



# Notice

17 October 2022

## AGL Sales Pty Ltd 2022 performance audit

The Economic Regulation Authority has published the 2022 [performance audit report](#) and the [post-audit implementation plan](#) for AGL Sales Pty Ltd's gas trading licence GTL14.

AGL delivers gas, electricity and related products and services to about 4.5 million customers in Queensland, New South Wales, Victoria, South Australia and Western Australia.

AGL entered the WA gas retail market in 2017. As at 30 June 2022, AGL supplied gas to 84,396 customers in Western Australia.

### The ERA's decision

The ERA considers that AGL has achieved a satisfactory level of compliance with its licence.

The ERA has decided to maintain the audit period at 36 months. The next audit will cover the period 1 June 2022 to 31 May 2025, with the report due by 31 August 2025.

### Audit findings

The audit of the 202 licence obligations applicable to AGL found four non-compliances:

- AGL did not obtain a customer's verifiable consent when entering into a non-standard contract, as required by the *Gas Marketing Code of Conduct*. As AGL's gas marketing agent entered the customer into the contract, this resulted in a second non-compliance, which requires that a retailer must ensure that its agents comply with the code.
- AGL did not inform a customer of the outcome of a bill review within 20 business days, or as soon as practicable.
- AGL did not issue a bill at least once every 105 days in 6,937 instances during the audit period.

The non-compliances with the code were resolved during the audit period. The auditor made two recommendations to address the remaining non-compliances. The post-audit implementation plan states that AGL will address the recommendations by February 2023.

### The ERA's assessment of the audit findings

The ERA considers that the non-compliances are likely to have had relatively minor consequences for customers. Three of the non-compliances only happened once during the audit period, and AGL has begun implementing controls to improve its billing processes for the fourth non-compliance.

However, considering AGL's customer base has more than doubled since the last audit (from 41,200 to 84,396 customers) and it supplies gas to residential customers, the ERA has decided to maintain the audit period at 36 months.

#### **Further information**

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