



# Notice

19 June 2024

## Synergy

### Type 1 licence breach

The Electricity Generation and Retail Corporation (trading as Synergy) has breached its electricity retail licence ERL1 by failing to correctly handle the contact details for 68 life support equipment (LSE) customers.

Customers using life support equipment receive additional protections to ensure their power is not disconnected.

The breaches occurred between 20 February 2023 and 4 April 2024.

Synergy found no instances where the customers were adversely affected by the breach.

Further details of the breach, Synergy's actions to remedy it and the ERA's response are included in this notice.

### Breach details

Synergy's breach entailed:

- On 26 occasions, it did not register the contact details of a person requiring LSE or change the contact details of a registered LSE person within the timeframe required by the *Code of Conduct for the Supply of Electricity to Small Use Customers 2022* (the Code).
- On 71 occasions, it did not notify the distributor (Western Power) of the contact details for an LSE person or of a change to the contact details of a registered LSE person within the timeframe required by the Code.

On 21 March 2024, Synergy notified the ERA that it had breached clauses 82(2)(b) and (c)(ii), and 82(5)(a) and (b), of the Code, which are classified by the ERA as Type 1 obligations. A licensee must notify the ERA immediately when it becomes aware of a breach of a Type 1 licence obligation, as it may have a major effect on customers.

The 97 occasions that contact details were not updated on time affected 68 LSE persons (this can be the account holder or a person residing at a supply address).<sup>1</sup> Contact details are the LSE person's postal address, email address or phone number. Most of the details that were not updated on time were email addresses (69), along with nine postal address changes and 19 telephone number changes.

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<sup>1</sup> At the time of the breach, Synergy had 2,609 medically certified life support persons registered in its systems.

On 20 February 2023, the ERA approved the current [2022 Code](#), which replaced the 2018 Code. One of the amendments made to the Code was strengthening the requirements for registering and updating the contact details of LSE persons.

Synergy had a procedure in place to register an LSE person's contact details or change of contact details and to notify Western Power. However, Synergy found that:

- It had ineffective change management and document management practices to implement the new obligations placed on Synergy by the 2022 Code.
- It did not provide staff adequate training and onboarding during organisational changes at Synergy.
- Staff roles and responsibilities lacked sufficient detail to provide the necessary clarity on what was expected of them.

The Code requires Synergy to notify Western Power of an LSE person's contact details on the same business day if the information is received before 3pm, or by the next business day if the information is received after 3pm or on a weekend or public holiday.

While Synergy can notify Western Power automatically through electronic system-to-system notifications of changes to postal addresses and phone numbers, it is not able to do this for email addresses. Synergy relies on a manual process to notify Western Power of an LSE person's email address, sending the information to Western Power once a week. Synergy's reliance on the manual process contributed to the notification delay of between one to five business days.

### **Impact on customers**

If Synergy or Western Power do not have an LSE person's correct contact details, the customer may not get sufficient notice of an event to be able to either seek clarification from Synergy or Western Power, or adequate time to prepare for a planned outage.

During the breach period, Synergy and Western Power had current supply addresses for the 68 LSE persons and there were no instances where all three contact detail types (postal address, email or telephone) were not registered with Synergy and Western Power.

Following an investigation, Synergy advised the ERA on 24 April 2024 that it did not find any instances where the 68 LSE persons were affected by the delays in registering a change in contact details or notifying Western Power of a change in contact details.

Post is the primary communication method used by Western Power to notify customers of a planned outage. A postal address (that is different to the supply address) was the contact detail least affected by the breach (five of the 71 occasions when Western Power was notified late of a contact detail change).

### **Preventative action taken by Synergy**

By 24 April 2024, Synergy had registered and notified Western Power of the contact details of the 68 LSE persons.

On 12 March 2024, Synergy established a project team to work with Western Power to build an IT solution to send email addresses electronically to Western Power to replace the manual process. Synergy expects to complete this project by November 2024. In the meantime, Synergy has implemented a new manual process involving daily reconciliation of contact details against the previous day's reports by 3.30pm every business day.

Synergy has increased its monitoring of LSE contact detail changes to ensure they are processed on time and staff understand the processes and Code requirements.

By the end of June 2024, Synergy will review its vulnerable customers' business function, which includes life support customer management, with the aim of improving its processes, quality control, efficiency and governance.

### **The ERA's response to the breach**

The ERA acknowledges Synergy's advice that the 68 LSE persons were not adversely affected by the breach, and it has taken steps to resolve the breach and ensure the contact details of the LSE persons are current.

While the ERA considers the preventative actions Synergy has taken, and intends to take, are an appropriate response to the breach, it is important that Synergy implements a permanent long-term solution and not rely on manual processes to manage the email addresses of LSE customers.

The ERA will monitor Synergy's progress with the preventative actions, in particular the implementation of the IT solution to send an LSE person's email address electronically to Western Power. The ERA will seek regular updates from Synergy on its progress in completing these actions.

### **Further information**

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