



Notice

8 December 2020

Perth Energy Pty Ltd 2020 performance audit

The Economic Regulation Authority has published the [2020 performance audit report](#) and the [post-audit implementation plan](#) for Perth Energy Pty Ltd's electricity retail licence ERL10.

Perth Energy retails electricity to customers within the area supplied through the South West Interconnected System.¹ Perth Energy retails to both contestable small use and larger customers.²

On 2 September 2019, AGL Energy Limited purchased Perth Energy. Perth Energy's name, ABN and address have not changed.

The ERA's decision

The ERA considers that Perth Energy has achieved an adequate level of compliance with its licence.

The ERA has decided to increase the audit period from 24 months to 36 months. The next audit will cover the period 1 July 2020 to 30 June 2023, with the report due by 30 September 2023.

Background to the ERA's decision

Audit ratings

The auditor assessed 254 licence obligations applicable to Perth Energy's licence and found:³

- 82 were rated A1 (adequate controls – no improvement needed, compliant).
- One was rated A2 (adequate controls – no improvement needed, non-compliant – minor effect on customers or third parties).
- 70 were rated A/NR (adequate controls – no improvement needed, not rated – no activity took place during the audit period).

¹ Perth Energy's [operating area map](#) is available on the ERA website.

² A contestable small use customer is a customer who consumes between 50 and 160 MWh of electricity per year.

³ The auditor determined eight obligations were not applicable during the audit period and therefore were not assessed for compliance.

- 13 were rated B1 (generally adequate controls – improvement needed, compliant).
- Five were rated B2 (generally adequate controls – improvement needed, non-compliant – minor effect on customers or third parties).
- Three were rated B/NR (generally adequate controls – improvement needed, not rated – no activity took place during the audit period).
- One was rated C2 (inadequate controls – significant improvement required, non-compliant – minor effect on customers or third parties).
- Seven were rated NP/1 (not performed – a controls rating was not performed, compliant).
- 72 were rated NP/NR (not performed – a controls rating was not performed, not rated – no activity took place during the audit period).

The audit found seven non-compliances.

Six of the non-compliances were from the 2018 audit, of which all but one was resolved during this audit period. The remaining non-compliance was an administrative matter concerning the late payment of standing charge invoices to the ERA.

Audit recommendations

The auditor made three recommendations to address the non-compliances. Two of the recommendations (01/2020 and 02/2020) were addressed by the time the audit report was prepared. The remaining recommendation (03/2020) addresses the non-compliance with obligation 280.⁴

The post-audit implementation plan states that Perth Energy will address the audit recommendation between now and 11 December 2020.

The ERA's assessment of the audit findings

Audit

Perth Energy's overall compliance with its licence has improved since the previous audit. There were fewer non-compliances found in the 2020 audit and Perth Energy has resolved all but one of the recommendations from the 2018 audit.

Further information

General enquiries

Paul Reid

Ph: 08 6557 7976

licensing@erawa.com.au

Media enquiries

Natalie Warnock

Ph: 08 6557 7933 | Mob: 0428 859 826

media@erawa.com.au

⁴ Obligation 280 requires a retailer to provide an annual notice, in writing, to customers of its obligations to make payments under Part 14 of the *Code of Conduct for the Supply of Electricity to Small Use Customers 2018*.