority:4	Controls rating: NP	Compliance Rating: NR			

No.	Obligation under Condition	Findings
270	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. <i>Code of Conduct clause 9.11(1)</i>	The Meter Services Manager confirmed that Horizon Power does not charge any fees to replace or switch a pre-payment meter to a standard meter.
	Priority:4      Controls rating: NP      Compliance Rating: NR	
271	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 9.11(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 9.11(2)(c)-(g) and in the manner stated in subclause 9.12(3). <i>Code of Conduct clauses 9.11 (2) and (3)</i>	The Meter Services Manager confirmed that during the audit period, Horizon Power has not been informed by a pre-payment meter customer that the customer is experiencing payment difficulties or financial hardship.
	Priority:5      Controls rating: NP      Compliance Rating: 1	
<b>Part 10 Information &amp; Communication</b>		
No.	Obligation under Condition	Findings
272	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. <i>Code of Conduct clause 10.1(1)</i>	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 Retail Services Manager and consideration of Horizon Power's notification process, we noted that Horizon Power has been required to amend its tariffs twice in the period 1 April 2013 to 31 March 2015. The Retail Services Manager confirmed that customers were notified of the tariff variations by way of letter, bill message and Horizon Power's website. We sighted evidence of the notifications provided via letter and bill (4610-01 and 4610-02).
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
273	Upon request and at no charge, a retailer must provide a customer, with reasonable information on the retailer's tariffs, including alternative tariffs.	The Retail Services Manager confirmed that should a customer contact the Horizon Power Call Centre requesting tariff information, CSRs are trained to:

No.	Obligation under Condition	Findings
	<p><i>Code of Conduct clause 10.1(2)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<ul style="list-style-type: none"> <li>• Provide information over the phone</li> <li>• Direct the customer to Horizon Power's website</li> <li>• Send an e-mail to the customer (if requested).</li> </ul> <p>Horizon Power does not offer alternative tariffs for small use residential customers.</p>
274	<p>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.</p> <p><i>Code of Conduct clause 10.1(3)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<p>The Retail Services Manager confirmed that:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Should the customer request the information in writing, the information will be sent on the day of request.</li> </ul>
275	<p>Upon request, a retailer must provide a non-contestable customer with their billing data.</p> <p><i>Code of Conduct clause 10.2(1)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<p><i>Obligations 275 to 277</i></p> <p>The Retail Services Manager confirmed that should a customer contact the Horizon Power Call Centre requesting billing data:</p> <ul style="list-style-type: none"> <li>• 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 of Conduct</li> <li>• In the event that the customer requests the information in writing, relevant information is sent the day the request is received via email or post as requested by the customer</li> <li>• If requested, a customer may obtain a spreadsheet with extensive details of usage, consumption and billing data.</li> </ul> <p>All information is provided to the customer at no charge.</p>
276	<p>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.</p> <p><i>Code of Conduct clause 10.2(2)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
277	<p>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.</p> <p><i>Code of Conduct clause 10.2(3)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
278	<p>A retailer must keep a non-contestable customer's billing data for seven (7) years.</p>	<p>Through discussion with the Retail Services Manager, examination of the ServiceWorks contract (which specifies the requirements for storing and securing data and for complying</p>

No.	Obligation under Condition	Findings
	<i>Code of Conduct clause 10.2(4)</i>	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 data security and backup practices.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
279	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). <i>Code of Conduct clause 10.3</i>	Through discussions with the Retail Services Manager, we determined that Horizon Power has in place procedures, which provide for the following concession related information to be provided to customers: <ul style="list-style-type: none"> <li>• Types of concessions available</li> <li>• Contact details of the relevant organisations responsible for the provision and management of concessions.</li> </ul> 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.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
280	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. <i>Code of Conduct clause 10.3A</i>	Though discussions with the Retail Services Manager, we determined that: <ul style="list-style-type: none"> <li>• Until 2013 Horizon Power provided customers with letters detailing its obligations to make Service Standard Payments</li> <li>• In 2013 Horizon Power decided that its Corporate Communications would publish Horizon Power's obligations to make Service Standard Payments in 'On The Horizon' Newsletter (<b>the Newsletter</b>).</li> </ul> The Retail Services Manager advised that Horizon Power's obligations to make Service Standard Payments have not been published in the Newsletter during the audit period, and nor have letters been provided to customers. The Retail Services Manager further advised us that in order to ensure future compliance with this obligation, he will oversee this requirement in future.  The existing controls were not adequate to ensure the provision of required details to its customers and require improvement.
	Priority: 4      Controls rating: B      Compliance Rating: 2	
	<b>Recommendation 15/2015</b> Horizon Power should identify and implement improved controls to ensure that details of its obligations under Part 14 of the Code is	<b>Action Plan 15/2015</b> Ensure that details of Horizon Power's obligations under Part 14 of the Code are published in the 'On the Horizon' Newsletter at least once a year in accordance with the requirements of

No.	Obligation under Condition	Findings
	published in the 'On the Horizon' Newsletter at least once a year in accordance with the requirements of clause 10.3A of the Code of Conduct.	clause 10.3A of the Code of Conduct.  <b>Responsible Person:</b> Manager Asset Management Support <b>Target Date:</b> 31 July 2015
281	Upon request and at no charge, a retailer must provide a customer with general information on cost effective and efficient ways to utilise electricity and the typical running costs of major domestic appliances. <i>Code of Conduct clause 10.4</i>	Through discussions with the Retail Service Manager, we were advised that Horizon Power has regional contacts with which customers can, at no 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 customers to the "Switch the Future" section of its website.
	Priority: 4	Controls rating: NP
		Compliance Rating: 1
282	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. <i>Code of Conduct clause 10.5</i>	<i>Obligations 282 and 283</i>  Through discussions with the Retail Services Manager and consideration of Horizon Power's interactions with customers, we determined that Horizon Power provides distribution-related information consistent with clause 10.6 of the Code of Conduct to customers upon request, at no charge.
	Priority: 4	Controls rating: NP
		Compliance Rating: 1
283	Upon request and at no charge, a distributor must provide the customer with the information specified in subclause 10.6. <i>Code of Conduct clause 10.6</i>	
	Priority: 4	Controls rating: NP
		Compliance Rating: 1
284	Upon request, a distributor must, provide a customer with their consumption data. <i>Code of Conduct clause 10.7(1)</i>	<i>Obligations 284 to 286</i>  The Retail Services Manager confirmed that, should a customer contact Horizon Power's Call Centre requesting consumption data, CSRs are trained to: <ul style="list-style-type: none"> <li>Resolve the customer query whilst they are on the phone, therefore complying with the 10 business day requirement of the Code of Conduct</li> <li>In the event that the customer requests the information in writing, send information to the customer on the day of request</li> <li>Provide all information to the customer at no charge.</li> </ul>
	Priority: 4	Controls rating: NP
		Compliance Rating: 1

No.	Obligation under Condition	Findings
285	<p>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).</p> <p><i>Code of Conduct clause 10.7(2)</i></p>	Further, customers may request a detailed breakdown of all consumption data, which is provided via an Excel spreadsheet. The spreadsheet will only include consumption data that relates to the customer (i.e. customers will not be provided with consumption data for previous residents).
Priority: 4	Controls rating: NP	
286	<p>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.</p> <p><i>Code of Conduct clause 10.7(3)</i></p>	
Priority: 4	Controls rating: NP	
287	<p>A distributor must keep a customer's consumption data for seven (7) years.</p> <p><i>Code of Conduct clause 10.7(4)</i></p>	Through discussion with the Retail Services Manager, 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 data security and backup practices.
Priority: 4	Controls rating: NP	
288	<p>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.</p> <p><i>Code of Conduct clause 10.8(1)</i></p>	<p><i>Obligations 288 and 289</i></p> <p>Through examination of Horizon Power's website, we determined that 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>
Priority: 4	Controls rating: NP	

No.	Obligation under Condition	Findings
289	A distributor must publish information on distribution standards and metering arrangements on the distributor's website. <i>Code of Conduct clause 10.8(2)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
290	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. <i>Code of Conduct clause 10.9</i>	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.
	Priority: 5      Controls rating: NP      Compliance Rating: 1	
291	Upon request, a retailer and a distributor must tell a customer how the customer can obtain a copy of the Code of Conduct. <i>Code of Conduct clause 10.10(1)</i>	<i>Obligations 291 to 293</i> Through discussion with the Retail Services Manager, we determined that Horizon Power has: <ul style="list-style-type: none"> <li>• Provided training to CSRs to provide a copy of the Code of Conduct to customers, upon request</li> <li>• Published the Code of Conduct on its website</li> <li>• Electronic copies of the Code of Conduct available to customers, which can be sent to customers via email or post</li> <li>• Copies of the Code of Conduct available at its designated customer service premises for inspection, as required, at no charge.</li> </ul>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
292	A retailer and distributor must make electronic copies of the Code of Conduct available, at no charge, on their web sites. <i>Code of Conduct clause 10.10(2)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
293	A retailer and a distributor must make a copy of the Code of Conduct available for inspection, at no charge, at their respective offices.	

No.	Obligation under Condition	Findings
	<i>Code of Conduct clause 10.10(3)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
294	<p>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).</p> <p><i>Code of Conduct clause 10.11(1)</i></p>	Through examination of the Customer Charter, a 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.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
295	<p>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.</p> <p><i>Code of Conduct clause 10.11(2)</i></p>	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.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
296	<p>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.</p> <p><i>Code of Conduct clause 10.12(1)</i></p>	<p><i>Obligations 296 and 297</i></p> <p>Through discussion with the Retail Services Manager, we determined that 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 or the relevant Regional Depot should a customer wish for further information on these alternative credit meters.</p>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
297	<p>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.</p> <p><i>Code of Conduct clause 10.12(2)</i></p>	

No.	Obligation under Condition	Findings	
		Priority: 4	Controls rating: NP Compliance Rating: 1
<b>Part 12 Complaints &amp; Dispute Resolution</b>			
No.	Obligation under Condition	Findings	
298	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes. <i>Code of Conduct clause 12.1(1)</i>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's 'Customer Service Policy' and 'Logging Customer Complaints in Gentrack Velocity' (Logging Customers Complaints), and a walkthrough of how complaints are handled within Velocity, we determined that:</p> <ul style="list-style-type: none"> <li>• A training plan was developed during 2013 and completed by all customer facing staff</li> <li>• CSRs are required to record all complaints within Velocity, including complaints that are resolved on the call without the need for escalation to the Team Leader (the 2013 performance audit found that ServiceWorks work practices do not mandate CSRs to record complaints unless it was either escalated to a Team Leader, or the customer agrees to formally record a complaint)</li> <li>• A daily report of all open complaints reflecting the number of days the complaints have been open is generated from Velocity. The daily report is automatically forwarded to the Customer Care Contact Centre Team Leader, Regional Depots and the Retail Services Manager for monitoring and appropriate action if required</li> <li>• Pursuant to the 2013 performance audit, all customer facing staff including Regions, Bentley and ServiceWorks now have visibility of all logged complaints. Velocity was enhanced to enable all customer facing staff to capture and manage all complaints</li> <li>• A report of all complaints closed during the month is generated monthly and reviewed by the Retail Services Manager</li> <li>• If a complaint has been identified as approaching the acknowledgement timeframe of 10 business days and the resolution timeframe of 20 business days, the Customer Liaison Officer attempts to contact the customer to advise of the complaint status</li> <li>• The customer may apply for a service standard payment of \$20 when the above timeframes have been breached for a written complaint.</li> </ul> <p><i>We note that Horizon Power has implemented the recommended action plans from the 2013 audit and strengthened its complaints management processes to achieve compliance with requirements of the Code of Conduct.</i></p>	
		Priority: 3	Controls rating: NP Compliance Rating: 1

No.	Obligation under Condition	Findings
299	<p>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.</p> <p><i>Code of Conduct clause 12.1(2).</i></p>	<p>Through examination of Horizon Power's Logging Customer Complaints and Customer Service Policy, and discussion with the Retail Services Manager, 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. Horizon Power's complaints management process is available to customers via its Customer Charter available on its website.</p>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
300	<p>A retailer or a distributor must advise the customer in accordance with subclause 12.1(3).</p> <p><i>Code of Conduct clause 12.1(3)</i></p>	<p>Through examination of Horizon Power's complaints handling process and discussions with the Retail Services Manager, we determined that Horizon Power's complaints handling process provides for:</p> <ul style="list-style-type: none"> <li>• Escalation of the complaint to a senior team member</li> <li>• CSRs to notify customers of their right to refer their complaints to the Ombudsman, if the customer is still not satisfied.</li> </ul> <p>Customers' rights regarding Ombudsman referral are provided in the Customer Charter.</p>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
301	<p>Upon receipt of a written complaint by a customer, a retailer or distributor must acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.</p> <p><i>Code of Conduct clause 12.1(4)</i></p>	<p>Through examination of Horizon Power's Customer Service Policy and discussions with the Retail Services Manager, we determined that Horizon Power's complaints handling process provides for written complaints to be acknowledged in writing within 10 business days and to be responded to within 20 business days.</p> <p>Horizon Power's Customer Services Process Manager has confirmed that the obligation is monitored by means of both daily reports and weekly consolidated reports.</p>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
302	<p>A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints.</p> <p><i>Code of Conduct clause 12.2</i></p>	<p>Section 3 of the Authority's Customer Complaints Guidelines provides energy retailers and distributors with guiding principles on how complaints should be distinguished from enquiries.</p> <p>Through discussions with the Retail Services Manager and examination of Horizon Power's complaints handling process, we determined that Horizon Power have 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. Refresher courses are also hold on a continual basis.</p> <p>Through random listening of calls from customers, Team Leaders and the Retail Services Manager are able to monitor whether CSRs are able to distinguish between queries and complaints.</p>

No.	Obligation under Condition	Findings
		<i>We note that Horizon Power has implemented the recommended action plans from the 2013 audit and strengthened its complaints management processes to achieve compliance with requirements of the Code of Conduct.</i>
	Priority: 3      Controls rating: NP      Compliance Rating: 1	
303	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. <i>Code of Conduct clause 12.3</i>	Horizon Power's website and Customer Charter makes specific reference to its complaints handling process available to customers at no charge.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
304	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>Code of Conduct clause 12.4</i>	Through discussion with the Retail Service Manager and consideration of the complaints handling process, we determined that the process provides for: <ul style="list-style-type: none"> <li>• Staff to recognise instances where a complaint does not relate to Horizon Power's functions</li> <li>• The matter to be referred to the Electricity Ombudsman</li> <li>• The customer to be made aware of the reason for the referral.</li> </ul>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
<b>Part 13 Reporting</b>		
305	A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the Authority. <i>Code of Conduct clause 13.1</i>	Through discussion with the Customer Services Process Manager and examination of the 2013/14 Code of Conduct performance datasheet report and supporting correspondence, we determined that Horizon Power prepared the report in accordance with June 2013 Electricity Compliance Reporting Manual.  We note that 2012/13 Code of Conduct performance datasheets were also prepared by Horizon Power in accordance with June 2013 Electricity Compliance Reporting Manual.  We also identified that in 2014 performance data sheets, Horizon Power has indicated a figure of 154 residential customer accounts that have been placed on a shortened billing cycle. We note that Horizon Power does not offer a shortened billing cycle to any of its customers.  We note that the issue relates to control deficiency only and not non-compliance. The existing

No.	Obligation under Condition	Findings
		controls did not prevent reporting of incorrect information to the Authority and hence require some improvement. We also note that a combined record of the previous year's data sheets is maintained by Customer Service, with clarifying notes around shortened billing cycle section for future reference.
	Priority: 4      Controls rating: B      Compliance Rating: 1	
	<b>Recommendation 17/2015</b> Horizon Power should rectify the 2014 data sheets to remove data referenced to shortened billing cycle.	<b>Action Plan 17/2015</b> Rectify the 2014 data sheets to remove data referenced to shortened billing cycle.  <b>Responsible Person:</b> Customer Services Process Manager <b>Target Date:</b> 30 September 2015
306	The report specified in clause 13.1 must be provided to the Authority by the date, and in the matter and form, specified by the Authority. <i>Code of Conduct clause 13.2</i>	Through discussion with the Customer Services Process Manager and examination of relevant correspondence with the Authority, we determined that in accordance with the Authority's directions, the 2014 performance report data sheets were: <ul style="list-style-type: none"> <li>Submitted to the Authority by the due date of 23 September 2014</li> <li>Published on Horizon Power's website by the required due date of 16 February 2015.</li> </ul> However, we also identified that as the Retail performance datasheets and Distribution performance datasheets are submitted separately by the Customer Services team and the Asset Support team respectively, there is no centralised system to: <ul style="list-style-type: none"> <li>Track approaching due dates</li> <li>Record actual dates of submission to effectively demonstrate compliance with those due dates.</li> </ul> Horizon Power's current process for keeping track of regulatory due dates is primarily dependant on periodic reminders from the Authority on approaching due dates and by means of recurring reminders in individual staff calendars. <i>Refer to recommendation 2/2015 at obligation 124 in relation to tracking and recording regulatory due dates as well as retaining relevant records of correspondence with the Authority to demonstrate compliance with submission and publication requirements within the required timeframe.</i>
	Priority: 4      Controls rating: B      Compliance Rating: 1	
307	The report specified in clause 13.1 must be published by the date specified by the Authority. In accordance with clause 13.3(2), a report is published if: <ul style="list-style-type: none"> <li>copies of it are available to the public without cost, at places where the retailer or distributor transacts business with the public; and</li> <li>a copy of it is posted on the retailer or distributor's website.</li> </ul> <i>Code of Conduct clause 13.3</i>	
	Priority: 4      Controls rating: B      Compliance Rating: 1	
<b>Part 14 Service Standard Payments</b>		
308	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	Through examination of the Customer Charter, discussions with the Retail Services Manager and consideration of Horizon Power's service standard payment processes, we determined that

No.	Obligation under Condition	Findings
	timeframes specified in Part 8. <i>Code of Conduct clause 14.1(1)</i>	Horizon Power has appropriate processes in place to effect service standard payments to customers for late reconnection at \$60 per day, capped at a maximum of \$300. The audit identified that during the 2012/13 year, Horizon Power made total payments of \$1,000 in respect of five residential customers, who were not connected within the required time frame. In the 2013/14 year, Horizon Power made total payments of \$2,340 in respect of 12 residential customers, who were not connected within the required time frame.
	Priority: 4	Controls rating: NP Compliance Rating: 1
309	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. <i>Code of Conduct clause 14.1(2)</i>	This obligation is non rateable as Horizon Power acts as both the retailer and the distributor.
	Priority: 4	Controls rating: NP Compliance Rating: NR
310	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. <i>Code of Conduct clause 14.2(1)</i>	Through discussions with the Retail Services Manager and consideration of Horizon Power's service standard payment processes, we determined that Horizon Power has appropriate processes in place to effect service standard payments to customers for wrongful disconnection at \$100 per day, with no maximum amount payable. During the year 2012/13, Horizon Power made service standard payments of \$1,800 in respect of four customers who were wrongfully disconnected. In 2013/14, those payments amounted to \$11,700 in relation to 13 customers.
	Priority: 4	Controls rating: NP Compliance Rating: 1
311	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. <i>Code of Conduct clause 14.2(2)</i>	This obligation is non rateable as Horizon Power acts as both the Retailer and the Distributor.
	Priority: 4	Controls rating: NP Compliance Rating: NR
312	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	Through examination of the Customer Charter, Horizon Power's customer complaints procedures and discussion with the Retail Services Manager, we determined that customers

No.	Obligation under Condition	Findings
	complaint within the timeframes prescribed in subclause 12.1(4). <i>Code of Conduct clause 14.3</i>	may apply for a service standard payment of \$20 if their written complaint has not been acknowledged within 10 days. Horizon Power has not been required to make any payments relating to this obligation during the audit period.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
313	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 12.1(4). <i>Code of Conduct clause 14.4(2)</i>	Obligations 313 and 314 are non rateable as Horizon Power acts as both the Retailer and the Distributor.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
314	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. <i>Code of Conduct clause 14.5</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
315	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). <i>Code of Conduct clause 14.7(1)</i>	<i>Obligations 315 and 316</i> Through discussion with the Retail Services Manager, we determined that Horizon Power has policies and procedures in place to compensate customers by: <ul style="list-style-type: none"> <li>• Applying a credit on the customer's next bill</li> <li>• Issuing a cheque payment</li> <li>• Processing an EFT payment (EFT payments are currently not widely offered, however Horizon Power are looking at implementing as a primary payment option in the future)</li> <li>• Any other means (within reasonable bounds) as stipulated by the customer.</li> </ul>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
316	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).	We note that pre-payment meter customers will either receive a cheque or EFT payment as

No.	Obligation under Condition			Findings
	<i>Code of Conduct clause 14.7(2)</i>			<p>they do not hold a credit meter and therefore do not get routinely billed. In relation to clause 14.1, the audit identified that during the 2012/13 year, Horizon Power made total payments of \$1,000 in respect of five residential customers, who were not connected within the required time frame. In the 2013/14 year, Horizon Power made total payments of \$2,340 in respect of 12 residential customers, who were not connected within the required time frame.</p> <p>In relation to clause 14.2, during the year 2012/13, Horizon Power made service standard payments of \$1,800 in respect of four customers who were wrongfully disconnected. In 2013/14, those payments amounted to \$11,700 in relation to 13 customers.</p> <p>Horizon Power has not been required to make any payments relating to clause 14.3 during the audit period.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	

**The following obligations are applicable to Horizon Power's operations for the period 1 April 2013 to 30 June 2014 only**

No.	Obligation under Condition	Findings			
130*	<p>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.</p> <p><i>Code of Conduct clause 2.2</i></p>	<p>Through discussions with the Retail Services Manager, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power only offers a standard form contract to small use customers</li> <li>• Contracts can only be entered over the phone, where: <ul style="list-style-type: none"> <li>○ Customer consent is sought verbally over the phone</li> <li>○ CSRs will log consent related information (e.g. date originally signed up, consenting statement) on the customer's account in Velocity.</li> </ul> </li> <li>• 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</li> <li>• 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.</li> </ul> <p>Based on our testing of five customers that signed up as part of the Go-live process, we determined that valid copies of the signed contracts had not been maintained on file for all customers (as per the requirement of Part 2 of the Code of Conduct). As a result, Horizon Power was non-compliant with subclause 2.2 of the Code of Conduct, for the period 1 April 2013 to 1 July 2014.</p> <p><i>Refer to obligation 129 for detailed findings, recommendation and action plan</i></p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: B</td> <td>Compliance Rating: 2</td> </tr> </table>	Priority: 4	Controls rating: B	Compliance Rating: 2	
Priority: 4	Controls rating: B	Compliance Rating: 2			
132*	<p>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.</p> <p><i>Code of Conduct clause 2.3(1)(c)-(d)</i></p>	<p>Through discussions with the Retail Services Manager and consideration of Horizon Power's account set up process, we determined that for the period 1 April 2013 to 1 July 2014, Horizon Power:</p> <ul style="list-style-type: none"> <li>• Required all small use customers to be signed up under a standard form contract</li> <li>• Advised the customer that a copy of the contract can be provided to them on request, at no charge, or is available on its website.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
133*	<p>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</p>	<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"> <li>• CSRs are instructed to obtain customer consent prior to entering into a contract</li> </ul>			

No.	Obligation under Condition	Findings
	<p>given. <i>Code of Conduct clause 2.3(2)</i></p>	<ul style="list-style-type: none"> <li>• Consent is given orally and recorded in a note to the customer's account</li> <li>• In the case of pre-payment meter new connections, customers must sign the contact, which is taken as the customer's verifiable consent.</li> </ul> <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>Based on our testing of five customers that signed up as part of the Go-live process, we determined that valid copies of the signed contracts had not been maintained on file for all customers (as per the requirement of Part 2 of the Code of Conduct). As a result, Horizon Power was non-compliant with subclause 2.2 of the Code of Conduct, for the period 1 April 2013 to 1 July 2014.</p> <p><i>Refer to obligation 129 for detailed findings, recommendation and action plan</i></p>
134*	<p>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. <i>Code of Conduct clause 2.3(3)</i></p>	<p>The Retail Services Manager confirmed that, for the period 1 April 2013 to 1 July 2014, Horizon Power did not enter into a non-standard contract with a small use customer. As a result, an assessment of Horizon Power's processes for entering into non-standard contract with small use customers could not be assessed.</p>
	<p>Priority: 2      Controls rating: B      Compliance Rating: 2</p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: NR</p>	

No.	Obligation under Condition	Findings	
135*	<p>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.</p> <p><i>Code of Conduct clause 2.4(1)</i></p>	<p><i>Obligations 135* to 137*</i></p> <p>Through discussions with the Retail Services Manager and consideration of Horizon Power's processes and procedures for accepting new customers, we determined that for the period 1 April 2013 to 1 July 2014:</p> <ul style="list-style-type: none"> <li>• Customers were offered a copy of the contract and if accepted, the contract will be sent the same day, at no charge</li> <li>• Horizon Power advised the customer how to obtain a copy of the Code of Conduct and other information on tariffs, fees, charges and other service levels</li> <li>• Horizon Power provided the information prescribed in 2.4(2) by sending a copy of the Customer Service Charter to all new customers following account establishment and at least prior to the customer's first bill.</li> </ul>	
	Priority: 2	Controls rating: A	Compliance Rating: 1
136*	<p>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)</p> <p><i>Code of Conduct clause 2.4(2)</i></p>	<p>In response to action plan 2/2013 raised during the 2013 performance audit, Horizon Power has strengthened its processes to provide for:</p> <ul style="list-style-type: none"> <li>• A new connections "Go-Live" application form to provide specific guidance to the marketing agent to advise the customer of the option of the standard form contract</li> <li>• A new connections script to be read by the CSR when creating a new customer account</li> <li>• Verifiable consent to be obtained via a voice recording</li> <li>• Training to be provided to CSRs on the new connections script.</li> </ul>	
	Priority: 2	Controls rating: A	Compliance Rating: 1
137*	<p>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.</p> <p><i>Code of Conduct clause 2.4(3)</i></p>	<p>Based on our testing of five customers that signed up as part of the Go-live process executed for the Looma community, we determined that Horizon Power and its Marketing Agents had used the new connections application form and customers had been provided with the information prescribed by subclause 2.4 of the Code of Conduct.</p>	
	Priority: 2	Controls rating: A	Compliance Rating: 1

No.	Obligation under Condition	Findings
139*	An electricity marketing agent must ensure that all non-standard contracts that are not unsolicited consumer agreements are in writing. <i>Code of Conduct clause 2.5(2)</i>	The Retail Services Manager confirmed that, for the period 1 April 2013 to 1 July 2014, Horizon Power did not enter into a non-standard contract with a small use customer. As a result, an assessment of Horizon Power's processes for entering into non-standard contract with small use customers could not be assessed.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
142*	An electricity marketing agent who meets with a customer face to face must: <ul style="list-style-type: none"> <li>when negotiating a contract that is not an unsolicited consumer agreement, as soon as practicable tell the customer the purpose of the visit;</li> <li>wear a clearly visible and legible identity card showing the information specified in subclause 2.6(2)(b); and</li> <li>as soon as practicable provide the written information specified in subclause 2.6(2)(c).</li> </ul> <i>Code of Conduct clause 2.6(2)</i>	<i>Obligations 142* and 143*</i> The Retail Services Manager confirmed that, for the period 1 April 2013 to 1 July 2014, Horizon Power did not engage in any marketing related activities that were not related to setting up a new customer contract (the only form of marketing that applies to Horizon Power, since it is the only retailer in its operating area). The Customer Services Process Manager advised that Department of Housing officials provide people who move into Department of Housing premises with an account establishment form to complete as standard practice and after completion, the Department of Housing submits the completed forms to Horizon Power on behalf of the new customers. Horizon Power's view is that it only signs up a customer where a connection is requested by a customer and that as such, it does not conduct any marketing activities. It is also Horizon Power's view that in facilitating the account establishment process Department of Housing officials do not act as marketing agents on behalf of Horizon Power.
	Priority: 4      Controls rating: B      Compliance Rating: 2	
143*	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. <i>Code of Conduct clause 2.6(3) and 2.6(4)</i>	However, the definition of "marketing activities" in the Code of Conduct is sufficiently wide to capture the activities described above as marketing activities, in that it includes "dealings in respect of" a contract for the supply of electricity. The Authority is of the view that the actions of the Department of Housing officials as described above constitute such dealings in respect of a contract for the supply of electricity, and as such, the actions of marketing agents on behalf of Horizon Power. During the audit period Horizon Power did not require Department of Housing officials to comply with the requirements of Obligation 142*, and did not maintain the records required by Obligation 143*. We note that these specific requirements have been removed from the new Code of Conduct, effective from 1 July 2014.
	Priority: 4      Controls rating: B      Compliance Rating: 2	
	<b>Recommendation 3/2015</b> n/a - no further action is required.	<b>Action Plan 3/2015</b> n/a - no further action is required.
161*	Prior to a customer reading a meter under subclause 4.6(1)(b), a retailer	Through discussion with the Retail Services Manager, we determined that Horizon Power's

No.	Obligation under Condition	Findings
	<p>must give the customer information that explains how to read a meter correctly in clear, simple and concise language.</p> <p><i>Code of Conduct clause 4.6(2)</i></p>	<p>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 for:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Digital meters, customers are instructed to write down the numbers shown on the digital display.</li> </ul> <p>Our review observed that instructions written on the card appear to be in clear, simple and concise language.</p>
	<p>Priority: 4</p>	<p>Controls rating: NP</p> <p>Compliance Rating: 1</p>
190*	<p>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.</p> <p><i>Code of Conduct clause 5.3</i></p>	<p>Through discussions with the Retail Services Manager and examination of Horizon Power's <i>Direct Debit request (DDR)</i> form, we determined that Horizon Power's procedures provide for:</p> <ul style="list-style-type: none"> <li>• Obtaining a customer's verifiable consent to the direct debit via the DDR, which was last reviewed in 2014. Consent via telephone is being considered as a future improvement; however no final decision has been made.</li> <li>• 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</li> <li>• CSRs are required to verbally confirm the date of commencement and frequency of direct debit with the customer over the phone</li> </ul> <p>Direct debits can only be set-up against a bank account..</p>
	<p>Priority: 4</p>	<p>Controls rating: NP</p> <p>Compliance Rating: 1</p>
200*	<p>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).</p> <p><i>Code of Conduct clause 5.8(1)</i></p>	<p>Clause 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 Retail Services Manager 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"> <li>• Section 4.7 of the Credit Management and debt collection policy states that aged debts:</li> </ul>

No.	Obligation under Condition	Findings
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<ul style="list-style-type: none"> <li>○ Exceeding \$20 and outstanding for more than 32 days must be referred to National Credit</li> <li>○ Less than \$20 must be written off without referral to National Credit</li> <li>● Horizon Power's debt collection procedures refer to the guideline on debt collection issued by the ACCC.</li> </ul>
211*	<p>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.</p> <p><i>Code of Conduct clause 6.4(1)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<p>Through discussions with the Hardship Officer and examination of relevant policies, procedures and guidance documents, we understand that Horizon Power's processes provide for the following options to be provided to customers experiencing financial hardship (in the order below):</p> <ol style="list-style-type: none"> <li>1. Additional time to pay a bill through placement of a suppression to the customer's account</li> <li>2. Redirection of the bill to a nominated address</li> <li>3. An instalment plan that takes into account the customer's prior usage and payment history</li> <li>4. A referral for a HUGS grant, to be completed by either a Financial Counsellor or the Hardship Officer (depending on internal limits)</li> <li>5. Consideration of a reduction of fees, charges and debt when developing an instalment plan or following advice from a Financial Counsellor.</li> </ol> <p>In certain circumstances, Horizon Power will reduce a customer's debt by up to 25% of the full amount.</p> <ol style="list-style-type: none"> <li>6. Information on the minimum payment in advance to be made for debt.</li> </ol> <p>Review of Horizon Power's complaints register did not identify any instances where a customer had complained about not being offered any assistance with their financial hardship situation.</p> <p>Note that during the previous performance audit in 2013, an action plan had been developed for investigating the feasibility of offering energy efficiency audits and education to customers. Further, the Code of Conduct no longer requires licensees to offer energy efficiency audits and as a result, the action plan has been closed out.</p>
214*	<p>In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the guidelines in its hardship policy referred to in subclause</p>	<p>Through discussions with the Hardship Officer and examination of Horizon Power's December 2013 version of the Hardship Policy, we determined that Horizon Power's</p>

No.	Obligation under Condition	Findings
	<p>6.10(2)(d). <i>Code of Conduct clause 6.6(2)</i></p>	<p>processes provide for:</p> <ul style="list-style-type: none"> <li>• Ongoing communication with relevant consumer representative organisations (such as WACOSS and the Financial Counsellors Association), including obtaining advice during review of its policy</li> <li>• Customers to be identified as suffering financial hardship and once identified: <ul style="list-style-type: none"> <li>○ A suppression of the account to be made</li> <li>○ Consideration of a reduction in charges, fees and debt</li> <li>○ Recovery of debt, should the customer not be experiencing financial hardship.</li> </ul> </li> </ul>
	<p>Priority: 4</p>	<p>Controls rating: NP</p>
		<p>Compliance Rating: 1</p>
222*	<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. <i>Code of Conduct clause 6.10(5)</i></p>	<p>Through discussions with the Hardship Officer and examination of relevant correspondence with the Authority, we determined that:</p> <ul style="list-style-type: none"> <li>• In 2013, the Authority issued an extension to all retailers for the provision of the revised 2013 version of the Financial Hardship Policy to 31 December 2014</li> <li>• In August 2014, the Authority issued a further extension to all retailers that the submission date had been moved to 1 July 2015 to align with the submission date of the Hardship Procedure</li> <li>• The current Financial Hardship Procedure and Policy have been developed and await feedback from relevant organisations.</li> </ul> <p>However, we note that in 2013, Horizon Power made a change to its Financial Hardship Policy, to reflect the change of the Customer Services Manager (as contact person for the policy). Whilst the policy was amended on 20 December 2013, the Authority was only advised of the change on 18 August 2014 and as such, Horizon Power had not complied with the five business day notification requirement contained in the Code of Conduct.</p> <p><i>Refer to recommendation 9/2015 at obligation 225.</i></p>
	<p>Priority: 2</p>	<p>Controls rating: B</p>
		<p>Compliance Rating: 2</p>
244*	<p>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</p>	<p>Through discussion with the Customer Services Process Manager and Senior Customer Service Officer and review of relevant documentation, we determined that Horizon Power provides the prescribed information in clause:</p> <ul style="list-style-type: none"> <li>• 9.3(1) to the customer on request at no charge</li> <li>• 9.3(2) to the customer during the door to door visits no later than 10 business days</li> </ul>

No.	Obligation under Condition	Findings
	<p>emergencies; and details of recharge facilities. <i>Code of Conduct clause 9.3(3)</i></p>	<p>after the customer enters into a pre-payment meter contract</p> <ul style="list-style-type: none"> <li>9.3(3) in the form of stickers next to the meters and the meter display.</li> </ul> <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>However, owing 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 has not upgraded or modified any existing, pre-payment meters since 1 July 2010.</p>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
249*	<p>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. <i>Code of Conduct clause 9.4(5)</i></p>	<p>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.</p> <p>The Customer Services Process Manager advised that the required notice to advise residential pre-payment meter customers of the date of the expiry of the customer's rights to revert to a standard meter had not been sent during the period under audit.</p> <p>We note that this requirement has been removed from the new Code of Conduct, effective from 1 July 2014.</p>
	<p>Priority: 4      Controls rating: B      Compliance Rating: 2</p>	
	<p><b>Recommendation 14/2015</b> n/a - no further action is required.</p>	<p><b>Action Plan 14/2015</b> n/a - no further action is required.</p>
251*	<p>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. <i>Code of Conduct clause 9.5(2)</i></p>	<p>Through discussions with the Customer Services Process Manager and Senior Customer Service Officer, 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"> <li>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</li> <li>Horizon Power will notify the customer of their obligation to provide adequate</li> </ul>

No.	Obligation under Condition	Findings
	<p>Priority: 2      Controls rating: A      Compliance Rating: 1</p>	<p>evidence from a qualified medical practitioner that he/she depends on such life support equipment</p> <ul style="list-style-type: none"> <li>• A service order is raised to convert the pre-payment meter to a credit meter at no charge in the required timeframe</li> <li>• Field Services Officers/Remote Community Utility Workers will provide information to the customer about contract options available to the customer.</li> </ul> <p>Testing performed by examining Horizon Power's life support customer listing against its pre-payment meter customer list did not identify any customer who was on both listings.</p>
252*	<p>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). <i>Code of Conduct clause 9.5(3)</i></p> <p>Priority: 2      Controls rating: NP      Compliance Rating: NR</p>	<p>Obligation for a distributor (network operator) to act in relation to a retailer can only exist where the network operator is separate to the retailer, which is not the case in Horizon Power's circumstances.</p>
254*	<p>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. <i>Code of Conduct clause 9.7(a), (b) and (d)</i></p> <p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	<p>Through discussions with the Customer Services Process Manager and Senior Customer Service Officer, we determined that Horizon Power's processes in relation to recharge facility ensure that prepayment cards can be purchased from:</p> <ul style="list-style-type: none"> <li>• At least one agency within each community with pre-payment meters installed</li> <li>• Road houses or convenience shops located nearby with opening hours that meet the minimum Code requirements.</li> </ul> <p>The Meter Services Manager confirmed that the minimum amount to be credited by a recharge facility does not exceed \$10 per increment.</p>
264*	<p>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>Code of Conduct clause 9.11</i></p>	<p>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 has not installed any new, or modified any existing, pre-payment meters since 1 July 2010.</p> <p>We note that if it were not for the grandfathering clause at s.9.13 of the Code of Conduct, Horizon Power's current pre-payment meters would not be in compliance with subclause 9.11.</p>

No.	Obligation under Condition	Findings
		The Customer Services Process Manager advised that no adjustments have been made to any prepaid meter to recover outstanding debt.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
267*	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. <i>Code of Conduct clause 9.13 (3)</i>	The Meter Services Manager confirmed that no grandfathered pre-payment meters have been upgraded or modified since the amendment date 1 July 2010.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
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 <i>Code of Conduct clause 10.4</i>	Through discussions with the Retail Service Manager, we were advised that the Horizon Power has regional contacts with whom customers can, at no charge, discuss ways of lowering their energy consumption.  The Retail Service Manager advised that CSRs will, if requested and at no charge, advise customers of basic energy efficiency information and direct customers to the "Switch the Future" section of its website.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
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. <i>Code of Conduct clause 13.1(1)</i>	Through discussion with the Customer Services Process Manager 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 CS -10 and archived to back-up tapes indefinitely.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
301*	For the purposes of subclause 13.1(1), a retailer must keep the information specified in subclause 13.1(2). <i>Code of Conduct clause 13.1(2)</i>	<i>Obligations 301* and 302*</i>  Through examination of the 2012/13 and 2013/14 Code of Conduct Performance Reports and other supporting documentation, we determined that Horizon Power keeps the records specified in 13.1(2) and (3) in a single system at an organisational level and not separated into retail and distribution. The Authority is of the view that maintaining an aggregated set

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: B	Compliance Rating: 2	
302*	For the purposes of subclause 13.1(1), a distributor must keep the information specified in subclause 13.1(3). <i>Code of Conduct clause 13.1(3)</i>			of records rendered Horizon Power non-compliant with the requirements of clause 13.1(2) and 13.1(3).  We note that these requirements have been removed from the new Code of Conduct, effective from 1 July 2014.
	Priority: 4	Controls rating: B	Compliance Rating: 2	
	<b>Recommendation 16/2015</b> n/a - no further action is required.			<b>Action Plan 16/2015</b> n/a - no further action is required.
303*	A retailer must keep a record of the total number of the items specified in subclauses 13.2(a) and (b) <i>Code of Conduct clause 13.2 (a) and (b)</i>			Through discussion with the Customer Services Process Manager and examination of the 2012/13 Code of Conduct Performance Report and other supporting documentation, we determined that for the period 1 April 2013 to 30 June 2014, affordability and access records had been provided to, and were maintained by the Customer Services Process Manager within the document management system CS-10.
	Priority: 3	Controls rating: A	Compliance Rating: 1	
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. <i>Code of Conduct clause 13.2(c)</i>			Through discussions with the Customer Services Process Manager and a walkthrough of Velocity system, we determined that: <ul style="list-style-type: none"> <li>All actions taken regarding issuing a bill outside of required timeframes are logged in the customer's account in Velocity</li> <li>The number of bills not issued within the required timeframe and actions required to be undertaken are tracked on a daily basis by means of the Customer Services Dashboard report</li> <li>All customer account records are held for an indefinite period.</li> </ul>
	Priority: 3	Controls rating: A	Compliance Rating: 1	
305*	A retailer must keep a record of the complaints information specified in subclause 13.3(1) <i>Code of Conduct clause 13.3(1)</i>			<i>Obligations 305* and 306*</i> Through examination of complaints records produced by Horizon Power and reported in the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that: <ul style="list-style-type: none"> <li>All customer complaints are recorded in Velocity</li> <li>Complaints received from the Ombudsman are recorded in Velocity as well as a separate register to keep track of the stipulated time frames for responding</li> <li>All the necessary complaints records as required by the Code are recorded and</li> </ul>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
306*	A retailer must keep a record of the details of each complaint referred to in subclause 13.3(1)			

No.	Obligation under Condition	Findings	
	Code of Conduct clause 13.3(2)	<p>reported accordingly</p> <ul style="list-style-type: none"> <li>Daily reports are automatically sent out from Velocity to regional Retail Community Managers (RCM) and ServiceWorks indicating their compliance with the requirements of the Code.</li> </ul>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1
307*	A retailer must keep a record of the payments made under clauses 14.1, 14.2 and 14.3. <i>Code of Conduct clause 13.4</i>	Through discussion with the Customer Services Process Manager and examination of the records provided by ServiceWorks and the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that all service standard payment records are reported accurately in the datasheets and supporting documentation is maintained on file.	
	Priority: 4	Controls rating: NP	Compliance Rating: 1
308*	A retailer must keep a record of the call centre performance indicators specified in subclause 13.5. <i>Code of Conduct clause 13.5</i>	<p>Through discussion with the Customer Services Process Manager and examination of records provided by ServiceWorks and the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that figures provided by ServiceWorks within the call centre performance summary reports are reflected within the Code of Conduct performance reports. Records received from ServiceWorks are maintained on file by the Retail Services Manager.</p> <p>However, being a vertically integrated business, Horizon Power records and maintains the records of its call centre performance indicators in its capacity as retailer and distributor in a single system at an organisational level and not separated into retail and distribution. The Authority is of the view that maintaining an aggregated set of records rendered Horizon Power non-compliant with the requirements of clause 13.1(5).</p> <p>We note that the requirement has been removed from the new Code of Conduct, effective from 1 July 2014.</p> <p><i>Refer to obligation 301* for detailed findings, recommendation and action plan.</i></p>	
	Priority: 4	Controls rating: B	Compliance Rating: 2
309*	A retailer must keep a record of the total number of residential and business customer accounts held by contestable and non-contestable customers. <i>Code of Conduct clause 13.6</i>	<p>Through discussions with the Customer Services Process Manager and examination of the customer accounts system Velocity, we determined that:</p> <ul style="list-style-type: none"> <li>Customer account records are stored on Velocity and reports can be generated identifying the total number of customer accounts</li> <li>Figures used for the 2012/13 and 2013/14 Code of Conduct performance reports were sourced from a report generated by ServiceWorks, which is maintained on file.</li> </ul>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1

No.	Obligation under Condition	Findings			
310*	<p>A retailer must keep a record of the information related to pre-payment meter customers specified in subclause 13.7(1).</p> <p><i>Code of Conduct clause 13.7(1)</i></p>	<p>Through discussions with the Customer Services Process Manager, we determined that Horizon Power's current pre-payment meters do not have the capability to provide the information required by the Code.</p> <p>Horizon Power is aware of this issue and subsequently requested, 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.</p> <p>We note that during the current audit period, Horizon Power has started to roll out pre-payment meter replacements by AMI installations in order to adhere to the Code's requirements.</p>			
	<table border="1"> <tr> <td data-bbox="248 587 432 635">Priority: 4</td> <td data-bbox="439 587 719 635">Controls rating: NP</td> <td data-bbox="725 587 1070 635">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
311*	<p>A retailer must keep a record of the details of each complaint relating to a pre-payment meter customer.</p> <p><i>Code of Conduct clause 13.7(2)</i></p>	<p>Through discussions with the Customer Services Process Manager, we were advised that:</p> <ul style="list-style-type: none"> <li>Any pre-payment meter customer complaints are received and recorded by ServiceWorks CSRs</li> <li>A record of the details of the complaint and to which customer the complaint originates is stored in Velocity, which allows for separately recording complaints specifically relating to pre-payment meters.</li> <li>Complaints are monitored via a spreadsheet and followed up according to the timeframes specified by the Code</li> <li>Ombudsman complaints received by pre-payment customers are dealt with by the Retail Services Manager and included as part of the total complaints received.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 1002 432 1050">Priority: 4</td> <td data-bbox="439 1002 719 1050">Controls rating: NP</td> <td data-bbox="725 1002 1070 1050">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
312*	<p>A distributor must keep a record of the total number of connections provided and connections not provided on or before the agreed date.</p> <p><i>Code of Conduct clause 13.8(1)</i></p>	<p>Through discussion with the Customer Services Process Manager and consideration of Horizon Power's annual reporting processes, we determined that:</p> <ul style="list-style-type: none"> <li>Customer connections records are held in mData21 system and also reported in the Customer Service Process Performance weekly dashboard reports</li> <li>Customer Services Process Manager obtains the figures from mData21 systems for reporting in the performance report. The figures are checked for reasonableness via a year on year comparison and also cross checked for any errors with the regional Retail Community Managers (RCMs) prior to inclusion in performance reports</li> </ul>			

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: 1	<ul style="list-style-type: none"> <li>Connection records are entered accurately in the performance report.</li> </ul>
313*	<p>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.</p> <p><i>Code of Conduct clause 13.8(2)</i></p>			<p>Through discussion with the Customer Services Process Manager and examination of the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that:</p> <ul style="list-style-type: none"> <li>Reconnection figures are entered by the regional RCMs directly into mData21 and reported in the Customer Service Process Performance weekly dashboard reports</li> <li>These figures are checked for reasonableness via a year on year comparison and also cross checked for any errors with the regional Retail Community Managers (RCMs) prior to inclusion in performance reports</li> <li>Information within mData21 is maintained on file indefinitely.</li> </ul>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
314*	<p>A distributor must keep a record of the street lights information specified in subclause 13.9(1).</p> <p><i>Code of Conduct clause 13.9(1)</i></p>			<p>Based on discussion with the Customer Service Process Manager and Manager Asset Management Support and examination of the records obtained from PowerOn Fusion System and figures in the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that street lights faults and repair indicators records are accurate and maintained on file.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
315*	<p>A distributor must keep a record of the customer complaints information specified in subclause 13.10(1).</p> <p><i>Code of Conduct clause 13.10(1)</i></p>			<p><i>Obligation 315* and 316*</i></p> <p>Through examination of complaints records produced by ServiceWorks and the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that:</p> <ul style="list-style-type: none"> <li>All customer complaints are recorded in Velocity</li> <li>Complaints received from the Ombudsman are recorded in Velocity as well as a separate register to keep track of the stipulated time frames for responding</li> <li>All the necessary complaints records as required by the Code are recorded and reported accordingly.</li> <li>Daily reports get automatically sent out from Velocity to regional RCMs and Service Works indicating their compliance with the requirements of the Code.</li> </ul>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	
316*	<p>A distributor must keep a record of the details of each customer complaint referred to in subclause 13.10(1).</p> <p><i>Code of Conduct clause 13.10(2)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: 1	

No.	Obligation under Condition	Findings
317*	A distributor must keep a record of compensation payments made under subclauses 14.4 and 14.5. <i>Code of Conduct clause 13.11</i>	Through discussion with the Customer Services Process Manager and examination of the records provided by ServiceWorks and the 2012/13 and 2013/14 Code of Conduct performance reports, we determined that all Service Standard Payment records are reported accurately in the datasheets and supporting documentation is maintained on file.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
318*	A distributor must keep a record of the call centre performance indicators specified in subclause 13.12 <i>Code of Conduct clause 13.12</i>	Through discussion with the Customer Services Process Manager and review of ServiceWorks monthly service level reports, Horizon Power records all the necessary call centre performance indicators as required by the Code. However, being a vertically integrated business, Horizon Power records and maintains the records of its call centre performance indicators in its capacity as retailer and distributor in a single system at an organisational level and not separated into retail and distribution.  The Authority is of the view that maintaining an aggregated set of records rendered Horizon Power non-compliant with the requirements of clause 13.1(12).  We note that the requirement has been removed from the new Code of Conduct, effective from 1 July 2014.  <i>Refer to obligation 301* for detailed findings, recommendation and action plan.</i>
	Priority: 4      Controls rating: B      Compliance Rating: 2	
319*	A distributor must keep a record of the information related to pre-payment meter customer complaints specified in subclause 13.13(1). <i>Code of Conduct clause 13.13(1)</i>	<i>Obligation 319* and 320*</i> Through discussions with the Customer Services Process Manager, we identified that Horizon Power maintains records of the: <ul style="list-style-type: none"> <li>• Number of complaints relating to the installation and operation of a pre-payment meter at a pre-payment meter customer's supply address</li> <li>• Action taken by the distributor to address a complaint</li> <li>• Time taken for the appropriate procedures for dealing with the complaint to be concluded</li> <li>• 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.</li> </ul> Horizon Power's Velocity system allows for separately recording complaints specifically relating to pre-payment meters.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
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). <i>Code of Conduct clause 13.13(2)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
321*	A distributor must keep a record of the total number of exit points of	The record for total number of customers who are connected to the Horizon Power network

No.	Obligation under Condition	Findings
	customers who are connected to its network. <i>Code of Conduct clause 13.14(1)</i>	is stored on mData21. Through discussion with the Customer Services Process Manager and Manager Asset Management Support, we were advised that the Asset Management Support group provides the figures for the total number of exit points from the PowerOn Fusion and Ellipse systems, which are then reconciled against the Geographic Information System (GIS) and reviewed by Data Management Officer for completeness and accuracy.
	Priority: 4	Controls rating: NP Compliance Rating: 1
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. <i>Code of Conduct clause 13.16</i>	<i>Obligations 323* to 326*</i> Through discussion with the Customer Services Process Manager and examination of the 2012/13 and 2013/14 Code of Conduct performance reports and supporting email correspondence, we determined that Horizon Power: <ul style="list-style-type: none"> <li>Prepared those reports in accordance with Part 13 of the Code of Conduct</li> <li>Submitted the 2013 report to the Authority and Minister prior to the due date of 23 September.</li> </ul> We also determined that the 2014 performance report data sheets were: <ul style="list-style-type: none"> <li>Submitted to the Authority by the due date of 20 September 2014</li> <li>Published on Horizon Power's website by the required due date of 16 February 2015.</li> </ul> However, owing to unavailability of relevant correspondence records, Horizon Power is unable to demonstrate whether: <ul style="list-style-type: none"> <li>2013 performance datasheets (Retail and Distribution) were submitted to the Authority by the due date of 20 September 2013. We note that by querying the Authority, Horizon Power subsequently confirmed that the data sheets were submitted on 19 September 2013</li> <li>2013 performance reports were published on Horizon Power's website by the due date of 1 October.</li> </ul> As such, Horizon Power cannot demonstrate compliance with requirements of clause 13.17 of the Code of Conduct. <i>Refer to recommendation 2/2015 at obligation 124 in relation to maintaining relevant records to demonstrate compliance with regulatory due dates of submission and publication.</i>
	Priority: 4	Controls rating: NP Compliance Rating: 1
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. <i>Code of Conduct clause 13.17(1)</i>	
	Priority: 4	Controls rating: B Compliance Rating: 1
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. <i>Code of Conduct clause 13.17(3)</i>	
	Priority: 4	Controls rating: B Compliance Rating: 1
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. <i>Code of Conduct clause 13.18</i>	
	Priority: 4	Controls rating: B Compliance Rating: 1
331*	Upon receipt of a written query or complaint by a customer, a retailer must	Horizon Power is both the retailer and distributor.

No.	Obligation under Condition	Findings
	<p>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.</p> <p><i>Code of Conduct clause 14.3(1)</i></p>	<p>Through examination of Horizon Power's customer complaints procedures and discussion with the Retail Services Manager, we determined that during the period 1 April 2013 to 30 June 2014 :</p> <ul style="list-style-type: none"> <li>• Horizon Power had arrangements in place to acknowledge and respond to customer complaints within the timeframes specified by the Code</li> <li>• Customer complaints received directly from customers were handled by ServiceWorks, while complaints from the ombudsman were handled by the Compliance and Billing Support Coordinator</li> <li>• The complaints system within Velocity went live in June 2012, enabling all subsequent complaints to be electronically recorded against the customer's account</li> <li>• A spreadsheet register was maintained for all complaints, including any that are overdue</li> <li>• Customers could apply for a service standard payment of \$20 if their written complaint had not been acknowledged within 10 days.</li> </ul>
	<p>Priority: 4</p>	<p>Controls rating: NP</p> <p>Compliance Rating: 1</p>
332*	<p>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).</p> <p><i>Code of Conduct clause 14.3(2)</i></p>	<p>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.</p> <p>Our testing of service standard payments also confirmed that Horizon Power had not made a service standard payment in relation to complaints timeframes during the period 1 April 2013 to 30 June 2014. Therefore, the obligation is not rateable for the period subject to audit.</p>
	<p>Priority: 4</p>	<p>Controls rating: NP</p> <p>Compliance Rating: NR</p>
333*	<p>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.</p> <p><i>Code of Conduct clause 14.4(1)</i></p>	<p>Horizon Power is both the retailer and distributor.</p> <p>Through examination of Horizon Power's customer complaints procedures and discussion with the Retail Services Manager, we determined that during the period 1 April 2013 to 30 June 2014 :</p> <ul style="list-style-type: none"> <li>• Horizon Power had arrangements in place to acknowledge and respond to customer complaints within the timeframes specified by the Code</li> <li>• Customer complaints received directly from customers were handled by</li> </ul>

No.	Obligation under Condition	Findings				
		<p>ServiceWorks, while complaints from the ombudsman were handled by the Compliance and Billing Support Coordinator</p> <ul style="list-style-type: none"> <li>• The complaints system within Velocity went live in June 2012, enabling all subsequent complaints to be electronically recorded against the customer's account</li> <li>• A spreadsheet register was maintained for all complaints, including any that are overdue</li> <li>• Customers could apply for a service standard payment of \$20 if their written complaint had not been acknowledged within 10 days.</li> </ul>				
	<table border="1"> <tr> <td data-bbox="248 596 432 612">Priority: 4</td> <td data-bbox="439 596 719 612">Controls rating: NP</td> <td data-bbox="725 596 1070 612">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1		
Priority: 4	Controls rating: NP	Compliance Rating: 1				
334*	<p>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). <i>Code of Conduct clause 14.4(2)</i></p>	<p>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.</p> <p>Our testing of service standard payments also confirmed that Horizon Power had not made a service standard payment in relation to complaints timeframes during the period 1 April 2013 to 30 June 2014. Therefore, the obligation is not rateable for the period subject to audit.</p>				
	<table border="1"> <tr> <td data-bbox="248 920 432 936">Priority: 4</td> <td data-bbox="439 920 719 936">Controls rating: NP</td> <td data-bbox="725 920 1070 936">Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR		
Priority: 4	Controls rating: NP	Compliance Rating: NR				

\*Obligation number obtained from June 2013 Reporting Manual

## 4.8 Electricity Industry Metering Code 2012

No.	Obligation under Condition	Findings
317	<p>A network operator must treat all Code participants that are its associates on an arms-length basis.</p> <p><i>Electricity Industry Metering Code clause 2.2(1)(a)</i></p>	<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>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
318	<p>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.</p> <p><i>Electricity Industry Metering Code clause 2.2(1)(b)</i></p>	
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
319	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.1</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 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 &amp; 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 concluded that it currently operates non-compliant meters.</p> <p>Through discussion with the Customer Services Process Manager and Meter Data Coordinator and review of relevant documentation and records of correspondence with the Authority, we determined that during the current audit period Horizon Power has initiated the process of rolling out Advanced Metering Installations (AMI), consistent with the recommendations made in 2013 audit.</p> <p>Specifically, we identified that Horizon Power has:</p>

No.	Obligation under Condition	Findings
	<p>Priority: 2      Controls rating: B      Compliance Rating: 2</p>	<ul style="list-style-type: none"> <li>Developed and approved a business case for replacement of current meters with AMI, anticipated to be completed by December 2016. The initial phase to implement pre-payment meters in Aboriginal Communities has commenced and by the end of the current audit period, two communities (Mungullah and Fitzroy Crossing) have had their pre-payment meters replaced by AMI</li> <li>Obtained budget approval from the Minister for Energy in September 2014 and obtained the required funding in December 2014</li> <li>Formally notified the Authority and the Public Utilities Office of the status of its Metering Management Plan and Draft Metrology procedure, both being currently under review by the Authority.</li> </ul> <p>As the process of replacement of current meters with AMI is currently in progress, Horizon Power continued to have non-compliant meters at the end of current audit period.</p> <p><i>This recommendation and action plan relates to obligations 319, 327, 330, 333, 334, 340 and 341.</i></p>
	<p><b>Recommendation 18/2015</b> n/a - no further action is required.</p>	<p><b>Action Plan 18/2015</b> n/a - no further action is required.</p>
320	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.2(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, examination of documentation and review of Horizon Power's metering database system mData21, we determined that:</p> <ul style="list-style-type: none"> <li>For the interim period until the completion of AMI installation for all meters in 2017, Horizon Power has adopted a draft of the 'Western Australian Electricity Market Metrology Procedures for Metering Installations' as its metrology standard. The procedure was reviewed and amended by Horizon Power in alignment with Metering Code 2012 to include additional requirements and clarifications as well as specific reference to AMI and its components</li> <li>The draft metrology procedure recognises the requirement for "access to visible displays to be provided without unreasonable restriction" (refer to schedule 1, clause 5.48). Also, clause 5.43 of the procedure recognises the requirement for a device to display as a minimum the accumulated total Active energy measured by that metering installation</li> <li>Horizon Power has contracted Landys and Gyr to supply low voltage meters and EDMI to supply high voltage meters. The design of these meters permits the collection of data in accordance with meter reading requirements. The meters are pattern-approved under</li> </ul>

No.	Obligation under Condition	Findings			
		<p>NMI M6, which meet Australian Standards</p> <ul style="list-style-type: none"> <li>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.</li> </ul> <p>We note that Horizon Power has submitted the draft Metrology procedure for the Authority's approval in December 2014 with a proposition that the procedure be considered an interim procedure only, as it will require a review following completion of AMI installation. The draft procedure is currently under review by the Authority.</p>			
	<table border="1"> <tr> <td data-bbox="248 464 432 512">Priority: 4</td> <td data-bbox="439 464 696 512">Controls rating: NP</td> <td data-bbox="703 464 1055 512">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
321	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.3(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of draft Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> <li>Horizon Power has adopted a draft of the 'Western Australian Electricity Market Metrology Procedures for Metering Installations' as its metrology standard and amended it to include additional requirements and clarifications as well as specific reference to AMI and its components</li> <li>There are currently 170 interval meters connected to Horizon Power's network. Horizon Power conducts all meter reading activities in-house</li> <li>Low and high voltage meters are supplied by Landys and Gyr and EDM I respectively and: <ul style="list-style-type: none"> <li>Record power consumption at 15 minute intervals</li> <li>Have the capacity for information to be downloaded</li> <li>Meet interface requirements.</li> </ul> </li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 979 432 1027">Priority: 4</td> <td data-bbox="439 979 696 1027">Controls rating: NP</td> <td data-bbox="703 979 1055 1027">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
322	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.3(3)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of draft Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> <li>Horizon Power's draft 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</li> <li>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)</li> <li>Horizon Power's mandatory link criteria establish the mandatory requirements by which</li> </ul>			

No.	Obligation under Condition	Findings			
	<table border="1"> <tr> <td data-bbox="248 309 432 352">Priority: 4</td> <td data-bbox="439 309 696 352">Controls rating: NP</td> <td data-bbox="703 309 1055 352">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<p>the Network Operator may require the installation of a communication link as part of the metering installation.</p>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
323	<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> <p><i>Electricity Industry Metering Code clause 3.3A(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power’s WA Connections Manual was amended with effect 30 January 2015 to require installation of import/export meter where bi-directional flow occurs, prior to the connection and energisation of that generation system (section 11.8.1)</li> <li>• Horizon Power’s procedures provide for: <ul style="list-style-type: none"> <li>○ No party to be authorised to connect into its networks without approval</li> <li>○ 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. However, we note that consistent with recommendation from the previous audit, Horizon Power has implemented training for relevant staff in relation to bi-directional flow installations, specifically the metering inspectors.</li> </ul> </li> <li>• 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</li> </ul> <p>During the current audit period, Horizon Power identified the following two means to identify where bi-directional flows may be occurring:</p> <ul style="list-style-type: none"> <li>• Through the meter reading validations process, whereby meters with a bidirectional flow are likely to cause a negative consumption and hence prompt an investigation by the Inspections crew</li> <li>• Lodgement of a valid/appropriate notice of completion for the premise for which a Renewable Energy Rebate Scheme (REBS) application has been lodged. A customer found to have solar panels connected with no approval or Notice of Completion is disconnected and advised that they cannot be connected to the network without proper approval.</li> </ul>			

No.	Obligation under Condition	Findings
		Following implementation of the above means, the Meter Services Manager confirmed that no other instances of unauthorised bidirectional flow have been identified during the audit period.
	Priority: 3      Controls rating: NP      Compliance Rating: 1	
324	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. <i>Electricity Industry Metering Code clause 3.3B</i>	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.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
325	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. <i>Electricity Industry Metering Code clause 3.3C</i>	Through discussions with the Customer Services Process Manager and Meter Data Coordinator, we determined that: <ul style="list-style-type: none"> <li>• 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</li> <li>• 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"> <li>○ Channel '003' measures and records the property's electricity demand/consumption</li> <li>○ Channel '006' measures and records electricity production out of and into the network (as electricity can only flow in one direction at a time)</li> <li>○ 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'</li> <li>○ If renewable electricity supply exceeds property demand, the excess is transferred into the network through channel '006'.</li> </ul> </li> </ul>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
326	A network operator must ensure that there is a metering installation at	Through discussions with the Customer Services Process Manager and Meter Data

No.	Obligation under Condition	Findings			
	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.5(1) and (2)</i></p>	<p>Coordinator and examination of Horizon Power's policies and procedures, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power's procedures provide for: <ul style="list-style-type: none"> <li>○ Design, provision, installation and maintenance of metering installations (section 2.1.1 of the Metrology Procedure)</li> <li>○ All connection points of type 1 to 6 meters, designed to measure energy consumption to a fiscal standard, to have a physical metering installation</li> <li>○ Use of enhanced technology features on metering installations to meet or exceed the standards required of the type 1-6 metering installation (section 2.2.2 of the Metrology Procedure).</li> </ul> </li> <li>• Policies and procedures (particularly WA Distribution Connections Manual (WADCM)) 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</li> <li>• 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. The mechanism to track that every connection has a meter is by way of: <ul style="list-style-type: none"> <li>○ Open service orders for installation of meters, which are reviewed on a daily basis</li> <li>○ Completion notices of installations, which are required to be submitted to Horizon Power for each installation point, prior to supply of electricity.</li> </ul> </li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 935 432 978">Priority: 4</td> <td data-bbox="439 935 696 978">Controls rating: NP</td> <td data-bbox="703 935 1055 978">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
327	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.5(3)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, and examination of Horizon Power's policies and procedures, we determined that:</p> <ul style="list-style-type: none"> <li>• Section 2.1.1 of the Metrology Procedure states that Horizon Power is responsible for the design, provision, installation and maintenance of metering installations</li> <li>• Horizon Power, as the Network Operator, is responsible for performing these activities. Horizon Power: <ul style="list-style-type: none"> <li>○ Engages Landys and Gyr to provide low voltage meters and EDMI to provide high voltage meters respectively</li> <li>○ Currently installs and maintains meters in-house, including HV installs.</li> </ul> </li> </ul>			

No.	Obligation under Condition	Findings			
		<ul style="list-style-type: none"> <li>Horizon Power has performed testing to conclude that a number of current meters do not comply with accuracy requirements. Replacement of all of Horizon Power's meters with AMI is currently in progress.</li> </ul> <p><i>Refer to obligation 319 for detailed findings, recommendation and action plan.</i></p>			
	<table border="1"> <tr> <td>Priority: 2</td> <td>Controls rating: B</td> <td>Compliance Rating: 2</td> </tr> </table>	Priority: 2	Controls rating: B	Compliance Rating: 2	
Priority: 2	Controls rating: B	Compliance Rating: 2			
328	<p>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.</p> <p>Electricity Industry Metering Code clause 3.5(4)</p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of Horizon Power's Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> <li>A metering installation is designed for each metering point (section 1.1.3). A metering point is defined as a point on the network at which energy data measurement takes place (i.e. the connection point)</li> <li>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</li> <li>Policies and procedures, which govern the installation of meters are designed to align with WA electricity safety standards</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
329	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.5(6)</i></p>	<p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with this obligation cannot be rated.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
330	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.5(9)</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 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 &amp; Gyr EM3330 meters and the new Elster meters installed post January 2010.</p>			

No.	Obligation under Condition	Findings			
		<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>During the current audit period Horizon Power has initiated the process of rolling out AMI, consistent with the recommendations made in the 2013 audit, including formally notifying the Authority and the Public Utilities Office of the status of its Metering Management Plan and Draft Metrology procedure.</p> <p>However, as the process of replacement of current meters with AMI is currently in progress, Horizon Power continued to have non-compliant meters at the end of the current audit period.</p> <p><i>Refer to obligation 319 for detailed findings, recommendation and action plan.</i></p>			
	<table border="1"> <tr> <td>Priority: 2</td> <td>Controls rating: B</td> <td>Compliance Rating: 2</td> </tr> </table>	Priority: 2	Controls rating: B	Compliance Rating: 2	
Priority: 2	Controls rating: B	Compliance Rating: 2			
331	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.7</i></p>	<p>The Customer Services Process Manager 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.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
332	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.8</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of Horizon Power's Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> <li>• Security is inherent in the design of the meter, as tampering is clearly visible</li> <li>• 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</li> <li>• If the seal of the meter is broken, the meter reader notifies Horizon Power, and a Horizon Power Inspector is dispatched to investigate.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
333	<p>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.</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,</p>			

No.	Obligation under Condition	Findings	
	<p><i>Electricity Industry Metering Code clause 3.9(3)</i></p>	<p>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 &amp; 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>During the current audit period Horizon Power has initiated the process of rolling out AMI, consistent with the recommendations made in the 2013 audit, including formally notifying the Authority and the Public Utilities Office of the status of its Metering Management Plan and Draft Metrology procedure.</p>	
334	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.9(7)</i></p>	<p>However, as the process of replacement of current meters with AMI is currently in progress, Horizon Power continued to have non-compliant meters at the end of the current audit period.</p> <p><i>Refer to obligation 319 for detailed findings, recommendation and action plan.</i></p>	
335	<p>If compensation is carried out within the meter then the resultant metering system error must be as close as practicable to zero.</p> <p><i>Electricity Industry Metering Code clause 3.9(9)</i></p>	<p>Horizon Power relies on its Metrology Procedure and Metering Management Plan to ensure that its meters meet accuracy requirements.</p> <p>Should the need arise where compensation is required, the Metrology procedure outlines the accuracy requirements of the metering installation aimed at effectively reducing potential errors to zero.</p> <p>The Customer Services Process Manager confirmed that no compensation was carried out by Horizon Power during the period under audit.</p>	
336	<p>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</p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of policies and procedures, we determined that:</p> <ul style="list-style-type: none"> <li>Horizon Power's Metrology Procedure incorporates all requirements and specifications</li> </ul>	

No.	Obligation under Condition	Findings
	<p>comply with any applicable specifications or guidelines specified by the National Measurement Institute under the National Measurement Act.</p> <p><i>Electricity Industry Metering Code clause 3.10</i></p>	<p>of the National Measurement Institute under the National Measurement Act (section 1.4.2)</p> <ul style="list-style-type: none"> <li>• Horizon Power meets all national measurement requirements and its test program (undertaken by Formway Group in 2011) did not identify any issues with those requirements. We also note that in 2014 Horizon Power initiated rolling out AMI installations as part of replacing its current metering infrastructure. Re-testing of those new installations will be required again in 2017</li> <li>• The meters that Horizon Power use (supplied by Landys and Gyr and EDMI) are able to be re-programmed as required e.g. changing in tariff levels</li> <li>• Should the need arise, Horizon Power is able to update the meters to comply with applicable standards.</li> </ul>
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	
337	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.11(1)</i></p>	<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> <p>a) If the metering installation does not have a communications link – 99% of the year; and</p> <p>b) If the metering installation has a communications link:</p> <ol style="list-style-type: none"> <li>For the communications link – 95% of the year; and</li> <li>For the rest of the metering installation – 99% of the year.</li> </ol> <p>The Customer Services Process Manager confirmed that:</p> <ul style="list-style-type: none"> <li>• Meters (provided by Landys and Gyr and EDMI) are pattern approved under NMI M6 and meet Australian Standards for data collection timeframes and data availability levels</li> <li>• During the period 1 April 2013 to 31 March 2015, 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</li> <li>• During the period 1 April 2013 to 31 March 2015, Horizon Power’s remaining 44,527 type 6 meters were scheduled to be read via visual inspection on at least a two monthly basis.</li> </ul> <p>We note that time accuracy requirements only apply to type 1 to type 5 installations. The Customer Services Process Manager 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>
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	

No.	Obligation under Condition	Findings
338	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. <i>Electricity Industry Metering Code clause 3.11(2)</i>	As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with this obligation cannot be rated.
	Priority: 4	
340	A network operator must ensure that the meters on its network are systematically sampled and tested for accuracy in accordance with AS 1284.13. <i>Electricity Industry Metering Code clause 3.11A(1)</i>	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.  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.  During the current audit period Horizon Power has initiated the process of replacing its current meters with AMI, with an anticipated completion date of December 2016.  <i>Refer to obligation 319 for detailed findings, recommendation and action plan.</i>
	Priority: 2	
341	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. <i>Electricity Industry Metering Code clause 3.11A(2)</i>	During the current audit period Horizon Power has initiated the process of replacing its current meters with AMI, with an anticipated completion date of December 2016.  <i>Refer to obligation 319 for detailed findings, recommendation and action plan.</i>
	Priority: 2	
342	A network operator must ensure that each metering installation complies with, at least, the prescribed design requirements. <i>Electricity Industry Metering Code clause 3.12(1)</i>	<i>Obligations 342 and 343</i>  Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of policies and procedures, we determined that: <ul style="list-style-type: none"> <li>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"> <li>Section 1.6 references the metering installation components required</li> <li>The Schedules attached to the Metrology Procedure outline, in greater detail, the design requirements of the specific meters, in accordance with industry best practice.</li> </ul> </li> <li>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</li> </ul>
	Priority: 4	
343	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. <i>Electricity Industry Metering Code clause 3.12(2)</i>	

No.	Obligation under Condition	Findings			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<ul style="list-style-type: none"> <li>Meters (provided by Landys and Gyr and EDMI) are pattern-approved under NMI M6 and meet Australian Standards.</li> </ul>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
344	<p>A network operator must provide isolation facilities, to the standard of good electricity industry practice, to facilitate testing and calibration of the metering installation.</p> <p><i>Electricity Industry Metering Code clause 3.12(3)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<p>The Customer Services Process Manager and Meter Data Coordinator confirmed that:</p> <ul style="list-style-type: none"> <li>Every installation contains fuses, which permit the isolation of metering equipment on site to undertake maintenance works</li> <li>Horizon Power's standard practice is to: <ul style="list-style-type: none"> <li>Remove the meter from the customers metering installation and replace with a brand new/reconfigured meter</li> <li>Not undertake testing of meters on site.</li> </ul> </li> <li>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.</li> </ul>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
345	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.12(4)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<p>The Customer Services Process Manager and Meter Data Coordinator confirmed that Horizon Power maintains copies of the required CT and VT drawings connected to its network.</p>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
346	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.13(1)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with this obligation cannot be rated.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
347	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.13(3)(c)</i></p>	<p><i>Obligations 347 and 348</i></p> <p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of Horizon Power's Metrology Procedure, we determined that:</p>			

No.	Obligation under Condition	Findings			
	<table border="1"> <tr> <td data-bbox="248 344 432 392">Priority: 4</td> <td data-bbox="439 344 696 392">Controls rating: NP</td> <td data-bbox="703 344 1055 392">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<ul style="list-style-type: none"> <li>For the interim period until the completion of AMI installation for all meters in 2017, 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</li> </ul>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
348	<p>A check metering installation for a metering point must comply with the prescribed requirements.</p> <p><i>Electricity Industry Metering Code clause 3.13(4)</i></p> <table border="1"> <tr> <td data-bbox="248 596 432 644">Priority: 4</td> <td data-bbox="439 596 696 644">Controls rating: NP</td> <td data-bbox="703 596 1055 644">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<ul style="list-style-type: none"> <li>Horizon Power installs and maintains all meters in-house, including HV installs</li> <li>Policies and procedures, which govern the installation of meters, are designed to align with WA electricity safety standards.</li> </ul> <p>The Customer Services Process Manager confirmed that no check meters or partial check meters were installed by Horizon Power during the audit period.</p>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
349	<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> <p><i>Electricity Industry Metering Code clause 3.14(3)</i></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 2013 audit confirmed that Horizon Power had audited approximately half of its relevant power station and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> <li>Horizon Power had doubts whether some existing metering installations met the accuracy requirements of Table 3 in Appendix 1. We note that those installations 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</li> <li>One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1.</li> </ul> <p>The 2013 audit recommended that Horizon Power rectify the new metering installation to ensure it complied with the accuracy requirements of Table 3 in Appendix 1 of the Metering Code.</p> <p>During the current audit period, the Manager NWIS System advised that:</p> <ul style="list-style-type: none"> <li>Horizon Power does not pay the power station (ATCO) for energy based on volume, but at a flat hourly rate for the use of the machine, irrelevant of how much energy it is producing</li> <li>A substantial investment is required to address the recommendation of the 2013 audit.</li> <li>Horizon Power is developing a business case to install the required generation metering.</li> </ul>			

No.	Obligation under Condition			Findings
	Priority: 2	Controls rating: B	Compliance Rating: 2	
	<p><b>Recommendation 19/2015</b></p> <p>Horizon Power should rectify the new metering installation to ensure it complies with the accuracy requirements of Table 3 in Appendix 1 of the Metering Code.</p>			<p><b>Action Plan 19/2015</b></p> <p>The business case has been delayed due to other urgent works in the NWIS, currently being carried out by the asset management team.</p> <p>It is anticipated that the business case will be finalised by 31 July 2015 and that progression will be subject to funding approval.</p>
355	<p>A network operator must, if reasonably requested by a Code participant, provide enhanced technology features in a metering installation.</p> <p><i>Electricity Industry Metering Code clause 3.20(1)</i></p>			<p>As there were no Code Participants with the capacity to make such a request during the period subject to audit, compliance with this obligation cannot be rated.</p>
356	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.20(3)</i></p>			<p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with this obligation cannot be rated.</p>
357	<p>Meters containing an internal real time clock must maintain time accuracy as prescribed. Time drift must be measured over a period of 1 month.</p> <p><i>Electricity Industry Metering Code clause 3.21(1)</i></p>			<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 Customer Services Process Manager and Meter Data Coordinator and review of Horizon Power's Metrology Procedure, we determined that:</p> <ul style="list-style-type: none"> <li>• Meters supplied to Horizon Power (by Landys and Gyr and EDMI) comply with pattern requirements under the NEMMCO metering group, which address the time accuracy requirements</li> <li>• For Horizon Power's 170 electronically read meters, the MV90 data collection system</li> </ul>

No.	Obligation under Condition	Findings			
		<p>sets the time clock on a bi-monthly basis (each time the meter is connected to the system). The Customer Services Process Manager confirmed that during the audit period, the clocks have been tested on a sample basis and no inaccuracies were found.</p> <ul style="list-style-type: none"> <li>The majority of Horizon Power's meters are mechanical (approximately 32,000), therefore do not contain an internal real time clock</li> <li>The results of the sample meter testing performed by Formway Group did not identify any accuracy issues with Horizon Power's electronic meters.</li> </ul> <p>We note that Horizon Power has initiated the process of rolling out AMI installations, which is expected to be completed in December 2016.</p>			
	<table border="1"> <tr> <td>Priority: 2</td> <td>Controls rating: A</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 2	Controls rating: A	Compliance Rating: 1	
Priority: 2	Controls rating: A	Compliance Rating: 1			
358	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.21(2)</i></p>	<p>Section 2.2.6 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> <p>The Customer Services Process Manager confirmed that Horizon Power has no sites in service that needed to comply with this obligation during the period under audit.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
359	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.22</i></p>	<p>Through confirmation with the Customer Services Process Manager and Meter Data Coordinator and examination of Horizon Power's Metrology Procedure and mData21, we determined that Horizon Power:</p> <ul style="list-style-type: none"> <li>Has recognised its requirement to maintain a licence for access to applicable metering software within its Metrology Procedure (section 2.2.8)</li> <li>Manages all metering activities in-house including maintenance of metering database, mData21, where Horizon Power owns the licence to operate.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
360	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.23(a)</i></p>	<p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with these obligations cannot be rated.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
361	<p>Where signals are provided from the meter for the user or the user's</p>				

No.	Obligation under Condition	Findings
	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.23(b)</i></p>	
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
362	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.24A(1)</i></p>	<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>
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
363	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.24B(1)</i></p>	
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
364	<p>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.</p> <p><i>Electricity Industry Metering Code clause 3.27</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of Horizon Power's Metrology Procedure and WA Distribution Connections Manual, we determined that Horizon Power's:</p> <ul style="list-style-type: none"> <li>• Processes provide for installing and maintaining all metering installations in-house. This applied to the entire audit period</li> <li>• WA Distribution and Connections Manual prohibits authorisation of a third party to connect into Horizon Power's network without approval</li> <li>• Inspectors inspect installations according to WA electricity safety standards.</li> </ul>
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: 1</p>	

No.	Obligation under Condition	Findings
365	A network operator must publish a list of registered metering installation providers, including the prescribed details, and at least annually, update the list. <i>Electricity Industry Metering Code clause 3.29</i>	<ul style="list-style-type: none"> <li>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of Horizon Power's WA Distribution Connections Manual, we determined that Horizon Power performs all metering installations and maintenance in-house and this information is available on Horizon Power's website. This applied to the entire audit period.</li> </ul>
	Priority: 4	
366	A network operator must establish, maintain and administer a metering database containing, for each metering point on its network, standing data and energy data. <i>Electricity Industry Metering Code clause 4.1(1)</i>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of mData21 system, we determined that:</p> <ul style="list-style-type: none"> <li>Horizon Power maintains and administers all metering services in-house, including the metering database mData21</li> <li>mData21 is capable of ensuring installation, upgrade, change and removal of meters is managed and that standing data and energy data is provided.</li> </ul>
	Priority: 4	
367	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. <i>Electricity Industry Metering Code clause 4.1(2)</i>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and examination of mData21, we determined that Horizon Power manages all metering services in-house, including the metering database mData21, which is secured in accordance with good electricity industry practice, including:</p> <ul style="list-style-type: none"> <li>Restricted access to mData21 can only be approved by the Meter Services Manager</li> <li>Appropriate firewalls and system protection surrounds the metering database</li> <li>All meters have tamper proof devices installed.</li> </ul>
	Priority: 4	
368	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. <i>Electricity Industry Metering Code clause 4.1(3)</i>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and review of Horizon Power's Metrology Procedure and IT Disaster Declaration and Execution Plan, we determined that:</p> <ul style="list-style-type: none"> <li>Section 3.12.1 of 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</i></li> </ul>

No.	Obligation under Condition	Findings			
		<p><i>day of any disaster:</i></p> <ul style="list-style-type: none"> <li>a) <i>The metering database can be rebuilt; and</i></li> <li>b) <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></li> </ul> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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.</li> <li>• Horizon Power’s Customer Services Process Manager has confirmed that the Disaster Recovery Plan was tested during the audit period.</li> </ul>			
	<table border="1"> <tr> <td data-bbox="248 624 432 687">Priority: 4</td> <td data-bbox="439 624 696 687">Controls rating: NP</td> <td data-bbox="703 624 1055 687">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
370	<p>The standing data for a metering point must comprise at least the items specified.</p> <p><i>Electricity Industry Metering Code clause 4.3(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and walkthrough of mData21, we determined that Horizon Power manages and maintains all meters and the metering database in-house.</p> <p>The Meter Services Manager confirmed that Horizon Power’s metering systems, mData21 and Velocity, allow for the specified standing data to be appropriately recorded.</p>			
	<table border="1"> <tr> <td data-bbox="248 852 432 900">Priority: 4</td> <td data-bbox="439 852 696 900">Controls rating: NP</td> <td data-bbox="703 852 1055 900">Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
371	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.4(1)</i></p>	<p><i>Obligations 371, 374 and 375</i></p> <p>As there were no Code Participants with the capacity to make such a request during the period subject to audit, compliance with these obligations cannot be rated.</p>			
	<table border="1"> <tr> <td data-bbox="248 1136 432 1176">Priority: 5</td> <td data-bbox="439 1136 696 1176">Controls rating: NP</td> <td data-bbox="703 1136 1055 1176">Compliance Rating: NR</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: NR	
Priority: 5	Controls rating: NP	Compliance Rating: NR			
374	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.6(1)</i></p>				

No.	Obligation under Condition	Findings			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
375	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.6(2)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
376	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.7</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	<p><i>Obligations 376 and 377</i></p> <p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with these obligations cannot be rated.</p>
Priority: 4	Controls rating: NP	Compliance Rating: NR			
377	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.8(3)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
378	A network operator must allow a user who is a retailer or a generator to	Through discussions with the Customer Services Process Manager and Meter Data			

No.	Obligation under Condition	Findings
	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.8(3A)</i></p>	<p>Coordinator and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> <li>• Horizon Power manages its own metering database in-house</li> <li>• As Horizon Power is both the network operator and the sole retailer, appropriate access is provided for retail activities</li> <li>• There are no generators that are users on Horizon Power’s network who would require access into the metering database.</li> </ul>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
379	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.8(4)(a)</i></p>	<p><i>Obligations 379 to 381</i></p> <p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and walkthrough of mData21, we determined that Horizon Power manages all metering services in-house, including installations and the metering database mData21, where:</p> <ul style="list-style-type: none"> <li>• Access to mData21 (including electronic passwords) is only issued to the specified authorised personnel</li> <li>• Restricted access to mData21 can only be approved by the Meter Services Manager and all records of electronic passwords and security controls are kept secure</li> <li>• Appropriate firewalls and system protection surrounds the metering database to prevent unauthorised access</li> <li>• All meters have tamper proof devices installed.</li> </ul>
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
380	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.8(4)(a)</i></p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
381	<p>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.</p> <p><i>Electricity Industry Metering Code clause 4.8(5)</i></p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: 1</p>	
382	<p>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</p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and walkthrough of mData21, we determined that Horizon Power manages all metering services in-house, including the metering database mData21, where all data relating</p>

No.	Obligation under Condition	Findings
	level of accessibility, prescribed. <i>Electricity Industry Metering Code clause 4.9</i>	to each metering point on its network has been maintained since disaggregation in 2006. We observed that the level of accessibility prescribed is achieved.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
383	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. <i>Electricity Industry Metering Code clause 5.1 (1)</i>	<i>Obligations 383 and 384</i> As there were no Code Participants with the capacity to make such a request during the period subject to audit, compliance with these obligations cannot be rated.
	Priority: 5      Controls rating: NP      Compliance Rating: NR	
384	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. <i>Electricity Industry Metering Code clause 5.1(2)</i>	
	Priority: 5      Controls rating: NP      Compliance Rating: NR	
385	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). <i>Electricity Industry Metering Code clause 5.3</i>	Through discussions with the Customer Services Process Manager and Meter Data Coordinator and walkthrough of mData21, we determined that during the audit period, Horizon Power has performed all meter reading activities in-house. Meter readers upload all actual read data directly into Horizon Power's metering database mData21 on the same day, thereby meeting the two business day requirement.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
386	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	<i>Obligations 386 and 387</i>

No.	Obligation under Condition	Findings
	<p>value that passes the validation processes in Appendix 2.</p> <p><i>Electricity Industry Metering Code clause 5.4(1)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and walkthrough of mData21, we determined that during the audit period, Horizon Power has administered and managed all meter reading activities in-house.</p> <p>We also identified that mData21 is Horizon Power's metering database has been programmed 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"> <li>• Four consecutive bi-monthly billing cycles (eight months)</li> <li>• Seven monthly billing cycles.</li> </ul>
	<p>Priority: 2</p> <p>Controls rating: B</p> <p>Compliance Rating: 2</p>	
387	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.4(1A)</i></p>	<p>However, through examination of the Customer Services Dashboard report and audit testing, we identified a worsening trend in the number of accounts with no actual read in 12 months. The Meter Data Coordinator advised that as a result of recent staff changes at Horizon Power, exceptions monitoring has not been effectively followed up, resulting in a worsening trend in the outstanding meter read accounts.</p> <p>We note that during the current audit period Horizon Power has initiated the process of replacing its current meters with AMI, with an anticipated completion date of December 2016. Following completion of AMI installation, all reads will be performed remotely without the need for conducting meter reading by sending out Field Services crew.</p> <p><i>Refer to recommendation 5/2015 at obligation 158 for detailed findings, recommendation and action plan.</i></p>
	<p>Priority: 2</p> <p>Controls rating: B</p> <p>Compliance Rating: 2</p>	
389	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.5(2)</i></p>	<p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with this obligation cannot be rated.</p>
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
390	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.5(2A)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, we determined that if Horizon Power is contacted to provide standing data or energy data:</p> <ul style="list-style-type: none"> <li>• The request is resolved whilst on the phone with the person, therefore complying with</li> </ul>

No.	Obligation under Condition	Findings			
		<p>timeframe requirements</p> <ul style="list-style-type: none"> <li>In the event that requests are in writing, information is sent to the customer on the day of request</li> <li>All information is provided at no charge.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
391	<p>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).</p> <p><i>Electricity Industry Metering Code clause 5.6(1)</i></p>	<p><i>Obligations 391 to 394</i></p> <p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with these obligations cannot be rated.</p>			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: NR	
Priority: 5	Controls rating: NP	Compliance Rating: NR			
392	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.7</i></p>				
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
393	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.8</i></p>				
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
394	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.9</i></p>				

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
396	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.11</i></p>			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. However, until such time as another retailer enters the market, this obligation remains not rateable.
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
397	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.12(1)</i></p>			<p><i>Obligations 397 to 399</i></p> <p>As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with these obligations cannot be rated.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
398	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.13</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
399	<p>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</p>			

No.	Obligation under Condition	Findings
	prescribed. <i>Electricity Industry Metering Code clause 5.14(3)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
400	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. <i>Electricity Industry Metering Code clause 5.15</i>	As there were no Code Participants with the capacity to make such a request during the period subject to audit, compliance with this obligation cannot be rated.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
403	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). <i>Electricity Industry Metering Code clause 5.17A(1)</i>	<i>Obligations 403 and 404</i> Through discussions with the Customer Services Process Manager and Meter Data 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. The Customer Services Process Manager confirmed that no such directions were received by Horizon Power from a customer during the period under audit.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
404	A network operator must comply with a direction under subclause 5.17A(1) within the timeframes prescribed. <i>Electricity Industry Metering Code clause 5.17A(3)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
409	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. <i>Electricity Industry Metering Code clause 5.19(5)</i>	As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with these obligations cannot be rated.
	Priority: 4      Controls rating: NP      Compliance Rating: NR	
411	A network operator must, by not later than 6 months after the date this	<i>Obligations 411 to 415</i>

No.	Obligation under Condition	Findings
	<p>Code applies to the network operator, develop, in accordance with the communication rules, an Energy Data Verification Request Form.</p> <p><i>Metering Code clause 5.20(1)</i></p>	As there were no Code Participants with the capacity to make such a request during the period subject to audit, compliance with these obligations cannot be rated.
	<p>Priority: 4      Controls rating: NP      Compliance Rating: NR</p>	
412	<p>An Energy Data Verification Request Form must require a Code participant to provide the information prescribed.</p> <p><i>Electricity Industry Metering Code clause 5.20(2)</i></p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: NR</p>	
413	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.20(4)</i></p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: NR</p>	
414	<p>A network operator must comply with any reasonable request under subclause 5.21(1)</p> <p><i>Electricity Industry Metering Code clause 5.21(2)</i></p>	
	<p>Priority: 4      Controls rating: NP      Compliance Rating: NR</p>	
415	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.21(4)</i></p>	

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
418	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.21(8)</i></p>			<p><i>Obligations 418 to 421</i></p> <p>As there were no Code Participants with the capacity to make such a request during the period subject to audit, compliance with these obligations cannot be rated.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
419	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.21(9)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
420	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.21(11)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
421	<p>The original stored error correction data in a meter must not be altered except during accuracy testing and calibration of a metering installation.</p> <p><i>Electricity Industry Metering Code clause 5.21(12)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
422	<p>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</p>			<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator and walkthrough of mData21, we determined that Horizon Power:</p> <ul style="list-style-type: none"> <li>• Performs all management and maintenance of meters in-house</li> </ul>

No.	Obligation under Condition	Findings	
	<p>rules and procedures set out in Appendix 3. <i>Electricity Industry Metering Code clause 5.22(1)</i></p>	<ul style="list-style-type: none"> <li>Substitutes, estimates or validates energy data in accordance with its Metrology Procedure where an actual reading has not been obtained, or the actual reading has failed validation (section 3.4)</li> <li>We note that 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.</li> </ul> <p>The Customer Services Process Manager confirmed that Mdata21 is a metering data management system that has been developed based on the rules for substitution, estimate and validation according to the metering code and the WEM. The system was recently audited under the asset management system audit in 2014 and was deemed to be in full compliance.</p>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1
423	<p>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. <i>Electricity Industry Metering Code clause 5.22(2)</i></p>	<p>The Customer Services Process Manager 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.</p> <p>The Customer Services Process Manager confirmed that Mdata21 is a metering data management system that has been developed based on the rules for substitution, estimate and validation according to the metering code and the WEM. The system was recently audited under the asset management system audit in 2014 and was deemed to be in full compliance.</p>	
	Priority: 4	Controls rating: NP	Compliance Rating: 1
424	<p>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. <i>Electricity Industry Metering Code clause 5.22(3)</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, examination of Horizon Power's Metrology Procedure and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> <li>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 (section 3.4)</li> <li>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 and appear to be consistent with good electricity industry practice.</li> </ul> <p>The Customer Services Process Manager confirmed that Mdata21 is a metering data management system that has been developed based on the rules for substitution, estimate and</p>	

No.	Obligation under Condition	Findings			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	validation according to the metering code and the WEM. The system was recently audited under the asset management system audit in 2014 and was deemed to be in full compliance.
Priority: 4	Controls rating: NP	Compliance Rating: 1			
425	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.22(4)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	As Horizon Power did not have any users accessing its networks during the period subject to audit, compliance with these obligations cannot be rated.
Priority: 4	Controls rating: NP	Compliance Rating: NR			
426	<p>Substitution or estimation of energy data is required when energy data is missing, unavailable or corrupted, including in the circumstances described in this subclause.</p> <p><i>Electricity Industry Metering Code clause 5.22(5)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	<p><i>Obligations 426 – 429</i></p> <p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, examination of Horizon Power’s Metrology Procedure and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> <li>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 (section 3.4)</li> <li>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 and appear to be consistent with good electricity industry practice.</li> </ul> <p>The Customer Services Process Manager confirmed that Mdata21 is a metering data management system that has been developed based on the rules for substitution, estimate and validation according to the metering code and the WEM. The system was recently audited under the asset management system audit in 2014 and was deemed to be in full compliance.</p>
Priority: 4	Controls rating: NP	Compliance Rating: 1			
427	<p>A network operator must review all validation failures before undertaking any substitution.</p> <p><i>Electricity Industry Metering Code clause 5.22(6)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
428	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.23(1)</i></p> <table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
429	<p>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.</p>				

No.	Obligation under Condition	Findings
	<i>Electricity Industry Metering Code clause 5.23(3)</i>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
430	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.24(1)</i></p>	<p><i>Obligations 430 – 432</i></p> <p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, examination of Horizon Power’s Metrology Procedure and walkthrough of mData21, we determined that:</p> <ul style="list-style-type: none"> <li>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 (section 3.4)</li> <li>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 and appear to be consistent with good electricity industry practice.</li> </ul> <p>The Customer Services Process Manager confirmed that Mdata21 is a metering data management system that has been developed based on the rules for substitution, estimate and validation according to the metering code and the WEM. The system was recently audited under the asset management system audit in 2014 and was deemed to be in full compliance.</p>
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
431	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.24(2)</i></p>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
432	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.24(3)</i></p>	
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
433	A network operator (acting in accordance with good electricity industry practice) must consider any reasonable request from a Code participant	As there were no Code Participants with the capacity to make such a request during the period

No.	Obligation under Condition	Findings	
	for an estimated or substituted value to be replaced under subclause 5.24. <i>Electricity Industry Metering Code clause 5.24(4)</i>	subject to audit, compliance with this obligation cannot be rated.	
	Priority: 4	Controls rating: NP	Compliance Rating: NR
434	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. <i>Electricity Industry Metering Code clause 5.25</i>	Through discussions with the Customer Services Process Manager and Meter Data Coordinator, examination of Horizon Power's Metrology Procedure and walkthrough of mData21, we determined that: <ul style="list-style-type: none"> <li>• 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 (section 3.4)</li> <li>• 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 and appear to be consistent with good electricity industry practice.</li> </ul> The Customer Services Process Manager confirmed that Mdata21 is a metering data management system that has been developed based on the rules for substitution, estimate and validation according to the metering code and the WEM. The system was recently audited under the asset management system audit in 2014 and was deemed to be in full compliance.	
	Priority: 4	Controls rating: NP	Compliance Rating: 1
436	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. <i>Electricity Industry Metering Code clause 5.29</i>	<i>Obligations 436 and 437</i> From August 2012, Horizon Power has terminated all contractual arrangements with Electricity Networks Corporation (Western Power) as its Metering Data Agent and now performs all metering services in-house. Therefore compliance with these obligations cannot be rated.	
	Priority: 4	Controls rating: NP	Compliance Rating: NR
437	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. <i>Electricity Industry Metering Code clause 5.30(1)</i>		

No.	Obligation under Condition			Findings
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
441	<p>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.</p> <p><i>Electricity Industry Metering Code clause 5.37(1)(a)</i></p>			<p>As Horizon Power has not been contracted to provide metering services to any user at one or more connection points on its network, Horizon Power is not required to prepare and submit such a report for the audit period under the requirements of Division 5.5 of the Metering Code. As such, compliance with these obligations cannot be rated.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
442	<p>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).</p> <p><i>Electricity Industry Metering Code clause 5.37(1)(b)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
443	<p>A network operator must publish the report described in subclause 5.37(1) within 3 months after the year ends.</p> <p><i>Electricity Industry Metering Code clause 5.37(1)(b)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
444	<p>The report prepared by the network operator must include the information prescribed.</p> <p><i>Electricity Industry Metering Code clause 5.37(2)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
445	<p>For each relevant metering service, the information in subclause 5.37(2) must be reported separately for the specified classes of connection point.</p> <p><i>Electricity Industry Metering Code clause 5.37(3)</i></p>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	

No.	Obligation under Condition	Findings			
446	<p>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).</p> <p><i>Electricity Industry Metering Code clause 5.38</i></p>	<p>Through discussions with the Customer Services Process Manager and Meter Data Coordinator, we determined that:</p> <ul style="list-style-type: none"> <li>For the period subject to audit, Horizon Power has not been required to prepare a report under subclause 5.37(2)</li> <li>Horizon Power has processes in place that facilitate the appropriate recording of information required for the purposes of reporting under subclause 5.37(2).</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
447	<p>A network operator must, in relation to its network, comply with the agreements, rules, procedures, criteria and processes prescribed.</p> <p><i>Electricity Industry Metering Code clause 6.1(1)</i></p>	<p>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, Metrology Procedure, Mandatory Link Criteria and any relevant Service Level Agreement.</p> <p>Our consideration of Horizon Power's compliance with those relevant documents is detailed in the Metering Code findings above. The Customer Services Process Manager confirmed that as Horizon Power is not supplying electricity to other users or to persons other than residential and business customers, it does not have any service level agreements, communication rules or registration process.</p> <p>During the period subject to audit, Horizon Power has formally notified the Authority and the Public Utilities Office of the status of its Metering Management Plan and Draft Metrology procedure and has initiated the process of rolling out AMI Installations to replace its current meters.</p>			
	<table border="1"> <tr> <td>Priority: 2</td> <td>Controls rating: A</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 2	Controls rating: A	Compliance Rating: 1	
Priority: 2	Controls rating: A	Compliance Rating: 1			
449	<p>A network operator must amend any document in accordance with the Authority's final findings.</p> <p><i>Electricity Industry Metering Code clause 6.20(4)</i></p>	<p><i>Obligations 449 and 450</i></p> <p>The Customer Services Process Manager confirmed that during the audit period, Horizon Power was not required to amend any document in accordance with the Authority's findings. As such, compliance with these obligations cannot be rated.</p>			
	<table border="1"> <tr> <td>Priority: 5</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 5	Controls rating: NP	Compliance Rating: NR	
Priority: 5	Controls rating: NP	Compliance Rating: NR			
450	<p>The network operator must publish any document that has been amended under subclause 6.20(4).</p> <p><i>Electricity Industry Metering Code clause 6.20(5)</i></p>				
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
452	<p>A network operator must notify each Code participant of its initial</p>	<p>The Customer Services Process Manager confirmed that Horizon Power has not made any</p>			

No.	Obligation under Condition	Findings
	<p>contact details and of any change to its contact details at least 3 business days before the change takes effect.</p> <p><i>Electricity Industry Metering Code clause 7.2(2)</i></p>	changes to its contact details during the period.
	<p>Priority: 4</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
457	<p>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.</p> <p><i>Electricity Industry Metering Code clause 8.1(1)</i></p>	<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 Horizon Power managed and administered all meter reading activities in-house during the period under audit, Horizon Power could not have had a dispute with any of the relevant parties.</p> <p>Horizon Power also cannot have a dispute with the generator as they do not have a check meter read in place.</p> <p>Accordingly, an assessment of compliance with clauses 8.1 and 8.3 cannot be made.</p>
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
458	<p>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.</p> <p><i>Electricity Industry Metering Code clause 8.1(2)</i></p>	<p><i>Obligations 458 to 461</i></p> <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 Horizon Power managed and administered all meter reading activities in-house during the period under audit, Horizon Power could not have had a dispute with any of the relevant parties.</p>
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	<p>Horizon Power also cannot have a dispute with the generator as they do not have a check meter read in place.</p>
459	<p>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.</p> <p><i>Electricity Industry Metering Code clause 8.1(3)</i></p>	Accordingly, an assessment of compliance with clauses 8.1 and 8.3 cannot be made.
	<p>Priority: 5</p> <p>Controls rating: NP</p> <p>Compliance Rating: NR</p>	
460	<p>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</p>	

No.	Obligation under Condition	Findings	
	the resolution. <i>Electricity Industry Metering Code clause 8.1(4)</i>		
	Priority: 4	Controls rating: NP	Compliance Rating: NR
461	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1). <i>Electricity Industry Metering Code clause 8.3(2)</i>		
	Priority: 5	Controls rating: NP	Compliance Rating: NR

## 4.9 Electricity Industry (Network Quality and Reliability of Supply) Code

No.	Obligation under Condition	Findings
462	<p>A distributor or transmitter must, as far as reasonably practicable, ensure that electricity supply to a customer's electrical installations complies with prescribed standards.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 5(1)</i></p>	<p><i>Obligations 462 to 468</i></p> <p>Through our:</p> <ul style="list-style-type: none"> <li>Discussions with the Customer Services Process Manager and Manager Asset Management Support</li> <li>Consideration of Horizon Power's Poweron Fusion system</li> <li>Examination of Horizon Power's Asset Management System Reference Document, Technical Rules handbook, Monthly Asset Management Report, Power Quality Investigation handbook and associated Independent Auditor reports</li> <li>Examination of Horizon Power's 2013 and 2014 performance reports and website on its supply quality service level</li> </ul> <p>we determined that Horizon Power has implemented systems and processes for:</p> <ul style="list-style-type: none"> <li>As far as reasonably practicable ensuring that: <ul style="list-style-type: none"> <li>Electricity supply conforms with the following standards at power stations: <ul style="list-style-type: none"> <li>AS/NZS 61000.3.2:2007 for harmonic voltage and current distortion</li> <li>TR IEC 61000.3.6:2012 for connecting large distorting loads (producing harmonics and/or inter harmonics)</li> </ul> </li> <li>Transmission and distribution system performance is governed by technical rules that are consistent with good electricity industry practice and relevant laws and statutory instruments</li> <li>Frequencies and voltage are within the levels prescribed in the Technical Rules handbook</li> <li>Voltage and harmonic distortion are monitored at the substation level and temporary power quality monitoring equipment is installed on the network at specific problem areas identified by customer quality complaints. Although complaint-driven presently, the monitoring mechanism is expected to receive a significant boost with the completion of AMI installation by the end of 2016</li> <li>Electricity supply is disconnected from customer premises if supply quality is not according to the prescribed standards, particularly if it presents a safety issue or the potential to damage assets</li> </ul> </li> </ul>
	<p>Priority:5      Controls rating: NP      Compliance Rating: 1</p>	
463	<p>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.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 8</i></p>	
	<p>Priority:5      Controls rating: NP      Compliance Rating: 1</p>	
464	<p>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.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 9</i></p>	
	<p>Priority:5      Controls rating: NP      Compliance Rating: 1</p>	
465	<p>A distributor or transmitter must, so far as reasonably practicable, reduce the effect of any interruption on a customer.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 10(1)</i></p>	
	<p>Priority:5      Controls rating: NP      Compliance Rating: 1</p>	
466	<p>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.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code</i></p>	

	2005 clause 10(2)			
	Priority:5	Controls rating: NP	Compliance Rating: 1	
467	A distributor must take prescribed action in the event of a significant interruption to a small use customer. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 12(3)</i>			
	Priority:4	Controls rating: NP	Compliance Rating: 1	
468	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(2)</i>			
	Priority:5	Controls rating: NP	Compliance Rating: 1	
469	The average total length of interruptions of supply is to be calculated using the specified method. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 13(3)</i>			<ul style="list-style-type: none"> <li>○ Electricity supply is reliable and occurrence and duration of interruptions are minimised by installing automated devices such as re-closers at strategic points of the network, which can automatically lock down and restart the system</li> <li>○ Strategies are in place to mitigate the effect of interruption on customers, including using alternative means of providing power, such as generators, where required</li> <li>○ The cause(s) of interruption are investigated, remedied, or an alternative arrangement is entered into with the customer, to the customer's satisfaction</li> <li>○ Customers in 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 160 and 290 minutes respectively. 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</li> <li>○ Supply interruptions to customers are monitored and recorded for internal analysis and also used to calculate the Customer Average Interruption Duration Index (CAIDI), System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI). These indices are reported annually in the performance report on Network Quality and Reliability of Supply</li> </ul> <ul style="list-style-type: none"> <li>● Calculating the average total length of interruptions of supply according to the method specified in Clause 13 of the Code, using the 4 year average figure, which is reported to the Authority</li> </ul> <p>We note that the 2013 and 2014 Network Quality and Reliability of Supply Audit Reports:</p> <ul style="list-style-type: none"> <li>● Concluded that the systems and processes within Horizon Power satisfy the requirements of Part 2 of the Network Quality and Reliability of Supply Code</li> <li>● Concluded that the audit recommendations from previous audits have been addressed by Horizon Power</li> <li>● Identified improvement opportunities relating to: <ul style="list-style-type: none"> <li>○ Monitoring of planned and unplanned interruptions that are in excess of 4 or 6 hours in duration (completed)</li> <li>○ Remediation of causes of excessive interruption frequency (completed)</li> <li>○ Monitoring of compliance with flicker and voltage harmonics criteria (in progress).</li> </ul> </li> </ul>

	Priority:4	Controls rating: NP	Compliance Rating: 1	
470	<p>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.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 14(8)</i></p>			<p>The Customer Services Process Manager confirmed that no relevant instrument has been issued by the Minister during the period under audit. Therefore, an assessment of Horizon Power's compliance with these obligations cannot be made for the period subject to audit.</p>
	Priority:4	Controls rating: NP	Compliance Rating: NR	
471	<p>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.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 15(2)</i></p>			<p>The Customer Services Process Manager confirmed that no provisions of the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 have been excluded or modified by Horizon Power during the period under audit. Therefore, an assessment of Horizon Power's compliance with this obligation cannot be made for the period subject to audit.</p>
	Priority:4	Controls rating: NP	Compliance Rating: NR	
472	<p>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.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 18</i></p>			<p>Through consideration of Horizon Power's Poweron Fusion system and discussions with the Customer Services Process Manager and Manager Asset Management Support, we determined that:</p> <ul style="list-style-type: none"> <li>• Poweron Fusion is the existing source of information on supply interruptions. As Poweron Fusion system's 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</li> <li>• 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</li> <li>• Applications for planned outage payments are maintained on a spreadsheet register by the Customer Services Process Manager</li> <li>• Payments are managed by Customer Care.</li> </ul> <p>The 2012/13 Network Quality and Reliability of Supply Performance Report showed that for the year ending 30 June 2013, only one payment was made to a customer for failure to give</p>

			required notice for planned interruption. The Customer Services Process Manager confirmed that the payment was made within the 30 day requirement. No such payment was required to be made for the year ended 30 June 2014, as per the 2013/14 Network Quality and Reliability of Supply Performance Report.
	Priority:4	Controls rating: NP	Compliance Rating: 1
473	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 19</i>		<p>Clause 19 of the Electricity Industry (Network Quality &amp; Reliability of Supply) Code stipulates that extended outage payments are to be made within 30 days of the customer's application.</p> <p>During the audit period 1 April 2013 to 30 June 2014, Horizon Power made 93 extended outage payments. All these payments were made within the 30 day requirement.</p> <p>However, during the period 1 July 2014 to 31 March 2015, Horizon Power received 945 applications for extended outage payments, all relating to Cyclone Olwyn in March 2015. Of those 945 applications, 11 payments were made after the 30 days requirement.</p> <p>We note that, consistent with the recommended action plan 20 from the previous audit, the spreadsheet has been structured to measure the timeframe since application in order to monitor compliance with the payment timeframe requirements.</p> <p>However, we also identified that from 1 July 2014, the extended outage payments are maintained within the service standard payments register (relating to Part 14 of the Code of Conduct) and although the spreadsheet has the relevant structure to measure timeframe since application, we observed a lack of monitoring, indicated by:</p> <ul style="list-style-type: none"> <li>• 12 instances of missing date for when payment was processed</li> <li>• 18 instances where the application received date was entered incorrectly</li> <li>• Absence of validation column to track business days since receipt of application.</li> </ul> <p>As such, Horizon Power cannot demonstrate compliance with the requirements of clause 19 of the Code.</p> <p>The Customer Services Process Manager advised that Horizon Power's current processes did identify the approaching deadlines for the payments made after the 30 day requirement. However, due to the volume of payments that had to be processed within the 30 day timeframe and despite the use of additional resources by the processing officer, some of the payments could not be made in the required time frame.</p>
	Priority:2	Controls rating: B	Compliance Rating: 2
	<b>Recommendation 20/2015</b> Horizon Power should reinforce the requirement to monitor compliance		<b>Action Plan 20/2015</b> Reinforce the requirement to monitor compliance with processing extended outage payments

	with processing extended outage payments within the required timeframes by accurately maintaining the Extended Outage Payment Scheme Spreadsheet.	within the required timeframes <b>Responsible Person:</b> Retail Service Manager <b>Target Date:</b> 30 September 2015
474	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(1)</i>	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.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
475	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(2)</i>	<i>Obligations 475 and 476</i> Horizon Power's Customer Service Charter, which was last updated in May 2012, contains the required information on the: <ul style="list-style-type: none"> <li>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)</li> <li>Methods available to a customer to apply for payments in relation to section 18 and section 19</li> <li>Manner in which the customer's application will be dealt with by Horizon Power.</li> </ul> At the date of the audit Horizon Power had not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers. The existing controls were not adequate to ensure the provision of required details to its customers and require improvement. However, following the audit Horizon Power has taken corrective action by publishing the required obligation in the <i>On the Horizon</i> newsletter.
	Priority: 4      Controls rating: NP      Compliance Rating: 1	
476	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(3)</i>	
	Priority: 4      Controls rating: B      Compliance Rating: 2	
	<b>Recommendation 21/2015</b> Horizon Power should identify and implement improved controls to ensure that details of its obligations about payments for failure to meet the requirements in clauses 18 and 19 of the Network Quality & Reliability of Supply Code 2005 are published in the 'On the Horizon' Newsletter at least once a financial year in accordance with the requirements of clause 21(3) of the Code.	<b>Action Plan 21/2015</b> Ensure that details of Horizon Power's obligations about payments for failure to meet the requirements in clauses 18 and 19 of the Network Quality & Reliability of Supply Code 2005 is published in the 'On the Horizon' Newsletter at least once a financial year in accordance with the requirements of clause 21(3) of the Code.  <b>Responsible Person:</b> Manager Asset Management Support

		<b>Target Date:</b>	31 July 2015
477	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(1)</i>		Through discussion with the Manager Asset Management Support, 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 Poweron Fusion, SCADA, feeders and other monitoring systems at power stations as reasonably necessary to ensure compliance with specific requirements.  Refer also to detailed findings for obligations 462 to 469.
	Priority: 5	Controls rating: NP	Compliance Rating: 1
478	A distributor or transmitter must keep records of information regarding its compliance with specific requirements for the period specified. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 23(2)</i>		The Manager Asset Management Support confirmed that the Network Quality data is stored on Horizon Power's data management system indefinitely.
	Priority: 4	Controls rating: NP	Compliance Rating: 1
479	A distributor or transmitter must complete a quality investigation requested by a customer in accordance with specified requirements. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(3)</i>		<i>Obligations 479 and 480</i> Through discussion with the Customer Services Process Manager and Manager Asset Management Support and consideration of Horizon Power's Power Quality Investigation Handbook and Electricity Compliance Manual Datasheets, we determined that Horizon Power has procedures in place for: <ul style="list-style-type: none"> <li>• Completing power quality investigations upon request by a customer. Horizon Power records such requests as Technical Quality of Supply (QoS) complaints</li> <li>• Reporting the results of the quality investigation to the customer. The Customer Services Process Manager also confirmed that all complaints are logged and reported in the customer information system along with a record of contact dates and memos attached to the account.</li> </ul> We note that Horizon Power reported a total of 31 Technical QoS complaints for the 2013/14 financial year.
	Priority: 4	Controls rating: NP	Compliance Rating: 1
480	A distributor or transmitter must report the results of an investigation to the customer concerned. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 24(4)</i>		
	Priority: 4	Controls rating: NP	Compliance Rating: 1
481	A distributor or transmitter must make available, at no cost, a copy of a		Horizon Power's website makes specific reference to its complaints handling process,

	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(2)</i>	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.	
	Priority:4	Controls rating: NP	Compliance Rating: 1
482	A document setting out a distributor's or transmitter's complaint handling process must contain the specified information. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 25(3)</i>	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.	
	Priority:4	Controls rating: NP	Compliance Rating: 1
483	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. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 26</i>	For the 2012/13 and 2013/14 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. This audit report specifically concluded that those systems are in compliance with the Code.	
	Priority:4	Controls rating: NP	Compliance Rating: 1
484	A distributor or transmitter must prepare and publish a report about its performance in accordance with specified requirements. <i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1)</i>	Through discussion with the Manager Asset Management Support and review of 2012/13 and 2013/14 Network Quality and Reliability of Supply Performance Reports, we determined that those reports were prepared in accordance with the specified requirements of clause 27(1). The Manager Asset Management Support confirmed that the 2012/13 and 2013/14 Network Quality and Reliability of Supply Performance Reports were published on Horizon Power's website by the due date of 1 October each year. However, we note that Horizon Power is unable to provide evidence to demonstrate that those reports were published on its website by the required due date. <i>Refer to recommendation 2/2015 at obligation 124 in relation to maintaining relevant records to demonstrate compliance with regulatory due dates of submission and publication.</i>	
	Priority:4	Controls rating: B	Compliance Rating: 1

485	<p>A distributor or transmitter must give a copy of its report about its performance to the Minister and the Authority within the specified period.</p> <p><i>Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(3)</i></p>	<p>Through discussion with the Manager Asset Management Support and examination of relevant emails, we determined that the:</p> <ul style="list-style-type: none"> <li>• 2013/14 Network Quality and Reliability of Supply Performance Report was sent to the Authority and the Minister via email on 22 September and 23 September respectively, 7 days prior to the report being published on Horizon Power’s website.</li> <li>• 2012/13 Network Quality and Reliability of Supply Performance Report was presented to the Authority and the Minister on 23 September 2013 via email at least 7 days prior to the report being published on Horizon Power’s website.</li> </ul> <p>However, we identified that Horizon Power’s current process for keeping track of regulatory due dates is primarily dependant on periodic reminders from the Authority on approaching due dates and by means of recurring reminders in individual staff calendars.</p> <p>Owing to the different types of reports that need to be submitted and published within distinct time frames by different departments (example Code of Conduct reports by customer services team, and Network Quality and Reliability of Supply reports by Asset Support team), there is no centralised system to:</p> <ul style="list-style-type: none"> <li>• Track approaching due dates</li> <li>• Record actual dates of submission and publication to effectively demonstrate compliance with those due dates.</li> </ul> <p><i>Refer to recommendation 2/2015 at obligation 124 in relation to establishing a centralised Compliance Register to record and track various regulatory due dates.</i></p>	
	Priority:4	Controls rating: B	Compliance Rating: 1

## 4.10 Electricity Licences - Licensee Specific Conditions and Obligations

No.	Obligation under Condition	Findings			
486	<p>The licensee must submit to the Coordinator a draft renewable source electricity contract by the time specified in the Act or by the Coordinator.</p> <p><i>Electricity Industry (Licence Conditions) Regulations regulation 8</i></p>	<p>During discussions with the Retail Services Manager we determined that this obligation is non rateable as Horizon Power has not submitted a draft renewable contract to the Coordinator during the audit period.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: NR</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: NR	
Priority: 4	Controls rating: NP	Compliance Rating: NR			
487	<p>The licensee must comply with a direction by the Coordinator to submit an amendment to the renewable source electricity contract by the time specified.</p> <p><i>Electricity Industry (Licence Conditions) Regulations regulation 8</i></p>	<p>During discussions with the Retail Services Manager we determined that the Co-ordinator of Energy approved new prices for the purchase of renewable source electricity from eligible customers on 16 July 2013, for implementation on 1 September 2013. Horizon Power did not implement these prices as the Minister for Energy was concerned with prices that were above 50 cents per kWh. New prices have been approved by the Co-ordinator of Energy to be implemented on 1 July 2015.</p>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
488	<p>The licensee must offer to purchase renewable source electricity from a renewable source electricity customer under an approved renewable source electricity contract.</p> <p><i>Electricity Industry (Licence Conditions) Regulations regulation 6</i></p>	<p>Horizon Power's website provides comprehensive information on Horizon Power's offer to purchase renewable energy, including:</p> <ul style="list-style-type: none"> <li>• How renewable energy works</li> <li>• What customers are eligible to apply for</li> <li>• The buyback terms and conditions</li> <li>• Buyback price</li> <li>• Application process.</li> </ul>			
	<table border="1"> <tr> <td>Priority: 4</td> <td>Controls rating: NP</td> <td>Compliance Rating: 1</td> </tr> </table>	Priority: 4	Controls rating: NP	Compliance Rating: 1	
Priority: 4	Controls rating: NP	Compliance Rating: 1			
489	<p>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.</p> <p><i>Electricity Industry (Licence Conditions) Regulations regulation 7</i></p>	<p>The Retail Services Manager confirmed that Horizon Power had submitted written reports 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 2013 and 2014 financial years. We sighted a copy of the report for the 2013/2014 financial year.</p>			

	Priority:4	Controls rating: NP	Compliance Rating: 1	
490	The licensee must submit to the Coordinator a draft extension and expansion policy within the specified timeframe. <i>Electricity Industry Act Section 61 and 65</i>			<p><i>Obligation 490 to 492</i></p> <p>During discussions with the Retail Services Manager we determined that this obligation is non rateable as Horizon Power has not submitted a draft extension and expansion policy to the Coordinator during the audit period.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
491	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>Electricity Industry Act Section 62, 64 and 65</i>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
492	The licensee must implement arrangements set out in an approved extension and expansion policy. <i>Electricity Industry Act Section 65</i>			
	Priority: 4	Controls rating: NP	Compliance Rating: NR	
496	Subject to specified exceptions, the licensee must offer to supply electricity under a standard form contract to a customer who requests it. <i>Electricity Industry (Customer Contracts) Regulations 2005 regulation 40</i>			<p>Through examination of Horizon Power’s website we noted that when accessing the standard form contract, the customer is directed to the Authority’s website, from where the “<i>Horizon Power – Standard Form Contract</i>” can be downloaded. The standard form contract includes Horizon Power’s offer to supply electricity.</p>
	Priority: 4	Controls rating: NP	Compliance Rating: 1	

# 5 Previous audit non-compliances and recommendations

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
<b>A. Resolved before end of previous audit period</b>						
11/2013	<p><b>Obligation 222 – Code of Conduct clause 6.10(5)</b></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>	Non-compliant - 2	<p>Through discussions with the Compliance and Billing Support Coordinator and examination of relevant correspondence with the Authority, we determined that:</p> <ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>The 2012 review process was initiated in August 2012 and was submitted before the 31 December 2012 deadline.</li> </ul> <p>Horizon Power's compliance calendar did not adequately recognise this annual</p>	n/a - no further action is required.	n/a	n/a

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
			compliance obligation, however has since been updated to accurately reflect this requirement.			
<b>B. Resolved during current audit period</b>						
1/2013	<p><b><i>Obligation 75 – Electricity Industry (Obligation to Connect) Regulations Regulation 6</i></b></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>	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>(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>10 October 2013</p> <p>10 October 2013</p> <p>10 October 2013</p>	<b>Yes</b> <b>Refer to Action plan 1/2015</b>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
				<b>Responsible Person:</b> Manager Customer Service <b>Target Date:</b> 31 December 2013		
2/2013	<p><b>Obligation 114 – Integrated Regional Licence condition 23.1 -</b>            A licensee must ensure that an electricity marketing agent of the licensee complies with the applicable Codes.</p> <p><b>Obligation 129 –Code of Conduct clause 2.1</b>  <i>“Retailers to ensure electricity marketing agents comply with Part 2”</i></p> <p><b>Obligation 133 –Code of Conduct clause 2.3(2)</b>  <i>“Information to be given before entering into a contract”</i></p> <p><b>Obligation 135 –Code of Conduct clause 2.4(1)</b></p> <p><b>Obligation 136 –Code of Conduct clause 2.4(2)</b></p> <p><b>Obligation 137 –Code of Conduct clause 2.4(3)</b></p>	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</p>	<p>Horizon Power has recently appointed an Aboriginal Service Coordinator to focus on service improvements to Aboriginal communities.</p> <p>(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.</p> <p>(b) A training plan will be developed for all staff, contractors and other parties as required to achieve compliance requirements.</p> <p>(c) Monitoring processes will be reviewed to determine where improvement can be made.</p>	<p>11 October 2013</p> <p>11 October 2013</p> <p>11 October 2013</p>	<p><b>n/a</b></p> <p>Due to an amendment to the Code, Horizon Power is no longer required to obtain verifiable consent from customers signing up to standard form contracts.</p>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<i>"Information to be given at the time of or after entering into a contract"</i>		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.	<b>Responsible Person:</b> Customer Service Framework Coordinator <b>Target Date:</b> 30 September 2013		
3/2013	<b>Obligation 124 – Integrated Regional Licence condition 23.1</b> 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	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.	Modify the compliance action monitoring system to include automated notifications/ reminders to submit hard copies of compliance reports. <b>Responsible Person:</b> Regulation Compliance Coordinator <b>Target Date:</b> 31 August 2013	23 December 2013	<b>No</b>
4/2013	<b>Obligation 144 – Code of Conduct clause 2.9(1) -</b> 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	Compliant - 4	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.	(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	18 December 2013	<b>No</b>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<p>ombudsman, within 28 days of receiving the request, all information that the electricity marketing agent has relating to the complaint.</p> <p><b>Obligation 294 – Code of Conduct clause 12.1(1) -</b> A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.</p> <p><b>Obligation 297 – Code of Conduct clause 12.2 –</b> A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints.</p>		<p>Examples include:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• 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.</li> </ul>	<p>Guidelines</p> <p>(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 &amp; ServiceWorks), that captures complaints from all sources and allows visibility for all customer facing staff will be developed.</p> <p><b>Responsible Person:</b></p> <p>(a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator.</p> <p><b>Target Date:</b></p> <p>(a) 31 December 2013 (b) 30 June 2014.</p>	18 December 2013	
5/2013	<b>Obligation 148 – Code of</b>	Non-	Upon examination of monthly unbilled	Horizon Power intends to	18 December	No

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<p><b>Conduct clause 4.1</b> 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>	Compliant - 2	<p>installation reports and confirmation from the Manager Customer Service, we determined that:</p> <ul style="list-style-type: none"> <li>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)</li> <li>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</li> </ul> <p>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>	<p>improve performance so that it does not bill outside the required timeframe (i.e. no unbilled installations in a three month period).</p> <p>To achieve this, a working group with ServiceWorks has been formed to review all validations and exception reporting processes.</p> <p>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><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> 31 December 2013</p>	2013	
6/2013	<p><b>Obligation 148 –Code of Conduct clause 4.7</b> "Frequency of meter readings"</p> <p><b>Obligation 407 –Metering Code clause 5.4(1)</b></p> <p><b>Obligation 408 –Metering Code clause 5.4(1A)</b> "Network operator must</p>	Non-Compliant - 2	<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>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</p>	n/a	<p><b>Yes</b></p> <p>The current audit has noticed an increasing trend in the number of accounts with estimated reads longer than 12 months. A process had been established to monitor "must read" accounts, however Regional Depots</p>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<i>do at least one meter reading that provides an actual value per year that passes validation”</i>			performance. Further reporting and a process for escalation will be developed to ensure the Code is not breached. <b>Responsible Person:</b> Field Services and Metering Coordinator <b>Target Date:</b> 31 March 2014		are not proactively monitoring the exceptions and as a result, has led to an increase in accounts over 12 months with no actual read. <i>Refer to Action plan 5/2015 at obligation 158.</i>
7/2013	<b>Obligation 180 – Code of Conduct clause 4.18(2)</b> 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	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.	(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. <b>Responsible Person:</b> Customer Service Framework Coordinator <b>Target Date:</b> 31 December 2013	18 December 2013  n/a	<b>No</b>  <b>No</b> Where the recommendation has not been implemented, we recognise that further education to staff has assisted with the understanding of the obligation and what to be advised to customers. We did not identify any instances during our testing or site visit that were not compliant with the Code.
8/2013	<b>Obligation 181 – Code of</b>	Compliant - 4	In instances where customers elect the option to request a cheque refund of an	(a) Improvements to the systems and structures	16 January 2014	<b>No</b>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<p><b>Conduct clause 4.18(3)</b> – A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.</p> <p><b>Obligation 186 – Code of Conduct clause 4.19(3)</b> – 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.</p>		<p>amount overcharged, Horizon Power's procedures include:</p> <ul style="list-style-type: none"> <li>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</li> <li>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.</li> </ul> <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>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</p> <p>(b) Specific work instructions will be issued to all staff (Regions, Bentley &amp; ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge</p> <p>(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> <p><b>Responsible Person:</b> Manager Customer Service</p>	<p>22 January 2014</p> <p>n/a</p>	<p>Horizon Power has not invested in the EFT facility option, however has significantly improved the timeliness of cheque payments by implementing two cheque runs a week.</p>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
				<b>Target Date:</b> 31 December 2013		
9/2013	<b>Obligation 197 – Code of Conduct clause 5.7(1)</b> 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	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.	(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.  <b>Responsible Person:</b> (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator  <b>Target Date:</b> (a) 30 September 2013 (b) 31 December 2013	11 October 2013  18 December 2013	<b>Yes</b>  We recognise that Horizon Power has made significant progress with the quality of customer notes, however, a new issue has been identified in relation to the incorrect application of business days to the timeframe for billing customers who have vacated their supply address.  <i>Refer to Action plan 8/2015 at obligation 197</i>
10/2013	<b>Obligation 210 – Code of Conduct clause 6.3(1)(b)</b> - In circumstances where a residential customer is assessed as experiencing financial hardship, a retailer must offer the alternative payment arrangements referred to	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	(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	18 December 2013  18 December 2013	<b>n/a</b>  No further action is required as the Code has been amended to remove the requirement for customers to be advised of energy efficiency audits.

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<p>in subclause 6.4(1) and assistance in accordance with clauses 6.6 to 6.9.</p> <p><b>Obligation 216 – Code of Conduct clause 6.8</b> 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.</p>		<p>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>practicality of and reasonable parameters for provision of energy audits in Horizon Power's jurisdiction.</p> <p><b>Responsible Person:</b></p> <p>(a) Customer Service Framework Coordinator</p> <p>(b) Aboriginal Service Coordinator</p> <p><b>Target Date:</b></p> <p>31 December 2013</p>		
12/2013	<p><b>Obligation 225 – Code of Conduct clause 7.1(1)</b> 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</p>	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> <p>Although all reminder and disconnection notices were issued in the appropriate timeframes, for two disconnection service orders, a reminder notice was issued for the</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</p>	n/a	<p><b>No</b></p> <p>Investigations by Horizon Power could not find the cause. Further, the issue could not be duplicated in a test environment.</p>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	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).		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.	to make the appropriate changes in Velocity should this be required. <b>Responsible Person:</b> Manager Customer Service <b>Target Date:</b> 31 March 2014	n/a	<b>Yes</b> Horizon Power should develop a business case to make the appropriate changes in Velocity should this be required. <i>Refer to action plan 10/2015 at obligation 229</i>
13/2013	<b>Obligation 230 – Code of Conduct clause 7.6</b> 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	Clause 7.6 of the Code requires disconnections to not be arranged: <ul style="list-style-type: none"> <li>If the customer has made a complaint directly related to the reason for the proposed disconnection and the matter is unresolved</li> <li>For Fridays (after 12pm), Saturdays, Sundays, public holidays, the day before a public holiday or after 3pm on all other business days.</li> </ul> Our testing of 30 of 3,276 disconnections processed for the audit period: <ul style="list-style-type: none"> <li>Did not identify any disconnections in breach of Code requirements</li> <li>Identified instances of: <ul style="list-style-type: none"> <li>A customer being wrongfully disconnected for non-application prior to 12pm on a Friday</li> <li>A supply address being disconnected for non-application the day before a public holiday.</li> </ul> </li> </ul> Although these disconnections were not	(a) Investigate a system driven way to limit the issuing of service orders, at specific times, to stay within Horizon Power's normal business rules (b) Review business rules to ensure compliance with the Code requirements (c) Ensure the Code requirements for disconnections are incorporated into the Field Service Officer training package. <b>Responsible Person:</b> Field Services and Metering Coordinator <b>Target Date:</b> 31 March 2014	23 January 2014  11 October 2013  22 October 2013	<b>No</b>  <b>No</b>  <b>No</b>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
			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.			
14/2013	<b>Obligation 231 – Code of Conduct clause 7.7(1)</b> – 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	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. 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.	Horizon Power will: (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. <b>Responsible Person:</b> (a) Manager Customer Service (b) Systems Change Coordinator	16 January 2014  30 December 2013	<b>Yes</b> <i>Refer to Action plan 11/2015 at obligation 235</i>  <b>No</b>



Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
				<p>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><b>Responsible Person:</b></p> <p>(a) Manager Customer Service</p> <p>(b) Customer Service Framework Coordinator</p> <p>(c) Customer Service Framework Coordinator</p> <p><b>Target Date:</b></p> <p>31 December 2013</p>	<p>2013</p> <p>8 January 2014</p>	No
18/2013	<p><b>Obligation 344 – Metering Code clause 3.3A(1)</b></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>	Compliant - 4	<p>Horizon Power's procedures provide for:</p> <ul style="list-style-type: none"> <li>No party to be authorised to connect into its networks without approval</li> <li>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.</li> </ul> <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</p>	<p>(a) An investigation will be undertaken to determine the extent of the issue of bi-directional flows and recommend required action</p> <p>(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> <p><b>Responsible Person:</b></p> <p>Manager Customer Service</p> <p><b>Target Date:</b></p> <p>31 December 2013</p>	<p>8 January 2014</p> <p>16 January 2014</p>	No

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
			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).			
20/2013	<b>Obligation 494 – Electricity Industry (Network Quality &amp; Reliability of Supply) Code 2005 clause 19</b>  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	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.	(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.  <b>Responsible Person:</b> Compliance and Billing Support Coordinator <b>Target Date:</b> 30 September 2013	11 October 2013  11 October 2013  11 October 2013	<b>Yes</b>  Horizon Power should reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes by accurately maintaining the Extended Outage Payment Scheme Spreadsheet.  <i>Refer to Action plan 18/2015 at obligation 473</i>
21/2013	<b>Obligation 103 – Electricity Industry Act Regulation 14.0(1)(b)</b>  A licensee must notify	Compliant - 4	Through discussions with the Technical Regulation and Compliance Coordinator and consideration of Horizon Power's Asset Management Plan documents, we	(a) Notify the Authority of the current details of its asset management system for setting out	1 November 2013	<b>Yes</b>  Horizon Power should establish a centralised system to retain records of

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	details of the asset management system and any substantial changes to it to the Authority.		<p>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>the measures to be taken for the proper maintenance of assets used in its operations</p> <p>(b) Establish a protocol for determining what constitutes a "substantial change" in its asset management system and for duly notifying the Authority.</p> <p><b>Responsible Person:</b> Technical Regulation and Compliance Coordinator</p> <p><b>Target Date:</b> (a) 30 September 2013 (b) 31 December 2013</p>	20 January 2014	<p>correspondence with the Authority to demonstrate compliance with submission and publication requirements within the required timeframe.</p> <p><i>Refer to current audit recommendation at obligation 124</i></p>
<b>C. Unresolved at end of current audit period</b>						
17/2013	<p><b>Obligation 340 – Metering Code clause 3.1</b> "Meters must comply with metrology procedure and National Measurement Act"</p> <p><b>Obligation 348 – Metering Code clause 3.5(3)</b> "Requirements for a</p>	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</p>	<p>(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</p> <p>(b) The strategy for full replacement of all non-compliant meters is awaiting budget approval</p> <p>(c) Horizon Power will formally notify the Authority and the Public Utilities Office of</p>		<p><b>Yes</b></p> <p>Horizon Power should endeavour to finalise the process of replacing its entire population of current meters with AMI by end of 2016.</p> <p><i>Refer to Action plan 16/2015 at obligation 319</i></p>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	<p><i>metering installation”</i></p> <p><b>Obligation 351 – Metering Code clause 3.5(9)</b> <i>“Requirements for a metering installation”</i></p> <p><b>Obligation 354 – Metering Code clause 3.9(3)</b> <i>“Metering installation types and accuracy requirements”</i></p> <p><b>Obligation 355 – Metering Code clause 3.9(7)</b> <i>“Metering installation types and accuracy requirements”</i></p>		<p>phase meters were greater than the allowable accuracy limits, therefore the entire population of these meters were deemed to have failed, excluding Landis &amp; 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>the status of its Metering Management Plan and associated findings reach agreement on actions to be taken.</p> <p><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> (a) and (b) 31 March 2014 (c) 30 June 2014</p>		
19/2013	<p><b>Obligation 370 – Metering Code clause 3.14(3)</b> 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</p>	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>	<p>Rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.</p> <p><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> 30 June 2014</p>		<p><b>Yes</b></p> <p>Horizon Power should rectify the new metering installation to ensure it complies with the accuracy requirements of Table 3 in Appendix 1 of the Metering Code.</p>

Reference (no./year)	Legislative obligation	Compliance rating	Details of the issue	Auditors' recommendation or action taken	Date resolved	Further action required
	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.		<ul style="list-style-type: none"> <li>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</li> <li>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.</li> </ul>			<i>Refer to Action plan 17/2015 at obligation 349</i>

# Appendix A – Audit Plan

# **Horizon Power**

**Electricity Integrated Regional  
Licence (EIRL2)**

**2015 Performance Audit**

**Audit Plan**

**April 2015**

# Contents

1	Introduction	1
	Overview	1
	Objective	1
	Scope	1
	Responsibility	4
2	Approach	6
	Risk assessment	6
	Systems analysis/walkthrough	8
	Testing/review	8
	Reporting	9
3	General information	10
	Key Horizon Power contacts	10
	Deloitte staff	10
	Timing	10
	Appendix 1 – Risk assessment key	11
	Appendix 2 – Risk assessment	14
	Appendix 3 – Changes to obligations	65
	Appendix 4 – Previous audit recommendations	68

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/au/about](http://www.deloitte.com/au/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited

© 2015 Deloitte Touche Tohmatsu. All rights reserved.

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

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 once 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 2013 to 31 March 2015.

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.

The audit will be conducted in accordance with the April 2014 issue of the *Audit and Review Guidelines: Electricity and Gas 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 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's operations and used as the basis for determining the performance criteria to be considered for the audit.

The audit period is 1 April 2013 to 31 March 2015.

Since Horizon Power's previous EIRL performance audit in 2013, the Reporting Manual has undergone four revisions<sup>1</sup>. For the period subject to audit, the four versions of the Reporting Manual are applicable to the periods outlined below:

Reporting Manual version	Applicable period	Relevance of revision to Licence
June 2013	1 April 2013 to 30 April 2014 <b>Metering Code: 7</b> December 2012 to 30 April 2014	The June 2013 version was primarily published to reflect administrative adjustments to the January 2013 version, which was originally published to accommodate revisions to the Metering Code applicable from 7 December 2012.
May 2014	1 May 2014 to 30 June 2014	The May 2014 version of the Reporting Manual was primarily published to reflect administrative adjustments to reference to distribution and transmission licences in two obligations.
July 2014	1 July 2014 to 31 August 2014	The July 2014 version of the Reporting Manual was primarily published to accommodate changes to the <i>Code of Conduct for the Supply of Electricity to Small Use Customers (Code of Conduct)</i> , which took effect from 1 July 2014, resulting in the: <ul style="list-style-type: none"> <li>• Addition of 22 obligations (including two Type 1 obligations), which became applicable from 1 July 2014</li> <li>• Removal of 43 obligations (including one Type 1 obligation), which are now applicable to 30 June 2014 only.</li> </ul>
September 2014	1 September 2014 to 31 March 2015	The September 2014 version was primarily published to expand on obligations 236 and 237 into two new obligations (236A and 237A) relating to life support equipment at a customer's supply address. The current version of the Reporting Manual is the primary reference for this audit, particularly for the obligation numbering.

The total number of Horizon Power's licence obligations subject to audit has reduced from 547 at the time of the 2013 audit to 495 relevant to this current audit, which includes all obligations that existed at

<sup>1</sup> Note that the June 2013 and May 2014 revision of the Reporting Manual reflected administrative adjustments to the January 2013 and June 2013 versions respectively, with no impact on any licensee obligations.

any point during the audit period. Of those, 447 applications are actually applicable to Horizon Power's operations, as indicated in Table 1 below.

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

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 (September 2014) Reporting Manual. Note that 43 additional obligations (all relating to the Code of Conduct) are applicable for part of the audit period, where the obligation was removed 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	<p>Seven of the nine type 1 obligations fall under the 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.</p> <p>The remaining two type 1 obligations fall under Horizon Power's Integrated Regional Licence conditions and relate to maintaining a Priority Restoration Register.</p>
Electricity Industry Customer Transfer Code	<p>The 71 obligations under the Customer Transfer Code are 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.</p> <p>Those clauses of the Code which require:</p> <ul style="list-style-type: none"> <li>• A retailer to act in relation to a network operator (15 obligations) 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</li> <li>• 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.</li> </ul>
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.

Legislative element	Application to Horizon Power's operations
Code of Conduct	<p>186 of the 190 obligations are applicable to Horizon Power's operations.</p> <p>Of the remaining four clauses of the Code:</p> <ul style="list-style-type: none"> <li>• Three clauses require a retailer to act in relation to a network operator, which is 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</li> <li>• One clause relates to dual fuel contracts, which Horizon Power is not licensed to engage in.</li> </ul>
Electricity Industry Metering Code	<p>116 of the 145 obligations are applicable to Horizon Power's operations.</p> <p>Reasons for 29 obligations not being applicable to Horizon Power's operations include:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Obligations specifically apply to operations within the South West Interconnected System, which is not applicable to Horizon Power's licenced areas</li> <li>• Obligations that apply specifically to Electricity Generation and Retail Corporation (Synergy) or Electricity Networks Corporation (Western Power).</li> </ul>
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:

- Ensuring that it has complied in all material respects with the requirements of the Licence as specified by the Audit Guidelines
- Establishing and maintaining an effective system of internal control over its systems designed to achieve its compliance with the Licence requirements and the Audit Guidelines
- 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.

## 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. The reasonable assurance audit will be performed in accordance with the Audit Guidelines and the Australian Standard on Assurance Engagements (ASAE) 3100 *Compliance Engagements* issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in our opinion, based on the procedures performed, Horizon Power has complied, in all material respects with the conditions of its Licence as specified in the Audit Guidelines for the period 1 April 2013 to 31 March 2015.

## Limitations of use

The resulting 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.

We understand that a copy of the report will be provided to the Authority for the purpose of reporting on the performance audit for Horizon Power's Licence. We agree that a copy of the report may be provided to the Authority for its information in connection with this purpose but, as will be made clear in the report, only on the basis that we accept no duty, liability or responsibility to the Authority in relation to the report. We accept no duty, responsibility or liability to any party, other than Horizon Power, in connection with the report or this engagement.

## Inherent limitations

Our engagement will provide reasonable assurance as defined in ASAE 3100. 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 and testing as at a point of time
- The inherent limitations of internal control
- The fact that much of the evidence available to us is persuasive rather than conclusive
- 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. Our report will contain a statement of responsibility that will draw attention to management's responsibility for establishing and maintaining an effective control structure.

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

## Independence

In conducting our engagement, we 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, overall control adequacy 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 15 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 16 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 17 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 19 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 20 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**

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

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

**Table 4: Audit Priority Table**

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

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

- Our assessment of the state of controls during the 2013 EIRL Performance audit
- Our understanding of Horizon Power’s operations, the WA electricity industry and related regulatory environment
- 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. Note that for obligations assessed as having an audit priority of three or lower, a specific assessment on the adequacy of Horizon Power's controls will be performed.

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 licence obligations with an audit priority of 1, 2 or 3 (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 Customer Services Process Manager and subject to approval from the Authority, ServiceWorks in Melbourne and the Port Hedland regional office have been selected as the sites 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: Compliance and control adequacy rating scale**

Adequacy of Controls Rating		Compliance Rating	
Rating	Description	Rating	Description
A	Adequate controls – no improvement needed	1	Compliant
B	Generally adequate controls – improvement needed	2	Non-compliant – minor impact on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate impact on customers or third parties
D	No controls evident	4	Non-compliant – major impact on customers or third parties

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, including a rating for the adequacy of Horizon Power’s controls, 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:

- Luke Boswarva Risk & Internal Auditor
- Liang Tay Risk & Audit Manager
- Terry Absolon Customer Services Process Manager
- Geoff White Manager Customer Service
- Ben Corin Account Director, Serviceworks Australia
- Lindsay Forman Manager Billing & Revenue Assurance.

## Deloitte staff

Deloitte staff who will be involved with this assignment are:

- Darren Gerber Partner
- Kobus Beukes Account Director
- Amit Grover Senior Analyst
- Emlyn King Senior Analyst
- David Herbert Senior Analyst
- Tania Jorge Analyst
- Andrew Baldwin Specialist, Internal audit and Regulatory Compliance
- Richard Thomas 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 13 April 2015 and the audit plan and detailed risk assessment will be presented to the Authority for review and comment.

The remainder of the fieldwork phase is scheduled to be performed in April and May 2015.

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 September 2014*

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

## 1-2 Consequence ratings

Source: Audit Guidelines: Electricity and Gas Licences April 2014

	Rating	Examples of non-compliance		
		Supply quality and reliability	Consumer protection	Breaches of legislation or other licence conditions
1	Minor	Breach of supply quality or reliability standards minor - affecting a small number of customers. Delays in providing a small proportion of new connections.	Customer complaints procedures not followed in a few instances. Small percentage of disconnections or reconnections not completed on time. Small percentage of bills not issued on time.	Legislative obligations or licence conditions not fully complied with, minor impact on customers or third parties. Compliance framework generally fit for purpose and operating effectively.
2	Moderate	Supply quality breach events that significantly impact customers; large number of customers affected and/or extended duration and/or damage to customer equipment. Supply interruptions affecting significant proportion of customers on the network for up to one day. Significant number of customers experiencing excessive number of interruptions per annum. Significant percentage of new connections not provided on time/ some customers experiencing extended delays.	Significant percentage of complaints not being correctly handled. Customers not receiving correct advice regarding financial hardship. Significant percentage of bills not issued on time. Ongoing instances of disconnections and reconnections not completed on time. Remedial actions not being taken or proving ineffective. Instances of wrongful disconnection.	More widespread breaches of legislative obligations or licence conditions over time. Compliance framework requires improvement to meet minimum standards.
3	Major	Supply interruptions affecting significant proportion of customers on the network for more than one day. Majority of new connections not completed on time/ large number of customers experiencing extended delays.	Significant failure of one or more customer protection processes leading to ongoing breaches of standards. Ongoing instances of wrongful disconnection	Wilful breach of legislative obligation or licence condition. Widespread and/or ongoing breaches of legislative obligations or licence conditions. Compliance framework not fit for purpose, requires significant improvement.

## 1-3 Likelihood ratings

Source: Audit Guidelines: Electricity and Gas Licences April 2014

	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 and Gas Licences April 2014

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 June 2013 Reporting Manual. Refer to Appendix 3 of the Audit Plan for detail of new obligations and the applicable periods.

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>8 Type 1 Reporting Obligations</b>								
127	Integrated Regional Licence condition 29.1	A distributor must create and maintain a Priority Restoration Register.	1	Major	Unlikely	High	Strong	Priority 2
128	Integrated Regional Licence condition 29.3	The Priority Restoration Register must comply with any criteria determined by the Minister.	1	Major	Unlikely	High	Moderate	Priority 2
234	Code of Conduct clause 7.6	Subject to subclause 7.6(3), 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	Priority 2
235	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	Priority 2
236	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 or contact details, the retailer must undertake the actions specified in subclause 7.7(2).	1	Major	Probable	High	Moderate	Priority 2
237	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 the customer's supply address or contact details under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	1	Major	Unlikely	High	Moderate	Priority 2
238	Code of Conduct clause 7.7(4)	"Where life support equipment is registered at a customer's supply address under subclause 7.7(3), the distributor must: <ul style="list-style-type: none"> <li>not disconnect the customer's supply address for failure to pay a bill while the person continues to reside at that address and requires the use of life support equipment; and</li> <li>prior to any planned interruption, provide at least 3 business days written or electronic notice to the customer's supply address and use best endeavours to obtain acknowledgement (by verbal, written or electronic means) from the customer that the notice has been received, unless expressly requested in writing by the customer not to."</li> </ul>	1	Major	Probable	High	Moderate	Priority 2
257	Code of Conduct clause 9.5(1)	A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires 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	Unlikely	High	Moderate	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
258	Code of Conduct clause 9.5(2)	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	Priority 2
<b>9 Electricity Industry Customer Transfer Code – Licence Conditions and Obligations</b>								
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	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	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	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	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	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					
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					
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					
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					
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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	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	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	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	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	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	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	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	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	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	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	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				

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	and which is not the case in Horizon Power's circumstances.				
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					
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					
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	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	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	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	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	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	Priority 4
38	Electricity Industry Customer Transfer Code 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	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	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	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	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	Priority 4
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	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	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	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	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	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
49	Electricity Industry Customer Transfer Code clause 6.2	A licensee's notice in relation to a data request or customer transfer request must identify the exit point to which it relates.	2	Not applicable - this clause specifies 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	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	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	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	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	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	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	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	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	Priority 5
60	Electricity Industry Customer Transfer Code Annex 1	A network operator's request for standing data form must require a retailer to provide certain information.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
61	Electricity Industry Customer Transfer Code Annex 2	A network operator's request for historical consumption data form must require a retailer to provide certain information.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	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	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	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	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	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	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	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	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	Priority 5
<b>10 Electricity Industry (Obligation to Connect) Regulations – Licence Conditions and Obligations</b>								

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	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	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	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	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	Priority 4
<b>11 Electricity Industry (Customer Contracts) Regulations – Licence Conditions and Obligations</b>								
78	Electricity Industry Act section 51 Electricity Industry (Customer Contracts) Regulations 2005	Where the licensee supplies electricity under a standard form contract, the standard form contract must comply with the licensee’s approved standard form contract on the Authority’s website.	2	Moderate	Unlikely	Medium	Strong	Priority 4
79	Electricity Industry (Customer Contracts) Regulations 2005 regulation 5	A non standard contract must be in a format that is easy to read and expressed in clear, simple and concise language.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
80	Electricity Industry (Customer Contracts) Regulations 2005 regulation 6	A non standard contract must specify when it comes into effect and the period for which it has effect.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	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	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	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	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	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	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	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	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	Probable	Medium	Moderate	Priority 4
93	Electricity Industry (Customer Contracts) Regulations 2005 regulation 19	A non standard contract must specify the steps by the retailer to ensure the information held by the retailer is dealt with in a confidential manner.	2	Moderate	Probable	Medium	Moderate	Priority 4
94	Electricity Industry (Customer Contracts) Regulations 2005 regulation 20	A non standard contract must deal with the governing law, the effect of an invalid or unenforceable provision, the way in which notice may be given and the use of electronic communication by the retailer.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
95	Electricity Industry (Customer Contracts) Regulations 2005 regulation 21	A non standard contract must not include a provision that excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers unless it is authorised by the Code,	2	Moderate	Unlikely	Medium	Moderate	Priority 4
96	Electricity Industry (Customer Contracts) Regulations 2005 regulation 32	A non standard contract must include details about the cooling off period specified in the regulation.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
97	Electricity Industry (Customer Contracts) Regulations 2005 regulation 33(2)	A non standard contract must authorise the customer to terminate the contract at any time with no less than 5 days notice.	2	Moderate	Unlikely	Medium	Moderate	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	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	Unlikely	Medium	Moderate	Priority 4
100	Electricity Industry (Customer Contracts) Regulations 2005 regulation 38	Where the licensee becomes aware of a customer taking a supply of electricity that is deemed to be supplied under the licensee's standard form contract, the licensee must, within 5 days after becoming aware notify the customer of the specified information.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
<b>12 Electricity Industry Act – Licence Conditions and Obligations</b>								

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	Priority 5
102	Electricity Industry Act section 14(1)(a)	A licensee must provide for an asset management system.	NR	Minor	Probable	Low	Strong	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	Weak	Priority 3
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	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.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
106	Electricity Industry Act section 31(3)	A licensee must take reasonable steps to minimise the extent or duration of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	NR	Minor	Unlikely	Low	Moderate	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	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	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	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	Priority 4
111	Electricity Industry Act section 101	A retail, distribution or integrated regional licensee must not supply electricity to small use customers unless the licensee is a member of an approved scheme and is bound by and compliant with any decision or direction of the electricity ombudsman under the approved scheme.	2	Moderate	Unlikely	Medium	Strong	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	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>13 Electricity Licences – Licence Conditions and Obligations</b>								
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	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	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	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	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	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	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	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	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	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	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	Weak	Priority 3
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	Priority 4
126	Integrated Regional Licence condition 18.1	Unless otherwise specified, all notices must be in writing.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
127	Integrated Regional Licence condition 29.1	A distributor must create and maintain a Priority Restoration Register.	1	Major	Probable	High	Moderate	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	Priority 2
<b>14 Code of Conduct – Licence Conditions and Obligations</b>								

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>Part 2 Marketing</b>								
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	Priority 3
130	Code of Conduct clause 2.2(1)	A retailer or electricity marketing agent must ensure that standard form contracts, that are not unsolicited consumer agreements, are entered into in the manner set out, and the contract is provided as specified in clause 2.2(1).	2	Moderate	Probable	Medium	Moderate	Priority 4
131	Code of Conduct clause 2.2(2)	Subject to subclause 2.2(3), the retailer or electricity marketing agent must give to the customer the specified information in subclause 2.2(2) no later than on, or with, the customer's first bill.	2	Moderate	Probable	Medium	Moderate	Priority 4
132	Code of Conduct clause 2.3(1)	A retailer or electricity marketing agent must ensure that non-standard contracts, that are not unsolicited consumer agreements, are entered into in the manner set out, and the contract is provided as specified in clause 2.3(1).	2	Moderate	Probable	Medium	Moderate	Priority 4
133	Code of Conduct clause 2.3(2)	A retailer or electricity marketing agent must ensure that the information specified in subclause 2.3(2) is provided to the customer before entering into a non-standard contract.	2	Moderate	Probable	Medium	Moderate	Priority 4
134	Code of Conduct clause 2.3(4)	The Electricity Retail Corporation or Regional Power Corporation, or an electricity marketing agent acting on behalf of Electricity Retail Corporation or Regional Power Corporation must ensure that the information specified in subclause 2.3(4) is provided to the customer before arranging a non-standard contract.	2	Moderate	Probable	Medium	Moderate	Priority 4
135	Code of Conduct clause 2.3(5)	Subject to subclause 2.3(3), the retailer or electricity marketing agent must obtain the customer's verifiable consent that the specified information in subclause 2.3(2) and 2.3(4), as applicable, has been given.	2	Moderate	Probable	Medium	Moderate	Priority 4
136	Code of Conduct clause 2.4(1)	A retailer or 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	Priority 4
137	Code of Conduct clause 2.4(2)	A retailer or electricity marketing agent must ensure that a customer is able to contact the retailer or electricity marketing agent on the retailer's or electricity marketing agent's telephone number during normal business hours for the purposes of enquiries, verifications and complaints.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
138	Code of Conduct clause 2.5(1)	A retailer or electricity marketing agent must, on request, provide a customer with the information specified in subclause 2.5(1).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
139	Code of Conduct clause 2.5(2)	A retailer or electricity marketing agent who meets with a customer face to face must: <ul style="list-style-type: none"> <li>• wear a clearly visible and legible identity card showing the information specified in subclause 2.5(2)(a); and</li> <li>• as soon as practicable provide the written information specified in subclause 2.5(2)(b).</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	Priority 4
140	Code of Conduct clause 2.6	A retailer or electricity marketing agent who visits a person's premises for the purposes of marketing must comply with any clear visible signs indicating that canvassing is not permitted at the premises, or no advertising is to be left at the premises.	2	Moderate	Unlikely	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
141	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	Weak	Priority 3
142	Code of Conduct clause 2.10	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, or after receipt of the last contact from or on behalf of the electricity marketing manager, whichever is the later.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
<b>Part 3 Connection</b>								
143	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.				
144	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					
<b>Part 4 Billing</b>								
145	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	Priority 2
146	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	Priority 4
147	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	Priority 4
148	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	Priority 4
149	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	Priority 4
150	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	Priority 4
151	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	Priority 4
152	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
153	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	Priority 4
154	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	Priority 4
155	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	Priority 4
156	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	Minor	Likely	Medium	Strong	Priority 4
157	Code of Conduct clause 4.6(1)	A retailer must base a customer's bill on the following: <ul style="list-style-type: none"> <li>the distributor's or metering agent's reading of the meter at the customer's supply address, or</li> <li>the customer's reading of the meter in the circumstances specified in subclause 4.6(1)(b) or</li> <li>where the connection point is a type 7 connection point, the procedure as set out in the metrology procedure or Metering Code.</li> </ul>	2	Moderate	Probable	Medium	Strong	Priority 4
158	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	Moderate	Likely	High	Moderate	Priority 2
159	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	Priority 4
160	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	Priority 4
161	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	Priority 4
162	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	Priority 4
163	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	Priority 5
164	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	Priority 4
165	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	Priority 4
166	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
167	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	Priority 4
168	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	Priority 5
169	Code of Conduct clause 4.14(2)	Subject to subclause 4.14(3), if a customer's account is in credit at the time of account closure, the retailer must transfer the amount of credit to another account the customer has with the retailer; or a bank account nominated by the customer within 12 business days or other agreed time, in accordance with the customer's instructions.	2	Moderate	Probable	Medium	Moderate	Priority 4
170	Code of Conduct clause 4.14(3)	If a customer's account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may use that credit to set off the debt owed to the retailer by giving the customer written notice. If any amount remains after the set off, the retailer must ask the customer for instructions to transfer the remaining amount in accordance with subclause 4.14(2).	2	Moderate	Probable	Medium	Moderate	Priority 4
171	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	Priority 4
172	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	Priority 4
173	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	Priority 4
174	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	Priority 4
175	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	Priority 4
176	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
177	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	Moderate	Likely	High	Moderate	Priority 2
178	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	Weak	Priority 3
179	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	Priority 5
180	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	Priority 3
181	Code of Conduct clause 4.18(7)	The retailer may, by giving the customer written notice, use an amount overcharged to set off a debt owed to the retailer provided that the customer is not a residential customer experiencing payment difficulties or financial hardship, or making payments under an alternative payment arrangement. If, after the set off, an amount less than \$75 remains, the retailer must deal with that amount in accordance with subclause 4.18(6). If the amount is \$75 or more, the retailer must deal with it in accordance with subclause 4.18(2).	NR	Minor	Likely	Medium	Weak	Priority 3
182	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	Priority 4
183	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	Priority 4
184	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	Weak	Priority 3
185	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	Priority 5
186	Code of Conduct clause 4.19(7)	The retailer may, by giving the customer written notice, use the amount of an adjustment to set off a debt owed to the retailer provided that the customer is not a residential customer experiencing payment difficulties or financial hardship, or making payments under an alternative payment arrangement. If, after the set off, an amount less than \$75 remains, the retailer must deal with that amount in accordance with subclause 4.19(5). If the amount is \$75 or more, the retailer must deal with it in accordance with subclause 4.19(2).	NR	Minor	Probable	Low	Moderate	Priority 5

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>Part 5 Payment</b>								
187	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	Priority 4
188	Code of Conduct clause 5.2	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	Priority 4
189	Code of Conduct clause 5.3	A retailer must, prior to commencing a direct debit facility, obtain the customer's verifiable consent and agree with the customer the date of commencement of the direct debit facility and the frequency of the direct debits.	2	Moderate	Unlikely	Medium	Moderate	Priority 4
190	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	Priority 4
191	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	Priority 4
192	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	Priority 4
193	Code of Conduct clause 5.6(2)	If a retailer has charged a late payment fee in the circumstances set out in subclause 5.6(1)(c) because the retailer was not aware of the complaint, the retailer must refund the late payment fee on the customer's next bill.	2	Moderate	Probable	Medium	Strong	Priority 4
194	Code of Conduct clause 5.6(3)	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	Priority 4
195	Code of Conduct clause 5.6(4)	A retailer must not charge a residential customer more than 2 late payment fees in relation to the same bill or more than 12 late payment fees in a year.	2	Moderate	Probable	Medium	Strong	Priority 4
196	Code of Conduct clause 5.6(5)	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	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	Likely	High	Moderate	Priority 2
198	Code of Conduct clause 5.7(2)	If a customer reasonably demonstrates to a retailer that the customer was evicted or otherwise required to vacate a supply address, a retailer must not require a customer to pay for electricity consumed at the customer's supply address from the date the customer gave the retailer notice.	2	Moderate	Probable	Medium	Moderate	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
200	Code of Conduct clause 5.8(1)	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	Priority 4
201	Code of Conduct clause 5.8(2)	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	Priority 4
<b>Part 6 Payment Difficulties &amp; Financial Hardship</b>								
202	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 3 business days, or the retailer must refer the residential customer to an independent financial counsellor or relevant consumer representative organisation to make the assessment.	2	Moderate	Probable	Medium	Weak	Priority 3
203	Code of Conduct clause 6.1(3)	When undertaking an assessment regarding payment difficulties or financial hardship, unless a retailer adopts an assessment from an independent financial counsellor or relevant consumer representative organisation, a retailer must give reasonable consideration to the information given by the residential customer and requested or held by the retailer; or any advice given by an independent financial counsellor or relevant consumer representative organisation.	NR	Minor	Probable	Low	Moderate	Priority 5
204	Code of Conduct clause 6.1(4)	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	Priority 4
205	Code of Conduct clause 6.2(1)	A retailer must grant a residential customer a temporary suspension of actions if the residential customer is referred to an independent financial counsellor or relevant consumer representative organisation under subclause 6.1(1)(b).	2	Moderate	Probable	Medium	Moderate	Priority 4
206	Code of Conduct clause 6.2(2)	A retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions if the customer informs the retailer that the customer is experiencing payment problems and demonstrates to the retailer that the customer has made an appointment with a relevant consumer representative organisation or provides the retailer with an assessment from an independent financial counsellor or relevant consumer representative.	2	Moderate	Probable	Medium	Moderate	Priority 4
207	Code of Conduct clause 6.2(3)	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	2	Moderate	Probable	Medium	Moderate	Priority 4
208	Code of Conduct clause 6.2(4)	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	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	Probable	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	Probable	Medium	Weak	Priority 3
211	Code of Conduct clause 6.4(1)(a)	If the residential customer is experiencing payment difficulties, a retailer must offer the residential customer at least the following payment arrangements: <ul style="list-style-type: none"> <li>• additional time to pay a bill; and</li> <li>• if requested by the residential customer, 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.</li> </ul>	2	Moderate	Probable	Medium	Moderate	Priority 4
212	Code of Conduct clause 6.4(1)(b)	If the residential customer is experiencing financial hardship, a retailer must offer the residential customer at least the following payment arrangements: <ul style="list-style-type: none"> <li>• additional time to pay a bill; and</li> <li>• 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.</li> </ul>	2	Moderate	Probable	Medium	Moderate	Priority 4
213	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	Priority 4
214	Code of Conduct clause 6.4(3)	If a residential customer accepts an instalment plan offered by the retailer, the retailer must, within 5 business days, provide the residential customer with the information specified in subclause 6.4(3)(a), and notify the residential customer of any amendments to the instalment plan at least 5 business days before they come into effect.	2	Moderate	Probable	Medium	Moderate	Priority 4
215	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	Priority 5
216	Code of Conduct clause 6.6(2)	In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the hardship procedures referred to in subclause 6.10(3).	2	Moderate	Probable	Medium	Moderate	Priority 4
217	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	Priority 4
218	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	Weak	Priority 3

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
219	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	Priority 4
220	Code of Conduct clause 6.10(1)	A retailer must develop a hardship policy and hardship procedures to assist customers experiencing financial hardship in meeting their financial obligations and responsibilities to the retailer.	2	Moderate	Probable	Medium	Strong	Priority 4
221	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	Priority 2
222	Code of Conduct clause 6.10(3)	A retailer must ensure that its hardship procedures comply with the criteria specified in subclause 6.10(3).	2	Moderate	Likely	High	Strong	Priority 2
223	Code of Conduct clause 6.10(4)	A retailer must give residential customers, financial counsellors and relevant consumer representative organisations details of the retailer's hardship policy, including by post, at no charge.	2	Moderate	Probable	Medium	Strong	Priority 4
224	Code of Conduct clause 6.10(5)	A retailer must keep a record of the following: the relevant consumer representative organisations consulted on the contents of its hardship policy and hardship procedures; the dates the hardship policy and hardship procedures were established; the dates the hardship policy and hardship procedures were reviewed; and the dates the hardship policy and hardship procedures were amended.	2	Moderate	Probable	Medium	Strong	Priority 4
225	Code of Conduct clause 6.10(6)	If a retailer reviews its hardship policy and hardship procedures, the retailer must submit to the Authority the results of that review within 5 business days after it is completed.	2	Moderate	Likely	High	Moderate	Priority 2
226	Code of Conduct clause 6.10(7)	The retailer must comply with the Authority's Financial Hardship Policy Guidelines.	2	Moderate	Probable	Medium	Moderate	Priority 4
227	Code of Conduct clause 6.10(8)	If a retailer amends its hardship policy, the retailer must submit to the Authority a copy of the retailer's hardship policy within 5 business days of the amendment.	2	Moderate	Probable	Medium	Moderate	Priority 4
228	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	Priority 4
<b>Part 7 Disconnection</b>								
229	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	Likely	High	Moderate	Priority 2
230	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	Priority 4
231	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.				

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
232	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	Priority 4
233	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	Priority 4
234	Code of Conduct clause 7.6	Subject to subclause 7.6(3), 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	Priority 2
235	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	Priority 2
236	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 or contact details the retailer must undertake the actions specified in subclause 7.7(2).	1	Major	Probable	High	Moderate	Priority 2
236A	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 life support equipment, or that the customer no longer requires registration as a life support customer the retailer must undertake the actions specified in subclause 7.7(2).	2	Moderate	Probable	Medium	Moderate	Priority 4
237	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 the customer's supply address or contact details under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	1	Major	Probable	High	Moderate	Priority 2
237A	Code of Conduct clause 7.7(3)	Where a distributor has been informed by a retailer of a change of the customer's life support equipment, or that the customer no longer requires registration as a life support customer under subclause 7.7(2), the distributor must comply with subclause 7.7(3).	2	Moderate	Probable	Medium	Moderate	Priority 4
238	Code of Conduct clause 7.7(4)	Where life support equipment is registered at a customer's supply address under subclause 7.7(3), the distributor must: <ul style="list-style-type: none"> <li>not disconnect the customer's supply address for failure to pay a bill while the person continues to reside at that address and requires the use of life support equipment; and</li> <li>prior to any planned interruption, provide at least 3 business days written or electronic notice to the customer's supply address and use best endeavours to obtain acknowledgement (by verbal, written or electronic means) from the customer that the notice has been received, unless expressly requested in writing by the customer not to.</li> </ul>	1	Major	Probable	High	Moderate	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
239	Code of Conduct clause 7.7(5)	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 prior to the distributor registering the customer's supply address as a life support equipment address, the distributor must use best endeavours to contact that customer or someone residing at the supply address prior to the planned interruption.	NR	Moderate	Probable	Medium	Weak	Priority 3
240	Code of Conduct clause 7.7(6)	A retailer must contact the customer to ascertain whether life support equipment is required or to request recertification in the manner and circumstances specified in subclause 7.7(6).	2	Moderate	Probable	Medium	Moderate	Priority 4
241	Code of Conduct clause 7.7(7)	A retailer or a distributor must remove the customer's details from the life support equipment register in the circumstances and timeframes specified in subclause 7.7(7).	2	Moderate	Probable	Medium	Moderate	Priority 4
<b>Part 8 Reconnection</b>								
242	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	Priority 4
243	Code of Conduct clause 8.1(2)	A retailer must forward the request for reconnection to the relevant distributor within the timeframes specified in clause 8.1(2).	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.				
244	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	Priority 3
<b>Part 9 Pre-Payment Meters</b>								
245	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	Priority 4
246	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	Priority 4
247	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	Priority 4
248	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	Priority 4
249	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
250	Code of Conduct clause 9.3(2)	No later than 10 business days after 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	Priority 4
251	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.	2	Moderate	Probable	Medium	Moderate	Priority 4
252	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	Priority 4
253	Code of Conduct clause 9.3(5)	If the recharge facilities available to a residential customer change from the initial recharge facilities referred to in subclause 9.3(2)(r), the retailer must notify the pre-payment meter customer, in writing or by electronic means, of the change within 10 business days.	2	Moderate	Probable	Medium	Moderate	Priority 4
254	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	Priority 4
255	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	Priority 4
256	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	Probable	Medium	Moderate	Priority 4
257	Code of Conduct clause 9.5(1)	A retailer must not provide a pre-payment meter service at a pre-payment meter customer's supply address if the customer provides the retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the address requires 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	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
258	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(2).	1	Major	Probable	High	Moderate	Priority 2
259	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	Probable	Medium	Moderate	Priority 4
260	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 \$20 per increment.	2	Moderate	Probable	Medium	Moderate	Priority 4
261	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, the retailer must ensure that the pre-payment meter customer receives the benefit of the concession.	2	Moderate	Probable	Medium	Moderate	Priority 4
262	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	Priority 4
263	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	Priority 4
264	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	Priority 4
265	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	Priority 4
266	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	Priority 5
267	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	Priority 4
268	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	Priority 5
269	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
270	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	Priority 4
271	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 9.11(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 9.11(2)(c)-(g) and in the manner stated in subclause 9.12(3).	NR	Minor	Probable	Low	Moderate	Priority 5
<b>Part 10 Information &amp; Communication</b>								
272	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	Priority 4
273	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	Priority 4
274	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	Priority 4
275	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	Priority 4
276	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	Priority 4
277	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	Priority 4
278	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	Priority 4
279	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	Priority 4
280	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	Priority 4
281	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 and the typical running costs of major domestic appliances.	2	Moderate	Probable	Medium	Strong	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
282	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	Priority 4
283	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	Priority 4
284	Code of Conduct clause 10.7(1)	Upon request, a distributor must, provide a customer with their consumption data.	2	Moderate	Probable	Medium	Strong	Priority 4
285	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	Priority 4
286	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	Priority 4
287	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	Priority 4
288	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	Priority 4
289	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	Priority 4
290	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	Priority 5
291	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	Priority 4
292	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	Priority 4
293	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	Priority 4
294	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	Priority 4
295	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
296	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	Priority 4
297	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	Priority 4
<b>Part 12 Complaints &amp; Dispute Resolution</b>								
298	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	Weak	Priority 3
299	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	Priority 4
300	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	Priority 4
301	Code of Conduct clause 12.1(4)	Upon receipt of a written complaint by a customer, a retailer or distributor must acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.	2	Moderate	Probable	Medium	Moderate	Priority 4
302	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	Weak	Priority 3
303	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	Priority 4
304	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)	2	Moderate	Probable	Medium	Moderate	Priority 4
<b>Part 13 Reporting</b>								
305	Code of Conduct clause 13.1	A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the Authority.	2	Moderate	Probable	Medium	Moderate	Priority 4
306	Code of Conduct clause 13.2	The report specified in clause 13.1 must be provided to the Authority by the date, and in the matter and form, specified by the Authority.	2	Moderate	Probable	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
307	Code of Conduct clause 13.3	The report specified in clause 13.1 must be published by the date specified by the Authority. In accordance with clause 13.3(2), a report is published if: <ul style="list-style-type: none"> <li>copies of it are available to the public without cost, at places where the retailer or distributor transacts business with the public; and</li> <li>a copy of it is posted on the retailer or distributor's website.</li> </ul>	2	Moderate	Probable	Medium	Moderate	Priority 4
<b>Part 14 Service Standard Payments</b>								
308	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	Priority 4
309	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	Priority 4
310	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	Priority 4
311	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	Priority 4
312	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 12.1(4).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
313	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 12.1(4).	2	Moderate	Unlikely	Medium	Moderate	Priority 4
314	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	Priority 4
315	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	Priority 4
316	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	Priority 4
<b>15 Electricity Industry Metering Code – Licence Conditions and Obligations</b>								
<b>Part 2 Code objectives and arms-length treatment</b>								

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
317	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	Priority 5
318	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	Priority 4
<b>Part 3 Meters and metering installations</b>								
319	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	Priority 2
320	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	Priority 4
321	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	Priority 4
322	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	Priority 4
323	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	Weak	Priority 3
324	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	Priority 4
325	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	Priority 4
326	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
327	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	Priority 2
328	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	Priority 4
329	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	Priority 4
330	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	Priority 2
331	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	Priority 4
332	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	Priority 4
333	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	Priority 2
334	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	Priority 2
335	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	Priority 4
336	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	Priority 4
337	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
338	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	Priority 4
339	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				
340	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	Priority 2
341	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	Priority 2
342	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	Priority 4
343	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	Priority 4
344	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	Priority 4
345	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	Priority 4
346	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	Probable	Medium	Moderate	Priority 4
347	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	Priority 4
348	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	Priority 4
349	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	Likely	High	Moderate	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
350	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					
351	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					
352	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					
353	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					
354	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					
355	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	Priority 4
356	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	Priority 4
357	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	Priority 2
358	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	Priority 4
359	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	Priority 4
360	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	Priority 4
361	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
362	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	Priority 4
363	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	Priority 4
364	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	Priority 4
365	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	Priority 4
<b>Part 4 The metering database</b>								
366	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	Priority 4
367	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	Priority 4
368	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	Priority 4
369	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.				
370	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	Priority 4
371	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	Priority 5
372	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.				

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
373	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.				
374	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	Priority 4
375	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	Priority 4
376	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	Priority 4
377	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	Priority 4
378	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	Priority 4
379	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	Priority 4
380	Electricity Industry Metering Code clause 4.8(4)(a)	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	Priority 4
381	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority	
382	Electricity Industry Metering Code clause 4.9	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.	2	Moderate	Probable	Medium	Moderate	Priority 4	
<b>Part 5 Metering services</b>									
383	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	Priority 5	
384	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	Priority 5	
385	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	Priority 4	
386	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.	2	Minor	Likely	High	Moderate	Priority 2	
387	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	Likely	High	Moderate	Priority 2	
388	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).	2	Obligation sits with the User not Horizon Power					
389	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.	2	Minor	Unlikely	Low	Moderate	Priority 5	
390	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	Priority 4	
391	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).	2	Minor	Unlikely	Low	Moderate	Priority 5	

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
392	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	Priority 4
393	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	Priority 4
394	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	Priority 4
395	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	Priority 4
396	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	Priority 4
397	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	Priority 4
398	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	Priority 4
399	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	Priority 4
400	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	Priority 4
401	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.				
402	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					

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
403	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	Priority 4
404	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	Priority 4
405	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.				
406	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					
407	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					
408	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					
409	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	Priority 4
410	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.				
411	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	Priority 4
412	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	Priority 4
413	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	Priority 4
414	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
415	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	Priority 4
416	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.				
417	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					
418	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	Priority 4
419	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	Priority 4
420	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	Priority 4
421	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	Priority 4
422	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	Priority 4
423	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	Priority 4
424	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	Priority 4
425	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
426	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	Priority 4
427	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	Priority 4
428	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	Priority 4
429	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	Priority 4
430	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	Priority 4
431	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	Priority 4
432	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	Priority 4
433	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	Priority 4
434	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	Priority 4
435	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.				
436	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
437	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	Priority 4
438	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.				
439	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					
440	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					
441	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	Priority 4
442	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	Priority 4
443	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	Priority 4
444	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	Priority 4
445	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	Priority 4
446	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	Priority 4
<b>Part 6 Documentation</b>								
447	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	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
448	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.				
449	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	Priority 5
450	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	Priority 4
<b>Part 7 Notes and confidential information</b>								
451	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.				
452	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	Priority 4
453	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	These obligations are on the code participant, which is not Horizon Power.				
454	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					
455	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					
456	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					
<b>Part 8 Dispute resolution</b>								
457	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	Priority 5

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
458	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	Priority 5
459	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	Priority 5
460	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	Priority 4
461	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	Priority 5
<b>16 Electricity Industry (Network Quality and Reliability of Supply) Code – Licence Conditions and Obligations</b>								
462	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	Priority 5
463	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	Priority 5
464	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	Priority 5
465	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	Priority 5
466	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	Priority 5
467	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
468	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	Priority 5
469	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	Priority 4
470	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	Priority 4
471	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	Priority 4
472	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	Priority 4
473	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	Likely	High	Moderate	Priority 2
474	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	Priority 4
475	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	Priority 4
476	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	Priority 4
477	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	Priority 5

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
478	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	Priority 4
479	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	Priority 4
480	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	Priority 4
481	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	Priority 4
482	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	Priority 4
483	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	Priority 4
484	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	Priority 4
485	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	Unlikely	Medium	Moderate	Priority 4
<b>17 Electricity Licences - Licensee Specific Conditions and Obligations</b>								
486	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	Priority 4
487	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.	2	Moderate	Probable	Medium	Moderate	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
488	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.	2	Moderate	Probable	Medium	Moderate	Priority 4
489	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.	2	Moderate	Probable	Medium	Moderate	Priority 4
490	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	Priority 4
491	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.	2	Moderate	Probable	Medium	Moderate	Priority 4
492	Electricity Industry Act section 65	The licensee must implement arrangements set out in an approved extension and expansion policy.	2	Moderate	Probable	Medium	Moderate	Priority 4
496	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
<b>The following obligations were amended in / removed from July 2014 and September 2014 Reporting Manuals and are applicable only for the period 1 April 2013 to 30 June 2014.</b>								
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	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	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	Likely	High	Moderate	Priority 2
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	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	Likely	High	Moderate	Priority 2

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	Likely	High	Moderate	Priority 2
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	Likely	High	Moderate	Priority 2
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	Priority 4
142*	Code of Conduct clause 2.6(2)	An electricity marketing agent who meets with a customer face to face must: <ul style="list-style-type: none"> <li>• when negotiating a contract that is not an unsolicited consumer agreement, as soon as practicable tell the customer the purpose of the visit;</li> <li>• wear a clearly visible and legible identity card showing the information specified in subclause 2.6(2)(b); and</li> <li>• as soon as practicable provide the written information specified in subclause 2.6(2)(c).</li> </ul>	2	Moderate	Unlikely	Medium	Moderate	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	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	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	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	Priority 4
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	Priority 4
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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	Likely	High	Moderate	Priority 2
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	Priority 4
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	Priority 4
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	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	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	Priority 4
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.	2	Moderate	Probable	Medium	Moderate	Priority 4
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	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	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	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	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	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	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	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	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	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	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	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	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	Priority 4
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	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	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	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	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	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	Priority 4

No	Obligation reference	Obligation description	Type	Consequence	Likelihood	Inherent Risk Rating	Control Assessment	Audit Priority
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	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	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	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	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	Priority 4
325*	Code of Conduct clause 13.17(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	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	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	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	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	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	Priority 4

\*Obligation number obtained from June 2013 Reporting Manual.

# Appendix 3 – Changes to obligations

Legislative Element	New obligations <sup>2</sup> Relevant period: 1 Apr'13 – 30 Apr '14	New obligations <sup>3</sup> Relevant period: 1 May'14 – 30 Jun '14	New obligations <sup>4</sup> Relevant period: 1 Jul'14 – 31 Aug '14	New obligations <sup>5</sup> Relevant period: 1 Sep '14 – 31 Mar '15	Superseded obligations <sup>3</sup> Relevant period: 1 Apr'13 – 30 Jun'14	Superseded obligations <sup>4</sup> Relevant period: 1 Jul'14 – 31 Aug'14	Obligations amended <sup>6</sup> Relevant period: 1 Apr'13 – 30 Jun'14
Electricity Industry Customer Transfer Code	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity Industry (Licence Conditions) Regulations	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity Industry (Obligation to connect) Regulations	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity Industry (Customer Contracts) Regulations	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity Industry Act	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity Licences – Licence	N/A	N/A	N/A	N/A	N/A	N/A	N/A

<sup>2</sup> Obligation number is based on the Electricity Compliance Reporting Manual (June 2013). Note that Metering Code obligations are applicable from 7 December 2012.

<sup>3</sup> Obligation number is based on the Electricity Compliance Reporting Manual (May 2014). Note that Metering Code obligations are applicable from 7 December 2012.

<sup>4</sup> Obligation number is based on the Electricity Compliance Reporting Manual (July 2014). Note that Metering Code obligations are applicable from 7 December 2012.

<sup>5</sup> Obligation number is based on the Electricity Compliance Reporting Manual (September 2014). Note that Metering Code obligations are applicable from 7 December 2012.

<sup>6</sup> Amendment is of some substance, reflecting a real change to the obligation. Obligation number is based on the Electricity Compliance Reporting Manual (May 2014).

Legislative Element	New obligations <sup>2</sup> Relevant period: 1 Apr'13 – 30 Apr '14	New obligations <sup>3</sup> Relevant period: 1 May'14 – 30 Jun '14	New obligations <sup>4</sup> Relevant period: 1 Jul'14 – 31 Aug '14	New obligations <sup>5</sup> Relevant period: 1 Sep '14 – 31 Mar '15	Superseded obligations <sup>3</sup> Relevant period: 1 Apr'13 – 30 Jun'14	Superseded obligations <sup>4</sup> Relevant period: 1 Jul'14 – 31 Aug'14	Obligations amended <sup>6</sup> Relevant period: 1 Apr'13 – 30 Jun'14
Conditions and Obligations							
Code of Conduct	N/A	N/A	130: clause 2.2(1) 131: clause 2.2(2) 132: clause 2.3(1) 133: clause 2.3(2) 135: clause 2.3(5) 140: clause 2.6 170: clause 4.14(3) 181: clause 4.18(7) 186: clause 4.19(7) 193: clause 5.6(2) 205: clause 6.2(1) 212: clause 6.4(1)(b) 214: clause 6.4(3) 222: clause 6.10(3) 227: clause 6.10(8) 238: clause 7.7(4) 240: clause 7.7(6) 241: clause 7.7(7) 253: clause 9.3(5) 301: clause 12.1(4) 306: clause 13.2 307: clause 13.3	236A: clause 7.7(2) 237A: clause 7.7(3)	130: clause 2.2 132: clause 2.3(1)(c)-(d) 133: clause 2.3(2) 134: clause 2.3(3) 135: clause 2.4(1) 136: clause 2.4(2) 137: clause 2.4(3) 139: clause 2.5(2) 143: clause 2.6(3) & 2.6(4) 161: clause 4.6(2) 200: clause 5.8(1) 249: clause 9.4(5) 251: clause 9.5(2) 264: clause 9.11 267: clause 9.13(3) 300: clause 13.1(1) 301: clause 13.1(2) 302: clause 13.1(3) 303: clause 13.2(a) & (b) 304: clause 13.2(c) 305: clause 13.3(1) 306: clause 13.3(2) 307: clause 13.4 308: clause 13.5 309: clause 13.6 310: clause 13.7(1) 311: clause 13.7(2) 312: clause 13.8(1)	N/A	142: clause 2.6(2) 190: clause 5.3 211: clause 6.4(1) 214: clause 6.6(2) 222: clause 6.10(5) 244: clause 9.3(3) 252: clause 9.5(3) 254: clause 9.7(a), (b) & (d) 277: clause 10.4 332: clause 14.3(2) 334: clause 14.4(2)

Legislative Element	New obligations <sup>2</sup> Relevant period: 1 Apr'13 – 30 Apr '14	New obligations <sup>3</sup> Relevant period: 1 May'14 – 30 Jun '14	New obligations <sup>4</sup> Relevant period: 1 Jul'14 – 31 Aug '14	New obligations <sup>5</sup> Relevant period: 1 Sep '14 – 31 Mar '15	Superseded obligations <sup>3</sup> Relevant period: 1 Apr'13 – 30 Jun'14	Superseded obligations <sup>4</sup> Relevant period: 1 Jul'14 – 31 Aug'14	Obligations amended <sup>6</sup> Relevant period: 1 Apr'13 – 30 Jun'14
					313: clause 13.8(2) 314: clause 13.9(1) 315: clause 13.10(1) 316: clause 13.10(2) 317: clause 13.11 318: clause 13.12 319: clause 13.13(1) 320: clause 13.13(2) 321: clause 13.14(1) 323: clause 13.16 324: clause 13.17(1) 325: clause 13.17(3) 326: clause 13.18 331: clause 14.3(1) 333: clause 14.4(1)		
Electricity Industry Metering Code	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electricity Industry (Network Quality and Reliability of Supply) Code	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Licence specific obligations	N/A	N/A	N/A	N/A	N/A	N/A	N/A

# Appendix 4 – Previous audit recommendations

Recommendations are drawn from the Horizon Power 2013 Electricity Integrated Regional Licence Performance Audit Report dated August 2013.

<p><b>Issue 1/2013</b></p> <p><b>Obligation 75 – Electricity Industry (Obligation to Connect) Regulations reg 6</b></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>	
<p><b>Recommendation 1/2013</b></p> <p>(a) 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><b>Action Plan 1/2013</b></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><b>Responsible Person:</b> Manager Customer Service  <b>Target Date:</b> 31 December 2013</p>

<p><b>Issue 2/2013</b></p> <p><b>Obligation 114 – Integrated Regional Licence condition 23.1</b>  <b>Obligations 129, 133, 135 - 137 – Code of Conduct clauses 2.1, 2.3(2), 2.4(1), (2) and (3)</b></p> <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>	
<p><b>Recommendation 2/2013</b></p> <p>Horizon Power establish mechanisms to:</p> <ul style="list-style-type: none"> <li>(a) Ensure all new connection customers in remote communities are provided with all relevant information and verifiable consent is obtained</li> <li>(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</li> <li>(c) Actively monitor compliance levels for the marketing components of the Code.</li> </ul>	<p><b>Action Plan 2/2013</b></p> <p>Horizon Power has recently appointed an Aboriginal Service Coordinator to focus on service improvements to Aboriginal communities.</p> <ul style="list-style-type: none"> <li>(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.</li> <li>(b) A training plan will be developed for all staff, contractors and other parties as required to achieve compliance requirements.</li> <li>(c) Monitoring processes will be reviewed to determine where improvement can be made.</li> </ul> <p><b>Responsible Person:</b> Customer Service Framework Coordinator</p> <p><b>Target Date:</b> 30 September 2013</p>
<p><b>Issue 3/2013</b></p> <p><b>Obligation 124 – Integrated Regional Licence condition 23.1</b></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>	
<p><b>Recommendation 3/2013</b></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><b>Action Plan 3/2013</b></p> <p>Modify the compliance action monitoring system to include automated notifications/ reminders to submit hard copies of compliance reports.</p> <p><b>Responsible Person:</b> Regulation Compliance Coordinator</p> <p><b>Target Date:</b> 31 August 2013</p>

<p><b>Issue 4/2013</b></p> <p><b>Obligations 144, 294 and 297 – Code of Conduct clauses 2.9(1), 12.1(1) and 12.2</b></p> <p>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:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• 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.</li> </ul>	
<p><b>Recommendation 4/2013</b></p> <p>Horizon Power further strengthen its complaints handling process by:</p> <ul style="list-style-type: none"> <li>(a) More effectively training ServiceWorks’ CSRs to recognise a complaint based on the key criteria from the Authority’s Guidelines</li> <li>(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.</li> </ul>	<p><b>Action Plan 4/2013</b></p> <ul style="list-style-type: none"> <li>(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</li> <li>(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 &amp; ServiceWorks), that captures complaints from all sources and allows visibility for all customer facing staff will be developed.</li> </ul> <p><b>Responsible Person:</b> (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator</p> <p><b>Target Date:</b> (a) 31 December 2013 (b) 30 June 2014</p>

<p><b>Issue 5/2013</b></p> <p><b>Obligation 148 – Code of Conduct clause 4.1</b></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"> <li>• 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)</li> <li>• 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</li> <li>• 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.</li> </ul>	
<p><b>Recommendation 5/2013</b></p> <p>Horizon Power establish a plan for:</p> <p>(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</p> <p>(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>	<p><b>Action Plan 5/2013</b></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><b>Responsible Person:</b> Manager Customer Service <b>Target Date:</b> 31 December 2013</p>
<p><b>Issue 6/2013</b></p> <p><b>Obligation 162 – Code of Conduct clause 4.7</b></p> <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><b>Recommendation 6/2013</b></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><b>Action Plan 6/2013</b></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). 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><b>Responsible Person:</b> Field Services and Metering Coordinator <b>Target Date:</b> 31 March 2014</p>

<p><b>Issue 7/2013</b></p> <p><b>Obligation 180 – Code of Conduct clause 4.18(2)</b></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><b>Recommendation 7/2013</b></p> <p>Horizon Power:</p> <p>(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</p> <p>(b) Update its Payments and Billing work instructions to reflect the requirements of the Code.</p>	<p><b>Action Plan 7/2013</b></p> <p>(a) Specific work instructions will be issued to all staff (Regions, Bentley &amp; 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</p> <p>(b) Appropriate reporting to monitor compliance to this requirement/work instruction will be developed and monitored regularly.</p> <p><b>Responsible Person:</b> Customer Service Framework Coordinator</p> <p><b>Target Date:</b> 31 December 2013</p>

<p><b>Issue 8/2013</b></p> <p><b>Obligations 181 and 186 – Code of Conduct clauses 4.18(3) and 4.19(3)</b></p> <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"> <li>• 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</li> <li>• 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.</li> </ul> <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><b>Recommendation 8/2013</b></p> <p>Horizon Power:</p> <ul style="list-style-type: none"> <li>(a) Fully implement the EFT payment program to limit the need for cheque payments</li> <li>(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</li> <li>(c) Consider the implementation of an exception report to monitor compliance with the Code.</li> </ul>	<p><b>Action Plan 8/2013</b></p> <ul style="list-style-type: none"> <li>(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</li> <li>(b) Specific work instructions will be issued to all staff (Regions, Bentley &amp; ServiceWorks) reflecting the Code requirements for refund or credit options as a result of overcharge</li> <li>(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.</li> </ul> <p><b>Responsible Person:</b> Manager Customer Service  <b>Target Date:</b> 31 December 2013</p>

<p><b>Issue 9/2013</b></p> <p><b>Obligation 197 – Code of Conduct clause 5.7(1)</b></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><b>Recommendation 9/2013</b></p> <p>Horizon Power:</p> <p>(a) Reinforce the requirement for CSRs to maintain complete and timely customer contact logs</p> <p>(b) Establish a compliance monitoring system to identify vacated customers who have been billed for consumption outside the specified timeframes in the Code</p> <p>Where necessary, rectify any instances where customers have been incorrectly billed for consumption after vacating a supply address.</p>	<p><b>Action Plan 9/2013</b></p> <p>(a) Training plans will be reviewed to reinforce the requirement for CSRs to maintain complete and timely customer contact logs.</p> <p>(b) Preliminary investigations show that ServiceWorks has not followed process. An action plan to fully investigate and address this issue will be developed.</p> <p><b>Responsible Person:</b> (a) Customer Service Framework Coordinator (b) Compliance and Billing Support Coordinator</p> <p><b>Target Date:</b> (a) 30 September 2013 (b) 31 December 2013</p>
<p><b>Issue 10/2013</b></p> <p><b>Obligations 210 and 216 – Code of Conduct clauses 6.3(1)(b) and 6.8</b></p> <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><b>Recommendation 10/2013</b></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><b>Action Plan 10/2013</b></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><b>Responsible Person:</b> (a) Customer Service Framework Coordinator (b) Aboriginal Service Coordinator</p> <p><b>Target Date:</b> 31 December 2013</p>

<p><b>Issue 11/2013</b></p> <p><b>Obligation 222 – Code of Conduct clause 6.10(5)</b></p> <p>Through discussions with the Compliance and Billing Support Coordinator and examination of relevant correspondence with the Authority, we determined that:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• 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</li> <li>• The 2012 review process was initiated in August 2012 and was submitted before the 31 December 2012 deadline.</li> </ul> <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><b>Recommendation 11/2013</b></p> <p>n/a - no further action required.</p>	<p><b>Action Plan 11/2013</b></p> <p>n/a - no further action required.</p>
<p><b>Issue 12/2013</b></p> <p><b>Obligation 225 – Code of Conduct clause 7.1(1)</b></p> <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"> <li>• 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.</li> </ul>	
<p><b>Recommendation 12/2013</b></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><b>Action Plan 12/2013</b></p> <p>(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.</p> <p><b>Responsible Person:</b> Manager Customer Service  <b>Target Date:</b> 31 March 2014</p>

<p><b>Issue 13/2013</b></p> <p><b>Obligation 230 – Code of Conduct clause 7.6</b></p> <p>Clause 7.6 of the Code requires disconnections to not be arranged:</p> <ul style="list-style-type: none"> <li>• If the customer has made a complaint directly related to the reason for the proposed disconnection and the matter is unresolved</li> <li>• For Fridays (after 12pm), Saturdays, Sundays, public holidays, the day before a public holiday or after 3pm on all other business days.</li> </ul> <p>Our testing of 30 of 3,276 disconnections processed for the audit period:</p> <ul style="list-style-type: none"> <li>• Did not identify any disconnections in breach of Code requirements</li> <li>• Identified instances of: <ul style="list-style-type: none"> <li>○ A customer being wrongfully disconnected for non-application prior to 12pm on a Friday</li> <li>○ A supply address being disconnected for non-application the day before a public holiday.</li> </ul> </li> </ul> <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><b>Recommendation 13/2013</b></p> <p>Horizon Power amend its disconnection processes to:</p> <ol style="list-style-type: none"> <li>Not arrange for any disconnections on a Friday or the day before a public holiday</li> <li>Specifically account for public holidays that do not fall on a constant day each consecutive year (e.g. Australia day and ANZAC day).</li> </ol>	<p><b>Action Plan 13/2013</b></p> <ol style="list-style-type: none"> <li>Investigate a system driven way to limit the issuing of service orders, at specific times, to stay within Horizon Power’s normal business rules</li> <li>Review business rules to ensure compliance with the Code requirements</li> <li>Ensure the Code requirements for disconnections are incorporated into the Field Service Officer training package.</li> </ol> <p><b>Responsible Person:</b> Field Services and Metering Coordinator</p> <p><b>Target Date:</b> 31 March 2014</p>
<p><b>Issue 14/2013</b></p> <p><b>Obligation 231 – Code of Conduct clause 7.7(1)</b></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><b>Recommendation 14/2013</b></p> <p>Horizon Power:</p> <ul style="list-style-type: none"> <li>(a) Update its Life Support Customer Register with details of the life support equipment required by its current life support customers</li> <li>(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.</li> </ul>	<p><b>Action Plan 14/2013</b></p> <p>Horizon Power will:</p> <ul style="list-style-type: none"> <li>(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</li> <li>(b) Investigate how life support customer information can be captured in Velocity.</li> </ul> <p><b>Responsible Person:</b></p> <ul style="list-style-type: none"> <li>(a) Manager Customer Service</li> <li>(b) Systems Change Coordinator</li> </ul> <p><b>Target Date:</b></p> <ul style="list-style-type: none"> <li>(a) 31 July 2013</li> <li>(b) 31 December 2013</li> </ul>
---	---

<p><b>Issue 15/2013</b></p> <p><b>Obligation 234 – Code of Conduct clause 7.7(4)</b></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><b>Recommendation 15/2013</b></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><b>Action Plan 15/2013</b></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><b>Responsible Person:</b> Customer Service Framework Coordinator</p> <p><b>Target Date:</b> 31 December 2013</p>
<p><b>Issue 16/2013</b></p> <p><b>Obligation 237 – Code of Conduct clause 8.2</b></p> <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><b>Recommendation 16/2013</b></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><b>Action Plan 16/2013</b></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><b>Responsible Person:</b> (a) Manager Customer Service (b) Customer Service Framework Coordinator (c) Customer Service Framework Coordinator</p> <p><b>Target Date:</b> 31 December 2013</p>

<p><b>Issue 17/2013</b></p> <p><b>Obligations 340, 348, 351, 354 and 355 – Metering Code clauses 3.1, 3.5(3) and (9), 3.9(3) and (7)</b></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 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 &amp; 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><b>Recommendation 17/2013</b></p> <p>Horizon Power:</p> <p>(a) Formalise its strategy for the replacement of all non-compliant meters on its networks</p> <p>(b) Liaise with the Authority and Public Utilities Office to reach agreement on actions to be taken.</p>	<p><b>Action Plan 17/2013</b></p> <p>(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</p> <p>(b) The strategy for full replacement of all non-compliant meters is awaiting budget approval</p> <p>(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> <p><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> (a) and (b) 31 March 2014 (c) 30 June 2014</p>

<p><b>Issue 18/2013</b></p> <p><b>Obligation 344 – Metering Code clause 3.3A(1)</b></p> <p>Horizon Power’s procedures provide for:</p> <ul style="list-style-type: none"> <li>• No party to be authorised to connect into its networks without approval</li> <li>• 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.</li> </ul> <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><b>Recommendation 18/2013</b></p> <p>Horizon Power:</p> <p>(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</p> <p>(b) Take appropriate remedial action where appropriate</p> <p>(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>	<p><b>Action Plan 18/2013</b></p> <p>(a) An investigation will be undertaken to determine the extent of the issue of bi-directional flows and recommend required action</p> <p>(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> <p><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> 31 December 2013</p>
<p><b>Issue 19/2013</b></p> <p><b>Obligation 370 – Metering Code clause 3.14(3)</b></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"> <li>• Horizon Power has doubts about some existing metering installations meeting the accuracy requirements of Table 3 in Appendix 1 of the Metering Code 2012. 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</li> <li>• 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.</li> </ul>	
<p><b>Recommendation 19/2013</b></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><b>Action Plan 19/2013</b></p> <p>Rectify the new metering installation to ensure its compliance with the accuracy requirements of Table 3 in Appendix 1.</p> <p><b>Responsible Person:</b> Manager Customer Service</p> <p><b>Target Date:</b> 30 June 2014</p>

<p><b>Issue 20/2013</b></p> <p><b>Obligation 494 – Electricity Industry (Network Quality &amp; Reliability of Supply) Code 2005 clause 19</b></p> <p>The Electricity Industry (Network Quality &amp; 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><b>Recommendation 20/2013</b></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><b>Action Plan 20/2013</b></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><b>Responsible Person:</b> Compliance and Billing Support Coordinator</p> <p><b>Target Date:</b> 30 September 2013</p>

<p><b>Issue 21/2013</b></p> <p><b>Obligation 103 – Electricity Industry Act Regulation 14.0(1)(b)</b></p> <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><b>Recommendation 21/2013</b></p> <p>Horizon Power:</p> <p>(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</p> <p>(b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority.</p>	<p><b>Action Plan 21/2013</b></p> <p>(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</p> <p>(b) Establish a protocol for determining what constitutes a “substantial change” in its asset management system and for duly notifying the Authority.</p> <p><b>Responsible Person:</b> Technical Regulation and Compliance Coordinator</p> <p><b>Target Date:</b> (a) 30 September 2013 (b) 31 December 2013</p>



- Weight Adjustment of AMR Maintenance Index
- AMP Instruction Module – No 10 Maintenance Tactics
- Annual Financial Report 2013 and 2014
- Crisis And Emergency Management Plan
- Critical Customer Policy
- Emergency Cyclone, Severe Storm And Flood Procedure
- East Pilbara Contingency Plan
- Network Contingency Plans
- Horizon Power Customer Charter
- Training register for ServiceWorks staff
- List of Looma Go-Live customers
- Account establishment form template
- Go Live account establishment form
- Standard Form Contract
- Complaints report
- Script for new connections
- List of customer refunds made during the period 1 April 2013 to 30 March 2015
- Unbilled summary
- Customer Services performance dashboard (2014 and 2015)
- Billing and collection Policy
- Bill templates
  - Time of use bill
  - Estimated bill
  - Standard bill
  - Bill with concessions
  - Bill with historical debt
  - Bill with a tariff variation.
- Application for Direct Debit form
- List of final reads and must read service orders
- Referral statistics
- Credit Management process
- Financial Hardship Policy and draft Procedure
- Payment Arrangement Letter
- Correspondence with WACOSS for input into hardship policy
- Hardship process guide/work instruction
- Examples of Reminder and Warning Notices
- Re-Energisation Report for Audit Period
- Prepayment Meters Customer Register
- Life Support Customers Register

- Example of tariff variation letter
- 2013 Performance Report - Code of Conduct
- 2014 Performance Datasheet (Retailer)
- Ombudsman complaints report
- 2013 Streetlights
- March EOM report
- ServiceWorks report for Performance datasheets
- Horizon Power Metrology Procedure (Draft) 2014
- Interim Metrology Procedure Letter to the ERA Dec 2014
- Metering Asset Management Plan
- Meter Testing Plan
- Horizon Power Mandatory Link Criteria
- WADCM (WA Distribution Connections Manual)
- Disaster Declaration and Execution Plan
- Aboriginal Community Roll out plan
- Final Prepayment Steering Committee Meeting Minutes & Actions - February 2014
- AMP Reference Document –No 7 Quality
- Monthly Asset Management Report
- 2013 Audit Report – Network Quality and Reliability of Supply Code
- 2014 Audit Report – Network Quality and Reliability of Supply Code
- 2013 Performance Report – Network Quality and Reliability of Supply Code
- 2014 Performance Report – Network Quality and Reliability of Supply Code
- 2013 Electricity Compliance Manual Datasheet (Distributor)
- 2014 Electricity Compliance Manual Datasheet (Distributor)
- Power Quality Investigations - Handbook
- Technical Rules
- 2014 Renewable energy report
- 2013 Compliance Report - 1 Jul 12 to 30 June 13
- 2014 Compliance Report - 1 Jul 13 to 30 June 14.

# Appendix C – Post Audit Implementation Plan

<p><b>Issue 1/2015</b></p> <p><b><i>Obligation 75 – Electricity Industry (Obligation to Connect) Regulations - regulation 6</i></b></p> <p>In accordance with the action plan devised in response to the non-compliance reported by the 2011 and 2013 performance audits, Horizon Power was to extend the duration of 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 obtain 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 4,486 completed connection service orders for the period 1 April 2013 to 31 March 2015 evidenced that 30 new connections were not completed within the 20 day timeframe, indicating Horizon Power has continued to not fully comply with the Regulations.</p> <p>The existing controls are not adequate to prevent new connections from exceeding the 20 day timeframe, identify new connections that were approaching the 20 day timeframe, identify new connections that exceeded the 20 day timeframe, or trigger a process to obtain customers’ verifiable consent to exceed the 20 day timeframe.</p>	
<p><b>Recommendation 1/2015</b></p> <p>Horizon Power should identify and implement:</p> <ul style="list-style-type: none"> <li>(a) Process improvements aimed at preventing new connections from exceeding the 20 day timeframe</li> <li>(b) Monitoring measures to identify new connections that are likely to exceed the 20 day timeframe</li> <li>(c) Monitoring measures to identify connections exceeding the 20 day timeframe</li> <li>(d) Measures to trigger a process to obtain customers’ verifiable consent, where Horizon Power identifies that new connections will exceed the 20 day timeframe.</li> </ul>	<p><b>Action Plan 1/2015</b></p> <p>Change customer service Dashboard Report to 10 business days requirement to facilitate earlier identification and communication to obtain customers’ verifiable consent.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 2/2015</b></p> <p><b><i>Obligation 103 – Electricity Industry Act section 14(1)(b)</i></b></p> <p><b><i>Obligation 124 – Integrated Regional Licence condition 16.1</i></b></p> <p><b><i>Obligation 125 – Integrated Regional Licence condition 17.1 and 17.2</i></b></p> <p><b><i>Obligation 126 – Integrated Regional Licence condition 18.1</i></b></p> <p><b><i>Obligation 306 – Code of Conduct clause 13.2</i></b></p> <p><b><i>Obligation 307 – Code of Conduct clause 13.3</i></b></p> <p><b><i>Obligation 484 – Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1)</i></b></p> <p><b><i>Obligation 485 – Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(3)</i></b></p> <p>Horizon Power is unable to provide evidence that it has notified the Authority of the details of its asset management system and maintenance measures, as required under section 14(1)(b) of the Electricity Industry Act.</p> <p>Horizon Power is unable to provide evidence of publication dates of the following reports, which were required to be published on its website by 1 October:</p> <ul style="list-style-type: none"> <li>• 2013 Performance report under the Code of Conduct 2012. Note that the requirement has been removed from the Code of Conduct 2014 and as a result, the non-compliance is only applicable for the period 1 April 2013 to 30 June 2014.</li> <li>• 2013 and 2014 performance reports under the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 27(1).</li> </ul> <p>The existing controls are not adequate to ensure that evidence is maintained of compliance with due dates for submission and publication of reports.</p>	
<p><b>Recommendation 2/2015</b></p> <p>Horizon Power should consider establishing a centralised:</p> <p>(a) Compliance Register to record and track due dates for submission and publication of reports</p> <p>(b) Repository to retain evidence of submission and publication of reports within the required timeframe.</p>	<p><b>Action Plan 2/2015</b></p> <p>Establish a centralised:</p> <p>(a) Compliance Register to record and track due dates for submission and publication of reports</p> <p>(b) Repository to retain evidence of submission and publication of reports within the required timeframe.</p> <p><b>Responsible Person:</b> Customer Services Process Manager, Manager Asset Management Support</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 3/2015</b></p> <p><b>Obligation 129 – Code of Conduct clause 2.1</b></p> <p><b>Obligation 142* – Code of Conduct clause 2.6(2)</b></p> <p><b>Obligation 143* – Code of Conduct clause 2.6(3) and 2.6(4)</b></p> <p>Based on testing of five customers that signed up as part of the Go-live process, we determined that valid copies of the signed contracts had not been maintained on file for all customers (as per the requirement of Part 2 of the Code of Conduct). As a result, Horizon Power was non-compliant with Part 2 of the Code of Conduct, for the period 1 April 2013 to 1 July 2014.</p> <p>The controls relating to document retention and archiving were not effective in facilitating appropriate record keeping during the period this obligation was in force.</p> <p>The Authority is also of the view that the Department of Housing’s actions in relation to facilitating Horizon Power’s account establishment process constitute ‘marketing’ activity and the Department is deemed to be acting as a marketing agent on behalf of Horizon Power.</p> <p>We note that Obligations 142* and 143* have been removed from the new Code of Conduct, effective from 1 July 2014.</p>	
<p><b>Recommendation 3/2015</b></p> <p>Horizon Power should follow through on its undertaking to reinforce with ServiceWorks the importance of document retention and maintenance of appropriate archiving processes for retention of key information.</p>	<p><b>Action Plan 3/2015</b></p> <p>Reinforce with ServiceWorks the importance of document retention and maintenance of appropriate archiving processes for retention of key information.</p> <p><b>Responsible Person:</b> Retail Services Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 4/2015</b></p> <p><b>Obligation 145 – Code of Conduct clause 4.1</b></p> <p>Horizon Power has continued to issue bills to customers at intervals of greater than the three month period stipulated in the Code of Conduct. Through examination of the Customer Services Dashboard, we identified that 28 accounts were unbilled for longer than 90 days at 30 June 2014.</p> <p>However, we acknowledge that significant effort has been applied by Horizon Power to reduce this number and at 31 March 2015, no accounts remained unbilled for over 90 days.</p>	
<p><b>Recommendation 4/2015</b></p> <p>n/a – no further action is required.</p>	<p><b>Action Plan 4/2015</b></p> <p>n/a – no further action is required.</p>

<p><b>Issue 5/2015</b></p> <p><b>Obligation 158 – Code of Conduct clause 4.7</b></p> <p><b>Obligation 386 – Metering Code clause 5.4(1)</b></p> <p><b>Obligation 387 – Metering Code clause 5.4(1A)</b></p> <p>Horizon Power’s Customer Services Dashboard reflected recurring instances of accounts that have not had an actual read in 12 months (81 in March 2014; 16 in June 2014 and 176 in March 2015).</p> <p>We were advised by the Meter Data Coordinator that as a result of staff changes in Horizon Power monitoring of the exceptions was re-assigned to the regions and that the exception reports were not followed up efficiently by the regions.</p> <p>The existing controls are not adequate to prevent meters from going without an actual read for longer than 12 months.</p>	
<p><b>Recommendation 5/2015</b></p> <p>Until the successful implementation of the AMI installation program, Horizon Power should identify and implement measures to trigger a process to expedite actual reads of meters where the time elapsed from the previous actual read is approaching or has exceeded the 12 month timeframe.</p>	<p><b>Action Plan 5/2015</b></p> <p>The 176 accounts at the end of March included 166 in the NIS, and 10 in the NWIS. In the existing process, the system generates a queue for all installations that have not received a read for 8 months. The process is to generate manual must read service orders to attain these reads. In this instance the process has not been followed.</p> <p>(a) Customer Service will continue with its existing continual process improvement methodology through weekly reporting and root cause analysis</p> <p>(b) Process enhancements will be implemented, if identified</p> <p>(c) Regional Managers are to reinforce with staff the importance of following the process.</p> <p>Additionally via the implementation of AMI the likelihood of this breach will be further reduced. There is no additional action proposed.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 6/2015</b></p> <p><b>Obligation 160 – Code of Conduct clause 4.8(2)</b></p> <p>The wording required by subclause 4.8(2) (c) of the Code of Conduct has not been fully reflected on the estimated bill template (e.g. the template does not specifically reference the words “a verification of a meter reading”). As a result, the format of Horizon Power’s bill does not fully comply with the requirements of the Code of Conduct.</p> <p>The existing controls did not identify that the wording of the estimated bill template does not comply with the Code of Conduct.</p>	
<p><b>Recommendation 6/2015</b></p> <p>Horizon Power should update its estimated bill template to completely reflect the requirements of clause 4.8(2), specifically displaying the option for a customer to request for a verification of a meter reading.</p>	<p><b>Action Plan 6/2015</b></p> <p>Update estimated bill template to address the requirements of clause 4.8(2) of the Code.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 28 February 2016</p>

<p><b>Issue 7/2015</b></p> <p><b>Obligation 177 – Code of Conduct clause 4.18(2)</b></p> <p><b>Obligation 183 – Code of Conduct clause 4.19(2)</b></p> <p>Based on our testing of 20 refunds made to customers following overcharges, we identified one instance where Horizon Power did not comply with the requirements of the Code of Conduct, in that it did not advise the customer of an overcharge to their account within 10 business days.</p> <p>In the identified instance of non-compliance an actual read was performed, following previous estimations, which generated a credit to the customer’s account. Horizon Power did not advise the customer of the overcharge or ask the customer for instructions regarding repayment of the overcharge after the credit was recorded on the customer’s account. Horizon Power only took action when the customer identified the credit on their bill and contacted Horizon Power to request a refund.</p> <p>The existing controls were not adequate to ensure that the customer was informed of the overcharge within ten business days of Horizon Power becoming aware thereof.</p>	
<p><b>Recommendation 7/2015</b></p> <p>Horizon Power should reinforce with ServiceWorks the importance of adhering to the existing process for notification to customers within the required timeframe where overcharges occur on accounts.</p>	<p><b>Action Plan 7/2015</b></p> <p>Reinforce with ServiceWorks the importance of managing the existing process. A robust process and monitoring is currently in place.</p> <p><b>Responsible Person:</b> Retail Service Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

**Issue 8/2015****Obligation 197 – Code of Conduct clause 5.7(1)**

Testing of a sample of 15 final read service orders completed during the audit period identified that 10 customers had been charged for consumption for seven calendar days (five business days) from the date of notification.

The same issue was raised in the previous audit and Horizon Power undertook to address the issue under Action Plan 9/2013. Notwithstanding the improvements Horizon Power has implemented to complete Action Plan 9/2013, we identified a systemic issue with regards to the configuration of its billing system (Velocity).

Subclause 5.7(1) of the Code of Conduct requires the following:

“a retailer must not require a customer to pay for electricity consumed at the customer’s supply address from:

- d) the date the customer vacated the supply address, if the customer gave at least 5 days notice; or
- e) 5 days after the customer gave notice, in any other case.”

Based on our understanding of the requirements of the Code of Conduct, Horizon Power has not configured Velocity to support compliance with the above requirements as Velocity has been configured to allow for five business days, as opposed to calendar days. We note that the Code of Conduct expressly refers to certain timeframes in ‘business days’ where it is intended that such timeframes be calculated in business days and also specifically defines ‘business days’. In this instance, the Code of Conduct does not refer to business days and as a result, Horizon Power should have configured Velocity to calculate the period involved in calendar days.

The existing controls were not adequate to identify that the configuration of Velocity to calculate consumption in business days was not in compliance with the Code of Conduct.

**Recommendation 8/2015**

Horizon Power should:

- (a) Reconfigure the Service Order ‘required by date’ to calculate consumption in calendar days, as provided by the Code of Conduct
- (b) Endeavour to determine the extent of the customer population affected and the number and quantum of transactions involved
- (c) Liaise with the Authority to obtain guidance on what further actions should be taken.

**Action Plan 8/2015**

Horizon Power has always managed service order delivery / compliance based on business days, and appears that there has been a misinterpretation of the change to final reading timeframes in the 2014 code of conduct for conduct.

Horizon Power will assess the extent of the customers impacted and liaise with the authority by December 2015.

Following the implementation of AMI the likelihood of this breach will be further reduced. AMI will in-corporate remote facilitation of final reads across any AMI enabled meter on the date requested by the customer.

**Responsible Person:** Manager Customer Service

**Target Date:** 30 September 2015

<p><b>Issue 9/2015</b></p> <p><b>Obligation 225 – Code of Conduct clause 6.10(6)</b></p> <p><b>Obligation 227 – Code of Conduct clause 6.10(8)</b></p> <p>In 2013, Horizon Power made a change to its Financial Hardship Policy, to reflect its internal structural changes for a staff member’s position. The Authority was only advised of this change on 18 August 2014. As such, Horizon Power had not complied with the five business day notification requirement stipulated by the Code of Conduct.</p> <p>Horizon Power self-reported the breach to the Authority and acknowledged that the breach occurred as a result of a misinterpretation of a communication received from the Authority.</p> <p>The existing controls were not adequate to ensure that the interpretation of the communication from the Authority was correct. However, Horizon Power identified the issue and corrected it.</p>	
<p><b>Recommendation 9/2015</b></p> <p>n/a - no further action is required.</p>	<p><b>Action plan 9/2015</b></p> <p>n/a - no further action is required.</p>

<p><b>Issue 10/2015</b></p> <p><b>Obligation 229 – Code of Conduct (Disconnection) Regulations regulation 7.1(1)</b></p> <p>This audit noted instances where reminder notices sent to customers included the total debt owed by the customer, including amounts billed less than 13 business days prior to the date of the reminder.</p> <p>The existing controls did not identify and prevent the issuance of reminder notices that included amounts billed less than 13 business days prior to the date of those notices and as such need some improvement.</p>	
<p><b>Recommendation 10/2015</b></p> <p>Horizon Power should reconfigure the reminder notice to exclude amounts billed less than 13 business days prior to the date of such a reminder.</p>	<p><b>Action Plan 10/2015</b></p> <p>Reconfigure the reminder notice to exclude amounts billed less than 13 business days prior to the date of such a reminder.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 28 February 2016</p>

<p><b>Issue 11/2015</b></p> <p><b>Obligation 235 – Code of Conduct (Disconnection) Regulations regulation 7.7(1)</b></p> <p>Clause 7.7(1)(b) of the Code of Conduct requires Horizon Power to register the life support equipment required by the customer.</p> <p>Horizon Power’s Life Support Register does not include full details of the life support equipment for 18 of the 83 life support customers, as required by the Code of Conduct.</p> <p>This obligation is a Type 1 licence obligation and a licensee must immediately notify the Authority when it becomes aware of a breach of a Type 1 licence obligation. The existing controls did not identify that Horizon Power was not compliant with this obligation and were not adequate to facilitate compliance with Horizon Power’s Type 1 reporting obligations.</p> <p>We note that Horizon Power has addressed the issue by updating the Life Support Customer Register with the required details.</p>	
<p><b>Recommendation 11/2015</b></p> <p>n/a - no further action is required.</p>	<p><b>Action Plan 11/2015</b></p> <p>n/a - no further action is required.</p>

<p><b>Issue 12/2015</b></p> <p><b>Obligation 244 – Code of Conduct (Reconnection) Regulations regulation 8.2</b></p> <p>As a distributor, Horizon Power is required to reconnect a previously disconnected customer’s supply address within the time frames specified in clause 8.2(2) of the Code of Conduct.</p> <p>Of all 6994 reconnection service orders issued during the audit period, there were 194 instances where reconnections did not occur within the specified timeframes.</p> <p>The existing controls did not identify reconnections that exceeded the specified timeframe or were approaching the specified timeframe and as such require some improvement.</p>	
<p><b>Recommendation 12/2015</b></p> <p>Horizon Power should identify and implement:</p> <ul style="list-style-type: none"> <li>(a) Improved monitoring measures to identify reconnection service orders approaching the specified timeframe</li> <li>(b) Improved monitoring measures to identify reconnection service orders that have exceeded the specified time frames</li> <li>(c) Process improvements aimed at preventing reconnections from exceeding the specified timeframe</li> <li>(d) Measures to trigger a process to expedite reconnections at risk of exceeding the specified timeframes.</li> </ul>	<p><b>Action Plan 12/2015</b></p> <p>Following the implementation of AMI, the likelihood of this breach will be further reduced. AMI will incorporate remote facilitation of re-energisations across any AMI enabled meter.</p> <ul style="list-style-type: none"> <li>(a) Customer Service will continue with its existing continual process improvement methodology through weekly reporting an root cause analysis</li> <li>(b) Process enhancements will be implemented, if identified.</li> </ul> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 13/2015</b></p> <p><b>Obligation 245 – Code of Conduct clause 9.1(2)</b></p> <p>During the audit period, Horizon Power installed prepayment meters in two communities (Bayulu and Mowanjum), which have not yet been published in the Government Gazette by the end of the audit period.</p> <p>The existing controls did not identify the pre requirement for those new communities to be gazetted and as such require some improvement.</p>	
<p><b>Recommendation 13/2015</b></p> <p>Horizon Power should provide for inclusion of Mowanjum and Bayulu communities in the Government Gazette.</p>	<p><b>Action Plan 13/2015</b></p> <p>Work with Public Utilities Office to include Mowanjum and Bayulu communities in the Government Gazette.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 14/2015</b></p> <p><b>Obligation 249* – Code of Conduct clause 9.4(5)</b></p> <p>Horizon Power did not send the required notice to advise residential pre-payment meter customers of the date of the expiry of the customer's rights to revert to a standard meter during the period under audit.</p> <p>This requirement has been removed from the new Code of Conduct, effective from 1 July 2014.</p>	
<p><b>Recommendation 14/2015</b></p> <p>n/a - no further action is required.</p>	<p><b>Action Plan 14/2015</b></p> <p>n/a - no further action is required.</p>

\* Obligation relates to Code of Conduct 2012

<p><b>Issue 15/2015</b></p> <p><b>Obligation 280 – Code of Conduct clause 10.3A</b></p> <p>Prior to 2013 Horizon Power provided customers with letters detailing its obligations to make Standard Service Payments. In 2013, Horizon Power decided that its Corporate Communications would publish the obligations in the <i>On The Horizon</i> newsletter. However, to date Horizon Power has not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers.</p> <p>The existing controls were not adequate to ensure the provision of required details to its customers and require improvement.</p>	
<p><b>Recommendation 15/2015</b></p> <p>Horizon Power should identify and implement improved controls to ensure that details of its obligations under Part 14 of the Code is published in the 'On the Horizon' Newsletter at least once a year in accordance with the requirements of clause 10.3A of the Code of Conduct.</p>	<p><b>Action Plan 15/2015</b></p> <p>Ensure that details of Horizon Power's obligations under Part 14 of the Code are published in the 'On the Horizon' Newsletter at least once a year in accordance with the requirements of clause 10.3A of the Code of Conduct.</p> <p><b>Responsible Person:</b> Manager Asset Management Support</p> <p><b>Target Date:</b> 31 July 2015</p>

<p><b>Issue 16/2015</b></p> <p><b>Obligation 301* – Code of Conduct clause 13.1(2)</b></p> <p><b>Obligation 302* – Code of Conduct clause 13.1(3)</b></p> <p><b>Obligation 308* – Code of Conduct clause 13.5</b></p> <p><b>Obligation 318* – Code of Conduct clause 13.12</b></p> <p>Being a vertically integrated business, Horizon Power records and maintains the information in a single system at an organisational level and not separated into retail and distribution.</p> <p>The Authority is of the view that maintaining an aggregated set of records rendered Horizon Power non-compliant with the requirements of clause 13.1(2), 13.1(3), 13.1(5) and 13.1(12).</p> <p>These requirements have been removed from the new Code of Conduct, effective from 1 July 2014.</p>	
<p><b>Recommendation 16/2015</b></p> <p>n/a - no further action is required.</p>	<p><b>Action Plan 16/2015</b></p> <p>n/a - no further action is required.</p>

\* Obligation relates to Code of Conduct 2012

<p><b>Issue 17/2015</b></p> <p><b>Obligation 305 – Code of Conduct clause 13.1</b></p> <p>Clause 13.1 of the Code of Conduct requires Horizon Power to prepare a report in respect of each reporting year setting out the information specified by the Authority.</p> <p>Whilst a report was prepared and submitted to the Authority for each of the two reporting years during the audit period, we identified that in the 2013/14 report, Horizon Power has indicated a figure of 154 residential customer accounts that have been placed on a shortened billing cycle.</p> <p>We note that Horizon Power does not offer a shortened billing cycle to any of its customers.</p> <p>Note that the issue relates to control deficiency only and not non-compliance. The existing controls did not prevent reporting of incorrect information to the Authority and hence require some improvement.</p>	
<p><b>Recommendation 17/2015</b></p> <p>Horizon Power should rectify the 2014 data sheets to remove data referenced to shortened billing cycle.</p>	<p><b>Action Plan 17/2015</b></p> <p>Rectify the 2014 data sheets to remove data referenced to shortened billing cycle.</p> <p><b>Responsible Person:</b> Customer Services Process Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

**Issue 18/2015*****Obligation 319 – Metering Code clause 3.1******Obligation 327 – Metering Code clause 3.5(3)******Obligation 330 – Metering Code clause 3.5(9)******Obligation 333 – Metering Code clause 3.9(3)******Obligation 334 – Metering Code clause 3.9(7)******Obligation 340 – Metering Code clause 3.11A(1)******Obligation 341 – Metering Code clause 3.11A(2)***

The 2011 performance audit recognised Horizon Power’s doubts whether its meters were compliant with relevant requirements and specifications. . Horizon Power developed a Metering Management Plan detailing its 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 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.

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 concluded that it currently operates non-compliant meters.

During the current audit period Horizon Power has initiated the process of rolling out Advanced Metering Installations (**AMI**) to replace its current meters, consistent with the recommendations arising from the 2013 audit. AMI installations are anticipated to be completed by December 2016, but at the end of the current audit period Horizon Power still had non-compliant meters in operation.

**Recommendation 18/2015**

n/a - no further action is required.

**Action Plan 18/2015**

n/a - no further action is required.

<p><b>Issue 19/2015</b></p> <p><b>Obligation 349 – Metering Code clause 3.14(3)</b></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 2013 audit confirmed that Horizon Power had audited approximately half of its relevant power station and transfer point meters, with the result that:</p> <ul style="list-style-type: none"> <li>• Horizon Power had 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</li> <li>• One new metering installation post commencement of the 2005 Metering Code did not meet the accuracy requirements of Table 3, Appendix 1.</li> </ul> <p>The 2013 audit recommendation that Horizon Power rectify the new metering installation to ensure it complied with the accuracy requirements of Table 3 in Appendix 1 of the Metering Code, has not yet been implemented.</p>	
<p><b>Recommendation 19/2015</b></p> <p>n/a - no further action is required</p>	<p><b>Action Plan 19/2015</b></p> <p>The business case has been delayed due to other urgent works in the NWIS, currently being carried out by the asset management team.</p> <p>It is anticipated that the business case will be finalised by 31 July 2015 and that progression will be subject to funding approval.</p>

<p><b>Issue 20/2015</b></p> <p><b>Obligation 473 – Network Quality &amp; Reliability of Supply Code 2005 clause 19</b></p> <p>The Electricity Industry (Network Quality &amp; Reliability of Supply) Code requires extended outage payments to be made within 30 days of an application for such a payment by a customer.</p> <p>During the period 1 July 2014 to 31 March 2015, Horizon Power received 945 applications for extended outage payments, all relating to Cyclone Olwyn in March 2015. Of those 945 applications, we identified that 11 payments were made outside of the 30 days requirement.</p> <p>The existing controls relating to extended outage payments did not identify and prevent some of those payments from occurring outside the specified timeframe and as such need some improvement.</p>	
<p><b>Recommendation 20/2015</b></p> <p>Horizon Power should reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes by accurately maintaining the Extended Outage Payment Scheme Spreadsheet.</p>	<p><b>Action Plan 20/2015</b></p> <p>Reinforce the requirement to monitor compliance with processing extended outage payments within the required timeframes</p> <p><b>Responsible Person:</b> Retail Service Manager</p> <p><b>Target Date:</b> 30 September 2015</p>

<p><b>Issue 21/2015</b></p> <p><b><i>Obligation 476 – Electricity Industry (Network Quality and Reliability of Supply) Code 2005 clause 21(3)</i></b></p> <p>Clause 21(3) of Electricity Industry (Network Quality and Reliability of Supply) Code 2005 requires Horizon Power to provide a written notice at least once in each financial year to eligible customers about payments for failure to meet the requirements in clauses 18 and 19.</p> <p>At the date of the audit Horizon Power had not published the obligations in the <i>On the Horizon</i> newsletter, or sent such letters to customers. The existing controls were not adequate to ensure the provision of required details to its customers and require improvement.</p> <p>However, following the audit Horizon Power has taken corrective action by publishing the required obligation in the <i>On the Horizon</i> newsletter.</p>	
<p><b>Recommendation 21/2015</b></p> <p>Horizon Power should identify and implement improved controls to ensure that details of its obligations about payments for failure to meet the requirements in clauses 18 and 19 of the Network Quality &amp; Reliability of Supply Code 2005 are published in the 'On the Horizon' Newsletter at least once a financial year in accordance with the requirements of clause 21(3) of the Code.</p>	<p><b>Action Plan 21/2015</b></p> <p>Ensure that details of Horizon Power's obligations about payments for failure to meet the requirements in clauses 18 and 19 of the Network Quality &amp; Reliability of Supply Code 2005 is published in the 'On the Horizon' Newsletter at least once a financial year in accordance with the requirements of clause 21(3) of the Code.</p> <p><b>Responsible Person:</b> Manager Asset Management Support</p> <p><b>Target Date:</b> 31 July 2015</p>