





4 April 2022

Clear Energy Pty Ltd

2021 performance audit

The Economic Regulation Authority has published the 2021 <u>performance audit report</u> and the <u>post-audit implementation plan</u> for Clear Energy Pty Ltd's electricity retail licence ERL14.

Clear Energy retails electricity to contestable customers on the South-West Interconnected System.¹ Clear Energy has a services agreement with a third-party service provider to assist it to sell electricity to its customers.

The ERA's decision

The ERA considers that Clear Energy needs to improve its compliance with its licence. The ERA has decided to maintain the audit period at 24 months. The next audit will cover the period 1 November 2021 to 31 October 2023, with the report due to be provided by 31 January 2024.

The ERA's assessment of the audit findings

The auditor found 16 non-compliances from the 213 licence obligations applicable to Clear Energy.

All but two of the non-compliances found in the audit are obligations from the *Code of Conduct for the Supply of Electricity to Small Use Customers 2018* or the *Electricity Industry (Customer Contracts) Regulations 2004* that could directly affect customers.

Several of the non-compliances related to retail services provided by the third-party service provider, but responsibility for ensuring compliance with licence obligations rests with Clear Energy. The ERA expects Clear Energy to put in place effective measures to comply with the licence, including implementing adequate monitoring of the services provided by the third-party service provider.

The auditor made 16 recommendations to address the non-compliances. The post-audit implementation plan states that Clear Energy will address the recommendations by 12 December 2022.

¹ Contestable customers are customers that consume more than 50 megawatt hours of electricity a year (*Electricity Corporations (Prescribed Customers) Order 2007*).

Further information

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