



# Notice

22 May 2020

## Synergy

### Type 1 licence contravention

The Electricity Generation and Retail Corporation (trading as Synergy) has contravened its [electricity retail licence ERL1](#) by failing to register a life support equipment customer's change of address and notify Western Power in accordance with the requirements under the [Code of Conduct for the Supply of Electricity to Small Use Customers 2018](#).

The Code requires that if a registered life support equipment customer notifies the retailer that they are changing supply address, the retailer must register the change and notify the customer's distributor (Western Power) of the change that same day or the next business day.<sup>1, 2, 3</sup>

On 7 May 2020, Synergy notified the Economic Regulation Authority that it had contravened the relevant clause of the Code, which is classified as a Type 1 licence obligation. The licensee must report Type 1 contraventions to the ERA as soon as they become known.

#### Details of the contravention

On 10 January 2020, a registered life support equipment customer called Synergy's contact centre to advise that they were moving into new premises on 14 January 2020, and that life support registration would still be required at the new premises. During the call, Synergy's agent entered into a new standard form contract with the customer for the new premises, commencing on 14 January 2020. Synergy's agent incorrectly advised the customer to contact Synergy on 14 January 2020 to close the account at the old premises, and that the life support equipment registration would be transferred to the new premises at that point.

The customer did not contact Synergy on 14 January 2020, and the customer's new premises was not registered for life support equipment, either with Synergy or Western Power.

Synergy became aware of this issue on 28 April 2020 when the life support equipment customer contacted the call centre to query receiving invoices for both the old and new premises. The agent closed the account at the old premises, registered life support equipment at the new premises and notified Western Power that day.

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<sup>1</sup> Clause 7.7(2)(e) and (f).

<sup>2</sup> If the notification is received before 3pm on a business day.

<sup>3</sup> If the notification is received after 3pm on a weekend or public holiday.

The consequence of the error was that the customer did not have access to the protections available to life support customers under the Code for the period 14 January 2020 to 27 April 2020.

### **Reasons for the contravention**

Synergy's agent did not follow Synergy's standard operating procedure for life support equipment customers moving in and out of premises, which provides for the future dating of movements between supply premises. Had the procedure been followed Synergy's system would have automatically generated a task to remove the life support equipment registration from the old premises, apply it to the new premises and notify Western Power of the change.

### **Preventive action taken by Synergy**

Synergy has proposed seven actions to prevent the contravention from reoccurring. Four actions involve increasing awareness of life support equipment registration processes and training of contact centre staff. One action involves taking disciplinary action against the agent that made the error, and two actions involve reviewing the life support equipment standard operating procedure and implementing system changes to remove the risk of human error. At the time of reporting to the ERA, Synergy has completed one action relating to increasing staff awareness and the action involving disciplinary action.

### **The ERA's response to the contravention**

Synergy took steps to rectify the incident as soon as it became aware of the contravention and has been fully compliant with the relevant licence obligation since 28 April 2020. After considering the reasons for the contravention, the ERA considers the actions Synergy has taken, and intends to take, are an appropriate response to address the cause of the contravention.

### **Further information**

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