



AGL SALES PTY LTD

WA Gas Trading Licence Audit 2022

Reasonable Assurance Engagement Report

September 2022

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1. EXECUTIVE SUMMARY

1.1 Background

AGL Sales Pty Limited (“**AGL**”) is a leading integrated energy company in Australia and is an active participant in the gas and electricity wholesale and retail markets. AGL provides gas and electricity, and telecommunication services to approximately 4.5 million residential, small, and large businesses and wholesale customers across Queensland, New South Wales, Victoria, South Australia and Western Australia (“**WA**”).

In the WA Gas Retail Market, participants enter into agreements with gas suppliers and pipeline operators to purchase and transport gas, which they then on-sell and supply to end-users. The purpose of the Gas Retail Market is to give all gas customers the ability to buy natural gas from the User (i.e. Retailer) of their choice. In exercising this choice, customers need to be able to transfer from one User to another.

The Retail Gas Market is administered by the Australian Energy Market Operator (“**AEMO**”) and the Economic Regulation Authority (“**ERA**”) is responsible for approving amendments to the Gas Retail Market Scheme, including the Market Rules.

AGL is regulated by the ERA, who granted them with a Gas Trading Licence (“**GTL**”) on 30 May 2017, after which AGL commenced trading in the WA natural gas market on 1 July 2017 (licence granted for a ten year period with an expiry date 29 May 2027). The licence versions held by AGL are detailed below:

- GTL 14 Version 1 (applicable from 30 May 2017 to 31 December 2019);
- GTL 14 Version 2 (applicable from 1 January 2020 to 24 November 2021); and
- GTL 14 Version 3 (applicable from 25 November 2021 to present).

A condition of AGL’s GTL is the requirement to engage an independent expert, acceptable to the ERA, to undertake a Performance Audit every two years (unless otherwise approved by the ERA). For this audit, the ERA requires the auditor to undertake a **reasonable assurance** engagement in accordance with *Standard on Assurance Engagement ASAE3100 – Compliance Engagements* (the “**Performance Audit**”).

RSM Australia Pty Ltd (“**RSM**”) has been engaged by AGL to undertake the Performance Audit that is aligned with the requirements of *ASAE3100 - Compliance Engagements* and consistent with the ERA 2019 Audit and Review Guidelines - Electricity and Gas Licences (“**ERA Guidelines**”).

The objective of conducting the Performance Audit is to assess the effectiveness of AGL’s systems, processes, governance, structures, reporting regimes and regulatory culture to enable compliance with obligations, standards, outputs and outcomes stipulated in the GTL.

This Audit Report details the results of, and procedures conducted in our audit approach to assess the requirements of the GTL and understanding of systems and processes implemented by AGL to facilitate compliance with the GTL.

1.2 Objective and Scope

The Performance Audit is defined as an examination of measures taken by AGL to meet the performance criteria specified in the GTL. As required by the ERA Guidelines, the scope of the Performance Audit considered:

- 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 (specifically, proper records which provide assurance that procedures are consistently followed, and controls are maintained).

1. EXECUTIVE SUMMARY (CONT.)

1.2 Objective and Scope (Cont.)

- 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 actual performance against the requirements imposed on AGL by the ERA or specific matters raised by the ERA.

1.3 AGL's Responsibility

AGL is responsible for:

- Implementing policies, procedure and controls, which are designed to ensure compliance with the conditions of the GTL;
- Ensuring monitoring processes are in place to assess its compliance requirements and reporting on its level of compliance to ERA; and
- Implementing corrective actions for instances of non-compliance.

Assumptions made in considering the scope of our work included:

- The information received from AGL is assumed by RSM to be complete, accurate and valid; and
- Information relevant to the audit of compliance with the GTL is communicated to RSM in a timely manner.

1.4 RSM Responsibility

The audit has been conducted as described in the ERA Approved Audit Plan on 4 July 2022. RSM's responsibility is to express a conclusion on AGL's compliance, in all material aspects, with the conditions of the GTL for the period 1 June 2019 to 31 May 2022.

The assurance engagement has been conducted in accordance with the Audit Guidelines and the Australian Standard on *Assurance Engagement ASAE3100 – Compliance Engagements*. The assurance procedures include such tests and procedures as RSM consider necessary to obtain sufficient and appropriate evidence over AGL's compliance activities and controls implemented to meet the conditions within the GTL. These procedures have been undertaken to form a reasonable assurance conclusion as to whether, in all material aspects, the licence obligations are complied with and control procedures were adequately designed and operated effectively based on the specified criteria.

ASAE3100 also requires RSM to comply with the relevant ethical requirements of the Australian Professional Accounting Bodies.

1.5 General Observations

In considering AGL's internal control procedures, structure and environment, its compliance culture and its information systems specifically relevant to those licence obligations subject to audit, RSM noted that AGL has:

- Maintained and established its control framework through tailored policies and procedures contained within AGL's 'Kit' software which are explicitly aligned to Licence obligations;
- Maintained a commitment to its SAP system which is used to record the information needed to comply with its Licence obligations;
- Maintained a commitment to a robust and systemic compliance culture which was observed during the respective Team walkthrough meetings. Details surrounding the relevant Team and Team members who attended these walk-through meetings are detailed at **Appendix A – References**;
- Maintained a commitment to its Post-Audit Implementation Plan and has actioned all items on the plan. We note that AGL has actioned all recommendations from the previous Performance Audit Report. Details of follow up actions are in **Section 2.5**;

1. EXECUTIVE SUMMARY (CONT.)

1.5 General Observations (Cont.)

- Implemented new automated mechanisms to improve the strength of controls surrounding late payment fees charged to customers in specific circumstances such as retrospective reversals after being assessed as 'in hardship' and when complaints are made; and
- Provided a mix of general and targeted compliance-based training to staff with customer facing responsibilities through training modules located in AGL's e-learning platform, Kit scripts and work instructions.

1.6 Summary of Assurance Conclusion

Based on the procedures performed and evidence obtained, in all material respects, the control environment is considered to be designed adequately and AGL have complied with the WA Gas Trading Licence for the period 1 June 2019 to 31 May 2022.

In conducting the audit, we identified:

- **Four Obligations** which were assessed as non-compliant with control deficiencies rated level **B 2**

These findings are not considered to be material and are further summarised in **Section 1.8**.

The **Independent Assurance Report** is on **page 19** for this report.

1.7 Findings

The table below summarises the findings in relation to the Licence compliance obligations during the period 1 June 2019 to 31 May 2022, identifying where AGL had instances of non-compliance with the Licence conditions and where control deficiencies were identified.

Section 2.5 contains detail of recommendation on the actions AGL should take in consideration of Section 5.1.8 of the Guidelines.

Summary of Issues		
Obligation No.	Licence Obligation	Issue
116	Trading Licence Clause 19.1 Code of Conduct Clause 2.1 A retailer must ensure that its gas marketing agents comply with Part 2 of the Code of Conduct.	<i>Non-Compliance and Control Deficiency – B 2</i> Due to the non-compliance reported under Obligation 119, Obligation 116 has also been assessed as non-compliant.

1. EXECUTIVE SUMMARY (CONT.)

1.7 Findings (Cont.)

Summary of Issues (Cont.)		
Obligation No.	Licence Obligation	Issue
119	<p>Trading Licence Clause 19</p> <p>Code of Conduct Clause 2.3(1)(a)</p> <p>When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must obtain and make a record of the customer's verifiable consent to entering into the non-standard contract.</p>	<p>Non-Compliance and Control Deficiency – B 2</p> <p>AGL self-identified in their FY20 breach register that the retailer or gas marketing agent did not obtain verifiable Explicit Informed Consent ("EIC") from one customer as required by Clause 2.3(1). It is acknowledged that this instance was reported to the ERA in AGL's FY20 Compliance Report.</p>
137	<p>Trading Licence clause 2.1 and Schedule 2</p> <p>Compendium clause 4.1(b)</p> <p>A retailer must issue a bill at least every 105 days unless the conditions specified are met.</p>	<p>Non-Compliance and Control Deficiency – B 2</p> <p>For the sample selected during walkthroughs, AGL could not provide evidence of the conditions of clause 4.1(b) being met.</p> <p>From further investigation with the AGL Billing Team, it was confirmed that there have been 6,937 instances during the audit period where a customer was not billed within 105 days, resulting in a non-compliance in relation to Obligation 137.</p>
170	<p>Trading Licence clause 2.1 and Schedule 2</p> <p>Compendium clause 4.16(3)</p> <p>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.</p>	<p>Non-Compliance and Control Deficiency – B 2</p> <p>From walkthroughs performed with the Risk and Compliance Team, it was noted that there was one instance during the audit period where a customer was not informed of the outcome of their bill review in accordance with the timeframes specified in Compendium clause 4.16 (3).</p>

Section 3.2 contains a summary of AGL's GTL obligations and our conclusions regarding the control and compliance ratings for each obligation, based on our assessment of AGL's controls.

Section 4 provides further detail of each finding and our assessment of AGL's GTL obligations.

2. AUDIT OBJECTIVE, SCOPE AND APPROACH

2.1 Objective

RSM was appointed by AGL, and approved by the ERA, to fulfil the role of the Approved Independent Auditor, to provide a reasonable assurance audit of compliance with AGL's Gas Trading Licence ("GTL").

2.2 Scope of Work

The ERA provides guidance on aspects of the Licence and AGL's performance criteria, which is included in the scope of the Performance Audit in the *ERA Gas Compliance Reporting Manual (June 2020)* ("**ERA Reporting Manual**").

The Performance Audit applies the singular audit priority assessment approach to identify all applicable licence obligations. Each of the compliance requirements identified in the ERA Reporting Manual have been evaluated for applicability to AGL and used as the basis for determining the performance criteria considered in the Performance Audit. The scope of the reasonable assurance engagement is defined by the requirements of the ERA Reporting Manual. It excludes assessments of systems and procedures that are not involved with ensuring compliance with the requirements of the GTL and any other disclosure obligations under the ERA Reporting Manual.

The audit period was from 1 June 2019 to 31 May 2022, with this being the second performance Audit conducted to assess AGL's compliance against the ERA Guidelines. The first audit was conducted for the period of 30 May 2017 to 31 May 2019. For details of the RSM team and time allocated to the audit, refer to **Appendix B – Work Schedule**.

The Audit Plan approved by the ERA for this Performance Audit sets out the compliance requirements that applied to AGL's operations during the audit period. In addition, the Audit Plan also listed AGL's GTL obligations included in the scope of the audit, along with the risk assessment and audit priority assigned to each obligation.

2.3 Overview of Approach

RSM's approach for the Performance Audit involved the following activities which were undertaken during the period 16 May to 30 August 2022:

- Utilising the ERA Guidelines and the ERA Reporting Manual as a guide, developed a risk assessment based on detailed system analysis and walkthrough including assessment of controls adequacy and effectiveness;
- Developed an Audit Plan for approval by the ERA and an associated work schedule (see **Appendix B – Work Schedule**);
- Interviews with relevant AGL key personnel to gain an understanding of internal controls and processes (see **Appendix A – References**);
- Reviewed relevant documentation, performed sample testing and conducted walkthroughs of processes and controls to assess overall adequacy, compliance and effectiveness in accordance with GTL (see **Appendix A – References**); and
- Reporting findings to AGL for review and response.

2.4 Deviations from the Audit Plan

The following obligation represents a deviation from the Audit Plan and during fieldwork was determined to be 'Not Applicable' to AGL's operation.

No	Obligation Reference	Obligation Description	Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium)			
153	Trading Licence clause 2.1 and Schedule 2 Compendium clause 4.7(2)	Subject to subclause 4.7(3), a retailer must ensure that at least once every 12 months it obtains metering data in accordance with clause 4.6(a).	RSM acknowledge that the Gas Compliance Reporting Manual was updated effective January 2020 with revised 4.7(3), as result, this obligation is no longer applicable to AGL from 1 January 2020 and therefore no further action is required.

2. AUDIT OBJECTIVE, SCOPE AND APPROACH (CONT.)

2.5 Review of Recommendations

This engagement is the second Performance Audit conducted to assess AGL's compliance against ERA Guidelines. The below observations and actions from the prior Performance Audit have been considered as part of our audit priority assessment:

A. RESOLVED DURING CURRENT AUDIT PERIOD				
Recommendation Reference	Non-Compliance / Controls Improvement	Auditor's Recommendation	Date Resolved	Further Action Required / Details of further action required
01/2019	B 2 137 Trading Licence cl 2.1 and Sch 2 Compendium cl 4.1(b) Through examination of AGL's FY 2017/18 Annual Performance Reports, we noted 14 customers were billed outside of the prescribed 105-day period.	AGL to investigate methods to improve the output of the 'Unbilled Report' for WA customers (which identifies customers who have not been billed in 90 days) to better identify the WA customer accounts at risk of breaching the 105 day - requirement.	16/08/2019	No
02/2019	B 3 153 Trading Licence cl 2.1 and Sch 2 Compendium cl 4.7(2) We noted AGL were unable to obtain actual meter reads from ATCO for 9 customers during the audit period.	In addition to sending a letter, AGL to send an SMS with a call to action to customers to confirm the date the meter is scheduled to be read at the customer's supply address or allow the option for the customer to provide a meter self-read.	25/10/2019	No
03/2019	A 2 114 Trading Licence cl 19.1 115 Trading Licence cl 19.2 Due to the non-compliances reported under Obligation's 117-118 and 119-120, Obligation's 114-115 has also been assessed as non-compliant.	Please refer to recommendations provided under the corresponding recommendation references 04/2019 and 05/2019.	29/11/2019	Not Applicable
04/2019	B 2 117 Trading Licence cl 19 118 Trading Licence cl 19 It was noted there were two instances where the customer did not receive a Welcome Pack when entering into a standard contract with AGL. This represents a non-compliance with Clause 2.2(2) of the Gas Marketing Code of Conduct.	AGL to confirm the root cause of this instance with the Implementation and Delivery Team and investigate sales made in the same conditions as this instance. Post investigation of the root cause of these instances, AGL to consider whether any improvements to controls (i.e. system fixes, manual workarounds or exception reporting) are required to ensure AGL can prevent and rectify such instances in a timely manner to avoid any further non-compliances.	29/11/2019	No

2. AUDIT OBJECTIVE, SCOPE AND APPROACH (CONT.)

2.5 Review of Recommendations (Cont.)

A. RESOLVED DURING CURRENT AUDIT PERIOD (CONT.)				
Recommendation Reference	Non-Compliance / Controls Improvement	Auditor's Recommendation	Date Resolved	Further Action Required / Details of further action required
05/2019	B 2 119 Trading Licence cl 19 120 Trading Licence cl 19 It was noted there was one instance where a customer did not receive a Welcome Pack when entering into a non-standard contract with AGL. This represents a non-compliance with Clause 2.3(2) of the Gas Marketing Code of Conduct.	AGL to confirm the root cause of this instance with the Implementation and Delivery Team and investigate sales made in the same conditions as this instance. Post investigation of the root cause of these instances, AGL to consider whether any improvements to controls (i.e. system fixes, manual workarounds or exception reporting) are required to ensure AGL can prevent and rectify such instances in a timely manner to avoid any further non-compliances.	08/12/2019	No – 119 Not Applicable - 120
06/2019	D 3 189 Trading Licence cl 2.1 and Sch 2 Compendium cl 5.6(5) From sample testing of 13 Staying Connected (SCON) Program customers, we confirmed that 6 of the customers were charged a late payment fee on their last bill prior to the assessment being made and were not refunded this amount during the audit period. We acknowledge that the applicable late payment fees were refunded to all impacted customers by 24 June 2019.	We acknowledge this issue has now been resolved, as automated controls were implemented by AGL on 27 August 2019 to ensure late payment fees are retrospectively waived following a customer's hardship assessment. The relevant Best Practice Procedure (BPP) has also been updated. In addition, we recommend that AGL develop a monitoring tool to ensure no applicable LFP waivers were missed.	27/08/2019	No

2. AUDIT OBJECTIVE, SCOPE AND APPROACH (CONT.)

2.5 Review of Recommendations (Cont.)

B. UNRESOLVED DURING CURRENT AUDIT PERIOD			
Recommendation Reference	Non-Compliance / Controls Improvement	Auditor's Recommendation	Action Taken by the licensee by end of audit period
01/2022	<p>B 2</p> <p>137</p> <p>Trading Licence clause 2.1 and Schedule 2</p> <p>Compendium clause 4.1(b)</p> <p>During the audit period there were 6,937 instances where a customer was not billed within 105 days. This represents a control improvement with Obligation 137.</p>	<p><i>RSM recommend AGL reduce the unbilled threshold in which billing exceptions are identified to promote early detection.</i></p> <p><i>This also allows the Billing team to manage exceptions within the SLA to mitigate the risk of future non-compliance.</i></p>	<p>The finding and recommendation has been communicated to management.</p> <p><u>AGL response:</u></p> <p>AGL supports this recommendation and is committed continuous improvement and implementing strategies that better support our customers. This includes frequently reviewing our processes. AGL will review the current procedures for WA unbilled customers, with a view to enhance our early detection controls for WA accounts at risk of being billed in excess the 105-day requirement. Given the volume of bills sent each year, AGL considers the instances identified during the audit period to be low.</p>
02/2022	<p>B 2</p> <p>170</p> <p>Trading Licence clause 2.1 and Schedule 2</p> <p>Compendium clause 4.16(3)</p> <p>One instance was identified where AGL had not informed the customer of the outcome of the review (of the bill) within 20 business days or as soon as practicable. This represents a non-compliance with Obligation 170.</p>	<p><i>RSM acknowledge that AGL implemented additional controls to address this non-compliance, however the amendment performed on the KIT Procedure document occurred in June 2022, which is outside the audit period.</i></p> <p><i>Therefore, we recommend AGL to assess the effectiveness of the update and evaluate the newly implemented workflow procedure in KIT to determine if the procedure is working as expected, ensuring customers are informed of the outcome of the bill review within 20 business days from the date of receipt of the request for review.</i></p>	<p>The finding and recommendation has been communicated to management.</p> <p><u>AGL response:</u></p> <p>As a priority AGL completed a root cause analysis of this instance when identified in the audit. The root cause of the customer not being informed of the outcome of the bill review was due to a gap in the relevant KIT work instructions.</p> <p>AGL acted quickly to remediate the gap identified during the audit and confirmed no other customers were impacted.</p> <p>AGL supports this recommendation and will complete a post implementation review of the KIT process to determine the effectiveness of the control, additionally AGL will explore options to automate this control going forward.</p>

3. PERFORMANCE SUMMARY

3.1 Compliance and Controls Rating Summary

When assessing AGL's audit performance, RSM used the rating scale below which is defined in the ERA Guidelines. The rating scale considers a rating for AGL's control procedures and control environment (controls rating) and AGL's compliance with the conditions of its Licence (compliance rating).

Controls Adequacy 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 effect on customers or third parties
C	Inadequate controls – significant improvement required	3	Non-compliant – moderate effect on customers or third parties
D	No controls evident	4	Non-compliant – major effect on customers or third parties
N/P	Not performed – A controls rating was not required	N/R	Not rated – No activity took place during the audit period

The table below summarises the assessments made during the Performance Audit on AGL's compliance and the adequacy of controls in place to manage AGL's compliance with all the relevant GTL obligations. It is noted that GTL obligations that were assessed as 'Not Applicable' for the audit period have not been included in the table below.

Controls Rating	Compliance Rating					Total
	1	2	3	4	N/R	
A	23	0	0	0	2	25
B	0	4	0	0	0	4
C	0	0	0	0	0	0
D	0	0	0	0	0	0
N/P	137	0	0	0	36	173
Total	160	4	0	0	38	202

The table is consistent with the ratings in [Section 3.2](#) and [Section 4](#) of this report.

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table

In accordance with the ERA Guidelines, when assessing AGL's audit performance, for each Licence obligation, we rated AGL's compliance with the conditions of its licence (compliance rating). If AGL did not perform the activity during the audit period, the obligation was assessed as 'Not Rated' (N/R) with an explanation provided.

We also provided a rating for AGL's control procedures and control environment (controls ratings) for obligations with an Audit Priority of 1, 2 or 3, or those that was assessed to be non-compliant during the audit period. For most Audit Priorities 4 and 5, these were assessed as 'Not Performed' (N/P). However, for Audit Priorities 4 and 5 where detailed testing and walkthrough testing was performed a control procedures and control environment (controls ratings) was provided.

The table below summarises the compliance rating and controls rating for each obligation. It is noted that Licence obligations that were assessed as 'Not Applicable' for the audit period have not been included in the Performance Summary Table below in accordance with the ERA Guidelines.

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating				
		A	B	C	D	NP		1	2	3	4	NR
9 Licence Compliance Requirements - Energy Coordination Act 1994												
1	Section 11Q(1-2)					✓	Priority 4	✓				
2	Section 11WG(1)					✓	Priority 4	✓				
3	Section 11WG(2)					✓	Priority 4					✓
4	Section 11WK(1-2)					✓	Priority 5	✓				
5	Section 11WK(3)					✓	Priority 5	✓				
10	Section 11ZA(1)					✓	Priority 4	✓				
19	Section 11ZOC(1)(b)					✓	Priority 4	✓				
20	Section 11ZOV(1)					✓	Priority 4	✓				
21	Section 11ZOV(2)					✓	Priority 4	✓				
22	Section 11ZOZ(3)					✓	Priority 4					✓
24	Section 11ZQH(a)					✓	Priority 4	✓				
24A	Section 11ZQH(b)					✓	Priority 4	✓				
11 Licence Compliance Requirements - Energy Coordination (Gas Tariffs) Regulations 2000												
29	Section 11M, Regulation 5(1)					✓	Priority 4	✓				
31	Section 11M, Regulation 6(4)					✓	Priority 4	✓				
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004												
32	Regulation 12(2)					✓	Priority 5	✓				
33	Regulation 12(4)(a)					✓	Priority 5	✓				
34	Regulation 12(4)(b)					✓	Priority 5	✓				
35	Regulation 12(5)(a)					✓	Priority 5	✓				
36	Regulation 12(5)(b)					✓	Priority 5	✓				
37	Regulation 12(5)(c)					✓	Priority 5	✓				
38	Regulation 12(5)(d)					✓	Priority 5	✓				
39	Regulation 12(5)(e)					✓	Priority 5	✓				
40	Regulation 12(6), AGA Code clause 5.1.1.2					✓	Priority 5	✓				

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table (Cont.)

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating				
		A	B	C	D	NP		1	2	3	4	NR
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)												
41	Regulation 12(6), AGA Code clause 5.1.1.3					✓	Priority 5	✓				
42	Regulation 12(6), AGA Code clause 5.1.2.1 & 5.1.2.2					✓	Priority 5	✓				
43	Regulation 12(6), AGA Code clause 5.1.3.1 & 5.1.3.2					✓	Priority 5	✓				
44	Regulation 12(6), AGA Code clause 5.1.4.1 & 5.1.4.2					✓	Priority 5	✓				
45	Regulation 12(6), AGA Code clause 5.1.5.1 & 5.1.5.2					✓	Priority 5	✓				
46	Regulation 12(6), AGA Code clause 5.1.7.2					✓	Priority 5	✓				
47	Regulation 12(6), AGA Code clause 5.1.8.1(a)					✓	Priority 5	✓				
48	Regulation 12(6), AGA Code clause 5.1.8.1(b)					✓	Priority 5	✓				
49	Regulation 12(6), AGA Code clause 5.1.8.1(c)					✓	Priority 5	✓				
50	Regulation 12(6), AGA Code Clause 5.1.8.1(d)					✓	Priority 5	✓				
51	Regulation 12(6), AGA Code clause 5.1.8.1(e) and (f)					✓	Priority 5	✓				
52	Regulation 12(6), AGA Code clause 5.2.2.2					✓	Priority 5	✓				
53	Regulation 13(1), AGA Code clause 4.4.6.2					✓	Priority 5	✓				
54	Regulation 13(3)					✓	Priority 5	✓				
55	Regulation 13(4)					✓	Priority 5	✓				
56	Regulation 14(2)					✓	Priority 5	✓				
57	Regulation 14(3), AGA Code clause 4.1.2.1 & 4.1.2.2					✓	Priority 5	✓				

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table (Cont.)

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating				
		A	B	C	D	NP		1	2	3	4	NR
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)												
58	Regulation 14, AGA Code clause 4.1.3.1 & 4.1.3.2					✓	Priority 5	✓				
59	Regulation 15 (1), AGA Code clause 4.2.1					✓	Priority 5	✓				
60	Regulation 15 (1), AGA Code clause 4.2.3.1, 4.2.3.2 & 4.2.3.3					✓	Priority 5	✓				
61	Regulation 15 (1), AGA Code clause 4.2.3.2					✓	Priority 5	✓				
62	Regulation 15(1) and (2)					✓	Priority 5	✓				
63A	Regulation 15(1) and AGA Code clause 4.2.3.4					✓	Priority 5	✓				
64	Regulation 15(1), AGA Code clause 4.2.4.1					✓	Priority 5	✓				
65	Regulation 15(1), AGA Code clause 4.2.4.2					✓	Priority 5	✓				
66	Regulation 15(1), AGA Code clause 4.2.4.4					✓	Priority 5	✓				
67	Regulation 15(1), AGA Code clause 4.2.4.5					✓	Priority 5	✓				
68	Regulation 15(1), AGA Code clause 4.3.2.1					✓	Priority 5	✓				
69	Regulation 15(1), AGA Code clause 4.3.2.2					✓	Priority 5	✓				
70	Regulation 16(3)					✓	Priority 5	✓				
71	Regulation 19					✓	Priority 5	✓				
72	Regulation 20(2) AGA Code clause 4.3.5.1					✓	Priority 5	✓				
72A	Regulation 20(3)					✓	Priority 5	✓				
72B	Regulation 22					✓	Priority 5	✓				
73	Regulation 40(3)					✓	Priority 5					✓
74A	Regulation 48					✓	Priority 5	✓				
75A	Regulation 49(2)					✓	Priority 5					✓
76	Regulation 49(3)					✓	Priority 5					✓
77	Regulation 49(4)					✓	Priority 5					✓
78	Regulation 49(5)					✓	Priority 5					✓

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table (Cont.)

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating				
		A	B	C	D	NP		1	2	3	4	NR
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)												
83	Regulation 46(1)					✓	Priority 5	✓				
84	Regulation 46(4)					✓	Priority 5	✓				
84A	Regulation 47(2) & (4)					✓	Priority 5	✓				
91	Regulation 42					✓	Priority 5	✓				
13 Licence Compliance Requirements - Licence Conditions												
96	Clause 16.2					✓	Priority 4	✓				
97	Clause 16.4					✓	Priority 5	✓				
98	Clause 17					✓	Priority 5					✓
99	Clause 20					✓	Priority 5	✓				
100	Clause 21.1					✓	Priority 5	✓				
101	Clause 22.1					✓	Priority 4					✓
102	Clause 23.1					✓	Priority 4	✓				
103	Clause 24					✓	Priority 4	✓				
106	Clause 12.2					✓	Priority 5					✓
107	Clause 12.3					✓	Priority 5					✓
108	Clause 13.1					✓	Priority 4					✓
109	Clause 15.1 and 15.2					✓	Priority 4					✓
110	Schedule 3 clause 1.5					✓	Priority 4					✓
111	Schedule 3 clause 1.7					✓	Priority 4					✓
112	Schedule 3 clause 2.1 to 2.2					✓	Priority 4	✓				
113	Schedule 3 clause 3.1					✓	Priority 4	✓				
14 Licence Compliance Requirements - Gas Marketing Code of Conduct (Code of Conduct)												
116	Clause 19.1		✓				Priority 4		✓			
117	Clause 19	✓					Priority 4	✓				
118	Clause 19	✓					Priority 4	✓				
119	Clause 19		✓				Priority 4		✓			
119A	Clause 19	✓					Priority 5	✓				
120A	Clause 19	✓					Priority 4	✓				
120B	Clause 19	✓					Priority 4	✓				
121A	Clause 19	✓					Priority 4	✓				
123	Clause 19					✓	Priority 4	✓				
124	Clause 19					✓	Priority 4	✓				
125	Clause 19					✓	Priority 4					✓
126	Clause 19					✓	Priority 4					✓
128	Clause 19					✓	Priority 4	✓				
129	Clause 19					✓	Priority 4	✓				

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table (Cont.)

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating					NR
		A	B	C	D	NP		1	2	3	4		
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium)													
Connections													
134	Clause 3.1(1)					✓	Priority 4	✓					
135	Clause 3.1(2)					✓	Priority 4	✓					
Billing													
136	Clause 4.1(a)					✓	Priority 4	✓					
137	Clause 4.1(b)		✓				Priority 4		✓				
146	Clause 4.4					✓	Priority 4	✓					
147	Clause 4.5(1)					✓	Priority 4	✓					
149	Clause 4.5(3)					✓	Priority 4	✓					
150	Clause 4.6					✓	Priority 4	✓					
152	Clause 4.7(1)					✓	Priority 5	✓					
154	Clause 4.8(1)					✓	Priority 4	✓					
155	Clause 4.8(2)					✓	Priority 4	✓					
156	Clause 4.8(3)					✓	Priority 4	✓					
157	Clause 4.9					✓	Priority 4	✓					
158	Clause 4.10					✓	Priority 5	✓					
159	Clause 4.11(1)					✓	Priority 4	✓					
160	Clause 4.11(2)					✓	Priority 4	✓					
161	Clause 4.12(1)					✓	Priority 4						✓
163	Clause 4.13					✓	Priority 4						✓
164	Clause 4.14(1)					✓	Priority 5	✓					
165	Clause 4.14(2)					✓	Priority 4	✓					
165A	Clause 4.14(3)					✓	Priority 4						✓
166	Clause 4.15					✓	Priority 4	✓					
167	Clause 4.16(1)(a)					✓	Priority 4	✓					
168	Clause 4.16(1)(b)					✓	Priority 4	✓					
169	Clause 4.16(2)	✓					Priority 4	✓					
170	Clause 4.16(3)		✓				Priority 4		✓				
171	Clause 4.17(2)					✓	Priority 4						✓
172	Clause 4.18(2) and 4.18(5)					✓	Priority 5						✓
173	Clause 4.18(3)					✓	Priority 4						✓
174	Clause 4.18(4)					✓	Priority 5						✓
175	Clause 4.18(6)					✓	Priority 5						✓
175A	Clause 4.18(7)					✓	Priority 5						✓
176	Clause 4.19(1)					✓	Priority 4						✓
177	Clause 4.19(2) and 4.19(6)					✓	Priority 4	✓					
178	Clause 4.19(3)					✓	Priority 4	✓					
179	Clause 4.19(4)					✓	Priority 5	✓					
180	Clause 4.19(5)					✓	Priority 5	✓					
180A	Clause 4.19(7)					✓	Priority 4						✓

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table (Cont.)

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating				
		A	B	C	D	NP		1	2	3	4	NR
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)												
Payment												
181	Clause 5.1					✓	Priority 4	✓				
182	Clause 5.2					✓	Priority 4	✓				
183	Clause 5.3					✓	Priority 4	✓				
184	Clause 5.4					✓	Priority 4	✓				
185	Clause 5.5					✓	Priority 4	✓				
186	Clause 5.6(1)	✓					Priority 4	✓				
186A	Clause 5.6(2)					✓	Priority 4	✓				
187	Clause 5.6(3)					✓	Priority 4	✓				
188	Clause 5.6(4)					✓	Priority 4	✓				
189	Clause 5.6(5)	✓					Priority 4	✓				
190	Clause 5.7(1)					✓	Priority 4	✓				
191	Clause 5.7(2)					✓	Priority 4	✓				
193	Clause 5.7(4)					✓	Priority 4					✓
195	Clause 5.8(1)					✓	Priority 4					✓
196	Clause 5.8(2)					✓	Priority 4					✓
196A	Clause 5.8(3)					✓	Priority 4					✓
Payment Difficulties & Financial Hardship												
198	Clause 6.1(1)	✓					Priority 4	✓				
199	Clause 6.1(3)	✓					Priority 4	✓				
200	Clause 6.1(4)	✓					Priority 4	✓				
200A	Clause 6.2(1)	✓					Priority 4					✓
201	Clause 6.2(2)	✓					Priority 4	✓				
202	Clause 6.2(3)	✓					Priority 4	✓				
203	Clause 6.2(4)	✓					Priority 5					✓
204	Clause 6.3(1)	✓					Priority 4	✓				
205	Clause 6.4(1)	✓					Priority 4	✓				
206	Clause 6.4(2)	✓					Priority 4	✓				
206A	Clause 6.4(3)	✓					Priority 4	✓				
208	Clause 6.6(1)	✓					Priority 5	✓				
209	Clause 6.6(2)	✓					Priority 4	✓				
210	Clause 6.7	✓					Priority 5	✓				
211	Clause 6.8	✓					Priority 4	✓				
212	Clause 6.9(1)	✓					Priority 4	✓				
214	Clause 6.10(1)					✓	Priority 4	✓				
215	Clause 6.10(2)					✓	Priority 4	✓				
215A	Clause 6.10(3)					✓	Priority 4	✓				
216	Clause 6.10(4)					✓	Priority 4					✓
219	Clause 6.10(6)					✓	Priority 4					✓
220	Clause 6.10(7)					✓	Priority 4	✓				
220A	Clause 6.10(8)					✓	Priority 4	✓				
221	Clause 6.11					✓	Priority 4	✓				

3. PERFORMANCE SUMMARY (CONT.)

3.2 Performance Summary Table (Cont.)

No.	Obligations Reference	Controls Adequacy					Audit Priority	Compliance Rating				
		A	B	C	D	NP		1	2	3	4	NR
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)												
Reconnection												
228	Clause 8.1(1)					✓	Priority 4					✓
229	Clause 8.1(2)					✓	Priority 4					✓
Information & Communication												
231	Clause 10.1(1)					✓	Priority 4	✓				
232	Clause 10.1(2)					✓	Priority 4	✓				
233	Clause 10.1(3)					✓	Priority 4	✓				
234	Clause 10.2(1)					✓	Priority 4	✓				
235	Clause 10.2(2)					✓	Priority 4	✓				
236	Clause 10.2(3)					✓	Priority 4	✓				
237	Clause 10.2(4)					✓	Priority 4	✓				
238	Clause 10.3					✓	Priority 4	✓				
239	Clause 10.4					✓	Priority 4	✓				
240	Clause 10.5					✓	Priority 4	✓				
245	Clause 10.9					✓	Priority 5	✓				
246	Clause 10.10(1)					✓	Priority 4	✓				
249	Clause 10.11(1)					✓	Priority 4	✓				
250	Clause 10.11(2)					✓	Priority 4	✓				
Complaints & Dispute Resolution												
251	Clause 12.1(1)					✓	Priority 4	✓				
252	Clause 12.1(2)					✓	Priority 4	✓				
254	Clause 12.1(3)(a)					✓	Priority 4	✓				
255	Clause 12.1(3)(b)					✓	Priority 4	✓				
255A	Clause 12.1(4)					✓	Priority 4	✓				
256	Clause 12.2					✓	Priority 4	✓				
257	Clause 12.3					✓	Priority 4	✓				
258	Clause 12.4					✓	Priority 4	✓				
Record Keeping & Reporting												
281	Clause 13.1					✓	Priority 4	✓				
282	Clause 13.2					✓	Priority 4	✓				
283	Clause 13.3					✓	Priority 4	✓				



AGL

Independent Assurance Report – WA Gas Trading Licence Audit

1 June 2019 to 31 May 2022

INDEPENDENT ASSURANCE REPORT – AGL SALES PTY LTD

To: Economic Regulation Authority (“ERA”) and Management of AGL Sales Pty Ltd (“AGL”),

Independent Assurance Report on compliance with AGL’s WA Gas Trading Licence

RSM have conducted an audit on the systems, procedures and processes used by AGL to evaluate the operating effectiveness of the controls identified to maintain compliance with AGL’s Licence obligations for the period 1 June 2019 to 31 May 2022. Our audit has been conducted to form a reasonable assurance conclusion and this report has been prepared in accordance with the ERA Guidelines.

AGL Responsibilities

Management of AGL are responsible for designing, implementing and maintaining internal controls relevant to compliance with the WA Gas Trading Licence and ensure operating processes meet the requirements as per the ERA Guidelines.

Independence

RSM have complied with the relevant ethical requirements relating to assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

In accordance with Australian Standard on Quality Control 1, RSM maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express a conclusion on compliance with the WA Gas Trading Licence, in all material respects. The audit has been conducted in accordance with *ASAE 3100 – Compliance Engagement* to provide reasonable assurance that AGL has complied with all relevant obligations of their WA Gas Trading Licence in accordance with the ERA Guidelines. We accordingly include such tests and procedures considered necessary in the circumstances.

RSM believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Inherent Limitations

Because of the inherent limitations of any internal control structure, it is possible that fraud or errors may occur and not be detected. RSM have not audited the overall internal control structure and no opinion is expressed as to its effectiveness. An audit is not designed to detect all weaknesses in control procedures or all instances of non-compliance as it is not performed continuously throughout the period, and the tests performed are on a sample basis having regard to the nature and size of the entity.

Any projection of the evaluation of internal control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

RSM believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT ASSURANCE REPORT – AGL SALES PTY LTD (CONT.)

Use of Report

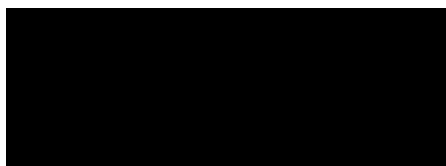
This reasonable assurance report has been prepared for AGL and the ERA. RSM disclaim any assumption of responsibility for any reliance on this report to any other persons or users, or for any purpose other than that for which it was prepared.

RSM disclaim all liability to any party other than AGL in respect of, or in consequence of, anything done, or omitted to be done, by any party in reliance, whether whole or partial, upon any information contained in this report. Any party, other than AGL, who chooses to rely in any way on the contents of this report, does so at their own risk.

Conclusion

Based on the procedures performed and evidence obtained, in our opinion, AGL have complied, in all material respects, with the WA Gas Trading Licence for the period 1 June 2019 to 31 May 2022.

Signed:



J ELKHISHIN

Director

RSM Australia Pty Ltd

Brisbane

5 September 2022

4. DETAILED FINDINGS

Each Licence obligation was assessed based on their Audit Priority which determined the audit objectives, the nature and extent of the audit procedures required (as outlined in the Audit Plan). In accordance with the Audit Plan, testing ranged from confirmation of existing controls via observation and walkthrough testing with key staff, walkthrough of each control to source documentation controls to confirmation of existing controls via observation, review of compliance reports and breach register and discussions with key personnel.

The table below details how AGL addressed their Licence obligations where the following observations and recommendations are presented in sub-sections for each of the relevant Codes and Regulations as detailed below:

- **Section 4.1** - Energy Coordination Act 1994
- **Section 4.2** - Energy Coordination (Gas Tariffs) Regulations 2000
- **Section 4.3** - Energy Coordination (Customer Contracts) Regulations 2004
- **Section 4.4** - Licence Conditions
- **Section 4.5** - Gas Marketing Code of Conduct
- **Section 4.6** - Compendium of Gas Customer Licence Obligations

It is noted that Licence obligations that were assessed as 'Not Applicable' for the audit period have not been included in the detailed findings below in accordance with the ERA Guidelines.

Each section contains:

- **Assessment of compliance and control adequacy** – the conclusions from our audit procedures and our assessment of AGL's compliance with the applicable obligations;
- **Findings** – our understanding of the process and any issues that have been identified during the audit; and
- **Recommendations** – recommendations for improvement or enhancement of the process or control.

4. DETAILED FINDINGS (CONT.)

4.1 Energy Coordination Act 1994

No.	Obligation Reference	Obligation Description			Observations and Findings
9 Licence Compliance Requirements					
1	Energy Coordination Act section 11Q(1-2)	A licensee must pay the applicable fees in accordance with the Economic Regulation Authority (Licensing Funding) Regulations 2014 clauses 6 & 7.			<p>Examination of annual invoices and remittances in the audit period, and the review of the Licence Fee Schedule document, confirmed existing controls where:</p> <ul style="list-style-type: none">Following receipt of the applicable invoice from the ERA, payment is made in accordance with AGL’s accounts payable process through SAP.Should the ERA not provide an invoice, AGL monitors its obligation to pay licence fees within one month of the licence anniversary by using their ERA Fee Schedule which was created by the Retail Regulations Team. <p>Additionally, we were able to confirm that applicable AGL licence fees due were paid in accordance with the Regulations (within one month of the licence anniversary), therefore AGL has materially complied with the requirements of Energy Coordination Act, Section 11Q(1-2).</p>
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
2	Energy Coordination Act section 11WG(1)	A licensee must, subject to the regulations, not supply gas to a customer other than under a standard form contract approved by the ERA or a non-standard contract that complies with the Act.			<p>Walkthroughs conducted with the Risk and Compliance Team, to sight each control used to set up a customer account in SAP, confirmed that:</p> <ul style="list-style-type: none">AGL supplies gas to small use customers, who are either residential or non-residential, under a Standard Form Contract. The latest version of the Standard Form Contract’s (effective 1 July 2019) Terms and Conditions were approved by the ERA on 5 July 2017 and is located on AGL’s website (no approval was required for the updated 2019 version as there were no changes to the actual terms).From 1 July 2017, AGL have in place a Non-Standard Contract (or Market Contract) to supply gas to residential and business customers at discounted rates. The latest version of this contract was effective 1 July 2019Variations to AGL’s Non-Standard Contract are described in Section 5 of the contract, where AGL would notify customers of the change in writing. It was confirmed that the Non-Standard Contract has not changed since market entry. When a change is required, a formal change process would need to be initiated by the Retail Regulations Team. <p>There was no other customer contract in place besides Standard and Non-Standard (Market) Contracts during the audit period.</p> <p>We also obtained and reviewed AGL’s Standard Form Contract and Non-Standard Contract and tested that both contracts addressed the requirements of the Energy Coordination Act, Section 11WG(1), without exception.</p>
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.1 Energy Coordination Act 1994 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
9 Licence Compliance Requirements (Cont.)					
3	Energy Coordination Act section 11WG(2)	A Licensee must comply with a direction given to the Licensee under section 11WI.			<p>Through discussions and walkthrough meetings with the Risk and Compliance Team:</p> <ul style="list-style-type: none">We noted that the ERA has three contacts registered for AGL from the Retail Regulations Team (all current employees);AGL have a Regulatory mailbox set up with the ERA which will notify the Retail Regulations Team of any requests. The whole team have access to this mailbox and all emails sent to/from this mailbox are archived and retrievable by AGL's IT Team; andShould the ERA request change to the Standard Form Contract, AGL has processes in place to review and amend the contract within the conditions specified by the ERA and in accordance with section 11WI. <p>The latest version of the Standard Form Contract (1 July 2019) was approved by the ERA on 5 July 2017 (no approval was required for the updated 2019 version as there was no changes to the actual terms) and is located on AGL's website.</p> <p>It was noted that AGL has not received direction from the ERA to review its Standard Form Contract during the audit period, resulting in a compliance rating of 'not rated' as no activity took place during the audit period.</p>
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
4	Energy Coordination Act 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.			<p>From examination of AGL's connection procedures and through discussions with the Risk and Compliance Team and Credit, Affordability and Payments Team, we confirmed that AGL was compliant with the Energy Coordination Act Section 11 WK(1-2) as:</p> <ul style="list-style-type: none">If an unknown customer is identified as having consumed gas without having established an account with AGL, SAP will trigger an alert that will allow the Credit Team to proceed with the 'Unknown Consumer Process'. This creates an owner/occupier account in SAP and sets up the unknown customer under a Standard Form Contract.A bill and a Welcome Pack are issued under the Standard Form Contract Terms where they are addressed to "Dear Customer / Energy Consumer". The unknown customer is encouraged to contact AGL to make arrangements. <p>Based on our review of the Breach Register, there were no instances noted where a Non-Standard Form Contract was provided to a customer that commenced to take up supply at a premises without entering into a contract.</p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.1 Energy Coordination Act 1994 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
9 Licence Compliance Requirements (Cont.)					
5	Energy Coordination Act 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.			<p>From examination of the AGL Standard Contract and through discussions with the Risk and Compliance Team, we confirmed AGL was compliant with the Energy Coordination Act Section 11WK(3) as:</p> <ul style="list-style-type: none">▪ The customer remains under the Standard Contract conditions until the customer explicitly requests to be disconnected or terminated;▪ Clause 4 of AGL’s Standard Form Contract states that the contract is in place for a period of one year unless the customer or AGL ends the contract earlier; and▪ Clause 4.1(c) on the Standard Form Contract also states that in the event the customer is still consuming gas after 1 year, the contract will be automatically renewed for an additional one-year period, and so on, until ended by the customer or AGL.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
10	Energy Coordination Act 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).			<p>AGL have engaged RSM as the independent auditor for the Performance Audit for the audit period 1 June 2019 to 31 May 2022. This extended audit period has been approved by the ERA.</p> <p>RSM commenced its audit in May 2022 with the aim of delivering the final report on 31 August 2022.</p> <p>AGL confirmed that the ERA notified AGL of the Performance Audit in advance by directly notifying their Retail Regulation Manager. In addition, AGL’s Assurance Team has a detailed audit plan that includes the Performance Audit. It was confirmed that the ERA allowed AGL to conduct this Performance Audit more than 24 months after the previous Performance Audit.</p>
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
19	Energy Coordination Act section 11ZOC(1)(b)	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.			<p>The Australian Energy Market Operator (“AEMO”) was appointed as the administrator of the approved retail market scheme, covering the distribution systems which AGL is licensed to operate.</p> <p>From examination of the AEMO website, we confirmed that AGL, as well as ATCO (the gas distributor used by AGL) were members of AEMO for the duration of the audit period, thereby confirming compliance with the Energy Coordination Act, Section 11ZOC(1)(b).</p>
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.1 Energy Coordination Act 1994 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
9 Licence Compliance Requirements (Cont.)					
20	Energy Coordination Act section 11ZOV(1)	A Licensee must not engage in prohibited conduct relating to the operation of a retail market scheme.			<i>Obligations 20 to 21</i> Prohibited conduct is defined by the Energy Coordination Act s.11ZOV as preventing or hindering the operation of the retail market scheme. The Risk and Compliance and Retail Regulations Team advised that for the audit period, they were not aware of AGL engaging or assisting another party to engage in prohibited conduct relating to the operation of the retail market scheme.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
21	Energy Coordination Act section 11ZOV(2)	A Licensee must not assist another party to engage in prohibited conduct relating to the operation of a retail market scheme.			From examination and review of AGL’s Code of Conduct and training material, including AGL’s FY22 Code of Conduct E-learn mandatory compliance training program, we observed that AGL encourages a regulatory and compliance culture as well as open communication and ethical conduct between all employees and third-party staff related to AGL.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.1 Energy Coordination Act 1994 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
9 Licence Compliance Requirements (Cont.)					
22	Energy Coordination Act section 11ZOZ(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.			The Retail Regulations Team confirmed that AGL have not been given a direction by the ERA to amend the scheme within the audit period.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
24	Energy Coordination Act section 11ZQH(a)	The Licensee must not supply gas to customers unless the Licensee is a member of an approved Gas Industry Ombudsman Scheme.			Obligations 24 to 24A Through discussion with the Dispute Resolutions team, Risk and Compliance Team and from review of the Energy and Water Ombudsman WA website and annual reports, we confirmed AGL are compliant with the Energy Coordination Act, Section 11ZQH as: <ul style="list-style-type: none">AGL have been registered with the WA scheme since 30 June 2017 as per Energy and Water Ombudsman Annual Report 2016-17;AGL is a gas industry member of the approved Gas Industry Ombudsman Scheme in WA (and has been since market entry); andAGL is excluded by its Gas Trading Licence from supplying gas to small use customers unless it is a member of the approved Gas Industry Ombudsman Scheme.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
24A	Energy Coordination Act section 11ZQH(b)	The Licensee must not supply gas to customers unless the Licensee is bound by, and compliant with, any decision or direction of the gas industry ombudsman.			
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.2 Energy Coordination (Gas Tariffs) Regulations 2000

No.	Obligation Reference	Obligation Description			Observations and Findings
11 Licence Compliance Requirements - Energy Coordination (Gas Tariffs) Regulations 2000					
29	Energy Coordination Act 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.			The Risk and Compliance Team confirmed that AGL supplies gas to the Coastal supply area. A walkthrough with the Retail Regulations Team confirmed compliance with the <i>Energy Coordination (Gas Tariffs) Regulations 2000 Reg. 5(1)</i> , this included a review of the process for updating tariffs (including its latest update on 1 July 2021 which falls within the audit period). It was noted that AGL has distinct capped tariffs for the Coastal Supply Area. This will only increase in accordance with the current Consumer Price Index (CPI) and will remain within the applicable maximum tariff permitted.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
31	<i>Energy Coordination Act</i> 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.			A walkthrough with the Risk and Compliance Team was undertaken, as well as examination of AGL’s Standard Form Contract and noted that clause (8.2c) of the contract states that: <i>“...The standard tariffs will be no more than the applicable maximum tariff permitted by the gas tariff regulations....”</i> . AGL offers to supply gas to a new customer under a standard form contract at a capped tariff and therefore have been assessed as compliant with this obligation.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004			
32	Energy Coordination (Customer Contracts) Reg 12(2)	<p>Except in prescribed circumstances, a non-standard contract must prohibit the licensee from disconnecting supply or causing disconnection to occur if —</p> <p>(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</p> <p>(b) the customer has entered into arrangements acceptable to the licensee in relation to payment for gas supplied.</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 11.3 Restrictions on Disconnections'</i></p> <p><i>...We will not arrange Disconnection otherwise than in accordance with the Regulatory Requirements and Relevant Codes. In particular we will not arrange Disconnection of gas:</i></p> <p><i>(a) while an application you have made for any available government rebate or grant, or instalment plan we offer, has not been determined;</i></p> <p><i>(f) if you have given us a written statement from a Medical Practitioner to the effect that Supply is necessary to protect the health of a person who lives at the Supply Address and you have entered into arrangements acceptable to us in relation to payment for gas supplied, unless Disconnection is required under the Gas Standards Act.</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.
33	Energy Coordination (Customer Contracts) Reg 12(4)(a)	<p>A non-standard contract must require the Licensee, before disconnecting supply for non-payment of a bill, to 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 20 business days after the billing day).</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 11.5 When we must not arrange Disconnection for failure to pay a bill'</i></p> <p><i>...(a) We must not arrange Disconnection for your failure to pay a bill, unless:</i></p> <p><i>(ii) we have given you:</i></p> <p><i>(A) a Reminder Notice, not less than 14 Business Days after the date we issued your bill, informing you that payment is overdue and requiring payment to be made on or before a further date, which will be not less than 20 Business Days after the date the bill was issued.</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
34	Energy Coordination (Customer Contracts) Reg 12(4)(b)	A non-standard contract must require the Licensee, before disconnecting supply for non-payment of a bill, to 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).			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.5 When we must not arrange Disconnection for failure to pay a bill'</i> <i>...(a) We must not arrange Disconnection for your failure to pay a bill, unless:</i> <i>(ii) we have given you:</i> <i>(B) if you still have not paid your bill on or before the date specified in the Reminder Notice, a Disconnection warning notice in writing at least 22 Business Days after the date we issued your bill, informing you that the Supply Address will be Disconnected unless payment is made on or before a specified date (which will be not less than 10 Business Days after the date of the Disconnection warning notice).</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
35	Energy Coordination (Customer Contracts) Reg 12(5)(a)	A non-standard contract must require the Licensee to 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.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 12.1 When we must arrange Reconnection'</i> <i>...(a) Subject to the provisions of any Regulatory Requirement or Relevant Code, we must request the Distributor to Reconnect the Supply Address if:</i> <i>(i) within 10 Business Days of the Supply Address being Disconnected for failure to pay, you pay the overdue amount or make an arrangement for its payment.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
36	Energy Coordination (Customer Contracts) Reg 12(5)(b)	<p>A non-standard contract must require the Licensee to 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.</p> <p>Priority 5 Control Adequacy: N/P Compliance Rating: 1</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 12.1 When we must arrange Reconnection'</i></p> <p><i>...(a) Subject to the provisions of any Regulatory Requirement or Relevant Code, we must request the Distributor to Reconnect the Supply Address if: (ii) within 10 Business Days of the Supply Address being Disconnected for denial of access to a Meter, you provide access to the Meter...</i></p> <p>Therefore, it was found that AGL was compliant with this obligation.</p>
37	Energy Coordination (Customer Contracts) Reg 12(5)(c)	<p>A non-standard contract must require the Licensee to 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.</p> <p>Priority 5 Control Adequacy: N/P Compliance Rating: 1</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 12.1 When we must arrange Reconnection'</i></p> <p><i>...(a) Subject to the provisions of any Regulatory Requirement or Relevant Code, we must request the Distributor to Reconnect the Supply Address if: (iii) within 10 Business Days of the Supply Address being Disconnected for unlawful consumption of gas, you pay for the gas consumed...</i></p> <p>Therefore, it was found that AGL was compliant with this obligation.</p>
38	Energy Coordination (Customer Contracts) Reg 12(5)(d)	<p>A non-standard contract must require the Licensee to 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.</p> <p>Priority 5 Control Adequacy: N/P Compliance Rating: 1</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 12.1 When we must arrange Reconnection'</i></p> <p><i>...(a) Subject to the provisions of any Regulatory Requirement or Relevant Code, we must request the Distributor to Reconnect the Supply Address if: (iv) within 10 Business Days of the Supply Address being Disconnected for refusal to pay a Security Deposit, you pay us the Security Deposit...</i></p> <p>Therefore, it was found that AGL was compliant with this obligation.</p>

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
39	Energy Coordination (Customer Contracts) Reg 12 (5)(e)	<p>A non-standard contract must require the Licensee to reconnect supply to a customer within 20 business days after disconnection in an emergency situation or for health, safety or maintenance reasons, if the situation or problem giving rise to the need for disconnection has been rectified, and if the customer has paid any applicable reconnection fee.</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 12.1 When we must arrange Reconnection'</i></p> <p><i>...(b) Subject to the provisions of any Regulatory Requirement or Relevant Code, if the Supply Address was Disconnected because of an Emergency or for health, safety or maintenance reasons, we will use our best endeavours to arrange Reconnection of the Supply Address as soon as possible (and in any case within 20 Business Days) if the situation or problem giving rise to the need for Disconnection has been rectified.</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.
40	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.1.2	<p>A non-standard contract must include provisions that ensure that the Licensee will 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.</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 11.5 When we must not arrange Disconnection for failure to pay a bill'</i></p> <p><i>...(a) We must not arrange Disconnection for your failure to pay a bill, unless:</i> <i>(iv) we have offered you alternative payment options, which you have not accepted within 5 Business Days, or accepted but you have refused or failed to take reasonable action to settle the debt in the required period ...</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
41	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.1.3	<p>A non-standard contract must include provisions that ensure that the Licensee will 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 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.</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 11.5 When we must not arrange Disconnection for failure to pay a bill'</i></p> <p><i>...(a) We must not arrange Disconnection for your failure to pay a bill, unless:</i></p> <p><i>(ii) we have given you:</i></p> <p><i>(B) if you still have not paid your bill on or before the date specified in the Reminder Notice, a Disconnection warning notice in writing at least 22 Business Days after the date we issued your bill, informing you that the Supply Address will be Disconnected unless payment is made on or before a specified date (which will be not less than 10 Business Days after the date of the Disconnection warning notice);</i></p> <p><i>(iv) we have offered you alternative payment options, which you have not accepted within 5 Business Days, or accepted but you have refused or failed to take reasonable action to settle the debt in the required period;</i></p> <p><i>(b) We will:</i></p> <p><i>(i) use our best endeavours to contact you and inform you of a proposed Disconnection; and</i></p> <p><i>(ii) not disconnect you until at least 1 Business Day after the date that we say we will Disconnect your Supply ...</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
42	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.2.1 & 5.1.2.2	<p>A non-standard contract must include provisions that ensure that the Licensee will 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.</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 11.1 Disconnection of the Supply Address'</i></p> <p><i>...a) Where we have complied with all relevant obligations under the Regulatory Requirements, we may ask your Distributor or Meter Service Provider to disconnect the Supply of gas to the Supply Address ('Disconnection') if:</i></p> <p><i>(iii) due to your acts or omissions we, or the Distributor or Meter Service Provider cannot access the Supply Address to Read your Meter for three consecutive Scheduled Meter Readings, and the other requirements set out in clause 11.6 are satisfied ...</i></p> <p><i>'Section 11.6 When we must not arrange Disconnection for failure to give access to a Meter'</i></p> <p><i>We must not arrange Disconnection for your failure to give access to a Meter, unless:</i></p> <p><i>(a) each time we couldn't get access to the Meter, we gave you at least 5 Business Days' written notice:</i></p> <p><i>(i) advising of the next date or timeframe of a Scheduled Meter Reading at the Supply Address;</i></p> <p><i>(ii) requesting access; and</i></p> <p><i>(iii) informing you that we can arrange Disconnection if you fail to provide access;</i></p> <p><i>(b) we gave you an opportunity to offer reasonable alternative access arrangements;</i></p> <p><i>(c) we gave you at least 5 Business Days' written notice of our intention to Disconnect the Supply Address ...</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
43	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clauses 5.1.3.1 & 5.1.3.2	A non-standard contract must include provisions that ensure that the licensee or distributor may disconnect or interrupt supply to a customer in the event of an emergency, and if so, the licensee or distributor will provide a 24 hour information service, estimate the time when gas supply will be restored and use best endeavours to restore supply when the emergency is over.	Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.8 Our obligations on Disconnection following Emergency'</i> <i>If we Disconnect the Supply Address because of an Emergency, we will provide a 24 hour telephone number so you can find out details of the interruption and its expected duration. We will use our best endeavours to have your gas turned back on as soon as possible.</i>
		Priority 5 Control Adequacy: N/P Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
44	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clauses 5.1.4.1 & 5.1.4.2	A non-standard contract must include provisions that ensure that the licensee or distributor may disconnect supply for health and safety reasons but will not do so unless the licensee or distributor has provided 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.	Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.7 When we must not arrange Disconnection for health and safety reasons'</i> <i>We must not arrange Disconnection for health and safety reasons, unless:</i> <i>(a) we have given you written notice of the reason;</i> <i>(b) where it is possible for you to do so, we have given you 5 Business Days to remove the reasons; and</i> <i>(c) we have given you a further notice of at least 5 Business Days of our intention to Disconnect the Supply Address.</i>
		Priority 5 Control Adequacy: N/P Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
45	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.5.1 & 5.1.5.2	A non-standard contract must include provisions that ensure that the Licensee or distributor may disconnect supply for planned maintenance but will not do so unless the Licensee or distributor has provided the customer 4 days' notice; and will use best endeavours to minimise disruption and restore supply.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 15.1 Supply standards and interruptions'</i> <i>When we undertake maintenance, we will use our best endeavours to minimise any interruptions or Disconnection because of it.</i> <i>'Section 15.2 Notice of work'</i> <i>Except in the case of an Emergency, suspected illegal use or routine Meter replacements, if we or the Distributor or Meter Service Provider wish to inspect, repair, test, exchange or maintain the Meter or the Distribution System including the Supply Address (including where we need to Disconnect the Supply Address for that purpose), we will give you at least: (a) four days' prior notice for planned maintenance ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
46	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.7.2	A non-standard contract must include provisions that ensure that the Licensee will 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 disconnect at least 5 business days prior to the disconnection date.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.1 Disconnection of the Supply Address'</i> <i>...a) Where we have complied with all relevant obligations under the Regulatory Requirements, we may ask your Distributor or Meter Service Provider to disconnect the Supply of gas to the Supply Address ('Disconnection') if:</i> <i>(vi) you refuse to pay, or do not pay the full amount of a Security Deposit we require in accordance with clause 10 and we have given you at least 5 Business Days' written notice of our intention to Disconnect the Supply Address ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
47	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.8.1(a)	A non-standard contract must include provisions that ensure that the Licensee will 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.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.5 When we must not arrange Disconnection for failure to pay a bill'</i> <i>...(a) We must not arrange Disconnection for your failure to pay a bill, unless: (iii) the unpaid amount is at least equal to the amount of your average bill over the past 12 months and you have not agreed with us to repay the unpaid amount ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
48	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.8.1(b)	A non-standard contract must include provisions that ensure that the Licensee will not disconnect supply where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.3 Restrictions on Disconnections'</i> <i>We will not arrange Disconnection otherwise than in accordance with the Regulatory Requirements and Relevant Codes. In particular we will not arrange Disconnection of gas: (b) while any complaint you have made to us or the Ombudsman (or other external dispute resolution body) that directly relates to the reason for Disconnection remains unresolved ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
49	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.8.1(c)	A non-standard contract must include provisions that ensure that the Licensee will not disconnect supply where an application for a government concession has not been decided.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.3 Restrictions on Disconnections'</i> <i>We will not arrange Disconnection otherwise than in accordance with the Regulatory Requirements and Relevant Codes. In particular we will not arrange Disconnection of gas:</i> <i>(a) while an application you have made for any available government rebate or grant, or instalment plan we offer, has not been determined ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
50	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.8.1(d)	A non-standard contract must include provisions that ensure that the Licensee will not disconnect supply where a customer has failed to pay a debt that is not a direct service charge.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 11.5 When we must not arrange Disconnection for failure to pay a bill'</i> <i>...(a) We must not arrange Disconnection for your failure to pay a bill, unless:</i> <i>(i) the unpaid amount relates to gas supply;</i> <i>(iv) we have offered you alternative payment options, which you have not accepted within 5 Business Days, or accepted but you have refused or failed to take reasonable action to settle the debt in the required Period ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
51	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.1.8.1(e) and (f)	A non-standard contract must include provisions that ensure that the Licensee will not disconnect supply after 3pm on a weekday; and not on a Friday, weekend or public holiday or on the day before a public holiday unless it is a planned interruption.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 11.3 Restrictions on Disconnections' <i>We will not arrange Disconnection otherwise than in accordance with the Regulatory Requirements and Relevant Codes. In particular we will not arrange Disconnection of gas:</i> <i>...(c) on a Friday, Saturday or Sunday;</i> <i>(d) on a day prior to or on a public holiday;</i> <i>(e) after 3pm on a weekday other than a Friday ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
52	Energy Coordination (Customer Contracts) Reg 12 (6), AGA Code Clause 5.2.2.2	A non-standard contract must include provisions that ensure that 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.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 12.2 When Reconnection will occur' <i>(a) We will:</i> <i>(i) use our best endeavours to arrange Reconnection on the day you request it, if you make your request before 3pm on a Business Day; or</i> <i>(ii) arrange Reconnection as soon as possible on the next Business Day, if you make your request after 3pm on a Business Day or on a day other than a Business Day.</i> <i>(b) If you ask us to arrange for same-day Reconnection after 3pm on a Business Day but before the close of normal business (5pm), we will do so but may charge you the after hours reconnection fee listed in the Fee Schedule.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
53	Energy Coordination (Customer Contracts) Reg 13 (1), AGA Code Clause 4.4.6.2	<p>A non-standard contract must include provisions that ensure that 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.</p> <p>Priority 5</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 10.3 Use of a Security Deposit'</i></p> <p><i>...(b) If we use your Security Deposit or any accrued interest to offset amounts owed to us, we will advise you and pay you the balance (if any) within 10 Business Days.</i></p> <p>Therefore, it was found that AGL was compliant with this obligation.</p>
54	Energy Coordination (Customer Contracts) Reg 13 (3)	<p>A non-standard contract must require the Licensee to place refundable advances in separate trust accounts and separately identify the amounts in its accounting records.</p> <p>Priority 5</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 10.2 Treatment of and interest on Security Deposits'</i></p> <p><i>If you have paid a Security Deposit, we must:</i></p> <p><i>(a) keep that Security Deposit in a separate trust account;</i></p> <p><i>(b) separately identify that Security Deposit in our accounting records ...</i></p> <p>Therefore, it was found that AGL was compliant with this obligation.</p>
55	Energy Coordination (Customer Contracts) Reg 13 (4)	<p>A non-standard contract must require the Licensee to return interest earned on refundable advances accounts to customers.</p> <p>Priority 5</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 10.2 Treatment of and interest on Security Deposits'</i></p> <p><i>If you have paid a Security Deposit, we must:</i></p> <p><i>...(c) pay you interest on the Security Deposit (which accrues daily at the Bank Bill Rate and is capitalised every 90 days unless paid).</i></p> <p>Therefore, it was found that AGL was compliant with this obligation.</p>

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
56	Energy Coordination (Customer Contracts) Reg 14 (2)	A non-standard contract must require the customer to pay a charge for gas supplied; inform the customer that the supply charge is either for residential or non- residential supply; inform the customer that the supply charge includes a specified fixed component and specified usage component; require the customer to pay the non-residential charge unless the customer qualifies to pay the residential charge; and describe the circumstances in which a customer qualifies for the residential charge.			<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 6.3 What is included in the Rates?'</i></p> <p><i>(a) Each Rate includes:</i></p> <p><i>(i) a fixed component – the amount of this component stays the same regardless of the amount of gas consumed at the Supply Address; and</i></p> <p><i>(ii) a usage component – the amount of this component changes based on the amount of gas consumed at the Supply Address.</i></p> <p><i>(b) The fixed component and the usage component are specified in the Rates that are published on our Website.</i></p> <p><i>(c) The Rates do not include the additional Charges and Fees that we may charge you under this Market Contract. Those Charges and Fees are listed in clause 6.1(b) or as published on our Website from time to time.</i></p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
57	Energy Coordination (Customer Contracts) Reg 14 (3), AGA Code Clauses 4.1.2.1 & 4.1.2.2	A non-standard contract must include provisions that ensure that a licensee give notice of the tariffs charged and provide these notices to customers without charge upon request.			<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 6.5 Informing you of variation of Rates, Fees or Charges'</i></p> <p><i>...(a) If we change our Rates or any of our Charges or Fees, we will publish the change and the date it takes effect in the Government Gazette if required by law, in a major newspaper circulating in the Supply Area or on our Website.</i></p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
58	Energy Coordination (Customer Contracts) Reg 14, AGA Code Clause 4.1.3.1 & 4.1.3.2	A non-standard contract must include provisions that ensure that a licensee give notice of a variation in tariffs charged and provide these notices to customers affected by the change no later than the next bill.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 6.5 Informing you of variation of Rates, Fees or Charges'</i> <i>...(b) If the change affects you, we will provide you with written notice of the variation and the date it takes effect as soon as practicable after the variation is gazetted (if required) or published in the newspaper or on our Website and in any event, no later than on your next bill.</i> Therefore, it was found that AGL was compliant with this obligation.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
59	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.1	A non-standard contract must include provisions that ensure that a licensee issue a bill to a customer at least once every 3 months, unless agreed otherwise.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 8.1 Format and timing of bills'</i> <i>...(d) The billing period identified in the Offer will not, unless you agree otherwise or it is otherwise permitted by law, be less than once a month and will be at least once every 3 months.</i> Therefore, it was found that AGL was compliant with this obligation.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
60	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.3.1, 4.2.3.2 & 4.2.3.3	A non-standard contract must include provisions that ensure that a licensee prepare a bill in accordance with the terms specified in the AGA code, including the inclusion of any refundable advance.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.5 Meter Reading' (a) We will use our best endeavours to ensure that a Meter Reading is carried out as frequently as is needed to prepare your bills, consistently with the Regulatory Requirements and Relevant Codes, and in any event at least once every 12 months.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
61	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.3.2	A non-standard contract must include provisions that ensure that a licensee apply payments received from a customer as directed by the customers (if the bill includes charges for other goods and services).			Obligations 61 to 62 Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.3 Allocation of payment for additional goods and services'
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	(a) If we provide goods or services in addition to selling gas, those items will either be billed separately or as separate items on the bill. (b) We will apply payments for those goods or services as you direct. If you do not direct how to apply a payment, we will apply that payment to the Charges for gas first and then to the additional goods or services, unless clause 8.3(c) applies. (c) If the additional goods and services include electricity, we will apply the payments to the amounts payable in connection with the Supply of gas and the amounts payable in connection with the supply of electricity in equal proportion and then to the amounts payable for the additional goods and services.
62	Energy Coordination (Customer Contracts) Reg 15 (1) and (2)	A non-standard contract must specify that 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.			Therefore, it was found that AGL was compliant with this obligation.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
63A	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.3.4	A non-standard contract must include provisions that ensure that where a customer requests it and the data is available, a licensee shall provide to the customer free of charge the customer's historical billing data for the previous two years.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.10 Your historical billing information' <i>Upon request and if the relevant information is available, we will give you information about your billing history for the previous 2 years free of charge.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
64	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.4.1	A non-standard contract must include provisions that ensure that a licensee base a customer's bill on a meter reading and meters must be read at least once per year.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.5 Meter Reading' <i>(a) We will use our best endeavours to ensure that a Meter Reading is carried out as frequently as is needed to prepare your bills, consistently with the Regulatory Requirements and Relevant Codes, and in any event at least once every 12 months.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
65	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.4.2	A non-standard contract must include provisions that ensure that if the licensee, accepts a customer reading of the meter, it must not adjust the bill in favour of the licensee if the licensee subsequently discovers the reading was incorrect in favour of the customer.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.5 Meter Reading' <i>(b) We may accept your Reading of the Meter, at our discretion. If we accept your Reading, we will not make any adjustment to the bill for the billing period based on your Reading if we subsequently Read the Meter and find an error in your favour.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
66	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.4.4	A non-standard contract must include provisions that ensure that if the licensee provides a customer with an estimated bill and is subsequently able to read the meter, the licensee must adjust the estimated bill in accordance with the meter reading.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.6 Estimating your usage' ...(c) If we estimate the amount of gas consumed at the Supply Address to calculate a bill, we will: ii) when your Meter is later Read, except for your Final Bill, adjust your next bill for the difference between the estimate and the gas actually consumed. Therefore, it was found that AGL was compliant with this obligation.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
67	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.2.4.5	A non-standard contract must include provisions that ensure that a licensee read a customer's meter upon request and may impose a fee for doing so.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: 'Section 8.6 Estimating your usage' (e) If the Meter has not been Read due to your actions, and you request us to replace the estimated bill with a bill based on an actual Reading of the Meter, we will comply with your request provided you allow us access to the Meter. We may charge you the Special Meter Reading fee listed in the Fee Schedule for doing so. Therefore, it was found that AGL was compliant with this obligation.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
68	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.3.2.1	A non-standard contract must include provisions that ensure that a licensee offer payment in person and payment by mail.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 8.13 Payments'</i> <i>(a) The available methods of paying each bill are as set out in the Offer or on the back of each bill or as otherwise agreed from time to time. These methods include:</i> <i>(i) paying in person;</i> <i>(ii) paying by mail;</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
69	Energy Coordination (Customer Contracts) Reg 15 (1), AGA Code Clause 4.3.2.2	A non-standard contract must include provisions that ensure that a licensee offer customers who are absent for a long period, payment in advance facilities and the option of redirecting the bill.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 8.13 Payments'</i> <i>If you will be away from the Supply Address for a long period (for example, on holiday or because of illness), and will not be able to pay us using one of the methods listed above, you may pay your bill in advance or ask us to redirect your bill to another address.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
70	Energy Coordination (Customer Contracts) Reg 16 (3)	A non-standard contract must not authorise a licensee to 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.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 4.1 Terminating this Market Contract'</i> <i>(d) We will not end this Market Contract if you commit a breach of this Market Contract (other than a substantial breach of this Market Contract) unless:</i> <i>(i) we have a right to Disconnect Supply under this Market Contract, a Regulatory Requirement or a Relevant Code; and</i> <i>(ii) we have Disconnected Supply at all the Supply Addresses that are covered by this Market Contract.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
71	Energy Coordination (Customer Contracts) Reg 19	<p>A non-standard contract must require a licensee make the following information available to the customer if the customer requests it -</p> <ul style="list-style-type: none"> (a) a copy of their customer service charter; (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 Financial Counselling Services if requested by the customer. 	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we noted that a copy of AGL's customer service charter is found on page 5 of the Non-Standard Form Contract. Additionally, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 17.2 Access to information'</i></p> <p><i>(a) To the extent we are required to do so by the Regulatory Requirements, on request we will provide you with the following information:</i></p> <ul style="list-style-type: none"> <i>(i) all or any part of the terms of this Market Contract, including giving you a copy or referring you to our Website;</i> <i>(ii) information about the Charges payable by you under this Market Contract, and alternative tariffs that are available to you;</i> <i>(iii) a copy of the Customer Contracts Regulations and any Relevant Codes;</i> <i>(iv) information about efficient Energy consumption;</i> <i>(v) eligibility for concessions, rebates or grants that may be available;</i> <i>(vi) billing data, including the current status of your bill or account;</i> <i>(vii) the Meter Readings and Meter registrations connected with your bill; and</i> <i>(viii) contact details for obtaining information about government assistance programs or financial counselling services.</i> <p>Therefore, it was found that AGL was compliant with this obligation.</p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
72	Energy Coordination (Customer Contracts) Reg 20 (2), AGA Code Clause 4.3.5.1	<p>A non-standard contract must include provisions that ensure that a licensee must offer a customer who indicates to the licensee that they are experiencing payment difficulties: instalment plan options; right to have bill redirected to third person; information about or referral to government assistance programs; and information on independent financial counselling services.</p>	<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 8.15 If you have trouble paying'</i></p> <p><i>(b) We will give you the payment assistance we are required to under the Regulatory Requirements, including providing you with information about:</i></p> <p><i>(i) relevant government funded energy charge rebate schemes, concession schemes or relief schemes;</i></p> <p><i>(ii) relevant instalment plans we offer, that allow you to pay amounts you owe us by making regular payments over an agreed time period;</i></p> <p><i>(iii) the right to have the bill redirected to another person at no Charge; or</i></p> <p><i>(iv) information about independent financial counselling services and relevant consumer representatives that are available to assist you.</i></p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
72A	Energy Coordination (Customer Contracts) Reg 20 (3)	A non-standard contract must set out the procedures to be followed in relation to debt collection.			<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 8.17 Debt collection procedures'</i></p> <p><i>(a) If you are a Small Residential Customer, we will only commence legal proceedings against you for amounts not paid by the Due Date (including referring the non-payment to a mercantile or debt collection agent) if we have first complied with our obligations under clause 8.15 and, (regardless of whether you are a Small Residential Customer or Small Business Customer) if you have entered into a payment plan with us, you are not complying with the terms of that payment plan.</i></p> <p><i>(b) We may charge you our direct and indirect costs associated with collecting your debt (including legal fees, or fees or commissions we pay to a mercantile or debt collection agent), which we will advise you at the time.</i></p> <p><i>(c) We will comply with guidelines on debt collection issued by the Australian Competition and Consumer Commission under the Competition and Consumer Act 2010.</i></p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
72B	Energy Coordination (Customer Contracts) Reg 22	A non-standard contract must specify the steps taken to ensure that customer information is dealt with in a confidential manner.			<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Privacy Policy:</p> <p><i>'Section 6 Keeping your information safe'</i></p> <p><i>We take steps in accordance with the Guide to Securing Personal Information published by the Office of the Information Commissioner, to secure our systems and the personal information we collect.</i></p> <p>Additionally, page 49 of the Non-Standard Form Contract specifies the measures which AGL undertake to ensure that customer information is treated in a confidential manner.</p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
73	Energy Coordination (Customer Contracts) Reg 40 (3)	A non-standard contract must prohibit the supply of gas to the customer under a door to door contract during the cooling-off period unless the customer requests supply.			<p>Based on discussions with the Risk and Compliance and our examination of the Non-Standard Form Contract, we note that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>'Section 2.1 Cooling-off Period'</i></p> <p><i>(a) This Market Contract has a Cooling-off Period of 10 Business Days starting on the Acceptance Date.</i></p> <p><i>(b) You can cancel this Market Contract before the end of the Cooling-off Period by giving us notice in writing or by telephone clearly indicating your wish to do so.</i></p> <p><i>(c) We will not Supply you gas under this Market Contract during the Cooling-off Period unless you request us to do so during that period.</i></p> <p><i>(d) If you request us to Supply you gas during the Cooling-off Period and you subsequently cancel this Market Contract during that period, you must pay us the applicable Charges under clauses 6 and 8 in respect of that period.</i></p> <p>We also confirmed through our discussions with the Sales and Transformation Team that AGL did not conduct any door-to-door sales during the audit period, hence we rated this obligation as N/R. Therefore, resulting in a compliance rating of 'not rated' as no activity took place during the audit period.</p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
74A	Energy Coordination (Customer Contracts) Reg 48	A licensee must not commence legal proceedings for the recovery of a customer debt if the customer has entered into a payment arrangement and is complying with the terms of that arrangement.			<p>By undertaking system demonstrations with the Customer Solutions Team and Credit Team confirmed controls are in place and noted that rules are embedded in SAP to prevent any debt collection strategies or legal action commencing for customers who have an active payment arrangement.</p> <p>In addition, all customers who enter the Staying Connected Program (“SCON”), also known as AGL’s Hardship Program, are flagged in SAP to avoid any legal action commencing upon them. Based on the testing performed, there were no compliance breaches identified in relation to legal proceedings for the recovery of an amount owed by a customer with a payment arrangement with AGL.</p> <p>Discussions with the Risk and Compliance Team and examination of the Non-Standard Form Contract, confirmed that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>‘Section 8.17 Debt collection procedures’</i></p> <p><i>(a) If you are a Small Residential Customer, we will only commence legal proceedings against you for amounts not paid by the Due Date (including referring the non-payment to a mercantile or debt collection agent) if we have first complied with our obligations under clause 8.15 and, (regardless of whether you are a Small Residential Customer or Small Business Customer) if you have entered into a payment plan with us, you are not complying with the terms of that payment plan ...</i></p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)			
75A	Energy Coordination (Customer Contracts) Reg 49 (2)	A licensee may only provide a credit reporting agency with default information if it relates to a bill issued by the licensee.	<p>Discussions with the Risk and Compliance Team and examination of the Non-Standard Form Contract, confirmed that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>Section 17.1 Collection, use and disclosure of Personal Information'</i></p> <p><i>We collect, use and disclose your Personal Information in accordance with our Privacy Policy (including Credit Reporting Policy) which is included on page 43 of these terms and is also available at agl.com.au or on request.</i></p> <p>In addition, AGL has a Credit Reporting Policy to govern this function and we confirmed this Policy is referenced in the Non-Standard Contract.</p> <p>Further, from review of AGL's Privacy Policy, Section 4 and 5, AGL only shares customer information with credit reporting agencies in relation to bills issued by AGL, which is in compliance with Reg 49 (2).</p> <p>AGL's Credit and Affordability Team confirmed that there were no instances where AGL's customers were listed with a credit agency because WA gas customers have been excluded from listings with credit agencies during the audit period. Review of the breach register and customer complaint records confirmed there were no compliance breaches noted. As such, this obligation has not been rated ('N/R') for compliance.</p> <p>Therefore, resulting in a compliance rating of 'not rated' as no activity took place during the audit period.</p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: N/R</div>	

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
76	Energy Coordination (Customer Contracts) Reg 49 (3)	A Licensee must notify a credit reporting agency immediately if a customer has cleared their debt.			Review of the Default Listing Kit Best Practice Procedure (“BPP”) script confirmed that AGL have controls in place to ensure there are consistent practices to notify a credit reporting agency immediately if a default listed customer clears their debt. AGL’s Credit and Affordability Team confirmed that there were no instances where AGL’s customers were listed with a credit agency because WA gas customers have been excluded from listings with credit agencies during the audit period. Review of the breach register and customer complaint records confirmed there were no compliance breaches noted. As such, this obligation has not been rated (‘N/R’) for compliance.
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	Therefore, resulting in a compliance rating of ‘not rated’ as no activity took place during the audit period.
77	Energy Coordination (Customer Contracts) 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.			Discussions with the Credit, Affordability and Payments Team, confirmed that AGL request the credit reporting agency to remove the default record in following instances: <ul style="list-style-type: none">Once the debt has been paid in full by the customer; andIf the investigation on customer disputes proves to be justifiable. Examination of the Default Listing Kit Best Practice Procedure (“BPP”) script confirmed that AGL have controls in place to ensure consistent practices in the event a customer remedies a default or has extenuating circumstances that warrants the removal of the default such as a genuine dispute or non-liability. AGL’s Risk and Compliance Team confirmed there were no instances where AGL’s customers were listed with a credit agency because WA gas customers have been excluded from listings with credit agencies during the audit period. Review of the breach register and customer complaints records confirmed there were no compliance breaches noted. As such, this obligation has not been rated (‘N/R’) for compliance.
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	Therefore, resulting in a compliance rating of ‘not rated’ as no activity took place during the audit period.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
78	Energy Coordination (Customer Contracts) 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.			<p>Walkthrough demonstrations with the Credit, Affordability and Payments Team, confirmed that when a complaint is made and updated in the Complaint Management System (“CMS”) a ‘Dunning Lock’ is automatically applied on all the customers who have submitted a complaint to AGL.</p> <p>The Dunning Lock in SAP is a control designed to restrict the commencement of debt collection processes, thereby preventing AGL from referring the customer to a credit reporting agency.</p> <p>AGL’s Risk and Compliance Team confirmed there were no instances where AGL’s customers were listed with a credit agency because WA gas customers have been excluded from listings with credit agencies during the audit period. Through our review of the breach register and customer complaint records confirmed there were no compliance breaches noted. As such, this obligation has not been rated (‘N/R’) for compliance.</p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	Therefore, resulting in a compliance rating of ‘not rated’ as no activity took place during the audit period.
83	Energy Coordination (Customer Contracts) Reg 46 (1)	Upon request, a Licensee must provide a customer with a copy of the Energy Coordination (Customer Contract) Regulations 2004 or a relevant code.			<p>Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we confirmed that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions:</p> <p><i>‘Section 17.2 Access to Information’</i></p> <p><i>(a) To the extent we are required to do so by the Regulatory Requirements, on request we will provide you with the following information:</i></p> <p><i>...(iii) a copy of the Customer Contracts Regulations and any Relevant Codes ...</i></p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.3 Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
12 Licence Compliance Requirements - Energy Coordination (Customer Contracts) Regulations 2004 (Cont.)					
84	Energy Coordination (Customer Contracts) Reg 46 (4)	A Licensee must ensure that a copy of the Energy Coordination (Customer Contract) Regulations 2004 or a relevant code is available for inspection at its offices at no charge.			Based on discussions with the Risk and Compliance Team, we confirmed that AGL have a customer service representative available to handle walk-in requests and are able to supply a copy of the <i>Energy Coordination (Customer Contract) Regulations 2004</i> or any relevant regulation requested by the customer. It was noted that AGL have had no such requests during the audit period.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
84A	Energy Coordination (Customer Contract) Reg 47 (2) and (4)	A Licensee must provide available bill data to customers upon request free of charge subject to clause 47 (2) and (4) of the Energy Coordination (Customer Contracts) Regulations 2004.			Based on discussions with the Billing Team and our examination of the Non-Standard Form Contract, we confirmed that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>‘Section 17.2 Access to Information’</i> <i>(a) To the extent we are required to do so by the Regulatory Requirements, on request we will provide you with the following information: ...(vi) billing data, including the current status of your bill or account ...</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.
91	Energy Coordination (Customer Contract) Reg 42	A non-standard contract must require the Licensee to notify the customer of any amendment to a non- standard contract.			Based on discussions with the Risk and Compliance Team and our examination of the Non-Standard Form Contract, we confirmed that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>‘Section 5 Variation of this Market Contract’</i> <i>(a) Except as provided in clause 6.5, unless prohibited by the Regulatory Requirements, we may vary this Market Contract by providing you with written notice of the variation without requiring your consent or any other action from you.</i>
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	Therefore, it was found that AGL was compliant with this obligation.

4. DETAILED FINDINGS (CONT.)

4.4 Licence Conditions

No.	Obligation Reference	Obligation Description			Observations and Findings
13 Licence Compliance Requirements - Licence Conditions					
96	Trading Licence clause 16.2	A Licensee must comply and require its expert to comply with the ERA’s standard guidelines dealing with the performance audit.			The Audit Plan was submitted to the ERA on 14 June 2022 and was subsequently approved on 4 July 2022. The Audit Plan commits AGL and RSM (as the appointed independent auditor) to complying with the prescribed audit guidelines and reporting manual issued by the ERA. RSM confirms that this audit was undertaken utilising the ERA’s 2019 version of the Audit Guidelines: Electricity and Gas Licences.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
97	Trading Licence clause 16.4	A Licensee’s independent auditor must be approved by the ERA prior to the audit.			On 6 May 2022, with the ERA’s approval, AGL appointed RSM as the independent auditor to undertake the Performance Audit for the period 1 June 2019 to 31 May 2022.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
98	Trading Licence clause 17	A Licensee may be subject to individual performance standards.			The Retail Regulations Team confirmed that AGL has not been subject to individual performance standards during the audit period. AGL have set up a Regulatory mailbox that is used by the whole Retail Regulations Team to communicate with ERA. ERA has three contacts registered for AGL from the Retail Regulations Team (all current employees).
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.4 Licence Conditions (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
13 Licence Compliance Requirements - Licence Conditions (Cont.)					
99	Trading Licence clause 20	Unless otherwise specified, all notices must be in writing and will be regarded as having been sent and received in accordance with defined parameters.			Through discussion with the Retail Regulations Team and from examination of formal communications with the ERA, we confirmed that AGL have set up a Regulatory mailbox that is used by the whole Retail Regulations Team to communicate with the ERA. ERA has three contacts registered for AGL from the Retail Regulations Team (all current employees). It was confirmed that AGL have provided notices to the ERA during the audit period through this Mailbox, in accordance with Clause 20.2 (e). As a result of the above, this obligation has been assessed as “compliant” for the audit period.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
100	Trading Licence clause 21.1	A Licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board or equivalent International Accounting Standards.			From review of AGL’s Annual Financial Reports for the audit period, we confirmed they are compliant with Trading Licence clause 21.1 as they: <ul style="list-style-type: none">Are prepared in accordance with the requirements of the <i>Corporations Act 2001</i>, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (“AASB”); andAdopt all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods.
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
101	Trading Licence clause 22.1	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.			The Risk and Compliance Team confirmed that during the audit period, AGL was not under external administration and did not experience a significant change in its corporate, financial or technical circumstances that may affect its ability to meet its Licence obligations.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.4 Licence Conditions (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
13 Licence Compliance Requirements - Licence Conditions (Cont.)					
102	Trading Licence clause 23.1	A Licensee must provide to the ERA any information that the ERA may require in connection with its functions under the Energy Coordination Act 1994 in the time, manner and form specified by the ERA.			<i>Obligations 102 to 103</i> From walkthroughs performed with AGL’s Retail Regulations Team we noted that all correspondence from the ERA regarding due dates of publications is communicated to AGL via the centralised Regulatory mailbox. We noted that in the current audit period, the ERA had three contacts registered for AGL, in addition to the centralised Regulatory mailbox.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
103	Trading Licence clause 24	A Licensee must publish any information it is directed by the ERA to publish, within the timeframes specified.			We reviewed correspondence with the ERA requesting submission of the annual compliance report and annual performance report for both the FY19, FY20 and FY21 reporting years. We note that the FY22 reporting period reports are not due at the time of writing this report. The annual compliance report is due for submission to the ERA on 31 of August 2019, 2020, 2021 and 2022 for each respective reporting period. Through review of the correspondence with the ERA and AGL, we observed that AGL submitted their compliance reports within the specified timeframes, on the 30 of August, 30 of August and 31 August for 2019, 2020 and 2021, respectively. Additionally, we noted that the annual performance report is due for submission to the ERA on the 30 th of September 2019, 2020 and 2021 for each respective reporting period. Through review of the correspondence with the ERA and AGL, we observed that AGL provided the information regarding the performance report prior to the due dates specified by the ERA. Additionally, we noted that AGL subsequently uploaded the required performance data to their website.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.4 Licence Conditions (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
13 Licence Compliance Requirements - Licence Conditions (Cont.)					
106	Trading Licence clause 12.2	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.			<p><i>Obligations 106 to 108</i></p> <p>Discussions with the Retail Regulations Team and review of correspondence between AGL and the ERA confirmed:</p> <ul style="list-style-type: none">AGL have a Regulatory mailbox set up with the ERA which will notify the Retail Regulations Team of any requests. ERA has three contacts registered for AGL from the Retail Regulations Team. Additionally, the whole team have access to this mailbox and all emails sent to/from this mailbox are archived and retrievable by AGL's IT Team;Should the ERA request change to the Standard Form Contract, AGL have processes in place to review and amend the Contract within the conditions specified by the ERA. If there are any changes to the contract, a review must be conducted by the Legal Team and the Retail Regulations Manager; andThe latest version of the Standard Form Contract (effective 1 July 2019) had its Terms and Conditions approved by the ERA on 1 July 2017 and is located on AGL's website. AGL has not received direction from the ERA to review its Standard Form Contract during the audit period. <p>During the audit period, no instances were identified where AGL were directed by the ERA to review the standard form contract and submit the results of the review.</p>
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	
107	Trading Licence clause 12.3	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.			
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	
108	Trading Licence clause 13.1	A Licensee must only amend the standard form contract in accordance with the Energy Coordination Act 1994 and Regulations.			
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
109	Trading Licence clause 15.1 and 15.2	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.			
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.4 Licence Conditions (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
13 Licence Compliance Requirements - Licence Conditions (Cont.)					
110	Trading Licence Schedule 3 clause 1.5	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.			The Retail Regulations Team confirmed that the ERA has not made a request for information relating to the refusal of supply to a customer during the audit period.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
111	Trading Licence Schedule 3 clause 1.7	A Licensee must comply with a direction from the ERA to supply a customer, subject to specified conditions.			The Retail Regulations Team confirmed that the ERA has not made a direction to supply a customer during the audit period, subject to specified conditions.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
112	Trading Licence Schedule 3 clause 2.1 to 2.2	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.			The Retail Regulations Team confirmed that during the audit period: <ul style="list-style-type: none">AGL has not refused information requested by ATCO Gas;AGL maintained communication with ATCO Gas on a regular basis via email correspondence, meetings and through the automated transactional B2B processes; andWe did not identify any complaints from ATCO Gas about AGL's communication channels. AGL has established a contractual relationship with ATCO. We note that the retailer, distributor arrangement includes constant information sharing to ensure safe and efficient operation of the distribution system.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
113	Trading Licence Schedule 3 clause 3.1	A Licensee must notify the Minister at least one month before a change to any price, price structure, fee or interest rate under the standard form contract is to come into effect.			Discussions with the Retail Regulations Team, as well as review of communication between AGL and the Minister for Energy, confirmed that AGL provided notification to the Minister of updated tariffs rates accordingly on 29 May 2020 (effective from 1 July 2020) and 31 May 2021 (effective from 1 July 2021) and are therefore in compliance with Trading Licence Schedule 3 clause 3.1.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct

No.	Obligation Reference	Obligation Description	Observations and Findings
14 Licence Compliance Requirements - Gas Marketing Code of Conduct (Code of Conduct)			
116	Trading Licence clause 19.1 Code of Conduct clause 2.1	A retailer must ensure that its gas marketing agents comply with Part 2 of the Code of Conduct.	<p>Non-Compliance and Control Deficiency – B 2</p> <p><i>Obligation 116</i></p> <p>The following controls were identified and are in place to ensure employees and agents comply with Part 2 of the Marketing Code of Conduct.</p> <ul style="list-style-type: none"> All AGL Customer Service Representatives (“CSRs”) are provided with detailed induction training around the Marketing Code of Conduct; Detailed Kit system Best Practice Procedures (“BPP”) scripts and Work Instructions are established to ensure that regulatory requirements are consistently met; AGL have an established Quality Assurance (QA) Program to monitor the compliance performance of their internal employees. The internal QA Program is outlined in AGL's Quality Framework. We reviewed Scorecards, Audit Reports and Monthly Reports of Non-adherences. The Risk and Compliance Team is assigned to monitor third-party sales vendor performance through a QA Program and Annual Audits. <p>We sighted confirmation that all AGL employees have completed five annual compliance training modules. Third Party Sales Channels complete AGL's Rules of Engagement Training. We also received confirmation that the five annual compliance modules are pushed out to all new starters as they join AGL. The five annual compliance training modules include a module on the Code of Conduct.</p> <p>In addition, we completed walkthrough testing on five internal sales and one third-party sale to ensure AGL's compliance with the Code of Conduct. Based on walkthrough testing, in all instances, AGL obtained customer EIC and provided or made available the information specified in Clause 2.3(2) of the Gas Marketing Code of Conduct.</p> <p>We note however, from AGL's FY20 Compliance Report submitted to the ERA on 30 August 2020, there was one instance of a retailer or gas marketing agent that did not obtain EIC in respect of a non-standard contract.</p> <p>As the controls relating to Obligation 116 are linked to the controls of Obligation 119, the Control Adequacy has been assessed with a rating of B. As a result, a non-compliance under Obligation 119, will also result in a non-compliance under Obligation 116.</p>
		Priority 4	Control Adequacy: B Compliance Rating: 2

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
14 Licence Compliance Requirements - Gas Marketing Code of Conduct (Code of Conduct) (Cont.)					
117	Trading Licence clause 19 Code of Conduct clause 2.2(1)	A retailer or gas marketing agent must ensure that standard form contracts that are not unsolicited consumer agreements are entered into in the manner and satisfying the conditions specified.			<i>Obligations 117 to 118</i> Walkthrough testing on three standard contract internal sales confirmed compliance with Clause 2.2(1) and 2.2(2). AGL's sales channels include inbound calls, outbound calls and online sales. Our testing included reviewing: <ul style="list-style-type: none">▪ Sales phone call records (EIC Records);▪ Welcome Packs and Plan Summaries; and▪ Bills. Based on our testing, we confirmed the content of AGL's Welcome Packs enable AGL to enter into a Standard Contract that are not unsolicited consumer agreements and in a manner that satisfied the conditions specified in Clause 2.2(1) and 2.2(2) of the Gas Marketing Code of Conduct.
	Priority 4	Control Adequacy: A	Compliance Rating: 1		
118	Trading Licence clause 19 Code of Conduct clause 2.2(2) and clause 2.2(3)	If a customer enters into a standard form contract that is not an unsolicited consumer agreement, the retailer or gas marketing agent must give the customer the information specified in clause 2.2(2) before or at the time of giving 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).			
	Priority 4	Control Adequacy: A	Compliance Rating: 1		

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
14 Licence Compliance Requirements - Gas Marketing Code of Conduct (Code of Conduct) (Cont.)					
119	Trading Licence clause 19 Code of Conduct clause 2.3(1)(a)	When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must obtain and make a record of the customer's verifiable consent to entering into the non-standard contract.			Non-Compliance and Control Deficiency – B 2 <i>Obligations 119 to 120B</i> AGL's third-party sales vendor channels include online sales as well as outbound and inbound telemarketing. Additionally, AGL confirmed that they have not conducted door-to-door or kiosk sales in the audit period. Third-party telemarketing agents have a master script to follow that outlines all the precontractual information and scripting on how to obtain verified consent. Tests were performed for one third-party sale and two internal Non-Standard Contract Sales, that included review of: <ul style="list-style-type: none">▪ Explicit Informed Consent Records; and▪ Welcome Packs, Plan Summaries and Bills. Testing performed confirmed: <ul style="list-style-type: none">▪ When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, the retailer or gas marketing agent gives or makes available to the customer at no charge, a copy of the non-standard contract (Clause 2.3(1)(b));▪ The information specified is provided to the customer before entering into a non-standard contract (Clause 2.3(2));▪ The Welcome Packs provided to customers before their first bill include the Non-Standard Contract and the information specified in clauses (a) to (h) (Clause 2.3(2A)). AGL self-identified in their FY20 Compliance Report (submitted to the ERA on 30 August 2020) the following non-compliance: <ul style="list-style-type: none">▪ <i>Obligation 119</i> - The retailer or gas marketing agent did not obtain verifiable EIC as required by Clause 2.3(1). Through a customer complaint raised in February 2020, it was identified that AGL had signed up a customer without EIC. AGL advised that the breach has been rectified and was a result of an isolated agent error or lapse in exception management process knowledge. AGL advised all actions taken to rectify the non-compliance had been completed by 6 March 2020. RSM acknowledge and support the corrective and preventative actions in relation to agent feedback, knowledge refreshers and monitoring and supporting documentation taken by AGL and detailed in the FY20 Annual Report and consider this matter resolved.
		Priority 4	Control Adequacy: B	Compliance Rating: 2	
119A	Trading Licence clause 19 Code of Conduct clause 2.3(1)(b)	When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, a retailer or gas marketing agent must give, or make available to the customer at no charge, a copy of the non-standard contract at the times specified in clause 2.3(1)(b)(i) and (ii).			
		Priority 5	Control Adequacy: A	Compliance Rating: 1	
120A	Trading Licence clause 19 Code of Conduct clause 2.3(2)	A retailer or gas marketing agent must ensure that the information specified is provided to the customer before entering into a non-standard contract.			
		Priority 4	Control Adequacy: A	Compliance Rating: 1	
120B	Trading Licence clause 19 Code of Conduct clause 2.3(2A)	Subject to clause 2.3(3), if entering into a non-standard contract, a retailer or gas marketing agent must give the customer the information specified in clauses (a) to (h) before or at the time of giving the customer's first bill.			
		Priority 4	Control Adequacy: A	Compliance Rating: 1	

Non-Compliance and Control Deficiency – B 2

Obligations 119 to 120B

AGL's third-party sales vendor channels include online sales as well as outbound and inbound telemarketing. Additionally, AGL confirmed that they have not conducted door-to-door or kiosk sales in the audit period. Third-party telemarketing agents have a master script to follow that outlines all the precontractual information and scripting on how to obtain verified consent.

Tests were performed for one third-party sale and two internal Non-Standard Contract Sales, that included review of:

- Explicit Informed Consent Records; and
- Welcome Packs, Plan Summaries and Bills.

Testing performed confirmed:

- When a customer enters into a non-standard contract that is not an unsolicited consumer agreement, the retailer or gas marketing agent gives or makes available to the customer at no charge, a copy of the non-standard contract (Clause 2.3(1)(b));
- The information specified is provided to the customer before entering into a non-standard contract (Clause 2.3(2));
- The Welcome Packs provided to customers before their first bill include the Non-Standard Contract and the information specified in clauses (a) to (h) (Clause 2.3(2A)).

AGL self-identified in their FY20 Compliance Report (submitted to the ERA on 30 August 2020) the following non-compliance:

- *Obligation 119* - The retailer or gas marketing agent did not obtain verifiable EIC as required by Clause 2.3(1). Through a customer complaint raised in February 2020, it was identified that AGL had signed up a customer without EIC. AGL advised that the breach has been rectified and was a result of an isolated agent error or lapse in exception management process knowledge. AGL advised all actions taken to rectify the non-compliance had been completed by 6 March 2020.

RSM acknowledge and support the corrective and preventative actions in relation to agent feedback, knowledge refreshers and monitoring and supporting documentation taken by AGL and detailed in the FY20 Annual Report and consider this matter resolved.

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
14 Licence Compliance Requirements - Gas Marketing Code of Conduct (Code of Conduct) (Cont.)			
121A	Trading Licence clause 19 Code of Conduct clause 2.3(4)	A retailer or gas marketing agent must obtain a customer's verifiable confirmation that the information specified in clause 2.3(2) has been given.	<p>Discussions with the Sales and Transformation and Retail Regulations Team, as well as review of AGL's Customer sign-up process and a sample of internal and third-party sales, confirmed the following controls:</p> <ul style="list-style-type: none"> ▪ A series of scripted questions that must be directly answered by the customer with a clear 'yes' response provided to the gas marketing agent ensures the information specified in Clause 2.3(2) of the Gas Marketing Code of Conduct is provided. This was confirmed for all of the samples tested with no exceptions noted. ▪ AGL scripting and pre-recorded messages ensure that the required information is communicated to their customers before entering the contract. The CSR Team then obtain EIC (which are all maintained in SAP). ▪ It is noted EIC is obtained through the following methods: <ul style="list-style-type: none"> - For internal and third-party sales, verbally ensuring they have understood the terms and conditions of the offer; and - For online sales internally and third party, when the customer accepts the terms and conditions in the online form. <p>Walkthrough testing conducted for obligations 116 to 118 of five internal and one third-party sale, confirmed all customers provided verifiable confirmation. Based on the testing performed no non-compliance was noted.</p>
		Priority 4	Control Adequacy: A Compliance Rating: 1

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
14 Licence Compliance Requirements - Gas Marketing Code of Conduct (Code of Conduct) (Cont.)			
123	Trading Licence clause 19 Code of Conduct clause 2.4(2)	<p>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 hours of the retailer or gas marketing agent for the purposes of enquiries, verifications and complaints.</p> <p>Priority 4</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	<p>From review of a sample of customer bills, AGL's website and through discussion with the AGL's Risk and Compliance Team, we confirmed AGL are compliant with this obligation as:</p> <ul style="list-style-type: none"> AGL's phone contact details were made available to AGL customers; The Customer Solution phone lines were open 24/7; and The Complaints phone lines were open 8:00am – 6:00pm AEST (Monday to Friday).
124	Trading Licence clause 19 Code of Conduct clause 2.5(1)	<p>A retailer or gas marketing agent who contacts a customer for the purposes or marketing must, on request, provide the customer with the retailer's complaints telephone number, the gas ombudsman's telephone number and, for contact by a gas marketing agent, the gas marketing agent's marketing identification number.</p> <p>Priority 4</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	<p>Discussions with the Retail Regulations Team and examination of customer bills examples provided, welcome packs and sales calls, confirmed that these channels contained all relevant information regarding AGL's Complaints Management process, which would also be provided to the customer free of charge if requested.</p>
125	Trading Licence clause 19 Code of Conduct clause 2.5(2)	<p>A retailer or gas marketing agent who meets with a customer face to face for the purposes of marketing must:</p> <ul style="list-style-type: none"> 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. <p>Priority 4</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: N/R</p>	<p>RSM confirmed with the Sales and Transformation and the Risk and Compliance Team that AGL did not perform any face-to-face interaction with customer for the purposes of marketing during the audit period. Therefore, this Obligation has been assessed as 'Not Rated' and "Not Performed".</p>

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
14 Licence Compliance Requirements – Gas Marketing Code of Conduct (Code of Conduct) (Cont.)					
126	Trading Licence clause 19 Code of Conduct clause 2.6	A retailer or gas marketing agent who visits a person’s premises for the purposes of marketing, must comply with any clearly visible signs at the premises indicating that canvassing is not permitted, or no advertising material is to be left at the premises.			RSM confirmed with the Sales and Transformation and the Risk and Compliance Team that AGL did not perform any face-to-face interaction with customer for the purposes of marketing during the audit period. Therefore, this Obligation has been assessed as ‘Not Rated’ and “Not Performed”.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.5 Gas Marketing Code of Conduct (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
14 Licence Compliance Requirements – Gas Marketing Code of Conduct (Code of Conduct) (Cont.)			
128	Trading Licence clause 19 Code of Conduct clause 2.9	<p>A gas marketing agent must:</p> <ul style="list-style-type: none"> keep a record of each complaint made by a customer, or person contacted for the purposes of marketing, about the marketing carried out by or on behalf of the gas marketing agent; and on request by the gas ombudsman in relation to a particular complaint, give to the gas ombudsman all information that the gas marketing agent has relating to the complaint within 28 days of receiving the request. 	<p>Review of AGL's Complaints Management Framework and discussions with the Dispute Resolution Team, we confirmed the following controls are in place for recording and monitoring customer complaints:</p> <ul style="list-style-type: none"> All complaints are stored in AGL's Customer Relationship Management System and Complaint Management System; Each complaint is assigned a unique Case ID/Transaction Number; and <p>The Dispute Resolution Team work directly with the Energy and Water Ombudsman (WA) to provide information as requested. This is managed via a dedicated mailbox. A detailed walkthrough of a sample of three complaints and confirmed that all relevant details were captured in AGL's Customer Relationship Management System and Complaints Management System. A sample test of three complaints was also performed, which confirmed that AGL complied with all requirements under Clause 2.9</p> <p>There were no instances where a complaint could not be resolved internally and was escalated to the Energy and Water Ombudsman (WA) during the audit period.</p> <p>Finally, based on a walkthrough and assessment of the Compliance Breach Register, it was confirmed that there was no non-compliance specific to this obligation during the audit period.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
129	Trading Licence clause 19 Code of Conduct clause 2.10	<p>Any record that a gas marketing agent is required to keep by the Code of Conduct, must be kept for 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.</p>	<p>Through discussions and system demonstrations with the Risk and Compliance Team, we confirmed that AGL record all information as required by the Gas Marketing Code of Conduct in SAP.</p> <p>AGL's SAP Retail Archiving Procedure document was reviewed and outlines all record keeping and archiving requirements. Records are archived for at least 2 years and are accessible via the front end of SAP, thus demonstrating compliance with this obligation.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium)					
Connections					
134	Compendium clause 3.1(1)	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.			<i>Obligation 134 and 135</i> AGL will arrange connections with customers in the following three instances: <ul style="list-style-type: none">▪ New Connections - where there is no existing meter at the premise;▪ Existing Connections – 'in-situ' connections where the customer is changing retailers (defined by AGL as a 'Switch'); and▪ Existing Connections – 'move-in' where a customer is moving premise.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
135	Compendium clause 3.1(2)	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.			The steps undertaken to create a customer account in SAP, including the Business Partner ("BP"), Business Agreement ("BA") and Technical Master Data were sighted. It was noted: <ul style="list-style-type: none">▪ A process is in place to ensure the Point of Delivery ("POD") aligns with the MIRN; and▪ A Change Request is then automatically sent to the relevant market participants where this automated communication is managed through MDH. It was confirmed that AGL will forward all required Service Order ("SO") requests to ATCO once they have verified the request via their internal processes. It was confirmed that AGL customer requests are sent to the distributors immediately following the request, therefore complying with the timeframes as in Trading Licence Clause 2.1 Schedule 2 and Compendium Clause 3.1(2). In addition, all sent and received requests were time stamped in SAP for audit trail purposes. Automated daily exception reports are run and managed by AGL's back house team in India, to ensure the accurate and timely completion of connection service orders. These reports monitor service order and change request activity in the market and provide alerts if there are any discrepancies. This exception reports have not indicated any non-compliances with the WA timeframes.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing			
136	Compendium clause 4.1(a)	<p>A retailer must issue a bill no more than once a month unless the conditions specified in clause 4.1(a)(i)-(iv) apply.</p>	<p>Section 4.1 of the Compendium requires AGL to bill each customer no more than once a month, and at least once every 105 days unless AGL has received verifiable consent to bill in a different manner.</p> <p>Through discussions with the Billing Team and from examination of AGL's billing policies and procedures, we confirmed:</p> <ul style="list-style-type: none"> AGL's billing process is based on quarterly actual meter reads provided by ATCO; AGL will only issue a bill to a customer more than once a month if the bill is a final bill and this has been agreed with the customer; and AGL's Market Customer Contract and Standard Form Contract state the billing cycle will not be less than once a month and will be at least once every 3 months. <p>Sample testing performed identified one instance where a customer was billed more than once per month and confirmed the conditions specified in clause 4.1(a)(i)-(iv) in the compendium applied.</p> <p>In addition, based on our review of AGL's Breach Registers, customer complaint records and confirmation from AGL's Retail Regulations Team, it was noted that there were no instances during the audit period where a customer was billed more than once a month and that did not satisfy the conditions specified Clause 4.1(a)(i) to (iv) in the Compendium.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing (Cont.)			
137	Compendium clause 4.1(b)	A retailer must issue a bill at least every 105 days unless the conditions specified are met.	<p>Non-Compliance and Control Deficiency – B 2</p> <p>Through discussions with the Billing Team and from review of AGL's billing procedures, we confirmed the following:</p> <ul style="list-style-type: none"> AGL's billing process is based on meter reads received from ATCO. Where ATCO fails to provide an actual read within a 3-month period, AGL will issue a bill based upon an estimated read independently of ATCO. AGL's SAP system is set up to automatically initiate the billing process based on the agreed billing frequency and will base the bill on an estimated or actual read. AGL's Billing team regularly monitor an 'Unbilled' report which identifies customers who have not been billed in the expected timeframe. The 'Unbilled' exception is flagged on the report when a customer account exceeds the expected timeframe. A PMD (provide meter data) request is raised to ATCO. This report is considered high priority and management has visibility over this report. <p>For the sample selected during walkthrough, AGL could not provide evidence of the conditions of clause 4.1(b) being met.</p> <p>From further investigation with AGL Billing Team, it was confirmed that there have been 6,937 instances during the audit period where a customer was not billed within 105 days in line with Obligation 137.</p> <p>These instances were reported by AGL in their Compliance and Performance Reporting for FY19, FY20 and FY21. FY22 is not yet due to the ERA and is currently being prepared by the Retail Regulation Team.</p> <p>AGL have identified the following root causes in relation to the instances of non-compliance include, but not limited to:</p> <ul style="list-style-type: none"> Mismatch between period of consumption received from ATCO and system period of consumption required. This reconciliation process is performed manually by AGL agents and could lead to delays; Bill Block used by AGL to an account to apply pricing and product updates; Not receiving meter reads from ATCO; Inaccurate information received from ATCO; and Missing or Inaccurate pressure factor value from ATCO.
		Priority 4	Control Adequacy: B Compliance Rating: 2

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
137	Compendium clause 4.1(b) (Cont.)	A retailer must issue a bill at least every 105 days unless the conditions specified are met.			<p>RSM acknowledged that AGL has implemented controls to address this previous audit finding, in order to improve their control efficiency. The implementation of additional controls has had the following results during the audit period, based on Annual Performance Report details:</p> <ul style="list-style-type: none">2019: 43 residential customers in the audit period. The total number of instances in the FY19 period was 1,806 residential and 26 business customers that represented 4.4% and 4.8% of customers respectively;2020: 2,439 residential and 24 business customers in the audit period that represented 3.8% and 4.6% of customers respectively;2021: 3,614 residential and 22 business customers in the audit period that represented 5.1% and 4.4% of customers respectively; andFor 2022 the estimated number of instances to be reported is 789 residential and 6 business customers representing 0.9% and 1.2% of customers respectively (these numbers are yet to be reported to the ERA). <p>In consideration of the above, RSM note that AGL’s ongoing improvement in processes have resulted in a decreased risk of future non-compliance. AGL presented generally adequate controls, therefore our rating is B.</p> <p>Recommendation</p> <p><i>RSM recommend AGL reduce the unbilled threshold in which billing exceptions are identified to promote early detection. This also allows the Billing team to manage exceptions within the SLA to mitigate the risk of future instances where customers are billed outside the required timeframe.</i></p>
		Priority 4	Control Adequacy: B	Compliance Rating: 2	
146	Compendium clause 4.4	A retailer must issue a bill to a customer at the address nominated by the customer, which may be an email address.			<p>Discussions with the AGL Billing Team, review of Work Instructions as well as a walkthrough of the customer creation process, confirmed that AGL's billing procedures allow customers to receive bills via email or mail at the customers nominated address or email.</p> <p>A review of complaint data and AGL's Dispute Resolutions Team confirmed, there we no instances during the period where bills were issued to the incorrect address, in compliance with Clause 4.4.</p>
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing (Cont.)			
147	Compendium clause 4.5(1)	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.	<p>From examination of AGL's Technical Invoice Layout agreement with Fuji Xerox and through discussion with the AGL Billing Team, it was noted that customer bills are automatically generated from the SAP system and issued by Fuji Xerox.</p> <p>A sample test of three AGL customer bills confirmed that the bills contained the minimum prescribed information as outlined in Clauses 4.5(1)(a)-(cc), confirming compliance with this obligation.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
149	Compendium clause 4.5(3)	If a retailer identifies and wishes to bill a customer for a 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.	<p>Walkthrough demonstrations with the Billing Team, confirmed that where AGL identifies historical debt relating to WA customers, the debt is transferred to the customer's account and appears as a message on the customers' next bill.</p> <p>Testing performed on three bills issued to customers where historical debt was identified confirmed the amount and basis of the historical debt was included on the customer's bill in accordance with Compendium Clause 4.5(3). Therefore, AGL are compliant with this obligation. Additionally, through our review of AGL's breach register and customer complaint records no non-compliance was noted.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
150	Compendium clause 4.6	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.	<p>Through discussions with the Billing Team, AGL apply the following processes for generating bills:</p> <ul style="list-style-type: none"> ATCO is responsible for all meter readings, which are uploaded via Meter Data Hub ("MDH") into AGL's DOS Hana at the same time MDH sends the meter readings to SAP-ISU system via iDOC. Customer invoices are automatically generated via SAP based on estimates and meter reading data, SAP has appropriate logic and controls to ensure actual and estimated data flow through to the customer's bill. Additionally, SAP runs data validation on each reading with predetermined thresholds. AGL accepts customer own meter reads in WA and has detailed processes and systems for customers to 'self-service'. Self-service meter reads can be completed online or via the phone with the Customer Solutions team. <p>Based on the above, it was confirmed that AGL bases customer bills on either a distributor reading of the meter or a customer's reading of the meter (where applicable).</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing (Cont.)			
152	Compendium clause 4.7(1)	A retailer must use its best endeavours to ensure that metering reading data is obtained as frequently as is required to prepare its bills.	<p>A walkthrough of the billing process in SAP, confirmed that AGL's WA customers are billed quarterly or monthly based on meter reads provided by ATCO or estimates.</p> <p>If ATCO is unable to read the meter, a market estimate is provided and AGL will bill the customer based on the estimate.</p> <p>A walkthrough for a sample WA customer was undertaken to ensure actual reads and estimated data provided by ATCO were correctly applied to the customer.</p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
154	Compendium clause 4.8(1)	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.	<p>Discussions with the Billing Team and a detailed walkthrough of the billing system (SAP-ISU) noted that:</p> <ul style="list-style-type: none"> ATCO is responsible for all meter readings, which are uploaded via Meter Data Hub ("MDH") into AGL's DOS Hana at the same time MDH sends the meter readings to SAP-ISU system via iDOC. If ATCO is unable to access the meter and send an 'actual' read, a market estimate is provided and AGL will bill the customer based on the estimated read. We performed a walkthrough for a sample of WA customers to ensure estimated data provided by ATCO were correctly applied to each customer. Customer bills are automatically generated via SAP based on meter data. SAP has appropriate logic and controls to ensure actual reads and estimated data flow through to the customer's bill. <p>Based on the above, it was confirmed that if AGL is unable to reasonably base a bill on a reading of the meter, an estimated bill is issued to the customer in the manner specified in Clause 4.8 of the Compendium.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
155	Compendium clause 4.8(2)	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).			Examination of one estimated WA customer bill during the audit period and discussions with the Billing Team and the Retail Regulations Team confirmed that AGL's estimated bills explicitly comply with the information required by clauses 4.8(2) (a)-(c) of the Compendium. If the bill is estimated, this information is provided to all customers even if not requested. If the customer requires additional information about the estimated bill, AGL's CSRs are able to retrieve and provide this information.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
156	Compendium clause 4.8(3)	Upon request, a retailer must inform a customer of the basis and the reason for the estimation.			Examination of an estimated WA customer bill during the audit period and discussions with the Billing Team and the Risk and Compliance Team, confirmed that AGL's estimated bills inform the customer of the basis and the reason for the estimation, thus confirming compliance with Compendium Clause 4.8(3). In addition, Customer Service Representatives (CSR Team) are trained and guided by the Billing Kit BPP to provide the customer with the basis and reason for the estimation, where requested. In those cases, they will also provide guidance for the customer to read the meter themselves and provide evidence of the read if applicable. Based on enquiries and examination of documentation, it was concluded that AGL has complied with the obligation during the audit period.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
157	Compendium clause 4.9	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.			Discussions with the Billing Team and review of a sample of estimated and adjusted bills, confirmed that AGL provides the option and guidance for the customer to read the meter themselves or have an actual read arranged. It was confirmed that if an actual read is obtained, there will be an adjustment credit/debit made to the bill, this will be added as line item on the next bill. . Based on enquiries and examination of documentation including a review of an adjusted bill, it was concluded that AGL has complied with the obligation during the audit period.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing (Cont.)			
158	Compendium clause 4.10	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 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.	<p>Review of the Non-Standard Contract and Standard Form Contract terms and conditions and a sample of customer bills, as well as walkthrough discussions with the Billing Team and Risk and Compliance Team confirmed that if a customer is billed on an estimate, they are able to request an actual read.</p> <p>Following the completion of the actual read, the data flows through the regular billing process and customer bills are adjusted based on the actual.</p> <p>Based on enquiries and examination of documentation, we can conclude that AGL were compliant with the obligation during the audit period.</p>
		<div>Priority 5</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
159	Compendium clause 4.11(1)	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.	<p><i>Obligations 159 to 160</i></p> <p>Discussions and walkthroughs with the Billing Team, Sales Fulfillment Team, confirmed that meter testing fees are only charged if the meter is found to be in working order, and therefore there are never any instances where a fee must be refunded. Details can be found within AGL's Non-Standard Form Contract.</p> <p>From querying SAP for all meter tests requested in the audit period, we confirmed that AGL have appropriate controls in place to raise a service order for a meter test. AGL is therefore in compliance with Clause 4.11(1) of the Compendium.</p> <p>Additionally, through our review of AGL's Breach Register and customer complaint records, no non-compliance was identified for obligation 159 or 160.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
160	Compendium clause 4.11(2)	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.	
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
161	Compendium clause 4.12(1)	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. The effective date of change is set out in clause 4.12(2).			Obligations 161 to 163 AGL do not offer alternative tariffs. This was confirmed through review of rates, charges and contract information on AGL's website for WA Customers as well as walkthrough discussions with the Billing Team confirming AGL have one residential and one SME ATCO tariff.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
163	Compendium clause 4.13	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.			
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium)					
Billing (Cont.)					
164	Compendium clause 4.14(1)	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.			Review of a final bill and discussions with the Billing and Sales Fulfillment Team, confirmed that AGL have controls in place that allow the Customer Service Representatives ("CSR") to close a customer's account on request. The CSR creates a final meter read service order with the distributor (ATCO). When the service order is completed, the read is received in SAP and a final bill is automatically generated and issued to the customer, demonstrating compliance with Compendium clause 4.14(1)
		Priority 5	Control Adequacy: N/P	Compliance Rating: 1	
165	Compendium clause 4.14(2)	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 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.			Discussions with the Billing Team, as well as a walkthrough of the SAP billing system controls, confirmed AGL have the following processes in place to manage closed accounts in credit: <ul style="list-style-type: none">SAP will identify any credit amounts at the time of issuing the final bill. This information is then provided on the final bill with a request for the customer to contact AGL to arrange for a refund or credit transfer; andIf after a period of time AGL have not received instructions from the customer AGL have an unclaimed monies process managed by the Credit Team where various activities are completed to ensure the unclaimed amounts are returned to a customer. Based on the above, it was confirmed that AGL asked customers for instructions on where to transfer the amount of credit in the event a closed account credit was identified during the audit period, thus demonstrating compliance with Compendium clause 4.14(2). Additionally, through our review of AGL's breach register and customer complaint records no non-compliance was noted.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
165A.	Compendium clause 4.14(3)	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).			Discussions with the Credit, Affordability and Payments Team, confirmed that AGL do not transfer credits to offset customer debts unless requested to do so by the customer.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
166	Compendium clause 4.15	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.			<i>Obligations 166 to 168</i> A walkthrough with the Customer Solutions Team demonstrated an example of the steps taken by the CSR when conducting a bill review which included advising the customer of all requirements under Compendium clause 4.16(1)(a). We sighted that the CSR completed all necessary fields in SAP to satisfy the bill review.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
167	Compendium clause 4.16(1)(a)	If a retailer is satisfied after conducting a review of a bill that the bill is correct, the retailer <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.			Examination of AGL's billing processes, training modules and relevant Kits as well as undertaking walkthroughs with the Billing Team, confirmed that the following are in place to demonstrate compliance with these obligations: <ul style="list-style-type: none">▪ AGL CSRs are trained and guided by the Kit BPP (Best Practice Procedure) to review bills on request without requiring a customer to pay any amount of the bill or a calculated average of the bill over the previous 12 months;▪ Where a customer is not satisfied with the outcome of the initial review conducted by AGL's 'Care' and 'Resolutions' Teams, the matter will be escalated to the 'Resolutions +' Team where a meter test can be scheduled if the customer agrees to pay the required fee if the meter is found to be operating as expected;
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
168	Compendium clause 4.16(1)(b)	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.			<ul style="list-style-type: none">▪ Alternatively, the customer will be advised of AGL's internal complaints handling processes and details of the WA Ombudsman;▪ CSR's will update the customer account with notes from the call and place relevant flags and locks on the account if the review is subject to further investigation (meter test);▪ CSR's will notify the customer in real time of the outcome of the review. This was confirmed by reviewing SAP interaction notes; and▪ Where a bill is assessed as incorrect by AGL's CSR, the CSR will work with the customer to arrange a credit, refund or re-issue the bill. It was confirmed with the Customer Solutions Team that AGL applied the above processes during the audit period, when a customer requested a bill review, and it was also confirmed that AGL do not charge for bill reviews. Additionally, through our review of AGL's breach register and customer complaint records no non-compliance was noted.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
169	Compendium clause 4.16(2)	The retailer must inform a customer of the outcome of the review (of the bill) as soon as practicable.			Non-Compliance and Control Deficiency – B 2 <i>Obligations 169 to 170</i> Examination of AGL's billing processes, training modules and relevant Kit System BPPs as well as undertaking walkthroughs with the Billing Team, confirmed that AGL has in place a Dispute Resolution Policy and Procedure to respond to a customer in an appropriate timeframe. However, from walkthroughs with the Risk and Compliance Team, it was noted that there was one instance during the audit period where a customer was not informed of the outcome of their bill review in accordance with the timeframe specified in Compendium clause 4.16 (3). Upon identification during this audit AGL investigated the root cause of this instance and attributed it to missing information in the KIT procedure document relating to notifying customers of the outcome of a bill review specifically when a service order is raised for a meter test. AGL advised that this was an isolated incident and confirmed that on 23 June 2022, the procedure document in Kit was updated for agents to include an action to notify a customer in WA on the status of a requested bill review when conducting a meter test. Based on our review of AGL’s breach register, customer complaint records and compliance reports there was no non-compliance noted, however AGL will be reporting this one instance in the FY22 breach report due on the 31 August 2022. Recommendation: <i>We acknowledge that AGL implemented additional controls to address this non-compliance, however the amendment performed on the KIT Procedure document occurred in June 2022, which is outside the audit period. Therefore, we recommend AGL to assess the effectiveness of the update and evaluate the newly implemented workflow procedure in KIT to determine if the procedure is working as expected, ensuring customers are informed of the outcome of the bill review within 20 business days from the date of receipt of the request for review.</i>
		Priority 4	Control Adequacy: A	Compliance Rating: 1	
170	Compendium clause 4.16(3)	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.			
		Priority 4	Control Adequacy: B	Compliance Rating: 2	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing (Cont.)			
171	Compendium clause 4.17(2)	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).	AGL's Standard Form Contract and the Non-Standard Form Contract state that AGL will not charge interest on the undercharged amount. The Billing Team and Risk and Compliance Team confirmed that AGL has not undercharged WA customers as a result of an error, defect or default for which the retailer or distributor is responsible.
		Priority 4 Control Adequacy: N/P Compliance Rating: N/R	
172	Compendium clause 4.18(2) and 4.18(5)	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. No interest shall accrue to a credit or refund referred to in this clause.	<p><i>Obligations 172 to 175</i></p> <p>The Billing Team and Risk and Compliance Team confirmed that during the audit period, AGL has not overcharged WA customers because of an error, defect or default for which the retailer or distributor is responsible.</p> <p>AGL advised that in case there is an overcharge that was caused due to an error by AGL or the Distributor, where the amount is less than \$50 the customer is notified on the next bill and credit applied automatically. Where the overcharge amount is above \$50 customers are notified in writing within 10 business days of AGL becoming aware requesting instructions on from the customer on how to pay the amount.</p> <p>Where a customer requests the amount to be refunded to a nominated bank account this is actioned during the interaction with the customer advised that they should expect the refund to complete within 5 business days. Where the customer requests cheque they are advised this may take up to 10 business days. This is further corroborated in the terms of the Standard and Non-Standard Form contracts.</p> <p>During the audit period, AGL have not overcharged any customers as a result of an error, defect or default for which the retailer or distributor was responsible and therefore the compliance ratings for Obligations 172 to 175 have been assessed as Not Rated.</p>
		Priority 5 Control Adequacy: N/P Compliance Rating: N/R	
173	Compendium clause 4.18(3)	If a retailer receives instructions under clause 4.18(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	
		Priority 4 Control Adequacy: N/P Compliance Rating: N/R	
174	Compendium clause 4.18(4)	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.	
		Priority 5 Control Adequacy: N/P Compliance Rating: N/R	
175	Compendium clause 4.18(6)	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. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
175A	Compendium clause 4.18(7)	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 overcharge to set off the debt owed to the retailer. 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.			Discussions with the Billing Team and Risk and Compliance Team, confirmed during the audit period, AGL has not overcharged WA customers as a result of an error, defect or default for which the retailer or distributor is responsible and applied the amount to offset a customer’s debt. AGL have processes in place to address this obligation. Where a customer that is not experiencing payment difficulties or financial hardship is overcharged, and the customer owes a debt, AGL will offset the debt amount owed by the customer to AGL as an adjustment on the next bill. This is further corroborated within Section 11.2 of the Standard Form Contract During the audit period, AGL have not overcharged any customers and therefore the compliance rating for Obligation 175A has been assessed as Not Rated.
		Priority 5	Control Adequacy: N/P	Compliance Rating: N/R	
176	Compendium clause 4.19(1)	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).			AGL's Standard Form Contract and Non-Standard Form Contract state that AGL will not charge interest on the undercharged amount, amounts to be recovered are limited to the 12 months prior, customers may pay the undercharged amount in instalments and the customer will be notified of the undercharge on their next bill. It was confirmed with AGL that during the audit period, they have not proposed to recover any adjustment amounts that were not the result of any act or omission of the customer and therefore the compliance rating for Obligation 176 has been assessed as Not Rated.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Billing (Cont.)			
177	Compendium clause 4.19(2) and 4.19(6)	<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; • 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>	<p><i>Obligations 177 to 180</i></p> <p>Walkthroughs with the Billing Team and Risk and Compliance Team confirmed AGL become aware of amounts owing to the customer, as a result of revised meter data becoming available. In these instances:</p> <ul style="list-style-type: none"> ▪ AGL's default process is to credit the customer's account and notify the customer on their next bill where SAP manages this process automatically; and ▪ Customers can contact AGL directly to arrange for a refund via cheque or electronic transfer if preferred. These requests will be actioned by AGL's CSR during the call, therefore meeting the 12-business day obligation. <p>An adjustment based on a revised meter read scenario was reviewed, and we verified that a revised bill was issued within 10 business days and the amount was credited to the customer's account complying with obligation 177 and 180.</p> <p>AGL confirmed that in instances where customers are owed an amount over \$50, the customer is asked to provide instructions to AGL for how the funds should be directed. Where instructions are not received, AGL credits the customer's account.</p> <p>Based on our review of AGL's breach register and Customer Complaint records, no non-compliance was noted with Obligations 177 to 180.</p>
		<p>Priority 4</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	
178	Compendium clause 4.19(3)	<p>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.</p>	
		<p>Priority 4</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	
179	Compendium clause 4.19(4)	<p>If a retailer does not receive instructions under clause 4.19(2) within 5 business days of making the request, the retailer must use reasonable endeavours to credit the amount of the adjustment to the customer's account.</p>	
		<p>Priority 5</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	
180	Compendium clause 4.19(5)	<p>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</p> <ul style="list-style-type: none"> • ask the customer for instructions under clause 4.19(2); or • credit the amount to the customer's next bill. 	
		<p>Priority 5</p> <p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Billing (Cont.)					
180A.	Compendium clause 4.19(7)	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. 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.			Walkthroughs with the Billing Team and Credit, Affordability and Payments Team, confirmed that during the audit period where the customer has an active account, and an adjustment is an amount owing to the customer on the same active account, the amounts are credited to the active account with notice to the customer. If, after the set off, there remains an amount of credit, AGL deal with that amount of credit in accordance with clause 4.19(2); or 4.19(5) where the amount is less than \$100. AGL confirmed they do not use customer credits to offset debt between accounts unless requested to do so by the customer.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	Based review of AGL’s breach register and customer complaint records, no non-compliance was noted with Obligations 180A.

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Payment					
181	Compendium clause 5.1	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.			Examination of three bills during sample testing, confirmed that the due date was at least 12 business days from the date of the bill. Discussions with the Billing Team confirmed that rules are set up in the SAP System Architecture to enable the auto population of due dates in line with Compendium clause 5.1.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
182	Compendium clause 5.2	Unless otherwise agreed with a customer, a retailer must offer the customer at least the following payment methods: • 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.			Discussions with the Risk and Compliance Team and our examination of the Standard Form Contract, confirmed that AGL addresses the matter outlined in this obligation within its Contract Terms & Conditions: <i>'Section 10.2 How to pay your bill'</i> Additionally, review of 3 bills during sample testing, confirmed that AGL had offer the following payment methods: <ul style="list-style-type: none">In person at any Australia Post Office;By mail;For residential customers, by Centrepay;Electronically by means of BPay or credit card; andBy telephone by means of credit card or debit card.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
183	Compendium clause 5.3	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.			Review of the Inbound Sales BPP confirmed that detailed guidelines are set out to assist with Direct Debit set up. A walkthrough of a direct debit set up sample was performed and confirmed that the customer's direct debit details were updated correctly in SAP as per customer's verifiable consent and Compendium clause 5.3 In addition, discussions with Credit, Affordability and Payments Team and Risk and Compliance Team, confirmed that customers are able to set up/ change their payment method to direct debit online. When customers update payment details online, there is a control to automatically populate details in SAP.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Payment (Cont.)					
184	Compendium clause 5.4	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.			Walkthrough demonstrations confirmed that all customer overpayments are carried forward to the next bill regardless of amount. Therefore, there is no minimum amount in accepting advanced payments and advanced payments are generally a result of a customer overpayment. AGL are therefore compliant with Compendium clause 5.4.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
185	Compendium clause 5.5	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.			Discussions with the Billing Team confirmed that AGL offer the customer an option to redirect their bills to a third person by adding a temporary address. AGL have detailed work instructions in place to provide adequate guidelines regarding this and these are accessible to CSR staff through "KIT", AGL's knowledge management system. Walkthrough demonstrations confirmed: <ul style="list-style-type: none">AGL is able to add a temporary address on customer request;There are fields set up in SAP to update the 'To' and 'From' date to ensure the request can be processed temporarily; andThe redirection of customer bills is processed at no charge. As indicated above, AGL offer bills to be redirected not only for prescribed circumstances in compendium Clause 5.5, but at any request of the customer, at no charge. Based on discussions with AGL and review of customer complaint records we did not note any non-compliance associated with the Clause.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
186	Compendium clause 5.6(1)	A retailer must not charge a residential customer a late payment fee in the circumstances specified in clauses 5.6(1)(b)-(d).			Walkthrough demonstrations confirmed that all customers in AGL's Staying Connected (' SCON ') hardship program are flagged as hardship customers in SAP. When the hardship flag is applied, the 'Dunning Lock' is automatically activated. The Dunning Lock is applied to trigger SAP controls to stop generating any future Late Payment Fees (" LPF "). In terms of complaints, we noted that when a complaint is raised in Complaint Management System (" CMS "), the Dunning Lock is automatically applied to the customer account. AGL has work instructions for logging a complaint case and for stopping collection activity when a complaint case has been logged. A walkthrough conducted demonstrated that when a complaint is raised in CMS, a Dunning Lock is applied to the customer account. The Dispute Resolutions Team have an onboard training program and regular training throughout the year on applying the Dunning Lock. No non-compliance was identified.
		Priority 4	Control Adequacy: A	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment (Cont.)			
186A.	Compendium clause 5.6(2)	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.	Discussions with the Credit, Affordability and Payments Team, confirmed, for any instances where AGL charged a LPF and subsequently become aware of a complaint to the Ombudsman, there are controls in place to refund the LPF applied, ensuring compliance with Compendium clause 5.6(2). Additionally, through our review of AGL's breach register and customer complaint records no non-compliance was noted.
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	
187	Compendium clause 5.6(3)	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.	Walkthrough demonstrations with the Credit, Affordability and Payments Team and discussions with the Risk and Compliance Team, confirmed AGL is compliant with Compendium clause 5.6(3), as customers are only charged one LPF per bill issued. Compliance was tested through review of AGL's breach register and customer complaint records, also confirming compliance.
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	
188	Compendium clause 5.6(4)	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.	A walkthrough demonstration with the Credit, Affordability and Payments Team, confirmed that AGL only charge one LPF per bill. With monthly billing being the highest billing frequency offered to customers, AGL meets the requirement of a maximum of 12 LPFs per year, in accordance with Compendium clause 5.6(4). Furthermore, through our review of AGL's breach register and customer complaint records, no non-compliance was noted.
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium)					
Payment (Cont.)					
189	Compendium clause 5.6(5)	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.			Walkthrough meeting and discussions with the Credit, Affordability and Payments teams confirmed that during the audit period a sustainable automated solution, being an automated bot, had been implemented by AGL to ensure that any customers who were assessed as being in financial hardship had their LPF retrospectively waived. Sample testing conducted on the Late Fee Waiver reports generated by the automated bot and confirmed that no exceptions were encountered. Further, through our review of AGL's breach register, compliance reports and customer complaint records, no non-compliance was noted specific to Compendium clause 5.6(5). The implementation of automated controls recommended in the previous audit report had been actioned and closed out in the current audit period on 27 August 2019.
		Priority 4	Control Adequacy: A	Compliance Rating: 1	
190	Compendium clause 5.7(1)	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 5.7(1), unless the retailer and the customer have agreed to an alternative date. 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.			<i>Obligations 190 to 191</i> Walkthrough demonstrations with the Billing Team, confirmed AGL's compliance with Compendium clause 5.7(1) and 5.7(2) as there are processes in place to issue a final bill in line with the move-out date advised by the customer. We note that when customers provide AGL with notice of at least 5 business days that the supply address will be vacated, the customer service agent will raise a service order for a final read to be taken at the property by the distributor. In instances where the customer fails to notify their move-out date in advance, AGL backdates the final bill and only charges consumption up to the move-out date. Examination of the Non-Standard Contract and Standard Form Contract confirmed that the customer is not required to pay for gas consumed in the event that the customer is forced to vacate the premises. Review of AGL's breach register, compliance reports and customer complaint records on non-compliance was noted specific to Compendium clauses 5.7 (1) and (2).
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
191	Compendium clause 5.7(2)	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.			
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment (Cont.)			
193	Compendium clause 5.7(4)	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).	Discussion with Risk and Compliance Team, confirmed there had been no occurrences during the audit period, where a customer is required to pay for gas consumed in line with Clause 5.7(4)(a)-(c).
		Priority 4 Control Adequacy: N/P Compliance Rating: N/R	
195	Compendium clause 5.8(1)	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; and while a residential customer continues to make payments under an alternative payment arrangement.	Walkthrough demonstrations performed by the Credit, Affordability and Payments Team, confirmed there are controls embedded in SAP to restrict any debt collection strategies when the Hardship Flag is applied to an account. The "Dunning Lock" is automatically activated to prevent AGL commencing any debt collection activity. All customers who enter the Staying Connected Program ("SCON") (AGL's Hardship Program), are flagged in SAP to avoid any legal action upon them.
		Priority 4 Control Adequacy: N/P Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Payment					
196	Compendium clause 5.8(2)	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.			Examination of the debt recovery process and from discussions with the Credit, Affordability and Payments Team, confirmed that AGL will only collect debt from their customers. We also confirmed that there were no instances where AGL had recovered or attempted to recover a debt relating to a supply address from a person other than the customer with whom the retailer had entered into the contract.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
196A.	Compendium clause 5.8(3)	If a customer with a debt owing to a retailer requests the retailer to transfer the debt to another customer, the retailer may transfer the debt to the other customer provided that the retailer obtains the other customer’s verifiable consent to the transfer.			Review of the Debt Transfer Framework and from discussions with the Credit, Affordability and Payments Team, confirmed there have been no instances where customer debts had been transferred to another customer during the audit period. In addition, the Credit and Affordability Team confirmed that AGL do not transfer debt from customer to customer but only from site to site (if it falls under the same customer - for example instances where a customer has multiple sites under their name, they are able to transfer the debt between their sites).
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship			
198	Compendium clause 6.1(1)	<p>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.</p> <p>If a residential customer provides the retailer with an assessment from a relevant consumer representative, the retailer may adopt that assessment as its own assessment for the purposes of clause 6.1(1)(a).</p>	<p><i>Obligations 198 to 199</i></p> <p>Assessment of AGL's Staying Connected Program Policy, confirmed that AGL assess customers in financial difficulty and provides them with the option to join the Staying Connected ("SCON") Program.</p> <p>AGL has the following controls in place to assess a customer's financial situation within 5 business days:</p> <ul style="list-style-type: none"> ▪ The SCON Program, as part of their Customer Hardship Policy. This policy in conjunction with KIT BPP's and procedure documents assists AGL's employees in performing a preliminary assessment of a customer's financial situation; ▪ CSRs are responsible for performing the initial assessment of the customer in line with the Customer Hardship Policy. Initial assessment, for both customers experiencing either payment difficulties or financial hardship, is performed in real time with the customer on the phone and therefore complies with the timeframe component of the obligation; ▪ Customer Solutions Team are sufficiently trained and guided by the Kit BPP to allow them to make the assessment over the phone; ▪ When a preliminary assessment of a customer has been performed, the CSR is required to document the discussion and outcome on the customer's profile within SAP; ▪ The Customer Resolution ("CR") Team will be responsible for assessing the customer's financial position and assessing the customers eligibility into the Hardship Utility Grant Scheme ("HUGS"). The CR Team will also provide referrals to the Energy and Water Ombudsmen (WA), as well as offer a range of payment options that are available to customers. <p>Customer Solutions Team will assess the customer's financial situation by using:</p> <ul style="list-style-type: none"> ▪ Information provided by the customer; ▪ Information held by AGL; and ▪ Information from relevant 3rd parties (e.g., financial counsellors)
		<div>Priority 4</div> <div>Control Adequacy: A</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
199	Compendium clause 6.1(3)	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 given by the residential customer and requested or held by the retailer; or advice given by a relevant consumer representative.	<p>(Cont.)</p> <p>Examination of supporting documentation and sampling of three customers that were part of the AGL's SCON Program confirmed:</p> <ul style="list-style-type: none"> ▪ The initial assessment was conducted immediately by the CSR (less than 5 days) with the customer on the phone; ▪ Phone calls records were available and subjected to internal quality assurance ("QA") providing details about the Financial Hardship program assessment performed by the Customer Solutions Team; ▪ The details of the assessment were provided to the customer on request; ▪ Staying Connected Program Welcome Letters were sent to the customers detailing terms and conditions of the hardship program they signed up for; ▪ Customer Solutions Team performed an evaluation on each customer for eligibility to Government Grants and Concessions taking in consideration: <ul style="list-style-type: none"> - Total customer debt; - The amount being applied for; and - The timeframe the customer must be part of the SCON program ▪ The Customer Solutions Team displayed competency to assess a customer's financial situation. <p>AGL performed all assessments internally to confirm the customers payment difficulty situation and did not refer customers to external financial counsellor (for the purpose of assessment) during the audit period.</p> <p>Therefore, AGL are compliant with Obligations 198 and 199.</p>
		Priority 4	Control Adequacy: A Compliance Rating: 1

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Payment Difficulties & Financial Hardship (Cont.)					
200	Compendium clause 6.1(4)	A retailer must advise a residential customer on request of the details of an assessment.			<i>Obligations 200 to 200A</i> Examination of relevant documentation and sampling of three customers that were part of the AGL’s SCON Program and discussions with the Retail Energy Regulations Team, confirmed the following: <ul style="list-style-type: none">▪ The Customer solutions Team are aware that customers are entitled to information regarding their assessment;▪ From the samples tested, it was noted that in all instances the customer received details of the assessment in order to be part of AGL’s Staying Connected Program and the CSR provided the customer with the relevant information as well as an assessment on customer eligibility accordingly.▪ The Customer Solutions Team informed customers if their application has been denied and will advise them of additional payment options available, such as payment plans or time extensions;▪ If a customer informs AGL that they are experiencing payment problems, AGL provides the customer with a temporary suspension of actions for a period of at least 15 business days, upon request from the customer;▪ Staying Connected Program Welcome Letters are sent to the customers detailing terms and conditions of the hardship program they signed up for;▪ Customer Solutions Team CSR’s performed an evaluation on each customer for eligibility to Government Grants and Concessions taking in consideration:<ul style="list-style-type: none">- Total customer debt;- The amount being applied for; and- The timeframe the customer must be part of the SCON program▪ Customer Solutions Team will investigate on behalf of the customer their eligibility for HUGS and if the customer is eligible;▪ The customer will not be notified by AGL if the application for a HUGS grant has been approved. As a result, the customer will become aware of the approval of the grant via a reduction of debt on the next bill; and▪ AGL has performed all assessments internally to confirm the customers payment difficulty situation and has not referred a customer to an external financial counsellor (for the purpose of assessment) during the audit period.
		Priority 4	Control Adequacy: A	Compliance Rating: 1	
200A.	Compendium clause 6.2(1)	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.			
		Priority 4	Control Adequacy: A	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Payment Difficulties & Financial Hardship (Cont.)					
201	Compendium clause 6.2(2)	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 customer demonstrates to the retailer that the customer has an appointment with a relevant consumer representative to assess the customer's capacity to pay.			<p><i>Obligations 201 to 203</i></p> <p>Examination of supporting documentation, including the Hardship Policy and HUGS Guideline, and sampling of three customers that were part of the AGL's SCON Program, as well as discussions with the Retail Regulations Team, confirmed that AGL have controls in place (to enable the customer's account to be suppressed from any credit or collection activities for at least 15 business days.</p> <p>The following controls are in place:</p> <ul style="list-style-type: none">▪ Phone calls records are available for quality assurance purposes and provide details about Financial Hardship program assessment performed by the CSR Team;▪ CSR's perform an evaluation on each customer for eligibility to Government Grants and Concessions taking in consideration:<ul style="list-style-type: none">- Total customer debt;- The amount being applied for; and- The timeframe the customer must be part of the SCON Program▪ AGL does not deny a customer's request for temporary suspension of actions, if the customer demonstrates to AGL that the customer has an appointment with a relevant consumer representative organisation to assess the customer's capacity to pay, however from the sample tested, we did not identify any instances when the consumer representative or residential customer was unable to complete the assessment on time;▪ Sample testing confirmed that AGL performs all customer financial assessments internally to determine payment difficulties or financial hardship; and▪ If a residential customer informs AGL that they are experiencing payment difficulty, AGL will provide the customer with a temporary suspension of actions for a period of at least 15 business days, upon customer request. Additionally, review of AGL's breach register and customer complaint records no non-compliance was noted.
		Priority 4	Control Adequacy: A	Compliance Rating: 1	
202	Compendium clause 6.2(3)	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.			
		Priority 4	Control Adequacy: A	Compliance Rating: 1	
203	Compendium clause 6.2(4)	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.			
		Priority 5	Control Adequacy: A	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
204	Compendium clause 6.3(1)	<p>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).</p>	<p>Examination of the Hardship Policy and HUGS Guideline, as well as discussions with the Credit and Affordability Team, confirmed that AGL had controls in place during the audit period to offer alternative payment arrangements such as payment extensions or payment instalment plans to customers who are experiencing payment difficulties or financial hardship.</p> <p>In addition, examination of supporting documentation for a sample of three customers that were part of the AGL's SCON Program confirmed:</p> <ul style="list-style-type: none"> Phone calls records are available for quality assurance purposes and provide details about Financial Hardship program assessment performed by the Customer Solutions Team. These records provide evidence that the CSR's assessed the customer financial situation accordingly providing assistance in line with clause 6.3 (1) and based on the conditions of the AGL's Staying Connected Program such as: <ul style="list-style-type: none"> Reduction of fees in accordance with Clause 6.6; Alternative payment arrangements in accordance with Clause 6.7; Provide the customer with relevant information in accordance with Clause 6.8; and Payment in advance as per Clause 6.9 - the CSR's agreed a minimum payment to be set up as part of the payment schedule. Customer Solutions Team performed an evaluation on each customer for eligibility to Government Grants and Concessions taking in consideration: <ul style="list-style-type: none"> Total customer debt; The amount being applied for; and The timeframe the customer must be part of the SCON Program <p>The testing performed, confirmed that CSRs advised the customers of additional assistance set out in clause 6.6 to 6.9.</p>
		<div>Priority 4</div> <div>Control Adequacy: A</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
205	Compendium clause 6.4(1)	<p>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).</p>	<p>Examination of the Hardship Policy and HUGS Guideline, as well as discussions with the Risk and Compliance Team, confirmed:</p> <ul style="list-style-type: none"> AGL has procedures in place to offer payment extensions or payment instalment plans to customers experiencing payment difficulties or financial hardship; and Any payment instalment plan provided a customer is at no cost and interest free. <p>Examination of supporting evidence and sampling of three customers that were part of the AGL's Staying Connected Program confirmed that that the payment arrangements offered met the requirements specified in clauses 6.4(1) (a) and (b).</p> <p>Additionally, as detailed above, we confirmed:</p> <ul style="list-style-type: none"> Phone calls records were available and subject to internal quality assurance ("QA") providing details about the Financial Hardship program assessment performed by the CSR Team; The details of the assessment were provided to the customer on request; Staying Connected Program Welcome Letters were sent to the customers detailing terms and conditions of the hardship program; The Customer Solutions Team performed an evaluation on each customer for eligibility to Government Grants and Concessions taking in consideration: <ul style="list-style-type: none"> Total customer debt; The amount being applied for; and The timeframe the customer must be part of the SCON Program The Customer Solutions Team displayed competency to assess a customer's financial situation
		<div>Priority 4</div> <div>Control Adequacy: A</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
206	Compendium clause 6.4(2)	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).	<p><i>Obligations 206 to 206A</i></p> <p>Examination of supporting documentation, including the Hardship Policy and HUGS Guideline and sampling of three customers that were part of the AGL's Staying Connected Program, as well as discussion with the Credit and Affordability Team, confirmed that AGL has the following in place to ensure compliance with Compendium clause 6.4(2) for placing customers onto a payment instalment plan:</p> <ul style="list-style-type: none"> Each payment instalment plan is tailored to the needs of each customer and considers their capacity to pay and consumption history. Therefore, the Customer Solutions Team determine on a case-by-case basis whether the instalment plan is applicable to the customer. In addition to that, the CSR's considers the customer's ability to meet the overall costs of their basic living needs in order to help determine their capacity to pay; The details of the assessment are to be provided to the customer on request; The Customer Solutions Team will inform customers if their application has been denied and will advise them of additional payment options available such as payment plans or time extensions; Details on how to reduce energy usage (such as energy reduction initiatives on AGL's website) are provided to the customer; Within 5 business days of a customer accepting a payment instalment plan, the customer is provided at no cost and interest free with written confirmation of the agreed arrangement through Staying Connected Program Welcome Letters, confirming the agreed amount to pay on each scheduled date, commencement date and terms (including the need to contact AGL for assistance in the event that the plan cannot be met); and The Hardship Policy outlines the steps AGL takes when offering an Instalment plan to a residential customer in line with Clauses 6.4(2) of the Compendium. <p>Examination of supporting documentation and sampling of three customers that were part of the AGL's Staying Connected Program, confirmed no non-compliance. This was further confirmed through the review of AGL's breach register, the review of compliance reports, and customer complaint records.</p>
		Priority 4	Control Adequacy: A Compliance Rating: 1

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
206A.	Compendium clause 6.4(3)	<p>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.</p>	<p><i>Obligations 206 to 206A</i></p> <p>Examination of supporting documentation, including the Hardship Policy and HUGS Guideline, and sampling of three customers that were part of the AGL's Staying Connected Program, as well as discussion with the Credit and Affordability Team, confirmed that AGL has the following controls for providing customers with a payment instalment plan:</p> <ul style="list-style-type: none"> When determining whether the instalment plan is applicable to the customer, AGL considers the customer's ability to meet the overall costs of their basic living needs in order to help determine their capacity to pay; The details of the assessment are to be provided to the customer on request; Details on how to reduce energy usage (such as energy reduction initiatives on AGL's website) are provided to the customer; Within 5 business days of a customer accepting a payment instalment plan, the customer is provided at no cost and interest free with written confirmation of the agreed arrangement through Staying Connected Program Welcome Letters confirming the agreed amount to pay on each scheduled date, commencement date and terms (including the need to contact AGL for assistance in the event that the plan cannot be met); and <p>The Hardship Policy outlines the steps AGL takes when offering an Instalment plan to a residential customer in line with Clauses 6.4(2) of the Compendium.</p> <p>Testing performed above and review of the AGL's breach register, compliance reports and customer complaint records, no non-compliance was identified.</p>
		Priority 4	Control Adequacy: A Compliance Rating: 1

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium)					
Payment Difficulties & Financial Hardship (Cont.)					
208	Compendium clause 6.6(1)	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.			<p><i>Obligations 208 to 209</i></p> <p>Examination of supporting evidence and sampling of three customers that were part of the AGL's Staying Connected Program, confirmed:</p> <ul style="list-style-type: none">▪ Phone call records that provide details about the Financial Hardship program assessment were performed by the Customer Solutions Team; and▪ Staying Connected Program Welcome Letters were sent to the customers confirming the agreed amount to pay on each scheduled date, commencement date and terms (including the need to contact AGL for assistance if the plan cannot be met). <p>No instances of customers requesting a reduction of fees and charges other than consumption charges during the audit period were identified. Examination of the Hardship Policy and HUGS Guideline, as well as discussion with the Credit and Affordability Team, determined that during the audit period, AGL applied its Financial Hardship Assessment procedure, which requires the Customer Solutions Team to give reasonable consideration to a request by a customer or by a relevant consumer representative organisation for a reduction and/or waiver of fees, charges and debt.</p>
		Priority 5	Control Adequacy: A	Compliance Rating: 1	
209	Compendium clause 6.6(2)	In giving reasonable consideration under clause 6.6(1), a retailer should refer to the hardship procedures referred to in clause 6.10(3).			
		Priority 4	Control Adequacy: A	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
210	Compendium clause 6.7	<p>If it is reasonably demonstrated to the retailer that the customer, experiencing financial hardship, is unable to meet the customer's obligations under a payment arrangement, a retailer must give reasonable consideration to offering the customer an instalment plan or offering to revise an existing instalment plan.</p>	<p>AGL's CSR's have access and are trained on the SCON Work instruction document that shows how a customer should be included in the system to evaluate their current financial status. The SCON Work Instruction document details the process to be followed by the CSR's when a customer with an existing payment arrangement demonstrates they are unable to meet their current obligations.</p> <p>The SCON Work Instruction also details a set of questions to ensure all customers are given reasonable consideration and to determine the most adequate outcome of the customer financial assessment. The system will use historical information to provide the most suitable option as part of the customer financial assessment.</p> <p>In addition, CSR's use and are trained on the Financial Support Kit BPP document, that provides scripts and Work Instructions to ensure that regulatory requirements are consistently met.</p> <p>For a sample of three customers that were part of the AGL's Staying Connected Program, phone call records and the Staying Connected Welcome letters were reviewed to confirm compliance with Compendium clause 6.7. It was noted the following controls were in place in SAP during the audit period:</p> <ul style="list-style-type: none"> ▪ The CSR's revised the existing instalment plan in those cases where the customer was unable to meet the previous elected payment arrangement; ▪ Payment extensions are provided to customers on request by the CSR's; and ▪ An instalment plan, or revision to the current instalment plan, was provided to customers on request by the CSR's in all three instances.
		<div>Priority 5</div> <div>Control Adequacy: A</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
211	Compendium clause 6.8	<p>A retailer must advise a customer experiencing financial hardship of the options specified in clause 6.8.</p>	<p>The Hardship Policy outlines the customers' rights, responsibilities and specifically outlines the provision of information requirements as per Compendium clause 6. Every customer who advises AGL that they are experiencing payment difficulties, will be offered a payment plan and will be assessed to be part of the SCON Program.</p> <p>From review of a sample of three SCON customers, we confirmed that:</p> <ul style="list-style-type: none"> ▪ The details of the assessment are to be provided to the customer on request; ▪ The Customer Solutions Team inform customers if their application has been denied and will advise them of additional payment options available such as payment plans or time extensions for payment; ▪ Staying Connected Program Welcome Letters are sent to the customers detailing terms and conditions of the hardship program they signed up for. The welcome letters included the information as specified in Compendium clause 6.8; ▪ The CSR's performed an evaluation of each customers eligibility to Government Grants and Concessions by taking into consideration: <ul style="list-style-type: none"> - Total customer debt; - The amount being applied for; and - The timeframe the customer must be part of the SCON Program.
		<div>Priority 4</div> <div>Control Adequacy: A</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
212	Compendium clause 6.9(1)	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.	<p>Examination of the Hardship Policy and HUGS Guideline, as well as discussion with the Risk and Compliance Team, confirmed that AGL's CSR's agree with the customer on a minimum payment to be set up as part of the payment schedule. AGL's business practice is that a minimum amount of \$10 can be paid by a customer at any time and this serves as a guide (where any payments below or above this amount will be accepted). This is also regardless of whether the customer is part of the Staying Connected Program or not.</p> <p>Examination of supporting documentation for a sample of three customers that were part of the AGL's Staying Connected Program we determined that:</p> <ul style="list-style-type: none"> Phone calls records are available for quality assurance purposes and provide with details about Financial Hardship program assessment performed by the CSR Team; The details of the assessment are to be provided to the customer on request; The Customer Solutions Team will inform customers if their application has been denied and will advise them of additional payment options available such as payment plans or time extensions; Staying Connected Program Welcome Letters are sent to the customers detailing terms and conditions of the hardship program they signed up for; The CSR's performed an evaluation on each customer for their eligibility for Government Grants and Concessions by taking into consideration: <ul style="list-style-type: none"> Total customer debt; The amount being applied for; and The timeframe the customer must be part of the SCON Program. Every customer who advised AGL of payment difficulties, will be offered to be part of a payment plan and will be assessed to be part of the SCON Program; and If a residential customer informs AGL they are experiencing payment problems, AGL provides the customer with a temporary suspension of actions for a period of at least 15 business days upon request. <p>In addition, through discussion with the Credit and Affordability Team, customers who are experiencing payment difficulties or financial hardship can extend the due date of their bill and may make different minimum payments, however AGL's SCON Program does not require the customer to make payments in advance.</p>
		Priority 4	Control Adequacy: A Compliance Rating: 1

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Payment Difficulties & Financial Hardship (Cont.)			
214	Compendium clause 6.10(1)	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.	<p><i>Obligations 214 to 216</i></p> <p>AGL has in place a Customer Hardship Policy, to accommodate instances where individual customers experience payment difficulties or financial hardship.</p> <p>The Customer Hardship Policy is:</p> <ul style="list-style-type: none"> ▪ Applicable to those customers who are assessed as experiencing payment difficulties or financial hardship; ▪ Designed to assist customers in meeting their financial obligations for AGL; and ▪ Applicable only to residential customers. <p>Based on examination of the latest Hardship Policy, we determined that the policy complied with all requirements specified in Clauses 6.10(2) and 6.10(3) of the Compendium.</p> <p>In addition, the Customer Hardship Policy is available:</p> <ul style="list-style-type: none"> ▪ On the AGL website; ▪ On the ERA's website; and ▪ In large print at AGL offices upon request. <p>AGL employees are trained to advise customers on where the policy can be accessed, or if requested to send a copy via post or email at no charge.</p> <p>Given the accessibility of the policy electronically and based on discussions with the Risk and Compliance Team there were no formal requests made by customers to provide the hardship policy by post, furthermore, AGL will not charge customers for this request. Additionally, through our review of the compliance register and customer complaints, no non-compliance was noted with respect to customer requests for the hardship policy.</p>
		Priority 4	
215	Compendium clause 6.10(2)	A retailer must ensure that its hardship policy complies with the criteria specified in clause 6.10(2).	
		Priority 4	
215A.	Compendium clause 6.10(3)	A retailer must ensure that its hardship procedures comply with the criteria specified in clause 6.10(3).	
		Priority 4	
216	Compendium clause 6.10(4)	If requested, a retailer must give residential customers and relevant consumer representatives a copy of the hardship policy, including by post at no charge.	
		Priority 4	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Payment Difficulties & Financial Hardship (Cont.)					
219	Compendium clause 6.10(6)	If directed by the ERA, the retailer must review its hardship policy and hardship procedures, in consultation with relevant consumer representatives, and submit to the ERA the results of that review within 5 business days after it is completed.			Obligations 219 to 220A Discussions with the Risk and Compliance Team, Retail Regulations Team and the Credit, Affordability and Payments Team as well as review of the Customer Hardship Policy (dated 26 June 2017), confirmed that AGL reviews the Financial Hardship Policy on a periodic basis for potential updates and to confirm alignment with the ERA's Financial Hardship Policy Guidelines. Any updates to the Customer Hardship Policy are then submitted to the ERA in a timely manner.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
220	Compendium clause 6.10(7)	A retailer must comply with the ERA's Financial Hardship Policy Guidelines.			It was confirmed that the ERA had not made any directions to AGL to review its hardship policy and hardship procedures within the audit period. We noted that in the current audit period, the ERA had three contacts registered for AGL, in addition to the centralised Regulatory mailbox. To check compliance with the ERA's Financial Hardship Policy Guidelines, we compared AGL's Hardship Policy and Procedure against each of the requirements outlined in the ERA's policy guidelines. From this, we identified that AGL's Hardship procedure was compliant with the ERA's requirements. Based on enquiries and examination of documentation, it was concluded that AGL has complied with these obligations during the audit period.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
220A	Compendium clause 6.10(8)	If a retailer makes a material amendment to its hardship policy, the retailer must consult with relevant consumer representatives and submit a copy of the amended policy to the ERA within 5 business days of the amendment.			
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
221	Compendium clause 6.11	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.			Discussions with the Risk and Compliance Team, Retail Regulations Team, and the Credit, Affordability and Payments Team, as well as review of the Customer Hardship Policy (dated 26 June 2017), confirmed: <ul style="list-style-type: none">AGL is not obliged to include business customers in its Hardship policy and therefore have stated the following in Clause 3.3: "...Business and farm customers are ineligible for the Staying Connected program...";The Customer Solutions Team is trained to apply AGL's Financial Hardship processes by considering hardship situations on a case-by-case basis, including business customers; andDuring the audit period, AGL considered requests where business customers sought alternative payment arrangements after experiencing financial difficulty. In these cases, AGL worked with businesses to set up alternative payment arrangements to support them while experiencing payment difficulties. It was noted that the approach is tailored to each customer on a case-by-case basis to the specific circumstances of the business (e.g. extending payment deadlines). Based on our review of AGL's Breach Register and customer complaints from business customers no non-compliance was noted.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Reconnection					
228	Compendium clause 8.1(1)	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.			The Retail Regulations Team confirmed there had been no instances of reconnection after disconnection for non-payment as a result of AGL's business decision to not to disconnect customers for non-payment. Through review of the Non-Standard Contract, we confirmed that these requirements are captured in Section 12 of the contract. In addition, it was also confirmed during walkthrough discussions with the Retail Regulations Team that there were no disconnections for 'denying access to the meter' or 'illegal use' during the audit period, therefore no reconnections.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	
229	Compendium clause 8.1(2)	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.			The Retail Regulations Team confirmed there had been no occurrence of reconnection requests after disconnection for non-payment due to AGL's business decision to not to disconnect customers for non-payment. In addition, it was confirmed that AGL's Connection processes will be applied in the event of a reconnection. Through discussions with the Sales Fulfillment Manager, review of exception reporting, review of Training Modules for Customer Service Representatives ("CSR") and walkthroughs of AGL's systems (SAP and the Meter Data Hub ("MDH")) we confirmed that during the audit period, AGL maintained controls for arranging and processing Gas Connections for WA customers.
		Priority 4	Control Adequacy: N/P	Compliance Rating: N/R	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Information & Communication					
231	Compendium clause 10.1(1)	A retailer must give notice to each of its customers affected by a variation in its tariffs, fees and charges no later than the next bill in the customer's billing cycle.			From walkthroughs conducted with the Retail Regulations Team, we confirmed AGL is compliant with Compendium clause 10.1(1) as we sighted that AGL 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. Additionally, based on our review of AGL's breach register and customer complaint records, no non-compliance was noted.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
232	Compendium clause 10.1(2)	A retailer must give or make available to a customer on request, at no charge, reasonable information on the retailer's tariffs, fees and charges, including any alternative tariffs that may be available to the customer.			Based on discussions with the Risk and Compliance Team, we confirmed there have been instances of customers requesting for information on tariffs. These have been actioned by providing the customer with a Price and Product Information Statement or a Quote Pack, free of charge. In addition, from review of the AGL website, we noted that Price and Product Information Statements are available for customers to compare different tariff options whilst general tariff information is included in customer contracts. Review of AGL's breach register and customer complaint records confirmed compliance with obligations to provide customers with information on tariffs.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
233	Compendium clause 10.1(3)	A retailer must give or make available to 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.			Walkthrough demonstrations performed by the Risk and Compliance Team, confirmed that there is a control in SAP that is automated to send out Quote Packs. The rules are embedded in SAP to send these packs to customers on the next business day from the date the quote was provided. The Risk and Compliance Team also confirmed that Quote Packs are delivered to the customer no later than the next business day via email and if requested are manually posted (through an automated process in SAP) to the customer in writing free of charge. Based on the testing performed AGL complied with the timeframe specified in clause 10.1(3) of the Compendium.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Information & Communication (Cont.)			
234	Compendium clause 10.2(1)	A retailer must, on request, give a customer their billing data.	<p>Walkthrough demonstrations performed by the Billing Team, confirmed that AGL have controls to generate billing data for the period requested by the customer.</p> <p>Review of the Training Modules and Work Instructions determined that the Customer Service Representatives (“CSRs”) are provided with standard guidelines which instruct them on how to provide billing data on customer request. Kit scripting in place also sets out the guidelines to be followed in the event of any billing queries.</p> <p>The Billing Team confirmed that billing data requests were routinely completed by CSRs using the above processes during the audit period and were provided to the customers free of charge.</p>
		Priority 4	Control Adequacy: N/P
235	Compendium clause 10.2(2)	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.	<p>Walkthrough demonstrations an example customer with Billing Team, confirmed compliance Compendium clause 10.2(2), as SAP allows retrieval of billing data for at least the previous two years. Through discussions with the Billing Team, it was confirmed that AGL do not charge customers for billing data requests regardless of the period or frequency of the request. Additionally, through our review of AGL’s breach register and customer complaint records, no non-compliance was noted.</p>
		Priority 4	Control Adequacy: N/P
236	Compendium clause 10.2(3)	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.	<p>Walkthrough demonstrations with the Billing Team confirmed that SAP is automated to send out the billing query data and Statement of Consumption and Payment.</p> <p>The rules embedded in SAP send the statements to customers on the next business day from the date of the request, ensuring compliance with the timeframes of clause 10.2(3) of the Compendium. Additionally, through our review of AGL’s breach register and customer complaint records no non-compliance was noted.</p>
		Priority 4	Control Adequacy: N/P

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description			Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)					
Information & Communication (Cont.)					
237	Compendium clause 10.2(4)	A retailer must keep a customer’s billing data for 7 years.			Walkthrough demonstrations with the Risk and Compliance Team, confirmed that SAP has the capacity to retain customer billing data for a minimum of seven years, despite AGL’s short operation history of two years in WA. This was further verified from review of the SAP Retail Archiving document.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	In addition, the system demonstration and walkthrough undertaken, confirmed that AGL have appropriate back-up processes in place, and the full database is backed up on a quarterly basis.
238	Compendium clause 10.3	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)			Examination of the following documents, confirmed that AGL offer information on types of concessions available to their customers through: <ul style="list-style-type: none">▪ Welcome Packs;▪ Bills; and▪ Ad hoc customer requests. The information is provided at no charge to customers. Review of Kit BPP scripts for all inbound, outbound and third-party sales and discussion with the Risk and Compliance Team confirmed that the mandatory information is provided to all customers upon request. In addition, sample testing of sales calls, confirmed that all customers were advised of concession options. Outside of sales calls, discussions with the Risk and Compliance Team, confirmed that on request, AGL will also provide information regarding concessions to customers.
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	
239	Compendium clause 10.4	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.			Review of a WA customer bill confirmed that customers are informed of the website details where they can access energy efficiency information. In addition, AGL have a direct line as well as online customer service to address customer requests ("Here to Help Portal").
		Priority 4	Control Adequacy: N/P	Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Information & Communication (Cont.)			
240	Compendium clause 10.5	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.	Discussions with the Sales Fulfillment Team confirmed that AGL have established User Guides to provide essential contact details that customer may request. AGL's Useful Numbers Guide captures all critical contact details and we confirmed this included the distributor numbers. The Kit BPP script also refers to the Useful Numbers Guide as a reference point. During the audit period, all requests for distributor related information were directed to ATCO. The direct number is provided to the customer as per the internal procedures listed above, demonstrating compliance with Compendium clause 10.5. Furthermore, based on our review of the AGL's breach register and customer complaint records, no non-compliance was noted.
		Priority 4	Control Adequacy: N/P
245	Compendium clause 10.9	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 language and is in a format that makes it easy to understand.	Discussions with the Risk and Compliance confirmed that AGL provide a Welcome Pack to all their new customers. A review of a sample Welcome Pack determined that all the information required in by the Compendium is included and disclosed in the Welcome Pack in an easy way for the customer to understand with a variety of contact numbers, to address any specific questions a customer may have regarding the information disclosed.
		Priority 5	Control Adequacy: N/P
246	Compendium clause 10.10(1)	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.	Examination of AGL website confirmed that copies of the Gas Marketing Code and the Compendium are available. In addition, AGL's Welcome Pack outlines that these documents are accessible on AGL's website. The Kit BPP scripts also guide agents with assisting customers who request a copy of the code or Compendium. The Customer Solutions Team direct customers to AGL's website if a copy of the Gas Marketing Code and the Compendium is requested. In addition, AGL have confirmed that during the audit period, no customers have enquired about how they can obtain a copy of the Gas Marketing Code and the Compendium, however, will fulfil this request by directing the customers to its website or alternative means convenient for the customer.
		Priority 4	Control Adequacy: N/P

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Information & Communication (Cont.)			
249	Compendium clause 10.11(1)	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).	Discussions with the Risk and Compliance Team confirmed that the interpreter service is provided to customers on request and at no charge. Details of the interpreter services offered are communicated to customers through welcome packs, bills and sales calls.
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	
250	Compendium clause 10.11(2)	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; • independent multi-lingual services; and • interpreter services with the National Interpreter Symbol. 	Examination of a sample bill and reminder notices, confirmed that the below telephone numbers were captured in the bill and reminder notices: <ul style="list-style-type: none"> ▪ TTY services; and ▪ interpreter services with the National Interpreter Symbol. It is acknowledged that independent multi-lingual services are provided through the "Interpreter Services". Additionally, we confirmed that during the audit period AGL made a business decision to not disconnect customers in WA, therefore the requirement regarding disconnection warnings does not apply.
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Complaints & Dispute Resolution			
251	Compendium clause 12.1(1)	<p>A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.</p>	<p>Discussions with Dispute Resolutions Team and review of the Complaints Management Framework, Dispute Resolution Policy and Standard Form and Market Contract Terms and conditions, confirmed the following controls:</p> <ul style="list-style-type: none"> AGL's Complaint Management Policy and Complaint Management Framework is aligned to ensure compliance with the AS/NZS 10002:2014 and is consistent with ISO 10002:2018; AGL's Standard Complaints and Dispute Resolution Policy is available to customers via AGL's website at no cost; AGL's internal dispute resolution process ensures complaints are managed by the appropriate team who are skilled to investigate and manage complaints from of simple issues through to complex concerns. <p>The highest internal escalation The Dispute Resolution Team are the highest internal escalation investigation point, and this Team manages complaints made to the executives and senior management team as well as complaints which may pose a related to high reputational or high risk. and complaints made directly to senior management. This team also manages as well as complaints received requiring investigation from the Energy & Water Ombudsman (WA) Schemes; produces monthly end to end complaints reporting for the Chief Customer Officer which includes internal and ombudsman complaint volumes, trends, drivers, insights and voice of customer case studies. perform complaints overview every month which month which report on internal complaints, ombudsman complaints, the complaints severity rating and complaint drivers.</p> <p>In addition, we reviewed a sample of three complaints made by WA customers during the audit period to ensure the internal process for handling complaints and resolving disputes were correctly implemented by AGL. From our testing, we did not identify any instances of non-adherence with AGL's internal complaints handing process.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Complaints & Dispute Resolution (Cont.)			
252	Compendium clause 12.1(2)	<p>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).</p> <p>The complaints handling process must be available at no cost to customers.</p>	<p>AGL's Complaints Management Policy and Complaint Management Framework was developed and aligned to ensure compliance with the AS/NZS 10002:2014.</p> <p>Discussions with the Dispute Resolutions Team and review of AGL's website, the Complaints Management Framework and the Dispute Resolution Policy, confirmed AGL meets the requirements of Subclauses 12.1(2) per the obligation. Specifically, the framework and policy outlines:</p> <ul style="list-style-type: none"> ▪ How complaints can be lodged by customers; ▪ How complaints will be handled by AGL; and ▪ Response times and methods for complaints. <p>AGL's Standard Complaints and Dispute Resolution Policy is available to customers via AGL's website at no cost.</p> <p>The Performance Manager for External Dispute Resolution also confirmed there is specific induction training, ongoing training and coaching regarding complaints management. We sighted a sample of training modules regarding complaints to confirm this.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Complaints & Dispute Resolution (Cont.)			
254	Compendium clause 12.1(3)(a)	<p>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).</p>	<p>AGL's Dispute Resolution Policy outlines the customer has the right to request their complaint to be reviewed by a higher level AGL representative.</p> <p>This is supported by AGL's formal Internal Dispute Resolution Process Complaints Escalation Policy, which ensures that internal dispute resolution process which ensures complaints are managed by the appropriate team who are skilled to investigate and manage complaints from simple issues through to complex concerns consists of three teams within Customer Solutions (Care, Resolutions and Resolutions +) where each team is skilled in responding to complaints at varied degrees of complexity. The Customer Advocacy Team are the highest internal escalation point and this Team manages high reputational risk and complaints made directly to senior management.</p> <p>In addition, the Dispute Resolution Policy is available on AGL's website at no cost.</p> <p>AGL's Standard Complaints and Dispute Resolution Policy is available to customers via AGL's website at no cost.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	
255	Compendium clause 12.1(3)(b)	<p>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 gas ombudsman or another relevant external dispute resolution body and provide the Freecall telephone number of the gas ombudsman.</p>	<p>AGL's provides the contact information for the Energy & Water Ombudsman WA for customers on AGL's website. Customers can seek further assistance from the can raise Dispute Resolution Policy outlines that the customer is entitled to raise the complaint with the Energy and Water Ombudsman Western Australia (WA) if they are dissatisfied with the outcome or handling of their complaint. There is no charge for this. Sample testing conducted for three customers who had raised complaints during the audit period and confirmed that for all samples the complaint was resolved internally and, in a manner acceptable to the customer.</p> <p>AGL provides the reason for the complaint outcome to the customer and advise the customer of the Energy and Water Ombudsman (WA) Freecall contact details in the event the customer is not satisfied. This information is also available on AGL's website.</p> <p>These details are also be provided to the customer in writing, if AGL has been unable to resolve the customer's complaint within 28 days.</p> <p>Additionally, AGL's Standard Form Contract and Non-Standard Contract notifies the customers of their dispute resolution policy and lists the WA Ombudsman contact information.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Complaints & Dispute Resolution (Cont.)			
255A	Compendium clause 12.1(4)	<p>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.</p>	<p>Discussions with the Dispute Resolution Team and review of AGL's Complaints Management Framework, the Dispute Resolutions Policy and Standard Form and Market Contract Terms and conditions, confirmed AGL maintained the following controls during the audit period:</p> <ul style="list-style-type: none"> Written complaints (i.e., emails and letters) are dealt with within 3 and 5 business days respectively, as outlined in the Complaints Management Framework SLA's with AGL's Customer Solutions Team; AGL's Standard Form Contract and Market Contract state that AGL will aim to provide an initial response within 2 business days of receiving a written complaint; Automatic acknowledgements are in place for both the website complaints form and for direct emails to Customer Solutions, and this was confirmed via audit testing performed; and Three complaints were also tested to confirm that the complaint was acknowledged within 10 business days and responded to within 20 business days. The testing performed, confirmed all three complaints were resolved internally within the required periods.
		<p>Priority 4</p>	<p>Control Adequacy: N/P</p> <p>Compliance Rating: 1</p>

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Complaints & Dispute Resolution (Cont.)			
256	Compendium clause 12.2	A retailer must comply with any guideline developed by the ERA relating to distinguishing customer queries from customer complaints.	<p>The Customer Complaints Guidelines (December 2016) outlines the definitions of a Customer Compliant and Customer Query.</p> <p>As per AGL's Complaints Management Framework and Dispute Resolution Policy (December 2018), complaints are defined as "...a complaint is any expression of dissatisfaction made to AGL or its entities, whereby a resolution or response is expected. Where AGL has made an error and the customer has been impacted or the customer raises concerns with AGL Sales process, this is recorded in our system as a Complaint..."</p> <p>Enquiry is defined as – "...a request for information about AGL products or services that does not reflect Dissatisfaction and is generally any question or concern that is resolved through the customer's initial contact, when AGL provide appropriate information or referral which satisfies the customer. Or any query that needs an answer from another business unit/person where no Dissatisfaction is expressed..."</p> <p>RSM confirmed that AGL's definitions complied with the ERA Guidelines.</p>
		Priority 4	Control Adequacy: N/P Compliance Rating: 1
257	Compendium clause 12.3	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.	<p>Discussions with the Dispute Resolutions Team from review of AGL's Complaints Management Framework, Dispute Resolutions Policy and Standard Form and Market Contract Terms and conditions, confirmed the following:</p> <ul style="list-style-type: none"> Complaints page on AGL's website with all contact details and policy; Customer Solutions and the Customer Advocacy teams are trained from a dedicated complaints induction to handle all customer requests; and AGL's Kit BPP is designed to allow the customer service team to handle all forms of enquiry to meet the customers' expectations. <p>Based on the above, it was confirmed that AGL assist customers by providing all relevant information to allow the customer to utilise their complaints handling processes. Similar to any request for information, this is provided to customers at no charge. Based on our review of customer complaint records and the AGL's breach register, no non-compliance was noted with respect to the provision of and charging for this information.</p>
		Priority 4	Control Adequacy: N/P Compliance Rating: 1

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Complaints & Dispute Resolution (Cont.)			
258	Compendium clause 12.4	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).	<p>Discussion with the Dispute Resolutions Team, confirmed that AGL's complaints handling processes (which were applied during the audit period) are in compliance with Compendium clause 12.4 and provide for:</p> <ul style="list-style-type: none"> ▪ Staff to recognise instances where a complaint does not relate to AGL functions; ▪ The matter to be referred to the relevant entity (e.g., ATCO); ▪ The customer to be offered the appropriate entity's direct line via the 'Numbers to Know' resource; and ▪ AGL's Kit BPP provides clear guidance for the CSR to be able to determine if the complaint relates to AGL's functions as a Gas Retailer in WA. <p>Review of customer complaint records and AGL's breach register confirmed there was no non-compliance specific to not assisting customers in accordance with Clause 12.4 for complaints regarding functions that are not the responsibility of AGL.</p>
		<div>Priority 4</div> <div>Control Adequacy: N/P</div> <div>Compliance Rating: 1</div>	

4. DETAILED FINDINGS (CONT.)

4.6 Compendium of Gas Customer Licence Obligations (Cont.)

No.	Obligation Reference	Obligation Description	Observations and Findings
15 Licence Compliance Requirements - Compendium of Gas Customer Licence Obligations (Compendium) (Cont.)			
Record Keeping & Reporting			
281	Compendium clause 13.1	A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the ERA.	<p><i>Obligations 281 to 283</i></p> <p>Discussions with the Retail Regulations Team and review of email correspondence between AGL and the ERA, confirmed that for the 2019, 2020 and 2021 financial years, AGL was requested to submit their Annual Performance Report.</p> <p>Email correspondence confirmed that AGL submitted their performance report to the ERA in the specified form prior to the due date of the 30th of September for FY19, FY20 and FY21.</p> <p>In addition, email correspondence reviewed showed the submissions of AGL's compliance reports for the 12 months ended 30 June 2019, 2020 and 2021. In each instance the compliance reports were provided to the ERA by the due date of the 31 August.</p> <p>In addition, the Performance Report was subsequently published to the AGL website within the timeframe required.</p> <p>Based on discussions and review of documentation, AGL complied with the obligations for the audit period.</p>
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	
282	Compendium clause 13.2	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.	
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	
283	Compendium clause 13.3	A report referred to in clause 13.1 must be published by the date specified by the ERA.	
		Priority 4 Control Adequacy: N/P Compliance Rating: 1	

APPENDIX A – REFERENCES

AGL Personnel participating in the Performance Audit

Customer Markets Risk and Compliance

- Martine Dixon (Assurance Manager)
- Sofia Lagoulis (Compliance Advisor)

Billing

- Justine Dankiw (Billing Specialist)
- Keera Hoogendorp (Billing Operations Manager)
- Tylie Allen (Meter to Bill Performance Manager)
- Michael Connelly (Senior Operational Analyst)

Complaints and Dispute Resolution

- Alex Pogorelov (External Dispute Resolution Team Manager)
- Matt Laine (Dispute Resolution Specialist)
- Steven Van Der Meer (Dispute Resolution Specialist)

Connections and Transfers

- Fiona Lee (Connections Operations Manager)
- Louise Dwyer (Operational Analyst)

Key Documents Reviewed

Please note this list is not exhaustive:

Connections and Transfers

- Accept Quote and Offer process map
- AGL Kit BPP – Move Out and Move In
- AGL Kit BPP – Move Out
- AGL Kit BPP – Move In
- Emergency Contact Numbers
- Manage Non-Transfer Move In process map
- Manage Transfer Completion process map
- Manage Non-Transfer Move In process map
- Manage Transfer Request – Mass process map

Credit, Affordability and Payments

- Amitoji Singh (Credit Integrity)
- Gurpreet Pradhan (Credit Integrity Manager)
- Kim Nguyen (Payments Manager)
- Pete Turnadge (Credit Operations)

Retail Energy Regulations

- Jonathan McKibbin (Regulatory and Compliance Manager)
- Naomi Bott (Retail Regulation Manager)
- Steve Rice (Business Analyst – Regulatory Reporting)
- Sharyn Kennedy (Senior Regulatory and Compliance Advisor)
- Sales and Transformation Keegan Lobo (Sales Development and Implementation Specialist)
- Simon Fantone (Channel Sales Support)

Credit, Affordability and Payments

- AGL Hardship Policy – WA Customers
- AGL Website – ‘Here to Help’ screen
- Final Demand Letter
- Financial Support and Assistance Website
- SAP screenshots – ‘Hardship Alerts’
- AGL Website – Direct Debit T&C’s screen
- AGL Website – Billing and Payment options
- Bill Payment Slip
- Debt Transfer Framework
- Staying Connected Program - Graduation E-mail
- Staying Connection Program - Welcome Letter

APPENDIX A – REFERENCES (CONT.)

Key Documents Reviewed (Cont.)

Internal Sales and Marketing

- Digital Sales EIC website example
- Inbound Sales BPP
- Outbound Sales Framework – Quality Operating Manual

Regulatory Compliance

- FY 19, FY20 and FY21 AGL Performance Reporting Dashesheets
- Compliance Reporting Work Instructions
- Regulatory Reporting process map
- Regulatory Reporting of Performance Delivery Procedure
- FY22 Assurance Plan
- Schedule A – ERA Annual Report Breaches Register

Billing

- Billing System overview process map
- Bill Shock Kit BPP
- Bill Example – Estimated Read
- Bill Example – Post Estimated Read
- Bill Example – Actual Read
- Metering and Billing Work Instructions for WA (Gas)

Third-Party Sales

- AGL External Channel Management Guidelines and Meeting Protocols
- AGL Compliance Summary Report
- AGL Information Security Policy

Third-Party Sales (Cont.)

- AGL Supplier Code of Conduct
- Data Complaints Report Template
- Example Annual Compliance Audit Report

Other General Compliance

- AGL Code of Conduct
- AGL Home Energy Efficiency Guide
- AGL Kit Complaints Handling Management
- AGL Standard Complaints and Dispute Resolution Policy
- AGL Complaints Management Framework
- AGL Dispute Resolution Policy
- Complaint Help & Support website page
- AGL Organisational Chart
- AGL Privacy Policy
- AGL Standard Contract example
- Approval of Auditor Nomination
- ATCO Distribution Service Agreement
- Haulage Contract (Template)
- Market Contract (Non-Standard Contract)
- Price and Product Information Statement
- Standard Contract
- Tariff Customer Information
- WA Gas Retail Market Agreement

APPENDIX B – WORK SCHEDULE

RSM Staff

RSM Staff who were involved in the Performance Audit include:

- Jacob Elkhishin – Engagement Partner
- Nicole Mohan – Principal
- Leonardo Jaque – Senior Manager
- Michael Hogan – Senior Consultant
- Rigby Clark – Consultant

Resumes for the RSM staff were outlined in the proposal accepted by AGL and the Auditors Approval Submission document presented to the ERA.

Timeframe and Work Schedule

The planning and risk assessment phases of the Performance Audit were completed in May and June 2022, after which the draft Audit Plan and risk assessment was presented to AGL for comment prior to submission to the ERA for review and approval. The Final Audit Plan was approved by the ERA on 15 July 2022.

Fieldwork and detailed compliance testing was undertaken remotely through the use of an online sharefile and video conferencing tools during the months of June and July 2022. This enabled a draft report to be submitted to the ERA by the due date of 8th August 2022.

In summary, the time allocated for each task per team member was as follows:

Task	RSM Personnel	Days	Total Days
Planning & Commencement 16 May – 20 May 2022	Jacob Elkhishin – Engagement Partner	0.5	5
	Nicole Mohan – Principal	0.5	
	Leonardo Jaque – Senior Manager	2	
	Michael Hogan – Senior Consultant	1	
	Rigby Clark – Consultant	1	
Risk Assessment 23 May – 14 June 2022	Jacob Elkhishin – Engagement Partner	1	15
	Nicole Mohan – Principal	1	
	Leonardo Jaque – Senior Manager	3	
	Michael Hogan – Senior Consultant	5	
	Rigby Clark – Consultant	5	

APPENDIX B – WORK SCHEDULE (CONT.)

Timeframe and Work Schedule (Cont.)

Task	RSM Personnel	Days	Total Days
Detailed Compliance Testing 29 June – 14 July 2022	Jacob Elkhishin – Engagement Partner	0.5	18
	Nicole Mohan – Principal	0.5	
	Leonardo Jaque – Senior Manager	5	
	Michael Hogan – Senior Consultant	6	
	Rigby Clark – Consultant	6	
Completion & Reporting 15 July – 30 August 2022	Jacob Elkhishin – Engagement Partner	2	26
	Nicole Mohan - Principal	2	
	Leonardo Jaque – Senior Manager	6	
	Michael Hogan – Senior Consultant	8	
	Rigby Clark – Consultant	8	

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