



# Notice

23 June 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 notify Western Power of a change in contact details for 12 registered life support equipment customers, 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 of a change in contact details, the retailer must notify the customer's distributor (Western Power) of the change that same day or the next business day.<sup>1, 2, 3</sup>

On 17 June 2020, Synergy notified the Economic Regulation Authority that it had contravened clause 7.7(2)(f) 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

During the period 3 April to 28 May 2020, 12 registered life support equipment customers advised Synergy of a change in contact details; 10 customers notified Synergy of a change in telephone number and two customer notified Synergy of a change to their postal address. In each instance Synergy registered the change in contact details, but due to a system error, the changes were not communicated to Western Power in the prescribed timeframes.

Synergy became aware of this issue on 29 May 2020 when Western Power queried a data mismatch with the contact details of three life support customers.

#### Reasons for the contravention

When a customer notifies Synergy of a change in contact details, the changes are made in Synergy's front office system. This system communicates that information via a data transfer to Synergy's back office system. The back office system then communicates this to the portal Synergy uses to communicate information to Western Power.

On 2 April 2020, Synergy deployed a system change to resolve an issue where data was not being sent between the front office and back office systems. This system change inadvertently

<sup>1</sup> Clause 7.7(2)(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.

suspended any changes to customer telephone numbers or postal addresses that were notified to Synergy's contact centre being sent to Western Power via the portal.

The system change was tested before its implementation, but the testing did not identify the error.

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

Synergy proposed nine actions to prevent the contravention from reoccurring:

1. Implementing a temporary work around until a system fix can be deployed.
2. Reversing the system change deployed on 2 April 2020.
3. As the system change was recommended by the system manufacturer, SAP, notifying SAP of the adverse outcome of the suggested system change.
4. Introducing a new control to reduce Synergy's reliance on the portal to notify Western Power of contact detail changes. This control requires Synergy's life support team to notify Western Power via email of changes to customer contact details.
5. Including trend analysis in Synergy's daily batch reports (which detail high volume transactions, including contact detail changes), and to increase Synergy's scrutiny of the trends to identify anomalies.
6. Improving system testing against Synergy's type 1 obligations.
7. Mapping the system applications Synergy uses to comply with its type 1 obligations in one document and require staff to consult this document when undertaking system changes.
8. Reviewing Synergy's management of system changes to ensure its compliance obligations are identified and accounted for.
9. Requiring staff involved in Synergy's management of system changes undergo refresher training on life support obligations.

At the time of reporting to the ERA, Synergy had completed the first four actions.

### **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 29 May 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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