



Quantum
Assurance



Esperance Gas Distribution Company Pty Ltd

Gas Trading Licence GTL11

Performance Audit

Final Report

June 2019

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Executive Summary

Esperance Gas Distribution Company Pty Ltd (EGDC) is the licensee of the Economic Regulation Authority (ERA) and holds a gas trading licence (GTL11) for the Esperance gas distribution system under the provisions contained in the Energy Coordination Act 1994.

The Esperance Gas Distribution System is a very small and simple reticulated natural gas network in Esperance town, with only 38 kms of low pressure PE mains and a PRS fed from Mainline Valve No 4 of Kambalda to Esperance Gas Pipeline and an offtake in Esperance Power Station for a dedicated supply to Summit Fertilisers.

The network has around 380 business and residential customers (339 residential and 41 business customers at 30 June 2018) which is managed by Transfield Worley Power Services (TWPS) from an office located at 91 Dempster St Esperance.

EGDC is required to comply with the terms and conditions of their licence, including applicable legislative provisions and performance reporting as set out in the 2017 Gas Compliance Reporting Manual and previous versions.

Our performance audit approach is based on the compliance obligations set out in the licence (Gas Trading Licence GTL11 - Version 9 from 1 January 2015 to 31 December 2016 and Version 10 from 1 January 2017). The changes relate to the amendment of the ERA's Gas Compendium of Licence Obligations. We have considered any variations between the licences that affect EGDC's compliance obligations or other areas covered by the audit.

Not less than once in every period of 24 months unless extended by the ERA, EGDC requires a performance audit of compliance with the licence conditions to comply with the licensing requirements of the ERA. This audit period is 1 April 2016 to 31 March 2019. The previous period was 14 March 2014 to 31 March 2016.

This Performance Audit has been conducted in order to assess the licensee's level of compliance with the conditions of its licence.

Conclusion

Through the execution of the Audit Plan and assessment and testing of the control environment, the information system, control procedures and compliance attitude, the audit team members have gained reasonable assurance that EGDC has complied with its Gas Trading Licence performance and quality standards and obligations during the audit period from 1 April 2016 to 31 March 2019 with one new non-compliance with a minor effect on customers.

Out of 238 applicable compliance obligations, the audit found:

- 120 obligations were rated compliant, comprising 67 with adequate controls, 1 with generally adequate controls – improvement needed and 52 where a controls assessment was not performed due to their low to medium audit priority;
- 7 obligations were rated non-compliant – minor effect on customers, comprising 5 with adequate controls and 2 with generally adequate controls – improvement needed. There was one new non-compliance in this audit period with the remainder due to non-compliances reported in the previous audit and resolved by September 2016.
- 111 were not rated for compliance as no relevant activity took place during the audit period.

The audit confirmed that EGDC has fully complied with its information reporting obligations for the period 1 April 2016 to 31 March 2019 with one non-compliance re the standing charge information.

The control environment is considered to be well-designed and effective.

There were two recommendations. One recommendation addressed the non-compliance on reporting of the number of customers for the standing charge and reinforcing the internal protocol that all communication with the ERA should be via the Technical, Business and Regulatory Manager. The other recommendation is an improvement opportunity.

Audit Opinion

Limitations

Our review has been conducted in accordance with applicable Standards on Assurance Engagements (ASAE) 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” and 3100 “Compliance Engagements”.

Our audit procedures have been included in Section 2 of this report and have been undertaken to form a conclusion as to whether EGDC has complied in all material respects, with the procedures and controls over the performance and quality standards and licence obligations of the Gas Trading Licence (GTL11) for the period 1 April 2016 to 31 March 2019.

This report was prepared for distribution to EGDC and ERA for the purpose of fulfilling EGDC’s reporting obligations under the Gas Trading Licence. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than EGDC and ERA, or for any purpose other than that for which it was prepared.

Because of the inherent limitations of any internal control environment, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the procedures and controls over the performance and quality standards and licence obligations of the Gas Trading Licence, since we do not examine all evidence and every transaction. The audit conclusions expressed in this report have been formed on this basis.

Statement of Independence

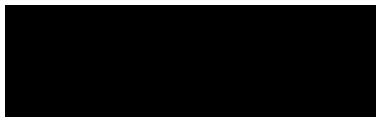
The ERA’s Audit Guidelines require an auditor to provide a declaration of independence. To the best of our knowledge and belief, Quantum Management Assurance and Consulting, its employees and contractors, comply with the ERA’s independence requirements set out in the Audit and Review Guidelines – Electricity and Gas Licences (April 2014).

Auditor’s Unqualified Opinion

In our opinion, the Esperance Gas Distribution Company Pty Ltd has complied, in all material respects, with the performance and quality standards and obligations of the Gas Trading Licence for the period from 1 April 2016 to 31 March 2019.

We confirm that the ERA’s Audit and Review Guidelines: Electricity and Gas Licences (April 2014) have been complied with in the conduct of this audit and the preparation of the report, and that the audit findings reflect our professional opinion.

QUANTUM MANAGEMENT CONSULTING & ASSURANCE



GEOFF WHITE
DIRECTOR

PERTH, WA
4 JULY 2019

1. Background

Esperance Gas Distribution Company Pty Ltd (EGDC) is the licensee of the Economic Regulation Authority (ERA) and holds a gas trading licence (GTL11) for the Esperance gas distribution system under the provisions contained in the Energy Coordination Act 1994.

The Esperance Gas Distribution System is a very small and simple reticulated natural gas network in Esperance town, with only 38 kms of low pressure PE mains and a PRS fed from Mainline Valve No 4 of Kambalda to Esperance Gas Pipeline and an offtake in Esperance Power Station for a dedicated supply to Summit Fertilisers.

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EGDC is required to comply with the terms and conditions of their licence, including applicable legislative provisions and performance reporting as set out in the 2017 Gas Compliance Reporting Manual and previous versions.

Our performance audit approach is based on the compliance obligations set out in the licence (Gas Trading Licence GTL11 - Version 9 from 1 January 2015 to 31 December 2016 and Version 10 from 1 January 2017). The changes relate to the amendment of the ERA's Gas Compendium of Licence Obligations. We have considered any variations between the licences that affect EGDC's compliance obligations or other areas covered by the audit.

Not less than once in every period of 24 months unless extended by the ERA, EGDC requires a performance audit of compliance with the licence conditions to comply with the licensing requirements of the ERA. This audit period is 1 April 2016 to 31 March 2019. The previous period was 14 March 2014 to 31 March 2016.

2. Methodology

2.1 Audit Objectives and Scope

The objective of the audit was to provide the ERA with an independent assessment of the licensee's compliance with relevant obligations under the licence.

The audit applied a risk-based audit approach. The scope of the audit included the adequacy and effectiveness of performance against the requirements of the licence by considering:

- **process compliance** - the effectiveness of systems and procedures in place throughout the audit period, including 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 reporting** – the completeness and accuracy of the compliance and performance reports provided to the ERA; and
- **compliance with any individual licence conditions** - the requirements imposed on the specific licensee by the ERA or specific issues that are advised by the ERA.

The audit sought to identify any areas where improvement is required and to recommend corrective action as necessary. The audit also reviewed the status of the previous audit recommendations (Refer Section 4).

2.2 Audit Period and Timing

The audit covered the period from 1 April 2016 to 31 March 2019 and was completed in April/May 2019.

The previous audit covered the period 14 March 2014 to 31 March 2016.

2.3 Audit Approach

The Audit was conducted in compliance with the requirements set out in the ERA Audit and Review Guidelines – Electricity and Gas Licences (April 2014).

Our approach to meeting the requirements for a performance audit is set out below.

Audit Planning

- Contact EGDC to gain an understanding of the business, relevant management plans and systems that may affect the risk assessment for planning purposes.
- Prepare a risk assessment including any specific factors or changes relevant to the licensee (in tabular form against each licence condition).
- Submit a draft **Audit Plan**, including the risk assessment and proposed approach, to EGDC and ERA for review and approval.
- Send a **Pre-Visit Checklist** of information and documentation to EGDC to enable staff to prepare for the visit (and where possible, send us information prior to the site visit).

Fieldwork

- Undertake a visit to EGDC in Esperance and conduct various meetings with key contacts to assess the effectiveness of systems and procedures in place and to compare actual performance against the licence standards.

- Review the status of the recommendations in the previous audit report dated May 2016.
- Obtain copies of the performance reporting statistics for 2015/16, 2016/17 and 2017/18, and relevant correspondence between the licensee and the ERA for the audit period.
- The audit scope for the **Performance Audit** included:
 - **analysis of documented procedures** to assess whether they are consistent with regulatory requirements or arrangements under the licence.
 - **review of systems and procedures** to assess whether they reflect compliance obligations and performance standards, including assessing and testing the following:
 - **control environment** – management’s 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 the key staff members;
 - **information system** – the appropriateness of the information systems to record the information needed to comply with the licence, accuracy of data, security of data and documentation describing the information system;
 - **control procedures** – the presence of systems and procedures to monitor compliance with the licence or the effectiveness of the asset management system and to detect and correct non-compliance or under-performance;
 - **compliance attitude** - the action taken by the licensee in response to the previous audit/review recommendations, and an assessment of management’s attitude towards compliance; and
 - **outcome compliance** – the actual performance against standards prescribed in the licence throughout the audit period.
- Update the risk assessment with any new information obtained in the course of the audit testing and, in instances of significant non-compliance, assess the licensee’s plan to ensure compliance and recommend any further improvements to achieve compliance.

Audit Reporting

- Prior to the conclusion of the visit, the lead auditor will discuss any observations and recommendations with EGDC management to confirm our understanding of the issues and to discuss the action to be taken.
- Provide a draft report to EGDC for review no later than two weeks before the final report is due and make any revisions necessary.
- Provide the updated draft report to EGDC for review and feedback prior to finalising the report.
- Issue the final report to EGDC for submission to the ERA.

The audit report complies with the format prescribed in the Audit and Review Guidelines – Electricity and Gas Licences (April 2014).

2.4 Licensee’s Representatives Participating in the Audit

- Wynand Ferreira – Esperance Area Manager
- Rachel Stratton – Esperance Business Support Officer
- Lawrence Teo – Technical, Business and Regulatory Manager
- Alan Shackleton – Financial Controller

- Joanna Loffler – Esperance Business Analyst (a former employee who assisted with this audit)

2.5 Key Documents Examined

- Energy Coordination Act 1994
- Gas Standards Act 1972
- Gas Compliance Reporting Manual 2015, 2016 and 2017
- Compendium of Gas Customer Licence Obligations January 2017
- Audit and Review Guidelines – Electricity and Gas Licences April 2014
- Gas Trading Licence GTL11 (Version 9 and Version 10)
- Previous Performance Audit Report (May 2016)
- Post-Audit Implementation Plan update 27 July 2016 and 31 October 2016 and acknowledgement from ERA dated 17 November 2016.
- EGDC website www.esperance-energy.com
- EGDC Financial Reports for 2015/16, 2016/17 and 2017/18
- Performance and Compliance Reports to the ERA for 2015/16, 2016/17 and 2017/18
- Information on fees paid to the ERA (amounts and dates paid)
- Gas Marketing Code of Conduct 2017
- EGDC Esperance Gas Distribution System Regulatory Compliance Manual for Documents, Reports and Notifications.
- Environmental Legal Compliance Evaluation and Other Requirements Register (Feb. 2018)
- Consent to be a member of the Gas Ombudsman Scheme (2004)
- Information on fees paid to the Energy and Water Ombudsman Scheme
- Exception to requirement for Retail Market Scheme dated 6 May 2004
- ERA Financial Hardship Policy Guidelines March 2015
- EGDC Financial Hardship Policy
- EGDC Financial Hardship Procedure
- EGDC System – Disconnection and HUGS Processing Guidelines
- Standard Pricing Notices
- Advice to Minister regarding CPI adjusted tariff increases
- Energy efficiency information
- Operating procedures manuals
- Customer Service Charter (public document/website)
- Esperance Natural Gas Distribution System – Customer Safety Awareness Program
- New Customer Introductory pack
- Customer billing procedures and records.
- Extended Payment Arrangement forms
- Notices of disconnection, disconnection and reconnection data
- Complaints handling manual and policy (public document/website)
- Training plans and register.

2.6 Performance Audit - Compliance Ratings

EGDC's compliance with the licence obligations was assessed using the following compliance ratings.

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
NP	Not performed – controls not assessed in the audit.	NR	Not rated – no activity in current period

2.7 Audit Team and Hours

NAME AND POSITION	HOURS
Geoff White – Director	30
Susan Smith – Manager	30
TOTAL	60

3. Summary of Audit Ratings of Control and Compliance

The preliminary risk assessment included in the Audit Plan was reviewed and updated in the course of the audit and a compliance rating using the scale in Section 2.6 was assigned to each obligation under the licence, as shown below. Section 4 provides details of the current status of the previous audit recommendations. Section 5 provides further details of the systems and the compliance assessment for each obligation.

The current audit assessment of the ratings for the adequacy of controls and compliance with the legislative obligations is shown below.

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)						
				A	B	C	D	NP	1	2	3	4	NR		
Energy Coordination Act 1994															
1	Clause 4.1	Section 11Q(1-2)	3		✓						✓				
2	Clause 12.1	Section 11WG(1)	4					✓	✓						
3	Clause 13.1	Section 11WG(2)	4					✓						✓	
4	Clause 5.1	Section 11WK(1-2)	4	✓					✓						
5	Clause 5.1	Section 11WK(3)	4					✓						✓	
6	Clause 5.1	Section 11X(3)	4	✓										✓	
10	Clause 16.1	Section 11ZA(1)	4	✓					✓						
11	Clause 14.1	Section 11ZA(F)(a)	4					✓						✓	
12	Clause 14.1	Section 11ZA(F)(b)	4					✓						✓	
13	Clause 14.1	Section 11ZA(F)(c)	4					✓						✓	
14	Clause 14.1	Section 11ZAH(2)	4					✓						✓	
15	Clause 14.1	Section 11ZZAJ	4					✓						✓	
16	Clause 14.1	Section 11ZAJ	4					✓						✓	
17	Clause 5.1	Section 11ZK(3)	4					✓						✓	
19	Clause 18.1	Section 11ZOR(2)	4					N/A						N/A	
20	Clause 18.1	Section 11ZOV(1)	4					N/A						N/A	
21	Clause 18.1	Section 11ZOV(2)	4					N/A						N/A	
22	Clause 18.1	Section 11ZOV(3)	4					N/A						N/A	
24	Clause 17	Section 11ZQH	4					✓	✓						
Gas Standards Act 1972															
25	Clause 5.1	Energy Coordination Act Section 11Z	2					N/A						N/A	
Energy Coordination Act (Gas Tariffs) Regulations 2000															
29	Clause 5.1	Section 11M Energy Coordination (Gas Tariffs) Reg. 2000 reg. 5(1)	4	✓					✓						
30	Clause 5.1	Section 11M	4	✓					✓						

¹ The number refers to the item reference in the 2017 Gas Compliance Reporting Manual (Note: Only obligations applicable to the Gas Trading Licence are shown)

² Refer Controls and Compliance Rating Scales in Section 2.6.

³ Refer Controls and Compliance Rating Scales in Section 2.6.

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
		Energy Coordination (Gas Tariffs) Reg. 2000 reg. 6(2)											
31	Clause 5.1	Section 11M Energy Coordination (Gas Tariffs) Reg. 2000 reg. 6(4)	4										
Energy Coordination Act (Customer Contracts) Regulations 2004													
32	Clause 5.1	Reg. 12(2)	4										
33	Clause 5.1	Reg. 12(4)(a)	4										
34	Clause 5.1	Reg. 12(4)(b)	4										
35	Clause 5.1	Reg, 12(5)(a)	4										
36	Clause 5.1	Reg, 12(5)(b)	4										
37	Clause 5.1	Reg, 12(5)(c)	4										
38	Clause 5.1	Reg, 12(5)(d)	4										
39	Clause 5.1	Reg, 12(5)(e)	4										
40	Clause 5.1	Reg, 12(6) Clause 5.1.1.2 AGA Code	4										
41	Clause 5.1	Reg, 12(6) Clause 5.1.1.3 AGA Code	4										
42	Clause 5.1	Reg, 12(6) Clause 5.1.2.1 & 5.1.2.2 AGA Code	4										
43	Clause 5.1	Reg, 12(6) Clause 5.1.3.1 & 5.1.3.2 AGA Code	4										
44	Clause 5.1	Reg, 12(6) Clause 5.1.4.1 & 5.1.4.2 AGA Code	4										
45	Clause 5.1	Reg, 12(6) Clause 5.1.5.1 & 5.1.5.2 AGA Code	4										
46	Clause 5.1	Reg, 12(6) Clause 5.1.7.2 AGA Code	4										
47	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(a) AGA Code	4										
48	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(b) AGA Code	4										
49	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(c) AGA Code	4										
50	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(d) AGA Code	4										
51	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(e) & (f) AGA Code	4										
52	Clause 5.1	Reg, 12(6)	4										

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				A	B	C	D	NP	1	2	3	4	NR
		Clause 5.2.2.2 AGA Code											
53	Clause 5.1	Reg, 13(1) Clause 4.4.6.2 AGA Code	4					✓					✓
54	Clause 5.1	Reg, 13(3)	4					✓					✓
55	Clause 5.1	Reg, 13(4)	4					✓					✓
56	Clause 5.1	Reg, 14(2)	4	✓					✓				
57	Clause 5.1	Reg, 14 Clause 4.1.2.1 & 4.1.2.2 AGA Code	4	✓					✓				
58	Clause 5.1	Reg, 14 Clause 4.1.3.1 & 4.1.3.2 AGA Code	4					✓	✓				
59	Clause 5.1	Reg, 15(1) Clause 5.1.1.2 AGA Code	4	✓					✓				
60	Clause 5.1	Reg, 15(1) Clause 4.2.3.1, 4.2.3.2 & 4.2.3.3 AGA Code	3	✓						✓			
61	Clause 5.1	Reg, 15(1) Clause 4.2.3.2 AGA Code	4					✓					✓
62	Clause 5.1	Reg, 15(1) Clause 4.2.3.2 AGA Code	4					✓	✓				
63	Clause 5.1	Reg, 15(1) & 47(2) & (4) Clause 4.2.3.4 AGA Code	4					✓	✓				
64	Clause 5.1	Reg, 15(1) Clause 4.2.4.1 AGA Code	4	✓					✓				
65	Clause 5.1	Reg, 15(1) Clause 4.2.4.2 AGA Code	4	✓					✓				
66	Clause 5.1	Reg, 15(1) Clause 4.2.4.4 AGA Code	4					✓	✓				
67	Clause 5.1	Reg, 15(1) Clause 4.2.4.5 AGA Code	4					✓	✓				
68	Clause 5.1	Reg, 15(1) Clause 4.3.2.1 AGA Code	4					✓	✓				
69	Clause 5.1	Reg, 15(1) Clause 4.3.2.2 AGA Code	4					✓	✓				
70	Clause 5.1	Reg, 16(3)	4					✓	✓				
71	Clause 5.1	Reg, 19	4		✓				✓				
72	Clause 5.1	Reg, 20(2)	4					✓	✓				

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				A	B	C	D	NP	1	2	3	4	NR
		Clause 4.3.5.1 AGA Code											
73	Clause 5.1	Regs. 27(4) & 40(3)	4					✓					✓
74	Clause 5.1	Regs. 20(3) & 48	4					✓					✓
75	Clause 5.1	Regs. 22 & 49(2)	4					✓					✓
76	Clause 5.1	Reg. 49(3)	4					✓					✓
77	Clause 5.1	Reg. 49(4)	4					✓					✓
78	Clause 5.1	Reg. 49(5)	4					✓					✓
79	Clause 5.1	Reg. 50	4					✓	✓				
80	Clause 5.1	Reg. 44	4					✓					✓
81	Clause 5.1	Reg. 45(1)	4					✓	✓				
82	Clause 5.1	Reg. 45(2)	4		✓					✓			
83	Clause 5.1	Reg. 46(1) & (2)	4					✓					✓
84	Clause 5.1	Reg. 46(4)	4					✓	✓				
85	Clause 5.1	Reg.28 Clause 3.1.1.(a) AGA Code	4					✓	✓				
86	Clause 5.1	Reg.28 Clause 3.1.1.(b) AGA Code	4					✓	✓				
90	Clause 5.1	Reg 33 (3), clause 3.5.2.2 AGA Code	4					✓	✓				
91	Clause 5.1	Reg. 42	4					✓					✓
Energy Coordination Act 1994 – Licence Obligations													
96	Clause 16.2	Section 11M	4	✓					✓				
97	Clause 16.4	Section 11M	4	✓					✓				
98	Clause 16	Section 11M	4					✓					✓
99	Clause 20	Section 11M	4	✓					✓				
100	Clause 21.1	Section 11M	4					✓	✓				
101	Clause 22.1	Section 11M	4					✓					✓
102	Clause 23.1	Section 11M	3	✓					✓				
103	Clause 24	Section 11M	4	✓					✓				
106	Clause 12.2	Section 11M	4					✓					✓
107	Clause 12.3	Section 11M	4					✓					✓
108	Clause 13.1	Section 11M	4					✓	✓				
109	Clause 15.1 & 15.2	Section 11M	4					✓	✓				
110	Schedule 3 Clause 1.5	Section 11M	4					✓					✓
111	Schedule 3 Clause 1.7	Section 11M	4					✓					✓
112	Schedule 3 Clause 2.1 & 2.2	Section 11M	4					✓	✓				
113	Schedule 3 Clause 3.1	Section 11M	4	✓					✓				
Gas Marketing Code of Conduct (Energy Coordination Act 1994)													
114	Clause 19.1.	Section 11ZP	4					✓					✓
115	Clause 19.2	Sections 11ZPP and 11M	4					✓					✓

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				A	B	C	D	NP	1	2	3	4	NR
116	Clause 19	Section 11ZPP Code of Conduct clause 2.1	4					✓					✓
117	Clause 19	Section 11ZPP Code of Conduct clause 2.2(1)	4					✓					✓
118	Clause 19	Section 11ZPP Code of Conduct clause 2.2(2) & 2.2(3)	4					✓					✓
119	Clause 19	Section 11ZPP Code of Conduct clause 2.3(1)	4					✓					✓
120	Clause 19	Section 11ZPP Code of Conduct clause 2.3(2)	4					✓					✓
121	Clause 19	Section 11ZPP Code of Conduct clause 2.3(3) & 2.3(4)	4					✓					✓
122	Clause 19	Section 11ZPP Code of Conduct clause 2.4(1)	4					✓					✓
123	Clause 19	Section 11ZPP Code of Conduct clause 2.4(2)	4					✓					✓
124	Clause 19	Section 11ZPP Code of Conduct clause 2.5(1)	4					✓					✓
125	Clause 19	Section 11ZPP Code of Conduct clause 2.5(2)	4					✓					✓
126	Clause 19	Section 11ZPP Code of Conduct clause 2.6	4					✓					✓
127	Clause 19	Section 11ZPP Code of Conduct clause 2.8	4					✓					✓
128	Clause 19	Section 11ZPP Code of Conduct clause 2.9	4					✓					✓
129	Clause 19	Section 11ZPP Code of Conduct clause 2.10	4					✓					✓
Compendium of Gas Customer Licence Obligations (Energy Coordination Act 1994)													
Connection													
134	Clause 2.1 & Schedule 2	Section 11M	4					✓	✓				
135	Clause 2.1 & Schedule 2 Comp. 3.1(2)	Section 11M	4					✓	✓				
Billing													
136	Clause 2.1 & Schedule 2 Comp. 4.1(a)	Section 11M	4	✓					✓				
137	Clause 2.1 & Schedule 2 Comp. 4.1(b)	Section 11M	4	✓					✓				

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
138	Clause 2.1 & Schedule 2 Comp. 4.2(1)	Section 11M	4					✓					✓
139	Clause 2.1 & Schedule 2 Comp. 4.2(2)	Section 11M	4					✓					✓
140	Clause 2.1 & Schedule 2 Comp. 4.2(3)	Section 11M	4					✓					✓
141	Clause 2.1 & Schedule 2 Comp. 4.2(4)	Section 11M	4					✓					✓
142	Clause 2.1 & Schedule 2 Comp. 4.2(5)	Section 11M	4					✓					✓
143	Clause 2.1 & Schedule 2 Comp. 4.2(6)	Section 11M	4					✓					✓
144	Clause 2.1 & Schedule 2 Comp. 4.3(1)	Section 11M	4					✓					✓
145	Clause 2.1 & Schedule 2 Comp. 4.3(2)	Section 11M	4					✓					✓
146	Clause 2.1 & Schedule 2 Comp. 4.4	Section 11M	4	✓					✓				
147	Clause 2.1 & Schedule 2 Comp. 4.5(1)	Section 11M	3	✓						✓			
148	Clause 2.1 & Schedule 2 Comp. 4.5(2)	Section 11M	4					✓	✓				
149	Clause 2.1 & Schedule 2 Comp. 4.5(3)	Section 11M	4					✓	✓				
150	Clause 2.1 & Schedule 2 Comp. 4.6(1)	Section 11M	4	✓					✓				
152	Clause 2.1 & Schedule 2 Comp. 4.7(1)	Section 11M	4	✓					✓				
153	Clause 2.1 & Schedule 2 Comp. 4.7(2)	Section 11M	4	✓					✓				
154	Clause 2.1 & Schedule 2 Comp. 4.8(1)	Section 11M	4					✓					✓
155	Clause 2.1 & Schedule 2 Comp. 4.8(2)	Section 11M	4					✓					✓
156	Clause 2.1 & Schedule 2 Comp. 4.8(3)	Section 11M	4					✓					✓
157	Clause 2.1 & Schedule 2 Comp. 4.9	Section 11M	4					✓					✓
158	Clause 2.1 & Schedule 2 Comp. 4.10	Section 11M	4					✓					✓
159	Clause 2.1 & Schedule 2 Comp. 4.11(1)	Section 11M	4					✓					✓
160	Clause 2.1 & Schedule 2 Comp. 4.11(2)	Section 11M	4					✓					✓
161	Clause 2.1 & Schedule 2 Comp. 4.12(1)	Section 11M	4					✓					✓
162	Clause 2.1 & Schedule 2 Comp. 4.12(2)	Section 11M	4					✓					✓
163	Clause 2.1 & Schedule 2 Comp. 4.13	Section 11M	4					✓					✓
164	Clause 2.1 & Schedule 2 Comp. 4.14(1)	Section 11M	4	✓					✓				
165	Clause 2.1 & Schedule 2	Section 11M	4	✓					✓				

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
	Comp. 4.14(2)													
165A	Clause 2.1 & Schedule 2 Comp. 4.14(3)	Section 11M	4					✓					✓	
166	Clause 2.1 & Schedule 2 Comp. 4.15	Section 11M	4					✓	✓					
167	Clause 2.1 & Schedule 2 Comp. 4.16(1)(a)	Section 11M	4					✓	✓					
168	Clause 2.1 & Schedule 2 Comp. 4.16(1)(b)	Section 11M	4					✓	✓					
169	Clause 2.1 & Schedule 2 Comp. 4.16(2)	Section 11M	4					✓	✓					
170	Clause 2.1 & Schedule 2 Comp. 4.16(3)	Section 11M	4					✓	✓					
171	Clause 2.1 & Schedule 2 Comp. 4.17(2)	Section 11M	4					✓					✓	
171A	Clause 2.1 & Schedule 2 Comp. 4.17(3)	Section 11M	4					✓	✓					
172	Clause 2.1 & Schedule 2 Comp. 4.18(2) & (5)	Section 11M	4					✓					✓	
173	Clause 2.1 & Schedule 2 Comp. 4.18(3)	Section 11M	4					✓					✓	
174	Clause 2.1 & Schedule 2 Comp. 4.18(4)	Section 11M	4					✓					✓	
175	Clause 2.1 & Schedule 2 Comp. 4.18(6)	Section 11M	4					✓					✓	
175A	Clause 2.1 & Schedule 2 Comp. 4.18(7)	Section 11M	4					✓					✓	
176	Clause 2.1 & Schedule 2 Comp. 4.19(1)	Section 11M	4					✓					✓	
177	Clause 2.1 & Schedule 2 Comp. 4.19(2) & (6)	Section 11M	4					✓					✓	
178	Clause 2.1 & Schedule 2 Comp. 4.19(3)	Section 11M	4					✓					✓	
179	Clause 2.1 & Schedule 2 Comp. 4.19(4)	Section 11M	4					✓					✓	
180	Clause 2.1 & Schedule 2 Comp. 4.19(5)	Section 11M	4					✓					✓	
180A	Clause 2.1 & Schedule 2 Comp. 4.19(7)	Section 11M	4					✓					✓	
Payment														
181	Clause 2.1 & Schedule 2 Comp. 5.1	Section 11M	4	✓					✓					
182	Clause 2.1 & Schedule 2 Comp. 5.2	Section 11M	4	✓					✓					
183	Clause 2.1 & Schedule 2 Comp. 5.3	Section 11M	4					✓					✓	
184	Clause 2.1 & Schedule 2 Comp. 5.4	Section 11M	4	✓					✓					
185	Clause 2.1 & Schedule 2 Comp. 5.5	Section 11M	4					✓	✓					
186	Clause 2.1 & Schedule 2 Comp. 5.6(1)	Section 11M	4					✓					✓	

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
186A	Clause 2.1 & Schedule 2 Comp. 5.6(2)	Section 11M	4					✓					✓	
187	Clause 2.1 & Schedule 2 Comp. 5.6(3)	Section 11M	4					✓	✓					
188	Clause 2.1 & Schedule 2 Comp. 5.6(4)	Section 11M	4					✓	✓					
189	Clause 2.1 & Schedule 2 Comp. 5.6(5)	Section 11M	4					✓	✓					
190	Clause 2.1 & Schedule 2 Comp. 5.7(1)	Section 11M	4					✓	✓					
191	Clause 2.1 & Schedule 2 Comp. 5.7(2)	Section 11M	4					✓	✓					
192	Clause 2.1 & Schedule 2 Comp. 5.7(3)	Section 11M	4					✓	✓					
193	Clause 2.1 & Schedule 2 Comp. 5.7(4)	Section 11M	4					✓	✓					
195	Clause 2.1 & Schedule 2 Comp. 5.8(1)	Section 11M	4					✓					✓	
196	Clause 2.1 & Schedule 2 Comp. 5.8(2)	Section 11M	4					✓					✓	
196A	Clause 2.1 & Schedule 2 Comp. 5.9	Section 11M	4					✓					✓	
197	Clause 2.1 & Schedule 2 Comp. 5.10	Section 11M	4					✓					✓	
Payment Difficulties and Financial Hardship														
198	Clause 2.1 & Schedule 2 Comp. 6.1(1)	Section 11M	4	✓					✓					
198A	Clause 2.1 & Schedule 2 Comp. 6.1(2)	Section 11M	4					✓	✓					
199	Clause 2.1 & Schedule 2 Comp. 6.1(3)	Section 11M	4	✓					✓					
200	Clause 2.1 & Schedule 2 Comp. 6.1(4)	Section 11M	4	✓					✓					
200A	Clause 2.1 & Schedule 2 Comp. 6.2(1)	Section 11M	4	✓					✓					
201	Clause 2.1 & Schedule 2 Comp. 6.2(2)	Section 11M	4	✓					✓					
202	Clause 2.1 & Schedule 2 Comp. 6.2(3)	Section 11M	4	✓					✓					
203	Clause 2.1 & Schedule 2 Comp. 6.2(4)	Section 11M	4	✓					✓					
204	Clause 2.1 & Schedule 2 Comp. 6.3(1)	Section 11M	4	✓						✓				
205	Clause 2.1 & Schedule 2 Comp. 6.4(1)	Section 11M	4	✓					✓					
206	Clause 2.1 & Schedule 2 Comp. 6.4(2)	Section 11M	4	✓					✓					
206A	Clause 2.1 & Schedule 2 Comp. 6.4(3)	Section 11M	4	✓					✓					
207	Clause 2.1 & Schedule 2 Comp. 6.4(4)	Section 11M	4					✓					✓	
208	Clause 2.1 & Schedule 2 Comp. 6.6(1)	Section 11M	4	✓					✓					

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant - moderate impact, 4=Non-compliant - major impact, NR=Not rated)				
				A	B	C	D	NP	1	2	3	4	NR
209	Clause 2.1 & Schedule 2 Comp. 6.6(2)	Section 11M	4	✓					✓				
210	Clause 2.1 & Schedule 2 Comp. 6.7	Section 11M	4	✓					✓				
211	Clause 2.1 & Schedule 2 Comp. 6.8	Section 11M	4	✓					✓				
212	Clause 2.1 & Schedule 2 Comp. 6.9(1)	Section 11M	4					✓					✓
213	Clause 2.1 & Schedule 2 Comp. 6.9(2)	Section 11M	4					✓					✓
214	Clause 2.1 & Schedule 2 Comp. 6.10(1)	Section 11M	4	✓					✓				
215	Clause 2.1 & Schedule 2 Comp. 6.10(2)	Section 11M	4	✓					✓				
215A	Clause 2.1 & Schedule 2 Comp. 6.10(3)	Section 11M	4	✓					✓				
216	Clause 2.1 & Schedule 2 Comp. 6.10(4)	Section 11M	4	✓					✓				
217	Clause 2.1 & Schedule 2 Comp. 6.10(5) (applicable 1/4/2016 to 30/6/2016)	Section 11M	4	✓					✓				
219	Clause 2.1 & Schedule 2 Comp. 6.10(6)	Section 11M	4					✓					✓
220	Clause 2.1 & Schedule 2 Comp. 6.10(7)	Section 11M	4	✓					✓				
220A	Clause 2.1 & Schedule 2 Comp. 6.10(8)	Section 11M	4					✓					✓
221	Clause 2.1 & Schedule 2 Comp. 6.11	Section 11M	4					✓					✓
Disconnection													
222	Clause 2.1 & Schedule 2 Comp. 7.1	Section 11M	2	✓					✓				
223	Clause 2.1 & Schedule 2 Comp. 7.2(1)	Section 11M	2	✓					✓				
224	Clause 2.1 & Schedule 2 Comp. 7.3	Section 11M	2	✓									✓
225	Clause 2.1 & Schedule 2 Comp. 7.4	Section 11M	2	✓									✓
227	Clause 2.1 & Schedule 2 Compendium clause 7.6	Section 11M	2	✓					✓				
Reconnection													
228	Clause 2.1 & Schedule 2 Compendium clause 8.1(1)	Section 11M	2	✓					✓				
229	Clause 2.1 & Schedule 2 Compendium clause 8.1(2)	Section 11M	2	✓					✓				
Information and Communication													
231	Clause 2.1 & Schedule 2 Comp. clause 10.1(1)	Section 11M	4					✓	✓				
232	Clause 2.1 & Schedule 2 Comp. clause 10.1(2)	Section 11M	4					✓	✓				

No. ¹	Licence reference	Legislative Reference	Audit Priority applied (rated 1 = High to 5 = Low)	Adequacy of Controls Rating ² (A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, NP=Not performed)					Compliance Rating ³ (1=Compliant 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, NR=Not rated)					
				A	B	C	D	NP	1	2	3	4	NR	
233	Clause 2.1 & Schedule 2 Comp. clause 10.1(3)	Section 11M	4					✓						✓
234	Clause 2.1 & Schedule 2 Comp. clause 10.2(1)	Section 11M	4					✓	✓					
235	Clause 2.1 & Schedule 2 Comp. clause 10.2(1)	Section 11M	4					✓	✓					
236	Clause 2.1 & Schedule 2 Comp. clause 10.2(1)	Section 11M	4					✓	✓					
237	Clause 2.1 & Schedule 2 Comp. clause 10.2(1)	Section 11M	4					✓	✓					
238	Clause 2.1 & Schedule 2 Comp. clause 10.3	Section 11M	4					✓	✓					
239	Clause 2.1 & Schedule 2 Comp. clause 10.4	Section 11M	4	✓					✓					
240	Clause 2.1 & Schedule 2 Comp. clause 10.5	Section 11M	4					✓	✓					
241	Clause 2.1 & Schedule 2 Comp. clause 10.5A(1)	Section 11M	4	✓					✓					
242	Clause 2.1 & Schedule 2 Comp. clause 10.5A(2)	Section 11M	4	✓					✓					
243	Clause 2.1 & Schedule 2 Comp. clause 10.5A(2)	Section 11M	4	✓					✓					
245	Clause 2.1 & Schedule 2 Comp. clause 10.9	Section 11M	4					✓	✓					
246	Clause 2.1 & Schedule 2 Comp.10.10(1)	Section 11M	4					✓	✓					
249	Clause 2.1 & Schedule 2 Comp. clause 10.11(1)	Section 11M	4					✓						✓
250	Clause 2.1 & Schedule 2 Comp. clause 10.11(2)	Section 11M	3	✓						✓				
Complaints and Dispute Resolution														
251	Clause 2.1 & Schedule 2 Comp. clause 12.1(1)	Section 11M	4	✓					✓					
252	Clause 2.1 & Schedule 2 Comp. clause 12.1(2)	Section 11M	4	✓					✓					
254	Clause 2.1 & Schedule 2 Comp. clause 12.1(3)(a)	Section 11M	4	✓										✓
255	Clause 2.1 & Schedule 2 Comp. clause 12.1(3)(b)	Section 11M	4	✓										✓
255A	Clause 2.1 & Schedule 2 Comp. clause 12.1(4)	Section 11M	4	✓										✓
256	Clause 2.1 & Schedule 2 Comp. clause 12.2	Section 11M	4	✓					✓					
257	Clause 2.1 & Schedule 2 Comp. clause 12.3	Section 11M	4	✓										✓
258	Clause 2.1 & Schedule 2 Comp. clause 12.4	Section 11M	4					✓						✓
281	Clause 2.1 & Schedule 2 Comp. clause 13.1	Section 11M	4	✓					✓					
282	Clause 2.1 & Schedule 2 Comp. clause 13.2	Section 11M	4	✓					✓					
283	Clause 2.1 & Schedule 2 Comp. clause 13.3	Section 11M	4	✓						✓				

4. Previous Audit Recommendations

The previous audit recommendations have been completed as shown below.

Ref.	Licence Condition Previous Audit Findings	Prev. Comp. Rating	Recommended Corrective Action	Post Audit Action Plan (Implementation Responsibility & Date)	Action Taken	Status
2016/1	Obligation 1 <i>Energy Coordination Act section 11Q(1-2)</i> Fees not all paid on time.	A2	Control process to be amended to allow for processing time for payment to be made before the due date.	Esperance Area Manager – July 2016	The audit confirmed the reporting of the number of customers and payment of the standing charge is included in the monthly schedule for July each year.	COMPLETED
2016/2	Obligation 60 <i>Energy Coordination (Customer Contracts) Regulation 15(1)</i> <i>Clause 4.2.3.1, 4.2.3.2 & 4.2.3.3 AGA Code</i> The telephone number for financial difficulties is not included.	B2	Add telephone number for financial difficulties to bill notice area.	Esperance Area Manager – July 2016	The audit confirmed the telephone number for financial difficulties was added to the billing notices from July 2016.	COMPLETED
2016/3	Obligation 102 <i>Energy Coordination Act section 11M</i> <i>Licence clause 21</i> Compliance report was Late in 2014. Both reports should have shown incomplete type 2 items.	B2	Improve compliance manual for regulatory items. Note: Compliance Manual completed in Sept. 2011 and revised in March 2016.	Esperance Area Manager – July 2016	The audit confirmed the Regulatory Compliance Manual has been reviewed and updated for additional regulatory items in August 2016.	COMPLETED

Ref.	Licence Condition Previous Audit Findings	Prev. Comp. Rating	Recommended Corrective Action	Post Audit Action Plan (Implementation Responsibility & Date)	Action Taken	Status
2016/4	Obligation 147 <i>Energy Coordination Act section 11M Licence sch, 2 Comp. 10.11(2)</i> Advice of payment options, interpreter symbol not on bill.	B2	Implement new software (billing system that has all the provisions).	Esperance Area Manager - August 2016	The audit reviewed and tested the billing information and confirmed the required information was included from August 2016.	COMPLETED
2016/5	Obligation 250 <i>Energy Coordination Act section 11M Licence sch, 2 Comp. 4.5(1)</i> Need to add the National Interpreter Symbol to bill, on overdue warnings and disconnection notices	B2	Add the National Interpreter Symbol to bill, on overdue warnings and disconnection notices.	Esperance Area Manager - August 2016	The audit reviewed and tested the billing information and confirmed the National Interpreter Symbol was included on overdue notices and disconnection warning notices from August 2016.	COMPLETED
2016/6	Obligation 283 <i>Energy Coordination Act section 11M Licence sch, 2 Comp. 13.3(2)</i> Must retain the dates regulatory reports are posted.	B2	Improve compliance manual of regulatory requirements. Widen scope and add extra controls.	Business and Regulatory Manager -August 2016	The audit confirmed the Regulatory Compliance Manual has been reviewed and updated for additional regulatory items in August 2016.	COMPLETED
2016/7	Obligation 277 <i>Energy Coordination Act section 11M Licence sch, 2 Comp. 13.17(2) (2013)</i> Must retain the dates regulatory reports are posted.	B2	Improve compliance manual of regulatory requirements. Widen scope and add extra controls.	Business and Regulatory Manager -August 2016	The audit confirmed the Regulatory Compliance Manual has been reviewed and updated for additional regulatory items in August 2016.	COMPLETED
2016/8	Obligation 278 <i>Energy Coordination Act section 11M Licence sch, 2 Comp. 13.17(2) (2013)</i> Must retain the dates regulatory reports are posted.	B2	Improve compliance manual of regulatory requirements. Widen scope and add extra controls.	Business and Regulatory Manager -August 2016	The audit confirmed the Regulatory Compliance Manual has been reviewed and updated for additional regulatory items in August 2016.	COMPLETED

Ref.	Licence Condition Previous Audit Findings	Prev. Comp. Rating	Recommended Corrective Action	Post Audit Action Plan (Implementation Responsibility & Date)	Action Taken	Status
2016/09	Obligation 82 <i>Energy Coordination Act section 11M</i> <i>Energy Coordination (Customer Contracts) Regulation 45(2)</i> Bill needs to advise of availability of charter from time to time.	B2	Implement notice as shown in draft bill in new billing system	Esperance Area Manager - August 2016	The audit reviewed and tested the billing information and confirmed the required information was included from August 2016.	COMPLETED
2016/10	Obligation 204 <i>Energy Coordination Act section 11M</i> <i>Licence sch, 2 Comp. 4.5(1)</i> New staff to be trained as induction issue.	B1	Add training for CentrePay and HUGS to induction process.	Esperance Area Manager - July 2016	The audit confirmed this training has been added to the Induction Training Matrix for the Support Officer.	COMPLETED

5. Detailed Audit Results and Recommendations

SUMMARY OF COMPLIANCE OBLIGATIONS	
LEGISLATION:	
ENERGY COORDINATION ACT 1994	Compliance Obligations 1 to 24 Licence Obligations 96 to 113
GAS STANDARDS ACT 1972	Refer Compliance Obligation 25
REGULATIONS:	
ENERGY COORDINATION ACT (GAS TARIFFS) REGULATIONS 2000	Refer Compliance Obligations 29 to 31
ENERGY COORDINATION ACT (CUSTOMER CONTRACTS) REGULATIONS 2004	Refer Compliance Obligations 32 to 91
CODES:	
GAS MARKETING CODE OF CONDUCT	Refer Compliance Obligations 114 to 129
COMPENDIUM OF GAS CUSTOMER LICENCE OBLIGATIONS	Refer Compliance Obligations 134 to 283

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
DETAILED COMPLIANCE OBLIGATIONS							
ENERGY COORDINATION ACT 1994							
1	Clause 4.1	Section 11Q(1-2)	A licensee must pay the applicable fees in accordance with the Regulations. <i>Economic Regulation Authority (Licensing Funding) Regulations 2014.</i>	3	<p>The audit reviewed payments to the ERA for 2015/16, 2016/17 and 2017/18 and confirmed the fees were paid by due dates. The obligation is documented in the Regulatory Compliance Manual for Documents, Reports and Notifications ('Regulatory Compliance Manual') and the Environmental, Legal, Compliance Evaluation & Other Requirements Register (for July each year).</p> <p>It was noted that the number of customers reported to the ERA for the standing charge was understated by the number of small use business customers each year. For example, the number of small use customers at 30 June 2018 should have been 380 not 339. The \$ impact on the standing charge of approximately \$80 per annum is negligible as the EGDC only incurs 0.05% of the total charge across all gas providers.</p>	B	2

⁴ Number refers to the item reference in the 2017 Gas Compliance Reporting Manual.

⁵ Controls Rating Scale: A=Adequate, B=Generally adequate, C=Inadequate, D=No controls, N/P=Not performed.

⁶ Compliance Rating Scale: 1=Compliant, 2=Non-compliant - minor impact, 3=Non-compliant – moderate impact, 4=Non-compliant - major impact, N/R=Not rated.

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
					<p>The audit reviewed the process for reporting information to the ERA and noted that in the above instance, the reporting of the number of customers for the standing charge did not follow the internal protocol of all regulatory information to be provided to the Technical, Business and Regulatory Manager for review and submission to the ERA.</p> <p>The Regulatory Compliance Manual states that "the primary person to communicate with the ERA and Department of Mines, Industry Regulation and Safety (DMIRS), regarding audits, data and performance reporting activities, or review of documents listed on their web sites and other government departments."</p> <p><u>Recommendation 1/2019</u></p> <p>a) <i>EGDC should ensure that the total number of customers reported to the ERA for the standing charge calculation includes small use business customers. The Environmental, Legal, Compliance Evaluation & Other Requirements Register has been updated to note the calculation method.</i></p> <p>b) <i>The Environmental, Legal, Compliance Evaluation & Other Requirements Register should be updated to show the</i></p>		

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
					<i>Technical, Business and Regulatory Manager is responsible for any communication with the ERA.</i> c) <i>EGDC should remind staff that the primary person for any communication with the ERA is the Technical, Business and Regulatory Manager.</i>		
2	Clause 12.1	Section 11WG(1)	A licensee must, subject to the regulations, not supply gas to a customer other than under a standard form or non-standard contract.	4	The audit confirmed there are no small use customers that are not on a standard contract. The standard form contract is that approved by ERA.	NP	1
3	Clause 13.1	Section 11WG(2)	A licensee must comply with a direction given to the licensee under section 11WI.	4	The audit confirmed with the Licensee that there have been no amendments to the contracts by the ERA.	NP	NR
4	Clause 5.1	Section 11WK(1-2)	Gas is deemed to be supplied under the standard form contract if a customer commences to take a supply of gas at premises without entering into a contract with the holder of a trading licence.	4	The audit confirmed with the Licensee and by review of the Customer Service Charter on the website that if a customer commences to take a supply of gas without entering into a contract the supply is deemed to be supplied under the standard form contract. The Licensee confirmed that all customers are on standard form contracts. The Billing System Manual states that the meter is blocked until the contract is signed.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
5	Clause 5.1	Section 11WK(3)	A standard form contract continues in force until it is terminated or supply becomes subject to a non-standard contract with the supplier.	4	There are no small use customers with a non-standard contract. No complaints have been received about gas contracts.	NP	NR
6	Clause 5.1	Section 11X(3)	A licensee must take reasonable steps to minimise the extent of the duration of any interruption, suspension or restriction of the supply of gas due to an accident, emergency, potential danger or other unavoidable cause.	4	The auditor interviewed Licensee staff and confirmed there have been no interruptions from the prescribed causes and no complaints have been received about gas interruptions. The control is a well-documented EGDC Gas Distribution System Emergency Response Plan and an annual training plan showing staff received regular training during the audit period.	A	NR
10	Clause 15.1	Section 11ZA(1)	A licensee must provide the ERA with a performance audit by an independent expert acceptable to the ERA within 24 months of commencement and every 24 months thereafter (or longer if the ERA allows).	4	The audit confirmed the previous performance audit report provided to ERA in July 2016. This audit satisfies this requirement. The procedure is documented in the Regulatory Compliance Manual for Documents, Reports and Notifications and the Environmental Legal Compliance Evaluation and Other Requirements Register.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
11	Clause 14.1	Section 11ZA(F(a))	A licensee must submit a draft last resort supply plan to the ERA within 3 months (or longer if the ERA allows) of being designated with that role.	4	The audit confirmed with the licensee that there has been no order declaring a last resort supply coming into effect and no designation as supplier of last resort. There has been no plan submitted and none has been requested by the ERA.	NP	NR
12	Clause 14.1	Section 11ZAF(b)	A licensee must consult with the ERA with a view to obtaining approval of its draft last resort supply plan.	4	As per obligation 11.	NP	NR
13	Clause 14.1	Section 11ZAF(c)	A licensee must carry out the arrangements and other provisions in the approved last resort supply plan if it comes into operation.	4	As per obligation 11.	NP	NR
14	Clause 14.1	Section 11ZAH(2)	A licensee must submit any proposed amendment to its last resort supply plan to the ERA for approval.	4	As per obligation 11.	NP	NR
15	Clause 14.1	Section 11ZAJ	A licensee, who is designated as a supplier of last resort, must perform the functions of the supplier of last resort and carry out	4	As per obligation 11.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			the arrangements and provisions of the last resort supply plan if it comes into operation.				
16	Clause 14.1	Section 11ZAJ	A licensee, (supplier of last resort) must supply a transferred customer for at least 3 months after the date of transfer unless the transferred customer terminates the contract.	4	As per obligation 11.	NP	NR
17	Clause 5.1	Section 11ZK(3)	A licensee must pay the costs and expenses incurred in the taking of an interest or easement in respect of land held by a public authority.	4	The audit interviewed Licensee staff and confirmed no interests or easements occurred in respect of land held by a public authority.	NP	NR
19	Clause 18.1	Section 11ZOR(2)	A licensee that sells gas that is transported through a distribution system must be a member of an approved retail market scheme if a scheme is in force.	4	The Licensee is exempt from the retail market scheme. The audit sighted a letter from the Office of Energy dated 29 March 2004 confirming that the Licensee is exempt from any approved retail market scheme as it is the sole reticulated natural gas retailer in Esperance.	N/A	N/A
20	Clause 5.1	Section 11ZOV(1)	A licensee must not engage in prohibited conduct relating to the operation of a retail market scheme.	4	As per obligation 19.	N/A	N/A

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
21	Clause 5.1	Section 11ZOV(2)	A licensee must not assist another party to engage in prohibited conduct relating to the operation of a retail market scheme.	4	As per obligation 19.	N/A	N/A
22	Clause 5.1	Section 11ZOV(3)	A licensee, as a member of a retail scheme, must comply with a direction given to it by the ERA to amend the scheme, and to do so within a specified time.	4	As per obligation 19.	N/A	N/A
24	Clause 17	Section 11ZQH	The licensee must not supply gas to customers unless the licensee is a member of an approved Gas Industry Ombudsman Scheme and is bound by any decision or direction of the ombudsman under the Scheme.	4	The audit confirmed with the Energy and Water Ombudsman WA website that EGDC is a member of the Scheme. Interviewed Licensee staff and confirmed no complaints have been lodged and no decisions made that affected EGDC in the audit period.	NP	1
GAS STANDARDS ACT 1972							
25	Clause 5.1	Energy Coordination Act Section 11Z	A licensee must comply with the applicable standards of the <i>Gas Standards Act 1972</i> .	2	The <i>Gas Standards (Gas Supply and System Safety) Regulations 2000</i> and <i>Gas Standards (Gasfitting and Consumer Gas Installations) Regulations 1999</i> are managed by Energy Safety. The Licensee is not responsible for the gas operation and standards/quality which is the responsibility of the gas distributor, Esperance Power Station (licence GDL010).	N/A	N/A

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
ENERGY COORDINATION ACT (GAS TARIFFS) REGULATIONS 2000							
29	Clause 5.1	Section 11M Energy Coordination (Gas Tariffs) Regulations 2000 reg. 5(1)	A licensee supplying gas in an area referred to in Regulation 3(a), (b), or (c) is required to have at least one capped tariff for any supply of gas in that area.	4	The audit confirmed by review of the Customer Service Charter and a sample of bills issued that there is a CPI adjusted capped tariff for the supply of gas. The procedure is documented in the EGDC Billing System Manual. The tariffs are also shown on the website.	A	1
30	Clause 5.1	Section 11M Energy Coordination (Gas Tariffs) Regulations 2000 reg. 6(2)	A licensee is required to offer to supply gas to each of its existing standard contract customers under the terms of the customer's existing contract but at a capped tariff unless the existing contract already entitles the customer to be supplied at a capped tariff.	4	The audit confirmed by review of the Customer Service Charter and a sample of bills issued that there is a CPI adjusted capped tariff for the supply of gas. The procedure is documented in the EGDC Billing System Manual.	A	1
31	Clause 5.1	Section 11M Energy Coordination (Gas Tariffs) Regulations 2000 reg. 6(4)	When offering to supply gas to a new customer under a standard form contract, a licensee is to offer to supply gas at a capped tariff.	4	The audit confirmed by review of the Customer Service Charter and a sample of bills issued to new customers that there is a CPI adjusted capped tariff for the supply of gas.	A	1
ENERGY COORDINATION ACT (CUSTOMER CONTRACTS) REGULATIONS 2004							

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
32	Clause 5.1	Reg. 12(2)	Except in prescribed circumstances, a licensee must not disconnect or cause disconnection to occur if — (a) a customer has provided to the licensee a written statement from a medical practitioner to the effect that supply is necessary in order to protect the health of a person who lives at the customer's supply address; and (b) the customer has entered into arrangements acceptable to the licensee in relation to payment for gas supplied.	4	The Licensee and review of a sample of billing information confirmed that there have been no disconnections outside the requirements. There have been no disconnections where medical grounds may apply. There have been no disconnections where acceptable arrangements have been made. There have been 19 disconnections for non-payment over the 3 years to 2017/18. The limitations on disconnection for medical reasons or acceptable payment arrangements are documented in the Customer Service Charter and the Disconnection and HUGS Processing Guidelines.	A	1
33	Clause 5.1	Reg. 12(4)(a)	Before disconnecting supply for non-payment of a bill, a licensee must give a written reminder notice to a customer not less than 14 business days after the day on which a bill was issued advising the customer that payment is overdue and requiring payment to be made on or before the day specified in the reminder notice (being a day not less than	4	The minimum of 14 business days' notice that payment is overdue and then at least 6 business days to any disconnection is stated in the EGDC Billing System Manual. Review of a sample of disconnections and reconnections over the audit period confirmed the minimum notice has been given.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			20 business days after the billing day).				
34	Clause 5.1	Reg. 12(4)(b)	Before disconnecting supply for non-payment of a bill, a licensee must give a disconnection warning to a customer not less than 22 business days after the billing day advising the customer that disconnection will occur unless payment is made on or before the day specified in the disconnection warning (being a day not less than 10 business days after the day on which the disconnection warning is given).	4	As per obligation 33.	A	1
35	Clause 5.1	Reg. 12(5)(a)	A licensee must reconnect supply to a customer within 10 business days after disconnection for non-payment of a bill if the customer pays the overdue amount or makes an arrangement for its payment and the customer has paid any applicable reconnection fee.	4	The audit confirmed with the Licensee that reconnections are next business day. Disconnected services were reconnected within 24 hours when suitable arrangements were made. There have been no complaints about reconnections.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
36	Clause 5.1	Reg, 12(5)(b)	A licensee must reconnect supply to a customer within 10 business days after disconnection for denial of access to a meter, if the customer provides access to the meter and the customer has paid any applicable reconnection fee.	4	As per obligation 35.	NP	1
37	Clause 5.1	Reg, 12(5)(c)	A licensee must reconnect supply to a customer within 10 business days after disconnection for unlawful consumption of gas, if the customer pays for the gas consumed and the customer has paid any applicable reconnection fee.	4	The Licensee advised there have been no disconnections for unlawful consumption and therefore no reconnections.	NP	NR
38	Clause 5.1	Reg, 12(5)(d)	A licensee must reconnect supply to a customer within 10 business days after disconnection for refusal to pay a refundable advance, if the customer pays the refundable advance and the customer has paid any applicable reconnection fee.	4	The Licensee advised there have been no disconnections for failure to pay a refundable advance and therefore no reconnections.	NP	NR
39	Clause 5.1	Reg, 12(5)(e)	A licensee must reconnect supply to a customer within 20 business days after disconnection in an emergency situation or for health, safety or maintenance reasons, if	4	The Licensee advised there have been no disconnections for emergency or other reasons under this obligation and therefore no reconnections.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			the situation or problem giving rise to the need for disconnection has been rectified, and if the customer has paid any applicable reconnection fee.				
40	Clause 5.1	Reg, 12(6) Clause 5.1.1.2 AGA Code	A licensee must not disconnect supply to a customer who is unable to pay until: alternative payment options have been offered to the customer; the customer is given information on government funded concessions; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.	4	The requirements prior to disconnection are documented in the Customer Service Charter and the Disconnection and HUGS Processing Guidelines. Review of a sample of disconnections over the audit period confirmed the required information has been given to the customer and attempts were made to contact the customer.	A	1
41	Clause 5.1	Reg, 12(6) Clause 5.1.1.3 AGA Code	A licensee must not disconnect supply to a business customer until: it has used its best endeavours to contact the customer; it has offered the customer an extension of time to	4	The Licensee confirmed there have been no disconnections of business customers in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			pay the bill; and it has provided the customer a written notice of its intention to disconnect at least 5 business days' notice prior to the disconnection date, and the customer has refused to accept the alternative payment option or failed to make payments under it.				
42	Clause 5.1	Reg, 12(6) Clause 5.1.2.1 & 5.1.2.2 AGA Code	A licensee must not disconnect supply to a customer who denies access to a meter until: the customer has refused access on at least 3 concurrent billing cycles, the customer is given the option to offer alternative access arrangements; the customer is provided written advice on each occasion access was denied; it has used its best endeavours to contact the customer; and it has provided the customer a written notice of its intention to disconnect at least 5 business days prior to the disconnection date.	4	The Licensee confirmed there have been no disconnections to customers who have denied access to the meter in the audit period.	NP	NR
43	Clause 5.1	Reg, 12(6) Clause 5.1.3.1 &	A licensee who disconnects in the event of an emergency must provide a 24 hour information service, estimate the time when	4	The Licensee has a 24 hours 7 days a week emergency telephone service as stated in the Customer Service Charter and on a sample of bills reviewed in the audit. There is a EGDC	A	1

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		5.1.3.2 AGA Code	gas supply will be restored and use best endeavours to restore supply when the emergency is over.		Emergency Response Plan which states these requirements.		
44	Clause 5.1	Reg, 12(6) Clause 5.1.4.1 & 5.1.4.2 AGA Code	A licensee who disconnects supply for health and safety reasons must provide the customer written notice of the reason; allow the customer 5 business days to remove the reason where the customer is able to; and after the 5 business days issued a notice to the customer of its intention to disconnect supply at least 5 business days' notice prior to the disconnection date.	4	The Licensee confirmed there have been no disconnections to customers for health and safety reasons in the audit period.	NP	NR
45	Clause 5.1	Reg, 12(6) Clause 5.1.5.1 & 5.1.5.2 AGA Code	A licensee who disconnects supply for planned maintenance must provide the customer 4 days written notice; and used best endeavours to minimise disruption and restore supply.	4	There have been no disconnections for planned maintenance.	NP	NR
46	Clause 5.1	Reg, 12(6) Clause 5.1.7.2 AGA Code	A licensee must not disconnect supply for failure by a customer to pay a refundable advance without giving a written notice to the customer of its intention to	4	The Licensee confirmed there have been no disconnections to customers who have failed to pay a refundable advance in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			disconnect at least 5 business days prior to the disconnection date.				
47	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(a) AGA Code	A licensee must not disconnect supply where the bill owing is less than the average bill over the past 12 months and the customer has agreed to pay.	4	There have been no disconnections where the bill owing is less than the average bill over the past 12 months and the customer has agreed to pay.	NP	NR
48	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(b) AGA Code	A licensee must not disconnect supply where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved.	4	The Licensee confirmed there have been no complaints received in the audit period and therefore no disconnections to customers while a complaint is being reviewed.	NP	NR
49	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(c) AGA Code	A licensee must not disconnect supply where an application for a government concession has not been decided.	4	The Licensee confirmed there have been no disconnections where an application for a government concession is in progress.	NP	NR
50	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(d) AGA Code	A licensee must not disconnect supply where a customer has failed to pay a debt that is not a direct service charge.	4	The Licensee confirmed there have been no disconnections to customers who have failed to pay a refundable advance in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
51	Clause 5.1	Reg, 12(6) Clause 5.1.8.1(e) & (f) AGA Code	A licensee must not disconnect supply after 3pm on any day; and not on a Friday, weekend or public holiday or on a day before a public holiday unless it is a planned interruption.	4	The Licensee confirmed there have been no disconnections in the audit period that were outside the prescribed days and times.	NP	NR
52	Clause 5.1	Reg, 12(6) Clause 5.2.2.2 AGA Code	If a licensee is under an obligation to reconnect supply and the customer makes a request for reconnection after 3pm on a business day, the licensee shall use best endeavours to reconnect the customer as soon as possible on the next business day.	4	The Licensee confirmed reconnections are made on the next business day. There were 14 reconnections in the 3 years to 2017/18. Review of a sample of reconnections confirmed the Maintenance Callout Guidelines procedure is being followed.	A	1
53	Clause 5.1	Reg, 13(1) Clause 4.4.6.2 AGA Code	If a licensee uses a refundable advance to offset an amount owed, it must provide to the customer an account of its use and pay any balance within 10 business days to the customer.	4	The Licensee confirmed there were no refundable advances used during the audit period.	NP	NR
54	Clause 5.1	Reg, 13(3)	A licensee must place refundable advances in separate trust accounts and separately identify the amounts in its accounting records.	4	As per Obligation 53.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
55	Clause 5.1	Reg, 13(4)	A licensee must return interest earned on refundable advances accounts to customers.	4	As per Obligation 53.	NP	NR
56	Clause 5.1	Reg, 14(2)	A licensee must inform customers that the supply charge is either for residential or non- residential supply includes a specified fixed component and specified usage component; and describes the circumstances a customer needs to meet to qualify for residential tariffs.	4	Customers are given the complying information in the introductory pack and the definition of residential supply and charges are also in the pack. The procedure is documented in the Customer Service Charter and the Standard Form Contract, There have been no complaints about supply charges.	A	1
57	Clause 5.1	Reg, 14 Clause 4.1.2.1 & 4.1.2.2 AGA Code	A licensee must give notice of the tariffs charged and provide these notices to customers without charge upon request.	4	The introductory pack includes advice that residential tariffs are subject to annual CPI increases and business tariffs are subject to quarterly CPI increases. This is also stated on the website and notice is given on the bill prior to the bill with increased tariff. The procedure is also documented in the Billing System Manual.	A	1
58	Clause 5.1	Reg, 14 Clause 4.1.3.1 & 4.1.3.2 AGA Code	A licensee must give notice of a variation in tariffs charged and provide these notices to customers affected by the change no later than the next bill.	4	Notices of tariffs charged have been given in the introductory pack free and free online.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
59	Clause 5.1	Reg, 15(1) Clause 5.1.1.2 AGA Code	A licensee must issue a bill to a customer at least once every 3 months, unless agreed otherwise.	4	The procedure is documented in the Customer Service Charter, the Standard Form Contract and the Billing System Manual. Bills are issued every month for business customers and 3 monthly for residential. There were none more than 3 months during the audit period.	A	1
60	Clause 5.1	Reg, 15(1) Clause 4.2.3.1, 4.2.3.2 & 4.2.3.3 AGA Code	A licensee must prepare a bill in accordance with the terms specified in the AGA code including the inclusion of any refundable advance.	3	The bill contents are compliant with the AGA code as confirmed by review of a sample of bills during the period with the exception of bills issued between April and July 2016 did not include the telephone for financial difficulties (AGA Code 4.2.3.3(r)), as reported in the previous audit. This non-compliance was resolved in July 2016 and therefore no recommendation is made. The billing requirements are documented in the Customer Service Charter. There were no refundable advances.	A	2
61	Clause 5.1	Reg, 15(1) Clause 4.2.3.2 AGA Code	A licensee must apply payments received from a customer as directed by the customers (if the bill includes charges for other goods and services).	4	The bills issued during the audit period did not include any charges for other goods and services.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
62	Clause 5.1	Reg, 15(1) Clause 4.2.3.2 AGA Code	If a customer does not direct how a payment is to be allocated, a licensee must apply the payment — (i) to charges for the supply of gas before applying any portion of it to such goods or services; or (ii) if such goods or services include electricity, to the charges for gas and the charges for electricity in equal proportion before applying any portion of it to any other such goods or services.	4	The bills issued during the audit period did not include any charges for other goods and services. Therefore, any payments have been allocated to charges for the supply of gas.	NP	1
63	Clause 5.1	Reg. 15(1) & 47(2) & (4) Clause 4.2.3.4 AGA Code	A licensee must provide available bill data to customers upon request free of charge subject to clause 47 (2) and (4) of the <i>Energy Coordination (Customer Contracts) Regulations 2004</i> .	4	Bill data is provided free of charge. Customers have requested bill clarification and copies of bills for identification purposes and all have been provided free of charge.	NP	1
64	Clause 5.1	Reg, 15(1) Clause 4.2.4.1 AGA Code	A licensee must base a customer's bill on a meter reading and meters must be read at least once per year.	4	Meters were all read monthly (business) or 3 monthly (residential). All meters have been read at least once per year. This was confirmed by review of a sample of bills in the audit period. The procedure is stated in the EGDC Billing System Manual and the Standard Form Contract.	A	1

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65	Clause 5.1	Reg, 15(1) Clause 4.2.4.2 AGA Code	A licensee must base a customer's bill on a meter reading and meters must be read at least once per year.	4	As per obligation 64.	A	1
66	Clause 5.1	Reg, 15(1) Clause 4.2.4.4 AGA Code	A licensee, who provides a customer with an estimated bill and is subsequently able to read the meter, must adjust the estimated bill in accordance with the meter reading.	4	The Licensee confirmed that where an estimated bill is provided and the meter is subsequently able to be read, the estimated bill is adjusted to the actual meter reading.	NP	1
67	Clause 5.1	Reg, 15(1) Clause 4.2.4.5 AGA Code	A licensee must read a customer's meter upon request and may impose a fee for doing so.	4	Standard terms and conditions are stated in introductory pack including meter reading. There have been meter reads when customers move from premises. There are no charges for extra meter reads.	NP	1
68	Clause 5.1	Reg, 15(1) Clause 4.3.2.1 AGA Code	A licensee must offer payment in person and payment by mail.	4	Payment in person or by mail is offered on all bills. Confirmed by review of a sample of bills.	NP	1
69	Clause 5.1	Reg, 15(1) Clause 4.3.2.2 AGA Code	A licensee must offer customers who are absent for a long period, payment in advance facilities and the option of redirecting the bill.	4	Payment in advance or redirection is offered. The information is in the introductory pack and on request.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
70	Clause 5.1	Reg, 16(3)	A licensee must not terminate a contract if a customer commits a breach of the contract (other than a substantial breach) unless: (a) the licensee has a right to disconnect supply under the contract, a written law or a relevant code; and (b) the licensee has disconnected supply at all supply addresses of the customer covered by the contract.	4	No contracts have been terminated other than for non-payment reasons and there is a right to disconnect for this purpose. The only disconnections were for customers with one supply address only. The disconnected customers were terminated and then recontracted.	NP	1
71	Clause 5.1	Reg. 19	A licensee must provide a customer (a) a copy of their customer service charter (<i>Note: Format and contents is not defined in the Regs.</i>); (b) copies of regulations or any relevant code; (c) information about fees and charges payable under the contract; (d) with information on energy efficiency; (e) billing data; and (f) with information on Government Assistance Programs and	4	The required information is provided to customers in the introductory pack sighted during the audit. Confirmed with the Licensee that this is sent to all new customers. The information is also available on the website although it was noted that the Charter on the website (12/12/2013) is not the current version provided to customers in the introductory pack (2/3/2017). <u>Recommendation 2/2019</u> a) <i>The Customer Service Charter on the EGDC website should be updated to the current version. It is not mandatory to provide a copy on the website as this is provided to new customers and upon</i>	B	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			Financial Counselling Services if requested by the customer.		<p><i>request, so this does not represent a non-compliance.</i></p> <p>a) <i>EGDC should include review of the Charter in the list of documents for regular review in the Regulatory Compliance Manual and update on the website and in the introductory pack. This also includes updating the Manual to state that customers must be advised "from time to time" that the Charter is available.</i></p>		
72	Clause 5.1	Reg. 20(2) Clause 4.3.5.1 AGA Code	A licensee must offer a customer who is experiencing payment difficulties: instalment plan options; right to have bill redirected to third person; information or referral on government assistance programs; and information on independent financial counselling services.	4	The introductory pack includes payment options for those with payment difficulties. Instalment plans, redirection of bills to third parties and information on financial counselling is offered. Centrepay and Hardship Utility Grant Scheme are offered to Centrelink customers. There are no government assistance programs available. Bills include information and a contact number for payment difficulties as confirmed by review of a sample of bills.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
73	Clause 5.1	Regs. 27(4) & 40(3)	A licensee must not supply gas to the customer under a door to door contract during the cooling-off period unless the customer requests supply.	4	The Licensee confirmed there have been no door to door contract selling.	NP	NR
74	Clause 5.1	Regs. 20(3) & 48	A licensee must not commence legal action in relation to a customer debt if the customer has entered into arrangements to pay and is maintaining this arrangement.	4	The Licensee confirmed there have been no legal actions in the audit period.	NP	NR
75	Clause 5.1	Regs. 22 & 49(2)	A licensee must only provide a credit reporting agency with default information relevant to one of their bills.	4	The Licensee confirmed that no credit reporting agency has been used in the audit period.	NP	NR
76	Clause 5.1	Reg. 49(3)	A licensee must notify a credit reporting agency immediately if a customer has cleared their debt.	4	The Licensee confirmed that no credit reporting agency has been used in the audit period.	NP	NR
77	Clause 5.1	Reg. 49(4)	If a customer remedies a default and demonstrates extenuating circumstances, a licensee must request the credit reporting agency to remove the default record.	4	The Licensee confirmed that no credit reporting agency has been used in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
78	Clause 5.1	Reg. 49(5)	A licensee must not refer a default to a credit reporting agency that is the subject of a complaint or matter of review.	4	The Licensee confirmed that no credit reporting agency has been used in the audit period.	NP	NR
79	Clause 5.1	Reg. 50	A licensee must include information about its complaint handling process and contact details of the energy ombudsman on any disconnection warning given to a customer.	4	Review of a sample of disconnection warning notices confirmed that information about complaints handling and the Energy and Water Ombudsman contact details are included.	NP	1
80	Clause 5.1	Reg. 44	When a non-standard contract is due to expire, a licensee must issue a notice in writing to a customer not more than 2 months and not less than one month before the day on which the contract is due to expire (or at the commencement of the contract if the contract is less than 1 month) with information about: the expiry date; alternative supply options, and the terms and conditions for continued supply post contract expiry.	4	The Licensee confirmed there are no non-standard contracts in use in the audit period. The audit confirmed the business information required is included in the standard contract form.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
81	Clause 5.1	Reg. 45(1)	Upon request, a licensee must provide a customer free of charge with a copy of its customer service charter within 2 business days of the request.	4	The information is in the introductory pack and on the website. The Licensee confirmed the Customer Service Charter is provided immediately on request.	NP	1
82	Clause 5.1	Reg. 45(2)	A licensee must from time to time provide the customer with advice with their bill that a customer service charter is available free of charge.	4	The review of a sample of bills confirmed the advice on availability of the Customer Service Charter is included on each bill from August 2016 and therefore no recommendation is made. The information was not included prior to then, as noted in the previous audit. Note: only required from "time to time". This requirement is not specifically stated in the Regulatory Compliance Manual. <i>Refer recommendation 2/2019 in obligation 71 above.</i>	B	2
83	Clause 5.1	Reg. 46(1) & (2)	Upon request, a licensee must provide a customer with a copy of the <i>Energy Coordination (Customer Contract) Regulations 2004</i> or a relevant code.	4	The Licensee confirmed there have been no requests in the audit period for a copy of the Regulations or any Code.	NP	NR
84	Clause 5.1	Reg. 46(4)	A licensee must ensure that a copy of the <i>Energy Coordination (Customer Contract) Regulations 2004</i> or a relevant code is	4	The Licensee confirmed a copy of the Regulations is available at Esperance office on request. There have been no requests in the audit period.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			available for inspection at its offices at no charge.				
85	Clause 5.1	Reg.28 Clause 3.1.1.(a) AGA Code	A standard form contract must include a provision that the retailer or distributor must provide, install and maintain equipment for the supply of gas up to the point of supply.	4	The audit confirmed the standard form contract includes the required information.	NP	1
86	Clause 5.1	Reg.28 Clause 3.1.1.(b) AGA Code	A standard form contract must include a provision that the retailer or distributor must provide, install and maintain metering and necessary equipment at the supply address.	4	The standard form contract contains the required provisions.	NP	1
90	Clause 5.1	Energy Coordination (Customer Contract) Reg 33 (3), clause 3.5.2.2 AGA Code	A licensee must ensure that any representatives seeking access to the supply address on its behalf wear, carry and show official identification.	4	Interviewed Licensee staff and confirmed work uniforms of service staff include their names and they carry EGDC identification cards. Sighted examples.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
91	Clause 5.1	Reg 42	A licensee must notify a customer of any amendment to a non-standard contract.	4	The Licensee confirmed there are no non-standard contracts in use in the audit period.	NP	NR
ENERGY COORDINATION ACT 1994 (LICENCE CONDITIONS)							
96	Clause 16.2	Energy Coordination Act Section 11M	A licensee must comply and require its expert to comply with the ERA's standard guidelines dealing with the performance audit.	4	The previous performance audit report (July 2016) was accepted by the ERA. This audit has complied.	A	1
97	Clause 16.4	Energy Coordination Act Section 11M	A licensee's independent auditor must be approved by the ERA prior to the audit.	4	The previous audit report (July 2016) was approved by the ERA and therefore the auditor was approved prior to the audit.	A	1
98	Clause 16	Energy Coordination Act Section 11M	A licensee may be subject to individual performance standards.	4	There are no individual performance standards in the licence.	NP	NR
99	Clause 20	Energy Coordination Act Section 11M	Unless otherwise specified, all notices must be in writing and will be regarded as having been sent and received in accordance with defined parameters.	4	The procedure is documented in the Document Control Manual and Regulatory Compliance Manual. Confirmed by interview of Licensee staff and review of correspondence with ERA that all material communication is in writing.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
100	Clause 21.1	Energy Coordination Act Section 11M	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board or equivalent International Accounting Standards.	4	The audit reviewed the EGDC Financial Statements for 2015/16, 2016/17 and 2017/18 and confirmed with the Financial Controller that the Financial Statements comply with accounting standards.	NP	1
101	Clause 22.1	Energy Coordination Act Section 11M	A licensee must report to the ERA if the licensee is under external administration or experiences a significant change in its corporate, financial or technical circumstances that may affect the licensee's ability to meet its obligations under this licence within 10 business days of the change occurring.	4	Interviewed the Financial Controller and reviewed the Financial Reports for 2015/16, 2016/17 and 2017/18 and confirmed no external administration or going concern issues.	NP	NR
102	Clause 23.1	Energy Coordination Act Section 11M	A licensee must provide to the ERA any information that the ERA may require in connection with its functions under the <i>Energy Coordination Act 1994</i> in the time, manner and form specified by the ERA.	3	Sighted annual Compliance and Performance reports provided to the ERA for 2015/16, 2016/17 and 2017/18 and confirmed provided in the form required and by the due dates. Confirmed the control being the Environmental Legal Compliance Evaluation and Other Requirements Register includes this obligation. The previous audit recommended several improvements to the Regulatory	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
					Compliance Manual and these were implemented in July 2016.		
103	Clause 24	Energy Coordination Act Section 11M	A licensee must publish any information it is directed by the ERA to publish, within the timeframes specified.	4	The procedure is documented in the Document Control Manual and Regulatory Compliance Manual. The ERA has required the annual Performance Report to be published on the EGDC website. Confirmed the 2018 report has been published on the website.	A	1
106	Clause 12.2	Energy Coordination Act Section 11M	A licensee must, if directed by the ERA, review the standard form contract and submit to the ERA the results of that review within the time specified by the ERA.	4	There has been no direction to review the standard form contract.	NP	NR
107	Clause 12.3	Energy Coordination Act Section 11M	A licensee must comply with any direction given by the ERA in relation to the scope, process and methodology of the standard form contract review.	4	There has been no direction to review the standard form contract.	NP	NR
108	Clause 13.1	Energy Coordination Act Section 11M	A licensee must only amend the standard form contract in accordance with the <i>Energy Coordination Act 1994</i> and Regulations.	4	The standard form contract was revised in September 2018. Review of the contract confirmed it complies with the Energy Coordination Act and Regulations.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
109	Clauses 15.1 & 15.2	Energy Coordination Act Section 11M	A licensee must maintain supply to a customer if it supplies, or within the last 12 months supplied, gas to that customer's premises unless another supplier starts supplying the customer.	4	The Licensee confirmed supplies are always maintained to customers. There are no alternate suppliers. Confirmed by review of a sample of ongoing bills.	NP	1
110	Schedule 3 Clause 1.5	Energy Coordination Act Section 11M	A licensee must provide the ERA within 3 business days of a request by the ERA with reasons for refusing to commence supply to a customer if requested by the ERA.	4	The Licensee confirmed there have been no request from the ERA regarding refusal to supply gas to any customers. There have been no complaints over the audit period.	NP	NR
111	Schedule 3 Clause 1.7	Energy Coordination Act Section 11M	A licensee must comply with a direction from the ERA to supply a customer, subject to specified conditions.	4	There have been no directions from the ERA.	NP	NR
112	Schedule 3 Clauses 2.1 & 2.2	Energy Coordination Act Section 11M	A licensee must provide reasonable information relating to its activities under the licence as requested by the holder of a distribution licence to enable for the safe and efficient operation of the relevant distribution system, provided such disclosure does not prejudice the commercial interests of the licensee.	4	The Licensee and the distributor share the same support staff and office so the information is always available to the distributor.	NP	1
113	Schedule 3 Clause 3.1	Energy Coordination	A licensee must notify the Minister at least one month before a change to any price, price structure, fee or	4	The requirement to notify the Minister is documented in the Compendium, Regulatory	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Act Section 11M	interest rate under the standard form contract is to come into effect.		Compliance Manual and the Environmental Legal Compliance Evaluation and Other Requirements. The audit reviewed a sample of tariff changes and confirmed the Minister had been notified at least one month before the changes.		
GAS MARKETING CODE OF CONDUCT							
114	Clause 19.1.	Energy Coordination Act Section 11ZP	A licensee must comply with the <i>Gas Marketing Code of Conduct</i> .	4	There has been no marketing in the audit period.	NP	NR
115	Clause 19.2	Energy Coordination Act sections 11ZPP and 11M	A licensee must ensure all agents and employees comply with the Gas Marketing Code of Conduct.	4	There has been no marketing in the audit period.	NP	NR
116	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.1	A retailer must ensure that its gas marketing agents comply with Part 2 of the Code of Conduct.	4	The Licensee confirmed they do not engage any gas marketing agents.	NP	NR
117	Clause 19	Energy Coordination Act section 11ZPP	A retailer or gas marketing agent must ensure that standard form contracts that are not unsolicited consumer agreements are entered	4	There has been no marketing in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Code of Conduct clause 2.2(1)	into in the manner and satisfying the conditions specified.				
118	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.2(2) & 2.2(3)	A retailer or gas marketing agent must ensure that the information specified in clause 2.2(2) is given to the customer no later than on or with the customer's first bill, unless the retailer or gas marketing agent has provided the information to the customer in the preceding 12 months or informed the customer how the information may be obtained (unless the customer has requested to receive the information).	4	There has been no marketing in the audit period.	NP	NR
119	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.3(1)	A retailer or gas marketing agent must ensure that non-standard contracts that are not unsolicited consumer agreements are entered into in the manner and satisfying the conditions specified.	4	The Licensee confirmed there are no non-standard contracts for small use customers.	NP	NR
120	Clause 19	Energy Coordination Act section 11ZPP	A retailer or gas marketing agent must ensure that the information specified is provided to the customer before entering into a non-standard contract.	4	The Licensee confirmed there are no non-standard contracts for small use customers.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Code of Conduct clause 2.3(2)					
121	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.3(3) & 2.3(4)	A retailer or gas marketing agent must obtain a customer's verifiable consent that the information specified in clause 2.3(2) has been given, unless the retailer or gas marketing agent provided the information to the customer in the preceding 12 months or informed the customer how the information may be obtained (unless the customer requested to receive the information).	4	The Licensee confirmed there are no non-standard contracts for small use customers.	NP	NR
122	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.4(1)	A retailer or gas marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.	4	There are no concessions available and this advice is given to customers. There has been no marketing in the audit period.	NP	NR
123	Clause 19	Energy Coordination Act section 11ZPP	A retailer or gas marketing agent must ensure that a customer is able to contact the retailer or gas marketing agent on the retailer's or gas marketing agent's telephone number during the normal business	4	This requirement is about marketing conduct and there has been no marketing in the audit period. The introductory pack contains the contract which is given to all new customers	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Code of Conduct clause 2.4(2)	hours of the retailer or gas marketing agent for the purposes of enquiries, verifications and complaints.		and this provides the Licensee's contact details.		
124	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.5(1)	A retailer or gas marketing agent who contacts a customer for the purposes of marketing must, on complaints telephone number, the Energy Ombudsman's telephone number and, for contact by a gas marketing agent, the gas marketing agent's marketing identification number.	4	There has been no marketing in the audit period.	NP	NR
125	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.5(2)	A retailer or gas marketing agent who meets with a customer face to face for the purposes of marketing must: wear a clearly visible and legible identity card showing the information specified; and as soon as practicable provide the customer, in writing, the information specified.	4	The Licensee confirmed there has been no customer face to face marketing in the audit period.	NP	NR
126	Clause 19	Energy Coordination Act section 11ZPP	A retailer or gas marketing agent who visits a person's premises for the purposes of marketing, must comply with any clearly visible signs	4	The Licensee confirmed there has been no customer face to face marketing in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Code of Conduct clause 2.6	at the premises indicating that canvassing is not permitted or no advertising material is to be left at the premises.				
127	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.8	A person who carries out any marketing activity in the name of or for the benefit of a retailer or a gas marketing agent is to be taken to have been employed or authorised by the retailer or gas marketing agent to carry out that activity, unless the contrary is proved.	4	The Licensee confirmed there has been no marketing in the audit period.	NP	NR
128	Clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.9	A gas marketing agent must: keep a record of each complaint made by a of marketing, about the marketing carried out by or on behalf of the gas marketing agent; and on request by the Energy Ombudsman in relation to a particular complaint, give to the Energy Ombudsman all information that the gas marketing agent has relating to the complaint within 28 days of receiving the request.	4	The Licensee does not use any gas marketing agents.	NP	NR
129	Clause 19	Energy Coordination	Any record that a gas marketing agent is required to keep by the Code of Conduct, must be kept for	4	The Licensee does not use any gas marketing agents.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Act section 11ZPP Code of Conduct clause 2.10	at least 2 years after the last time the person to whom the information relates was contacted by or on behalf of the gas marketing agent.				
COMPENDIUM OF GAS CUSTOMER LICENCE OBLIGATIONS							
			CONNECTION				
134	Clause 2.1 & Schedule 2	Energy Coordination Act Section 11M	If a retailer agrees to sell gas 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.	4	The information on connection requests has been provided. The distribution licensee is a related party and they have common staff and office so information share is immediate via the same support officer.	NP	1
135	Clause 2.1 & Schedule 2 Comp. 3.1(2)	Energy Coordination Act Section 11M	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.	4	As per Obligation 134. Most connections are made on same day and all by next day.	NP	1
			BILLING				

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
136	Clause 2.1 & Schedule 2 Comp. 4.1(a)	Energy Coordination Act Section 11M	A retailer must issue a bill no more than once a month unless the conditions specified in 4.1(a)(i)-(iii) apply.	4	The procedure is documented in the Billing System Manual. Bills are issued every 3 months for small users and monthly for business users. Confirmed by review of a sample of bills.	A	1
137	Clause 2.1 & Schedule 2 Comp. 4.1(b)	Energy Coordination Act Section 11M	A retailer must issue a bill at least every 105 days unless the conditions specified are met.	4	The procedure is documented in the Billing System Manual. Bills are issued every 3 months for small users and monthly for business users. Confirmed by review of a sample of bills.	A	1
138	Clause 2.1 & Schedule 2 Comp. 4.2(1)	Energy Coordination Act Section 11M	Prior to placing the customer on a shortened billing cycle, a retailer is considered to have given a customer notice if the retailer has advised the customer of the information specified in clauses 4.2(1)(a)-(d).	4	The Licensee confirmed that no customers were placed on a shortened billing cycle.	NP	NR
139	Clause 2.1 & Schedule 2 Comp. 4.2(2)	Energy Coordination Act Section 11M	Notwithstanding clause 4.1(a)(ii), a retailer must not place a residential customer on a shortened billing cycle without the customer's verifiable consent in circumstances specified in clauses 4.2(2)(a)-(b).	4	The Licensee confirmed that no customers were placed on a shortened billing cycle.	NP	NR
140	Clause 2.1 & Schedule 2	Energy Coordination	A retailer must give the customer written notice of a decision to	4	The Licensee confirmed that no customers were placed on a shortened billing cycle.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
	Comp. 4.2(3)	Act Section 11M	shorten the customer's billing cycle within 10 business days of making the decision.				
141	Clause 2.1 & Schedule 2 Comp. 4.2(4)	Energy Coordination Act Section 11M	A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days.	4	The Licensee confirmed that no customers were placed on a shortened billing cycle.	NP	NR
142	Clause 2.1 & Schedule 2 Comp. 4.2(5)	Energy Coordination Act Section 11M	Upon request, a retailer must return a customer who is subject to a shortened billing cycle and has paid 3 consecutive bills by the due date, to the billing cycle that previously applied to the customer.	4	The Licensee confirmed that no customers were placed on a shortened billing cycle.	NP	NR
143	Clause 2.1 & Schedule 2 Comp. 4.2(6)	Energy Coordination Act Section 11M	At least once every 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.	4	The Licensee confirmed that no customers were placed on a shortened billing cycle.	NP	NR
144	Clause 2.1 & Schedule 2 Comp. 4.3(1)	Energy Coordination Act Section 11M	In respect of any 12 month period, on receipt of a request by a customer, a retailer may provide the customer with estimated bills under a bill smoothing arrangement.	4	The Licensee confirmed there were no bill smoothing arrangements.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
145	Clause 2.1 & Schedule 2 Comp. 4.3(2)	Energy Coordination Act Section 11M	If a retailer provides a customer with a bill under a bill-smoothing arrangement pursuant to clause 4.3(1), the retailer must ensure that the conditions specified in clauses 4.3(2)(a)-(e) are met.	4	The Licensee confirmed there were no bill smoothing arrangements.	NP	NR
146	Clause 2.1 & Schedule 2 Comp. 4.4	Energy Coordination Act Section 11M	A retailer must issue a bill to a customer at the address nominated by the customer, which may be an email address.	4	The procedure is documented in the Billing System Manual. The billing address requirement is satisfied. The audit confirmed by review of a sample of bills that bills are sent to supply address, PO box where nominated or email address.	A	1
147	Clause 2.1 & Schedule 2 Comp. 4.5(1)	Energy Coordination Act Section 11M	Unless the customer agrees otherwise, a retailer must include the minimum prescribed information in clauses 4.5(1)(a)-(cc) on the customer's bill.	3	The prescribed information is included in the Billing System Manual. Review of a sample of bills confirmed the minimum information has been provided with the exception of missing advice of payment options and interpreter symbol (4.5(1)(q) & (z)) that were not included before August 2016 as noted in the previous audit. This non-compliance was resolved in August 2016 and therefore no recommendation is made.	A	2
148	Clause 2.1 & Schedule 2 Comp. 4.5(2)	Energy Coordination Act Section 11M	Notwithstanding clause 4.5(1)(bb), a retailer is not obliged to include a graph or bar chart on the bill, if the bill meets the criteria specified in clauses 4.5(2)(a)-(c).	4	Review of a sample of bills confirmed a bar chart of usage is included on the bills.	NP	1

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149	Clause 2.1 & Schedule 2 Comp. 4.5(3)	Energy Coordination Act Section 11M	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.	4	Review of a sample of bills confirmed any arrears for debts are shown separately on the bills.	NP	1
150	Clause 2.1 & Schedule 2 Comp. 4.6(1)	Energy Coordination Act Section 11M	A retailer must base a customer's bill on the distributor's or metering agent's reading of the meter at the customer's supply address, or the customer's reading of the meter provided the retailer and the customer agreed that the customer will read the meter.	4	Review of a sample of bills over the audit period confirmed that all bills were based on meter readings. This is also stated in the Billings Procedures Manual. There were four customers who completed their own meter reads as a once off occurrence. The meters were never read consistently by the customer and a EGDC read was conducted at least once within the 12 month period.	A	1
152	Clause 2.1 & Schedule 2 Comp. 4.7(1)	Energy Coordination Act Section 11M	A retailer must use its best endeavours to ensure that metering reading data is obtained as frequently as is required to prepare its bills.	4	Small use customers are on a 3-month cycle and business customers on a monthly cycle as confirmed by review of a sample of bills. This is also stated in the Billings Procedures Manual.	A	1
153	Clause 2.1 & Schedule 2 Comp. 4.7(2)	Energy Coordination Act Section 11M	A retailer must ensure that at least once every 12 months it obtains metering	4	Small use customers are on a 3-month cycle and business customers on a monthly cycle as confirmed by review of a sample of bills.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			data in accordance with clause 4.6(1)(a).		This is also stated in the Billings Procedures Manual.		
154	Clause 2.1 & Schedule 2 Comp. 4.8(1)	Energy Coordination Act Section 11M	A retailer must give the customer an estimated bill in the manner specified, if the retailer is unable to reasonably base a bill on a reading of the meter.	4	The Licensee confirmed there were no bills issued based on estimates in the audit period.	NP	NR
155	Clause 2.1 & Schedule 2 Comp. 4.8(2)	Energy Coordination Act Section 11M	Where the customer's bill is estimated, a retailer must clearly specify on the customer's bill the information prescribed in clauses 4.8(2)(a)-(c).	4	The Licensee confirmed there were no bills issued based on estimates in the audit period.	NP	NR
156	Clause 2.1 & Schedule 2 Comp. 4.8(3)	Energy Coordination Act Section 11M	Upon request, a retailer must inform a customer of the basis and the reason for the estimation.	4	The Licensee confirmed there were no bills issued based on estimates in the audit period.	NP	NR
157	Clause 2.1 & Schedule 2 Comp. 4.9	Energy Coordination Act Section 11M	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.	4	The Licensee confirmed there were no bills issued based on estimates in the audit period.	NP	NR
158	Clause 2.1 & Schedule 2 Comp. 4.10	Energy Coordination Act Section 11M	If a retailer has based a bill upon an estimation because the customer failed to provide access to the meter, and the customer subsequently requests the retailer	4	The Licensee confirmed there were no bills issued based on estimates in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			to provide a bill based on a reading of the meter and provides access to the meter, and pays the retailer's reasonable charge for reading the meter (if any), the retailer must do so.				
159	Clause 2.1 & Schedule 2 Comp. 4.11(1)	Energy Coordination Act Section 11M	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.	4	The Licensee confirmed there have been no requests for meter tests.	NP	NR
160	Clause 2.1 & Schedule 2 Comp. 4.11(2)	Energy Coordination Act Section 11M	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.	4	The Licensee confirmed there have been no requests for meter tests.	NP	NR
161	Clause 2.1 & Schedule 2 Comp. 4.12(1)	Energy Coordination Act Section 11M	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.	4	The Licensee confirmed that alternative tariffs have not been offered.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
162	Clause 2.1 & Schedule 2 Comp. 4.12(2)	Energy Coordination Act Section 11M	For the purpose of clause 4.12(1), the effective date of change in the tariff will be the date on which the last meter reading at the previous tariff was obtained; or, if the change requires an adjustment to the meter at the customer's supply address, the date the meter adjustment is completed.	4	The Licensee confirmed that alternative tariffs have not been offered.	NP	NR
163	Clause 2.1 & Schedule 2 Comp. 4.13	Energy Coordination Act Section 11M	If a customer's gas 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.	4	The Licensee confirmed there have been no instances where the customer eligibility has changed and the tariff affected.	NP	NR
164	Clause 2.1 & Schedule 2 Comp. 4.14(1)	Energy Coordination Act Section 11M	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.	4	Final bills are issued promptly and usually the next day. Requests are usually via telephone. This is documented in the Customer Service Charter that states that 3 business days' notice should be given to disconnect supply but in practice this occurs the next day and the final bill is issued.	A	1
165	Clause 2.1 & Schedule 2 Comp. 4.14(2)	Energy Coordination Act Section 11M	If the customer's account is in credit at the time of account closure, the retailer must, subject to clause 4.14(3), at the time of	4	The Licensee confirmed that if a customers' account is in credit at the time of closure, the customer is requested whether to transfer the	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			the final bill ask the customer for instructions on where to transfer the amount of credit (based on clauses 4.14(2)(a) or (b)), and pay the credit in accordance with the customer's instructions within 12 business days or another time agreed with the customer.		credit to another account the customer has, or will have, or a bank account nominated by the customer or a cash refund, and this is paid within 12 business days of receiving the instructions or other such time as agreed with the customer. This is documented in the Billing System Manual.		
165A	Clause 2.1 & Schedule 2 Comp. 4.14(3)	Energy Coordination Act Section 11M	If the customer's account is in credit at the time of account closure and the customer owes a debt to the retailer, the retailer may, with written notice to the customer, use that credit to set off the debt. If after the set off, there remains an amount of credit, the retailer must ask the customer for instructions in accordance with clause 4.14(2).	4	The Licensee confirmed that there have been no accounts in credit where a debt is also owed by the customer, in the audit period. Therefore, no set offs occurred.	NP	NR
166	Clause 2.1 & Schedule 2 Comp. 4.15	Energy Coordination Act Section 11M	A retailer must review the customer's bill on request by the customer, subject to the customer paying the lesser of the portion of the bill agreed to not be in dispute or an amount equal to the average of the customer's bill over the previous 12 months and paying any future bills that are properly due.	4	The Licensee advised that one request was made to review the bill due to an unusually high read. A tightness test was conducted on the meter which was then passed. It was determined that the customers new heater was consuming more gas than the previous heater and had been used more frequently than originally estimated. The customer was made aware of the option to send the meter away for	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
					testing. However, the customer declined and paid their bill on a payment extension.		
167	Clause 2.1 & Schedule 2 Comp. 4.16(1)(a)	Energy Coordination Act Section 11M	<p>If a retailer is satisfied after conducting a review of a bill that the bill is correct, the retailer</p> <ul style="list-style-type: none"> • 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 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. 	4	As per Obligation 166. The above request complied with the required advice.	NP	1
168	Clause 2.1 & Schedule 2 Comp. 4.16(1)(b)	Energy Coordination Act Section 11M	If a retailer is satisfied after conducting a review of a bill that the bill is incorrect, the retailer must adjust the bill in accordance with clauses 4.17 and 4.18.	4	The Licensee advised there was one request for a review in the audit period as noted above. The bill was found to be correct.	NP	1
169	Clause 2.1 & Schedule 2	Energy Coordination	The retailer must inform a customer of the outcome of the	4	The Licensee advised there was one request for a review in the audit period as noted above.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
	Comp. 4.16(2)	Act Section 11M	review (of the bill) as soon as practicable.		The bill was found to be correct and the customer was notified within 20 business days of the request for review.		
170	Clause 2.1 & Schedule 2 Comp. 4.16(3)	Energy Coordination Act Section 11M	If the retailer has not informed a customer of the outcome of the review within 20 business days from the date of receipt of the request for review under clause 4.15, the retailer must provide the customer with notification of the status of the review as soon as practicable.	4	The Licensee advised there was one request for a review in the audit period as noted above. The bill was found to be correct and the customer was notified within 20 business days of the request for review.	NP	1
171	Clause 2.1 & Schedule 2 Comp. 4.17(2)	Energy Coordination Act Section 11M	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), the retailer must follow the procedure specified in clauses 4.17(2)(a)-(e).	4	The Licensee and review of sample bills confirmed there have been no undercharges to be recovered in the audit period.	NP	NR
171A	Clause 2.1 & Schedule 2 Comp. 4.17(3)	Energy Coordination Act Section 11M	A retailer may charge the customer interest or require the customer to pay a late payment fee only if, after notifying a customer of the amount to be recovered under subclause (2)(c), the customer has failed to pay the	4	The Licensee confirmed that no interest is charged on overdue debts. Late payment fees are charged when Overdue Notices are issued and the customer has not entered into an instalment plan. Confirmed from review of a sample of bills and overdue notices.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			amount and has not entered into an instalment plan under subclause (2)(e).				
172	Clause 2.1 & Schedule 2 Comp. 4.18(2) & (5)	Energy Coordination Act Section 11M	<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), the retailer must use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the error, defect or default and, subject to clauses 4.18(6) and (7) ask the customer for instructions as to whether the amount should be credited to the customer's account; or repaid to the customer.</p> <p>No interest shall accrue to a credit or refund referred to in this clause.</p>	4	The Licensee and review of sample bills confirmed there have been no overcharges in the audit period and no instructions received. There have been no complaints.	NP	NR
173	Clause 2.1 & Schedule 2 Comp. 4.18(3)	Energy Coordination Act Section 11M	If a retailer receives instructions under clause 4.18(2), the retailer must pay the amount in accordance with the customer's	4	The Licensee and review of sample bills confirmed there have been no overcharges in the audit period and no instructions received. There have been no complaints.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			instructions within 12 business days of receiving the instructions.				
174	Clause 2.1 & Schedule 2 Comp. 4.18(4)	Energy Coordination Act Section 11M	If a retailer does not receive instructions under clause 4.18(2) within 5 business days of making the request, the retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	4	The Licensee and review of sample bills confirmed there have been no overcharges in the audit period and no instructions received. There have been no complaints.	NP	NR
175	Clause 2.1 & Schedule 2 Comp. 4.18(6)	Energy Coordination Act Section 11M	If the overcharged amount is less than \$100, the retailer may notify a customer of the overcharge by no later than the next bill after the retailer became aware of the error, and ask the customer for instructions under clause 4.18(2), or credit the amount to the customer's next bill.	4	The Licensee and review of sample bills confirmed there have been no overcharges in the audit period and no instructions received. There have been no complaints.	NP	NR
175A	Clause 2.1 & Schedule 2 Comp. 4.18(7)	Energy Coordination Act Section 11M	If a customer has been overcharged by the retailer, and the customer owes a debt to the retailer, then provided the customer is not a residential customer experiencing payment difficulties or financial hardship, the retailer may, with written notice to the customer, use the amount of the	4	The Licensee and review of sample bills confirmed there have been no overcharges in the audit period and no instructions received. There have been no complaints.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			<p>overcharge to set off the debt owed to the retailer.</p> <p>If, after the set off, there remains an amount of credit, the retailer must deal with that amount of credit in accordance with clause 4.18(2); or 4.18(6) where the amount is less than \$100.</p>				
176	Clause 2.1 & Schedule 2 Comp. 4.19(1)	Energy Coordination Act Section 11M	If a retailer proposes to recover an amount of an adjustment which does not arise due to any act or omission of the customer, the retailer must follow the procedure specified in clauses 4.19(1)(a)-(d).	4	The Licensee confirmed there have been no adjustments in the audit period.	NP	NR
177	Clause 2.1 & Schedule 2 Comp. 4.19(2) & (6)	Energy Coordination Act Section 11M	<p>If after the meter reading a retailer becomes aware of an amount owing to the customer, the retailer must use its best endeavours to inform the customer accordingly within 10 business days of the retailer becoming aware of the adjustment and, subject to clauses 4.19(5) and 4.19(7) ask the customer for instructions as to whether the amount should be -</p> <ul style="list-style-type: none"> credited to the customer's account; 	4	The Licensee confirmed there have been no amounts owing to customers identified from meter readings in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			<ul style="list-style-type: none"> repaid to the customer; or included as a part of the new bill smoothing arrangement if the adjustment arises under clauses 4.3(2)(a)-(b). <p>No interest shall accrue to a credit or refund referred to in this clause.</p>				
178	Clause 2.1 & Schedule 2 Comp. 4.19(3)	Energy Coordination Act Section 11M	If a retailer received instructions under clause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	4	The Licensee confirmed there have been no amounts owing to customers identified from meter readings in the audit period.	NP	NR
179	Clause 2.1 & Schedule 2 Comp. 4.19(4)	Energy Coordination Act Section 11M	If a retailer received instructions under clause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	4	The Licensee confirmed there have been no amounts owing to customers identified from meter readings in the audit period.	NP	NR
180	Clause 2.1 & Schedule 2 Comp. 4.19(5)	Energy Coordination Act Section 11M	If the adjustment amount owing to the customer is less than \$100, the retailer may notify the customer of the adjustment by no later than the next bill after the meter is read, and ask the customer for instructions under	4	The Licensee confirmed there have been no amounts owing to customers identified from meter readings in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			clause 4.19(2); or credit the amount to the customer's next bill.				
180A	Clause 2.1 & Schedule 2 Comp. 4.19(7)	Energy Coordination Act Section 11M	<p>If the amount of the adjustment is an amount owing to the customer, and the customer owes a debt to the retailer, then provided the customer is not a residential customer experiencing payment difficulties or financial hardship, the retailer may, with written notice to the customer, use the amount of the adjustment to set off the debt owed to the retailer.</p> <p>If, after the set off, there remains an amount of credit, the retailer must deal with that amount of credit in accordance with clause 4.19(2); or 4.19(5) where the amount is less than \$100.</p>	4	The Licensee confirmed there have been no amounts owing to customers identified from meter readings in the audit period.	NP	NR
			PAYMENT				
181	Clause 2.1 & Schedule 2 Comp. 5.1	Energy Coordination Act Section 11M	The due date on the bill must be at least 12 business days from the date of that bill, unless otherwise agreed with the customer. The date of the dispatch is the date of the bill, unless the retailer specifies a later date.	4	The audit confirmed by review of a sample of bills that the due date on the bill is 22 days from the date issued. The Customer Service Charter states that the due date for bills will be at least 12 business days.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
182	Clause 2.1 & Schedule 2 Comp. 5.2	Energy Coordination Act Section 11M	<p>Unless otherwise agreed with a customer, a retailer must offer the customer at least the following payment methods:</p> <ul style="list-style-type: none"> • in person at 1 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 or debit card. 	4	The Customer Service Charter provides for the required payment methods. Review of a sample of bills confirmed the required payments methods are offered.	A	1
183	Clause 2.1 & Schedule 2 Comp. 5.3	Energy Coordination Act Section 11M	Prior to a direct debit facility commencing, a retailer must 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.	4	The Licensee advised they do not offer direct debit facilities for payment. Also, not a payment method in the Customer Service Charter.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
184	Clause 2.1 & Schedule 2 Comp. 5.4	Energy Coordination Act Section 11M	A retailer must accept payment in advance from a customer on request. The minimum amount a retailer will accept an advance payment is \$20, unless otherwise agreed with a customer.	4	The Licensee confirmed that payments in advance are accepted in all circumstances. Also documented in the Billings System Manual.	A	1
185	Clause 2.1 & Schedule 2 Comp. 5.5	Energy Coordination Act Section 11M	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.	4	The Licensee confirmed that free redirections to a third person are offered when requested throughout the audit period.	NP	1
186	Clause 2.1 & Schedule 2 Comp. 5.6(1)	Energy Coordination Act Section 11M	A retailer must not charge a residential customer a late payment fee in the circumstances specified in clauses 5.6(1)(a)-(d).	4	There are no concessions available to gas customers and no complaints to the Licensee or the Ombudsman. No fee has been charged where on a payment plan or given an extension to pay or under financial hardship.	NP	NR
186A	Clause 2.1 & Schedule 2 Comp. 5.6(2)	Energy Coordination Act Section 11M	If a retailer has charged a late payment fee in the circumstances set out in clause 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.	4	There have been no complaints to the Licensee or the Ombudsman, so late fees could not have been charged related to these instances.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
187	Clause 2.1 & Schedule 2 Comp. 5.6(3)	Energy Coordination Act Section 11M	If a retailer has charged a residential customer a late fee, a retailer must not charge an additional late payment fee in relation to the same bill within 5 business days from the date of receipt of the previous late payment fee notice.	4	From review of a sample of overdue notices, 14 business days is allowed for payment so no additional late payment fee would be charged within 5 business days of the notice being received.	NP	1
188	Clause 2.1 & Schedule 2 Comp. 5.6(4)	Energy Coordination Act Section 11M	A retailer must not charge a residential customer more than 3 late payment fees in relation to the same bill, or more than 12 late payment fees in a year.	4	Review of a sample of overdue notices did not identify any customer charged more than 3 late payment fees in relation to the same bill or more than 12 fees in a year.	NP	1
189	Clause 2.1 & Schedule 2 Comp. 5.6(5)	Energy Coordination Act Section 11M	If a residential customer has been assessed 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.	4	The Licensee confirmed that late fees are waived for customers in financial hardship.	NP	1
190	Clause 2.1 & Schedule 2 Comp. 5.7(1)	Energy Coordination Act Section 11M	A retailer must not require a customer who has vacated a supply address, and who has given the retailer notice, to pay for gas consumed at the customer's supply address in the circumstances specified in clause	4	The Licensee confirmed that customers have not paid for gas where the required notice had been given.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			5.7(1), unless the retailer and the customer have agreed to an alternative date.				
191	Clause 2.1 & Schedule 2 Comp. 5.7(2)	Energy Coordination Act Section 11M	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 gas consumed at the customer's supply address from the date the customer gave the retailer notice.	4	The Licensee confirmed that customers have not paid for gas where the required notice had been given.	NP	1
192	Clause 2.1 & Schedule 2 Comp. 5.7(3)	Energy Coordination Act Section 11M	Notice is given if a customer informs a retailer of the date on which the customer intends to vacate, or has vacated the supply address, and gives the retailer a forwarding address to which a final bill may be sent.	4	The Licensee confirmed that customers have not paid for gas where the required notice had been given.	NP	1
193	Clause 2.1 & Schedule 2 Comp. 5.7(4)	Energy Coordination Act Section 11M	Notwithstanding clauses 5.7(1) and 5.7(2), a retailer must not require a customer to pay for gas consumed at the customer's supply address in the circumstances specified in clauses 5.7(4)(a)-(c).5	4	The Licensee confirmed that customers have not paid for gas where the required notice had been given.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
195	Clause 2.1 & Schedule 2 Comp. 5.8(1)	Energy Coordination Act Section 11M	A retailer must not commence proceedings for recovery of a debt from a residential customer who has informed a retailer that the customer is experiencing payment difficulties or financial hardship; or while a residential customer continues to make payments under an alternative payment arrangement.	4	The Licensee confirmed that no actions for recovery of debts were commenced in the audit period.	NP	NR
196	Clause 2.1 & Schedule 2 Comp. 5.8(2)	Energy Coordination Act Section 11M	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 gas to that supply address.	4	The Licensee confirmed that no actions for recovery of debts were commenced in the audit period.	NP	NR
196A	Clause 2.1 & Schedule 2 Comp. 5.9	Energy Coordination Act Section 11M	If a customer with a debt owing to a retailer requests the retailer to transfer the debt to another customer, the retailer must obtain the other customer's verifiable consent to the transfer of debt.	4	The Licensee confirmed that no request for transfer of debt to another customer had been received in the audit period.	NP	NR
197	Clause 2.1 & Schedule 2 Comp. 5.10	Energy Coordination Act Section 11M	Where a retailer and residential customer have entered into a dual fuel contract, or separate contracts for the supply of	4	The Licensee confirmed there were no dual fuel contracts in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			electricity and gas, the retailer must apply a payment received from a residential customer for charges for the supply of electricity or gas in the circumstances specified in clause 5.9.				
			PAYMENT DIFFICULTIES AND FINANCIAL HARDSHIP				
198	Clause 2.1 & Schedule 2 Comp. 6.1(1)	Energy Coordination Act Section 11M	A retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within 5 business days from when the residential customer informs the retailer about the payment problems. If the retailer cannot make the assessment within 5 business days, it must refer the customer to a relevant consumer representative to make the assessment.	4	Customers are assessed on the spot in person or telephone within 1 day. If the customer is found to be having payment difficulties a payment plan or payment extension can be arranged with the customer. If the customer is found to be in financial hardship, a HUGS application and consent form is completed and submitted online. The process is documented in the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1
198A	Clause 2.1 & Schedule 2 Comp. 6.1(2)	Energy Coordination Act Section 11M	If a residential customer provides the retailer with an assessment from a relevant consumer representative, the retailer may adopt that assessment as its own	4	The procedure is documented in the Financial Hardship Procedure. The Licensee confirmed that no assessments from a consumer representative have been	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			assessment for the purposes of clause 6.1(1)(a).		<p>received in the audit period. Financial assessments by the Hardship Utilities Grants Scheme (HUGS) have been received and accepted.</p> <p>As from October 2015, consumer representatives (e.g. financial counsellors) are no longer involved in the HUGS process and applications. They are performed by utilities on behalf of the customer and applications are sent directly to HUGS for assessment.</p> <p>In January 2018 the process was changed again with one HUGS processing centre, a service procured by Dept of Communities.</p> <p>The HUGS Service Centre is a third party assessment pathway for non-concessional customers experiencing financial hardship. Customers who are concession card holders are processed by utilities.</p>		
199	Clause 2.1 & Schedule 2 Comp. 6.1(3)	Energy Coordination Act Section 11M	When undertaking an assessment regarding payment difficulties or financial hardship, the retailer must, unless the retailer adopts an assessment from a relevant consumer representative, give reasonable consideration to the information	4	The Licensee confirmed that all assessments of financial difficulties were done on the spot in person or telephone within one day. The Licensee advised that they have always accepted that the customer cannot pay when the customer has advised this. The process is documented in the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			given by the residential customer and requested or held by the retailer; or advice given by a relevant consumer representative.				
200	Clause 2.1 & Schedule 2 Comp. 6.1(4)	Energy Coordination Act Section 11M	A retailer must advise a residential customer on request of the details of an assessment.	4	All assessments of financial difficulties were done on the spot in person or telephone within one day. The customer is kept informed of the assessment. The process is documented in the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1
200A	Clause 2.1 & Schedule 2 Comp. 6.2(1)	Energy Coordination Act Section 11M	If a retailer refers a residential customer to a relevant consumer representative under clause 6.1(1)(b), the retailer must grant the residential customer a temporary suspension of actions.	4	Customers may be referred to HUGS or the Licensee may lodge an application directly with HUGS depending upon the customers' circumstances. Customers may also be referred to a local consumer representative for financial counselling. Temporary suspension of action is granted to customers including protection from discontinuance of supply as per the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1
201	Clause 2.1 & Schedule 2 Comp. 6.2(2)	Energy Coordination Act Section 11M	If a residential customer informs a retailer that the customer is experiencing payment problems, the retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions, if the	4	All actions were suspended pending outcome of referral. All assessments of financial difficulties were done on the spot in person or telephone within one day. The Licensee has always accepted that the customer cannot pay when they have advised this. The Licensee	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			customer demonstrates to the retailer that the customer has an appointment with a relevant consumer representative to assess the customer's capacity to pay.		confirmed they have adopted the assessments from an independent financial counsellor or relevant consumer representative organisation engaged by the customer. The process is documented in the EGDC Financial Hardship Financial Hardship Procedure and the Disconnection and HIGS procedure.		
202	Clause 2.1 & Schedule 2 Comp. 6.2(3)	Energy Coordination Act Section 11M	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	4	All actions were suspended pending outcome of referral however long that took and not less than 15 days. The process is documented in the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1
203	Clause 2.1 & Schedule 2 Comp. 6.2(4)	Energy Coordination Act Section 11M	If a relevant consumer representative is unable to complete the assessment on time and the consumer representative or residential customer requests for additional time, a retailer must give reasonable consideration to the request.	4	Customers are referred directly to HUGS. Customers may also be referred to a local consumer representative for financial counselling. The Licensee confirmed that additional time was given if requested by the customer. The process is documented in the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
204	Clause 2.1 & Schedule 2 Comp. 6.3(1)	Energy Coordination Act Section 11M	If the assessment carried out under clause 6.1 indicates to the retailer that the residential customer is experiencing payment difficulties or financial hardship, the retailer must follow the procedure specified in clause 6.3(1).6	4	Alternative payment options and advice is given such as an instalment plan, financial counselling, Centrepay is used as well as the HUGS system. Staff have been trained in use of these external systems and there are training documents. New staff receive training as stated in the Training Matrix and confirmed with a new Support Officer's training. The previous audit issue re training of staff for CentrePay and HUGS has been resolved in July 2016 when the above training was implemented. Therefore, this obligation was non-compliant for the period April to June 2016 but as it has been resolved, no recommendation is made.	A	2
205	Clause 2.1 & Schedule 2 Comp. 6.4(1)	Energy Coordination Act Section 11M	A retailer must offer a residential customer who is experiencing payment difficulties or financial hardship at least the payment arrangements that are specified in clauses 6.4(1)(a) and (b).	4	The Licensee confirmed that additional time or interest-free payment arrangements were given if requested by the customer. The Licensee confirmed that there have been some requests in the audit period and that a payment extension or payment plan has been given to the customer. The EGDC Financial Hardship Policy and Financial Hardship Procedure includes offering the customer the required payment arrangements, including additional time or instalment plans.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
206	Clause 2.1 & Schedule 2 Comp. 6.4(2)	Energy Coordination Act Section 11M	When offering or amending an instalment plan to a residential customer a retailer must ensure that the instalment plan is fair and reasonable taking into account the customer's capacity to pay and consumption history and comply with clause 6.4(3).	4	The Licensee advised that payment plans offered by the customers' financial advisor or HUGS advisor are reviewed as to whether fair and reasonable taking into account the customer's capacity to pay and consumption history, and are accepted. Any requests direct from customers are assessed as to whether fair and reasonable. The procedure is documented in the Financial Hardship procedure.	A	1
206A	Clause 2.1 & Schedule 2 Comp. 6.4(3)	Energy Coordination Act Section 11M	If the residential customer accepts an instalment plan offered by the retailer, the retailer must provide the information specified in clauses 6.4(3)(a)(i)-(iii) within 5 business days of the customer accepting the plan and notify the customer of any amendments to the instalment plan at least 5 business days before they come into effect (unless agreed otherwise with the customer) and provide the customer with information explaining the changes.	4	The offered instalment plans meet the information requirements which are stated on the Extended Payment Arrangement forms sighted during the audit. The form is completed by the customer and approved by the Licensee with a final copy provided to the customer within 5 business days. The procedure is documented in the Financial Hardship procedure.	A	1
207	Clause 2.1 & Schedule 2 Comp. 6.4(4)	Energy Coordination	If a residential customer has in the previous 12 months had 2 instalment plans cancelled due to non-payment, a retailer does not	4	The Licensee confirmed that no customer has had more than 2 instalment plans cancelled. If they did, they would still be offered a plan.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
		Act Section 11M	have to offer that residential customer another instalment plan, unless the retailer is satisfied that the residential customer will comply with the proposed plan.				
208	Clause 2.1 & Schedule 2 Comp. 6.6(1)	Energy Coordination Act Section 11M	A retailer must give reasonable consideration to a request by a customer, or a relevant consumer representative, for a reduction of the customer's fees, charges, or debt.	4	The Licensee confirmed there have been requests for reduction in fees and charges from customers or consumer organisations in the audit period. These have been considered and, in some cases, the fees and charges have been reduced. The procedures are documented in the Financial Hardship Procedure.	A	1
209	Clause 2.1 & Schedule 2 Comp. 6.6(2)	Energy Coordination Act Section 11M	In giving reasonable consideration under clause 6.6(1), a retailer should refer to the hardship procedures referred to in clause 6.10(3).	4	As per Obligation 208.	A	1
210	Clause 2.1 & Schedule 2 Comp. 6.7	Energy Coordination Act Section 11M	If 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	4	The Licensee confirmed they have accepted the customers advice that they are unable to meet their payment arrangement (experiencing hardship) and have offered new instalment plans or to revise an existing plan. The process is documented in the EGDC Financial Hardship Policy and Financial Hardship Procedure.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			offering to revise an existing instalment plan.				
211	Clause 2.1 & Schedule 2 Comp. 6.8	Energy Coordination Act Section 11M	A retailer must advise a customer experiencing financial hardship of the options specified in clause 6.8.	4	Customers are advised that a partial or full waiver of fees and charges may be considered and this is documented in the EGDC Financial Hardship Policy available on the website.	A	1
212	Clause 2.1 & Schedule 2 Comp. 6.9(1)	Energy Coordination Act Section 11M	A retailer must determine the minimum payment in advance amount for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representatives.	4	There have been no requests for advance payment in the audit period and none therefore from those with payment difficulties to determine minimum payments.	NP	NR
213	Clause 2.1 & Schedule 2 Comp. 6.9(2)	Energy Coordination Act Section 11M	A retailer may apply different minimum payment in advance amounts for residential customers experiencing payment difficulties or financial hardship and other customers.	4	There have been no requests for advance payment in the audit period and none therefore from those with payment difficulties to determine minimum payments.	NP	NR
214	Clause 2.1 & Schedule 2 Comp. 6.10(1)	Energy Coordination Act Section 11M	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.	4	The Licensee has a Financial Hardship Policy, Financial Hardship Procedures and the Disconnection and HUGS Process Guidelines which set out the hardship policies and procedures.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
215	Clause 2.1 & Schedule 2 Comp. 6.10(2)	Energy Coordination Act Section 11M	A retailer must ensure that its hardship policy complies with the criteria specified in clause 6.10(2).	4	The Financial Hardship Policy complies with the required criteria and is available on the website. The policy has been reviewed and approved by the ERA (2015).	A	1
215A	Clause 2.1 & Schedule 2 Comp. 6.10(3)	Energy Coordination Act Section 11M	A retailer must ensure that its hardship procedures comply with the criteria specified in clause 6.10(3).	4	The Financial Hardship Procedures include the required content and is used as the basis for training of the Support Officer.	A	1
216	Clause 2.1 & Schedule 2 Comp. 6.10(4)	Energy Coordination Act Section 11M	If requested, a retailer must give residential customers and relevant consumer representatives a copy of the hardship policy, including by post at no charge.	4	The Financial Hardship Policy is available on the website and from the office free of charge and upon request. There have been no requests.	A	1
217	Clause 2.1 & Schedule 2 Comp. 6.10(5) (applicable 1/4/2016 to 30/6/2016)	Energy Coordination Act Section 11M	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 date 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.	4	The previous audit confirmed that a record has been kept of the consumer organisations consulted for the 2015 version of the Financial Hardship Policy and Financial Procedures. This includes a copy of the Financial Counsellor Association commentary on the Hardship policy.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
219	Clause 2.1 & Schedule 2 Comp. 6.10(6)	Energy Coordination Act Section 11M	If directed by the ERA, the retailer must review its hardship policy and hardship procedures and submit to the ERA the results of that review within 5 business days after it is completed.	4	The Licensee confirmed there has been no direction from the ERA to review its Financial Hardship Policy and Financial Hardship Procedures.	NP	NR
220	Clause 2.1 & Schedule 2 Comp. 6.10(7)	Energy Coordination Act Section 11M	A retailer must comply with the ERA's Financial Hardship Policy Guidelines.	4	The Financial Hardship Policy complies with the ERA's guidelines. The policy has been reviewed and approved by the ERA (2015).	A	1
220A	Clause 2.1 & Schedule 2 Comp. 6.10(8)	Energy Coordination Act Section 11M	If a retailer makes a material amendment to its hardship policy, the retailer must submit a copy of the amended policy to the ERA within 5 business days of the amendment.	4	There have been no material amendments to the Financial Hardship Policy.	NP	NR
221	Clause 2.1 & Schedule 2 Comp. 6.11	Energy Coordination Act Section 11M	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.	4	The Licensee confirmed there have been no request for alternative payment arrangements from business customers in the audit period.	NP	NR
			DISCONNECTION				

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
222	Clause 2.1 & Schedule 2 Comp. 7.1	Energy Coordination Act Section 11M	A retailer must follow the procedures specified in clause 7.1(1) prior to arranging for disconnection of a customer's supply address for failure to pay a bill. A customer has failed to pay a bill in the circumstances specified in clause 7.1(2).	2	<p>The Licensee confirmed that no disconnections have occurred where a bill has been paid by the due date or there is an agreed instalment or payment plan.</p> <p>Review of a sample of disconnections confirmed compliance.</p> <p>The process is documented in the EGDC Financial Hardship Policy, EGDC Financial Hardship Procedure and the EGDC System – Disconnection and HUGS Processing Guidelines .</p>	A	1
223	Clause 2.1 & Schedule 2 Comp. 7.2(1)	Energy Coordination Act Section 11M	A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in clause 7.2(1).	2	<p>The Licensee confirmed that no disconnections have occurred where a bill has been paid by the due date or there is an agreed instalment or payment plan.</p> <p>Review of a sample of disconnections confirmed compliance.</p> <p>The process is documented in the EGDC Financial Hardship Policy, EGDC Financial Hardship Procedure and the EGDC System – Disconnection and HUGS Processing Guidelines .</p>	A	1
224	Clause 2.1 & Schedule 2 Comp. 7.3	Energy Coordination Act Section 11M	In relation to dual fuel contracts or separate contracts for the supply of electricity and gas (under which a single bill for energy, or	2	<p>The Licensee confirmed there were no dual fuel contracts in use during the audit period.</p> <p>The audit confirmed that EGDC do not supply electricity to any customer and therefore no</p>	A	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			separate simultaneous bills for electricity and gas are issued to the customer), if a retailer is permitted to and wishes to arrange for disconnection of the supply of electricity and gas to the residential customer's supply address for failure to pay a bill, the retailer must arrange for disconnection of the supply of gas in priority to the disconnection of the supply of electricity.		single bills have been issued and therefore, there have been no instances of disconnection of electricity supply. This is documented in the Billing System Manual.		
225	Clause 2.1 & Schedule 2 Comp. 7.4	Energy Coordination Act Section 11M	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 clause 7.4(1) are satisfied. A retailer may arrange for a distributor to carry out 1 or more of the requirements referred to in clause 7.4(1) on behalf of the retailer.	2	The Licensee confirmed that no disconnections have occurred due to the customer denying access to the meter. The process is documented in the EGDC Financial Hardship Policy, EGDC Financial Hardship Procedure and the EGDC System – Disconnection and HUGS Processing Guidelines .	A	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
227	Clause 2.1 & Schedule 2 Compendium clause 7.6	Energy Coordination Act Section 11M	A retailer or a distributor must not arrange for disconnection or disconnect a customer's supply address in the circumstances specified in clause 7.6.	2	The limitations on disconnection are stated in the EGDC Customer Service Charter. Interviewed Licensee staff and confirmed there have been no disconnections where there was a complaint or outside the prescribed times. Also confirmed by Complaints Register (nil complaints). Any disconnections are recorded in the Asset Register. The audit tested a sample of disconnections by review of the work orders and notices of completion and confirmed the disconnections were within the prescribed times.	A	1
			RECONNECTION				
228	Clause 2.1 & Schedule 2 Compendium clause 8.1(1)	Energy Coordination Act Section 11M	In the circumstances specified in clause 8.1(1)(a)-(c), a retailer must arrange for reconnection of the customer's supply address if the customer makes a request for reconnection and pays the retailer's reasonable charges for reconnection (if any) or accepts an offer of an instalment plan for the retailer's reasonable charges for reconnection.	2	The 14 reconnections were reconnected in a complying manner when requested. The fee for reconnection of \$66 was waived if payment was made within 24 hours of disconnection. The procedure is documented in the Customer Service Charter. Review of a sample of reconnections confirmed the procedure.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
229	Clause 2.1 & Schedule 2 Compendium clause 8.1(2)	Energy Coordination Act Section 11M	A retailer must forward the request for reconnection to the relevant distributor that same business day if the request is received before 3pm on a business day; or no later than 3pm on the next business day if the request is received after 3pm on a business day, or on the weekend or on a public holiday.	2	The Licensee and the distributor share the same support staff and office so this would effectively occur at the same time. The Support Officer was interviewed and confirmed this occurs in practice. The procedure is documented in the Customer Service Charter. Review of a sample of reconnections confirmed the procedure.	A	1
			INFORMATION AND COMMUNICATION				
231	Clause 2.1 & Schedule 2 Compendium clause 10.1(1)	Energy Coordination Act Section 11M	A retailer must give notice to each of its customers affected by a variation in its tariffs no later than the next bill in the customer's billing cycle.	4 ⁷	The introductory pack given to the customer as sighted in the audit gives notice that residential tariffs are subject to annual CPI increases and customers are advised with the prior bill of a pending increase in the next 3 monthly bill.	NP	1
232	Clause 2.1 & Schedule 2 Compendium clause 10.1(2)	Energy Coordination Act Section 11M	A retailer must give a customer on request, at no charge, reasonable information on the retailer's tariffs, including any alternative tariffs that may be available to the customer.	4	Tariff information is in the introductory pack, published on the website and available free on request. There is no alternative tariff.	NP	1

⁷ Note: The audit priority of 2 in the Audit Plan for obligations 231 to 243 was amended to priority 4 as the inherent risk should be Medium (i.e. Consequences = Moderate, Likelihood = Unlikely) and Controls considered 'Strong' as rated Compliant in the previous audit.

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
233	Clause 2.1 & Schedule 2 Compendium clause 10.1(3)	Energy Coordination Act Section 11M	A retailer must give a customer the information requested on tariffs within 8 business days of the date of receipt of the request and, if requested, a retailer must provide the information in writing.	4	Tariff information is available free on request. There have been no requests for tariff information during the audit period.	NP	NR
234	Clause 2.1 & Schedule 2 Compendium clause 10.2(1)	Energy Coordination Act Section 11M	A retailer must, on request, give a customer their billing data.	4	The Licensee confirmed that billing data is given to customers free on request and on the same day of the request.	NP	1
235	Clause 2.1 & Schedule 2 Compendium clause 10.2(2)	Energy Coordination Act Section 11M	A retailer must give the requested billing data at no charge if a customer requests their billing data for a period less than the previous 2 years and no more than once a year, or in relation to a dispute with the retailer.	4	The Licensee confirmed that billing data is given to customers free on request and on the same day of the request.	NP	1
236	Clause 2.1 & Schedule 2 Compendium clause 10.2(3)	Energy Coordination Act Section 11M	A retailer must give the requested billing data within 10 business days of the date of receipt of either the request, or payment of the retailer's reasonable charge for providing the billing data.	4	The Licensee confirmed that billing data is given to customers free on request and on the same day of the request.	NP	1
237	Clause 2.1 & Schedule 2 Compendium clause 10.2(4)	Energy Coordination Act Section 11M	A retailer must keep a customer's billing data for 7 years.	4	The Licensee confirmed that billing data is kept on the servers for at least 7 years.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
238	Clause 2.1 & Schedule 2 Compendium clause 10.3	Energy Coordination Act Section 11M	A retailer must give a residential customer on request, at no charge, information on the types of concessions available to the customer, and the names and contact details of the organisation responsible for administering those concessions (if not the retailer).	4	The Licensee confirmed that information on concessions and contact organisations is provided to customers free on request and on the same day of the request.	NP	1
239	Clause 2.1 & Schedule 2 Compendium clause 10.4	Energy Coordination Act Section 11M	A retailer must give, or make available, to a customer on request and at no charge, general information on: cost-effective and efficient ways to utilise gas (including referring a customer to a relevant information source) and the typical running costs of major domestic appliances.	4	The procedure is documented in the Energy Efficiency Information. The introductory pack provided to all new customers includes Energy Efficiency Information. The Licensee confirmed this is provided to all new customers and on request. It is also available on the website.	A	1
240	Clause 2.1 & Schedule 2 Compendium clause 10.5	Energy Coordination Act Section 11M	If a customer asks for information relating to the distribution of gas, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.	4	The Licensee and the distributor share same support staff and office so this would effectively occur at the same time.	NP	1
241	Clause 2.1 & Schedule 2	Energy Coordination	A retailer must, within 3 months of being subject to the Compendium, lodge with the ERA, a gas	4	The procedure is documented in the Customer Safety Awareness Program.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
	Compendium clause 10.5A(1)	Act Section 11M	customer safety awareness programme.		The EGDC's Gas Customer Safety Awareness program was lodged with the ERA in 2009 and 2014 and approved by the ERA. Subsequent updates are not required to be lodged with the ERA.		
242	Clause 2.1 & Schedule 2 Compendium clause 10.5A(2)	Energy Coordination Act Section 11M	A retailer must consult with the ERA when preparing the gas customer safety awareness programme.	4	The procedure is documented in the Customer Safety Awareness Program as for Obligation 241.	A	1
243	Clause 2.1 & Schedule 2 Compendium clause 10.5A(3)	Energy Coordination Act Section 11M	A gas customer safety awareness programme is to communicate information to customers regarding safety in the use of gas and must address, at a minimum, the information referred to in clause 10.5A(3)(a)-(e).	4	The procedure is documented in the Customer Safety Awareness Program The introductory pack given to the customer and sighted in the audit includes the Customer Safety Awareness Programme with the required information.	A	1
245	Clause 2.1 & Schedule 2 Compendium clause 10.9	Energy Coordination Act Section 11M	A retailer and distributor must, to the extent practicable, ensure that any written information that must be given to a customer by the retailer, distributor or gas marketing agent under the Gas Marketing Code and the Compendium is expressed in clear, simple and concise	4	The audit confirmed that the introductory pack given to the customer and sighted in the audit is clear, simple and concise and easy to understand.	NP	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			language and is in a format that makes it easy to understand.				
246	Clause 2.1 & Schedule 2 Compendium clause 10.10(1)	Energy Coordination Act Section 11M	A retailer must advise a customer on request how the customer can obtain a copy of the Gas Marketing Code and the Compendium, and make a copy of the Gas Marketing Code and the Compendium available on the retailer's website.	4	The introductory pack given to the customer and sighted in the audit includes a copy of the Gas Marketing Code. The Gas Marketing Code and the Compendium are available on the website. The Licensee confirmed that customers are advised how to obtain these documents, on request and free of charge.	NP	1
249	Clause 2.1 & Schedule 2 Compendium clause 10.11(1)	Energy Coordination Act Section 11M	A retailer and distributor must make available to a residential customer on request, at no charge, services that assist the residential customer in interpreting information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).	4	The information is in the Customer Service Charter, is available at the EGDC office free on request, on the EGDC website and customer bills. No requests were received in the audit period.	NP	NR
250	Clause 2.1 & Schedule 2 Compendium clause 10.11(2)	Energy Coordination Act Section 11M	A retailer and, if appropriate, a distributor must include on a residential customer's bill and bill related information, reminder notice and disconnection warning, the telephone numbers for: <ul style="list-style-type: none"> its TTY services; 	3	The audit reviewed a sample of bills, overdue notices and disconnection notices and confirmed the required information is included on the bills and notices. The absence of the National Interpreter Symbol noted in the previous audit was resolved in September 2016 and hence no recommendation is made.	A	2

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			<ul style="list-style-type: none"> independent multi-lingual services; and interpreter services with the National Interpreter Symbol and the words "Interpreter Services". 		The billing information is documented in the Billing System Manual.		
			COMPLAINTS AND DISPUTE RESOLUTION				
251	Clause 2.1 & Schedule 2 Compendium clause 12.1(1)	Energy Coordination Act Section 11M	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	4	<p>Sighted the Customer Service Charter on the website and Complaints Handling Form. The process complies with AS/NZS 10002:2014.</p> <p>The EGDC website sets out the complaints process for EGDC complaints. In practice, any complaints would be made to the retailer (EGDC) and referred internally to EGDC staff in the same office. Considered compliant.</p> <p>The audit confirmed with the Licensee and the Complaints Register that no complaints were received in the audit period.</p>	A	1
252	Clause 2.1 & Schedule 2 Compendium clause 12.1(2)	Energy Coordination Act Section 11M	The complaints handling process under clause 12.1(1) must comply with AS/NZS 10002:2014 and address, at the least, the criteria specified in subclauses 12.1(2)(b)-(c). The complaints handling process	4	Sighted the Customer Service Charter on the website and Complaints Handling Form. The process complies with AS/NZS 10002:2014. The Licensee confirmed that the complaints handling process is available to customers at no cost.	A	1

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
			must be available at no cost to customers.		The audit confirmed with the Licensee and the Complaints Register that no complaints were received in the audit period.		
254	Clause 2.1 & Schedule 2 Compendium clause 12.1(3)(a)	Energy Coordination Act Section 11M	When responding to a complaint, a retailer or distributor must advise the customer that the customer has the right to have the complaint considered by a senior employee within the retailer or distributor (in accordance with its complaints handling process).	4	The Customer Service Charter includes provision for the complaint to be reviewed at a higher level. The audit confirmed with the Licensee and the Complaints Register that no complaints were received in the audit period.	A	NR
255	Clause 2.1 & Schedule 2 Compendium clause 12.1(3)(b)	Energy Coordination Act Section 11M	When a complaint has not been resolved internally in a manner acceptable to the customer, a retailer or distributor must advise the customer of the reasons for the outcome (on request, the retailer or distributor must supply such reasons in writing); and that the customer has the right to raise the complaint with the Energy Ombudsman or another relevant external dispute resolution body and provide the Freecall telephone number of the Energy and Water Ombudsman.	4	The Customer Service Charter includes provision for the complaint to be reviewed and a written response provided. Also, that the customer may refer the complaint to the Energy and Water Ombudsman with contact details provided. The audit confirmed with the Licensee and the Complaints Register that no complaints were received in the audit period.	A	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
255A	Clause 2.1 & Schedule 2 Compendium clause 12.1(4)	Energy Coordination Act Section 11M	A retailer or distributor must, on receipt of a written complaint by a customer, acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.	4	The Customer Service Charter includes response within 20 business days. Confirmed by interview that any complaints would be acknowledged immediately (e.g. telephone) or within 10 days (mail). There were no complaints received in the audit period.	A	NR
256	Clause 2.1 & Schedule 2 Compendium clause 12.2	Energy Coordination Act Section 11M	A retailer must comply with any guideline developed by the ERA relating to distinguishing customer queries from customer complaints.	4	The complaint process defines a complaint as involving dissatisfaction as required by the guidelines and by exception a query is an enquiry not involving dissatisfaction. As required the complaint process complies with ISO 10002.	A	1
257	Clause 2.1 & Schedule 2 Compendium clause 12.3	Energy Coordination Act Section 11M	A retailer, distributor and gas marketing agent must give a customer on request, at no charge, information that will assist the customer in utilising the respective complaints handling processes.	4	There is no provision in the Customer Service Charter for any charge to be made for any information. Confirmed by interview that any requests for information would be free of charge. The licensee did not receive any requests for information that would assist the customer in utilising its complaints handling processes.	A	NR
258	Clause 2.1 & Schedule 2 Compendium clause 12.4	Energy Coordination Act Section 11M	When a retailer, distributor or gas 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).	4	There is no provision in the Customer Service Charter re transfer of complaints to another entity. Confirmed by interview that the customer would be advised if the complaint related to another entity such as EGDC. There were no complaints received in the audit period.	NP	NR

No. ⁴	Licence Condition	Obligation Under Legislation	Description	Audit Priority (1=highest, 5=lowest)	Observations (including any potential improvements)	Adequacy of Controls Rating ⁵	Compliance rating ⁶
281	Clause 2.1 & Schedule 2 Compendium clause 13.1	Energy Coordination Act Section 11M	A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the ERA.	4	The Performance Reports to the ERA for 2015/16, 2016/17 and 2017/18 include the information specified by the ERA. The reports were provided by the due dates. Confirmed the control being the Environmental Legal Compliance Evaluation and Other Requirements Register includes this obligation.	A	1
282	Clause 2.1 & Schedule 2 Compendium clause 13.2	Energy Coordination Act Section 11M	A report referred to in clause 13.1 must be provided to the ERA by the date, and in the manner and form, specified by the ERA.	4	As per Obligation 281. The due dates for reports are included in the EGDS Regulatory Compliance Manual for Documents, Reports and Notifications and in the Environmental Legal Compliance Evaluation and Other Requirements Register.	A	1
283	Clause 2.1 & Schedule 2 Compendium clause 13.3	Energy Coordination Act Section 11M	A report referred to in clause 13.1 must be published by the date specified by the ERA.	4	The Licensee confirmed the Performance Reports were available at the EGDC office prior to the due date of 1 October each year and are also published on the EGDC website. Confirmed the control being the Environmental Legal Compliance Evaluation and Other Requirements Register includes this obligation. The previous audit recommended several improvements to the Regulatory Compliance Manual and these were implemented in July 2016 and hence no recommendation is made	A	2

6. Audit Recommendations

Table of Current Audit Non- Compliances and Recommendations

A. Resolved during current audit period			
Item (no.) & Obligation (no.)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating/Details)	Date Resolved (& management action taken)	Auditor's Comments
Nil			
B. Unresolved at end of current audit period			
Recommendation (no./year) & Obligation (no.)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action taken by end of audit period
1/2019 Obligation 1	<p>Payment of Fees to ERA</p> <p><i>Energy Coordination Act 2004 - Section 11Q(1-2)</i></p> <p>B2</p> <p><i>Generally adequate controls – improvement needed/ Non-compliant – Minor Impact</i></p> <p>The audit reviewed payments to the ERA for 2015/16, 2016/17 and 2017/18 and confirmed the fees were paid by due dates. The obligation is documented in the Regulatory Compliance Manual for Documents, Reports and Notifications ('Regulatory Compliance Manual') and the Environmental, Legal, Compliance Evaluation & Other Requirements Register (for July each year).</p> <p>It was noted that the number of customers reported to the ERA for the standing charge was understated by the number of small use business customers each year. For example, the number of small use customers at 30 June 2018 should have been 380 not 339. The \$ impact on the standing charge of approximately \$80 per annum is negligible as the EGDC only incurs 0.05% of the total charge across all gas providers.</p>	<p>a) EGDC should ensure that the total number of customers reported to the ERA for the standing charge calculation includes small use business customers. The Environmental, Legal, Compliance Evaluation & Other Requirements Register has been updated to note the calculation method.</p> <p>b) The Environmental, Legal, Compliance Evaluation & Other Requirements Register should be updated to show the Technical, Business and Regulatory Manager is responsible for any communication with the ERA.</p> <p>c) EGDC should remind staff that the primary person for any communication with the ERA is the Technical, Business and Regulatory Manager.</p>	<p>a) Completed.</p> <p>b) Nil</p> <p>c) Nil</p>

Recommendation (no./year) & Obligation (no.)	Non-Compliance/Controls Improvement (Legislative Obligation/Compliance Rating//Details)	Auditor's Recommendation	Management Action taken by end of audit period
	<p>The audit reviewed the process for reporting information to the ERA and noted that in the above instance, the reporting of the number of customers for the standing charge did not follow the internal protocol of all regulatory information to be provided to the Technical, Business and Regulatory Manager for review and submission to the ERA.</p> <p>The Regulatory Compliance Manual states that “the primary person to communicate with the ERA and Department of Mines, Industry Regulation and Safety (DMIRS), regarding audits, data and performance reporting activities, or review of documents listed on their web sites and other government departments.”</p>		
<p>2/2019</p> <p>Obligation 71</p>	<p>Customer Service Charter on Website</p> <p><i>Energy Coordination Act (Customer Contracts) Regulations 2004 – Reg. 19</i></p> <p>B1</p> <p><i>Generally adequate controls – improvement needed /Compliant</i></p> <p>The required information is provided to customers in the introductory pack sighted during the audit. The audit confirmed with the Licensee that this is sent to all new customers.</p> <p>The information is also available on the website although it was noted that the Charter on the website (12/12/2013) is not the current version provided to customers in the introductory pack (2/3/2017). It is not mandatory to provide a copy on the website as this is provided to new customers and upon request, so this does not represent a non-compliance.</p>	<p>a) The Customer Service Charter on the EGDC website should be updated to the current version. It is not mandatory to provide a copy on the website as this is provided to new customers and upon request, so this does not represent a non-compliance.</p> <p>b) EGDC should include review of the Charter in the list of documents for regular review in the Regulatory Compliance Manual, and the update on the website and in the introductory pack. This also includes updating the Manual to state that customers must be advised “from time to time” that the Charter is available.</p>	<p>a) Nil.</p> <p>b) Nil.</p>

7. Recommended Changes to the Licence

No changes to the licence are considered necessary.

8. Conclusion

Through the execution of the Audit Plan and assessment and testing of the control environment, the information system, control procedures and compliance attitude, the audit team members have gained reasonable assurance that EGDC has complied with its Gas Trading Licence performance and quality standards and obligations during the audit period from 1 April 2016 to 31 March 2019 with one new non-compliance.

Out of 238 applicable compliance obligations, the audit found:

- 120 obligations were rated compliant, comprising 67 with adequate controls, 1 with generally adequate controls – improvement needed and 52 where a controls assessment was not performed due to their low to medium audit priority;
- 7 obligations were rated non-compliant – minor effect on customers, comprising 5 with adequate controls and 2 with generally adequate controls – improvement needed. There was one new non-compliance in this audit period with the remainder due to non-compliances reported in the previous audit and resolved by September 2016.
- 111 were not rated for compliance as no relevant activity took place during the audit period.

The audit confirmed that EGDC has fully complied with its information reporting obligations for the period 1 April 2016 to 31 March 2019 with one non-compliance re the standing charge information.

The control environment is considered to be well-designed and effective.

There were two recommendations. One recommendation addressed the non-compliance on reporting of the number of customers for the standing charge and reinforcing the internal protocol that all communication with the ERA should be via the Technical, Business and Regulatory Manager. The other recommendation is an improvement opportunity.

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END OF REPORT