



SYNERGY
Gas Trading Licence (GTL8)
Performance Audit Report

January 2013

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1. EXECUTIVE SUMMARY

This document presents the findings resulting from the 2012 Gas Trading Licence No.8 (“GTL8”) Performance Audit conducted by BDO Audit (WA) Pty Ltd (“BDO”) for the Electricity Retail Corporation t/a Synergy (“Synergy”) and provided to the Economic Regulation Authority (the “Authority”).

1.1 Introduction

Section 11ZA of the Energy Coordination Act 1994 requires Synergy to provide the Authority with a Performance Audit conducted by an independent expert approved by the Authority. The Performance Audit is an audit of the effectiveness of the measures taken by Synergy to meet the criteria specified in the GTL8.

On 13 September 2012 the Authority approved the appointment of BDO to undertake the Performance Audit.

The Performance Audit was conducted with reference to Australian Auditing Standard ASAE 3500 “Performance Engagements” (“ASAE 3500”), and in consultation with the Authority where required. This report represents a limited assurance report as conceptualised under ASAE 3500 as stipulated by the audit plan and approved by the Authority.

Performance audits are required to be undertaken in accordance with the Authority’s *Audit Guidelines: Electricity, Gas, and Water Licenses August 2010*. Furthermore, in executing the audit, the auditor is required to consider Synergy’s license obligations for retailing electricity as contained within the Authority’s reference manual “*Gas Compliance Reporting Manual November 2010*”.

There have not been any major changes to the licence during the audit period nor since the previous audit in November 2009.

1.2 Scope of Work

The purpose of the Performance Audit is to assess the effectiveness of measures taken by Synergy to meet the obligations of the performance and quality standards specified in its gas trading licence.

The scope of audit work requires an assessment of Synergy’s systems, the effectiveness of its processes, and an appraisal of Synergy’s use of regulatory controls to ensure compliance with the obligations, standards, outputs and outcomes required by the licence. The audit will aim to identify areas where remedial action is required and recommend corrective action as necessary. In addition, the audit will separately identify and propose opportunities to enhance Synergy’s culture of regulatory compliance.

The scope requires an assessment of the adequacy and effectiveness of Synergy’s performance against the licence requirements for the period 1 July 2009 to 30 June 2012. These will be assessed by considering:

- **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 prescribed in the licence throughout the audit period (that is, proper records exist to provide assurance that procedures are being consistently followed and controls are being maintained).
- **Integrity of performance reporting** - the completeness and accuracy of the performance reporting to the Authority.
- **Compliance with any individual licence conditions** - the requirements imposed on the specific licensee or specific issues to follow up that are advised by the Authority.

The Authority's *Gas Compliance Reporting Manual (November 2010)* makes provision for applicable legislation within relevant sections, citing the following regulations and codes:

Act

- Energy Coordination Act 1994

Regulations

- Energy Coordination (Customer Contracts) Regulations 2004
- Energy Coordination (Last Resort Supply) Regulations 2005
- Energy Coordination (Licensing Fees) Regulations 1999
- Energy Coordination (Ombudsman Scheme) Regulations 2004
- Energy Coordination (Gas Tariffs) Regulations 2000

Codes

- Gas Marketing Code 2008
- Gas Customer Code (contained within the Gas Compendium)

Licence

- GTL 8

Reporting

- Compliance reports per section 6 of the Gas Compliance Reporting Manual
- Performance reports per section 16 of the Gas Compliance Reporting Manual

1.3 Audit Objective

The objective of the Performance Audit is to evaluate the effectiveness of the measures taken by Synergy to meet the obligations of the performance and quality standards referred to in the Gas Trading Licence. To this end, the Performance Audit focuses on Synergy's systems, processes, governance structures and reporting regimes to ensure compliance with the obligations, standards, outputs and outcomes stipulated by the Gas Trading Licence.

1.4 Approach

The Authority requires the auditor to assess Synergy's compliance with the requirements of its gas trading licence through assessing and testing the following areas of Synergy's operations:

- **The control environment** - Synergy’s management philosophy and operating style, organisational structure, assignment of authority and responsibilities, the use of internal audit, the use of information technology, and the skills and experience of the key members of staff.
- **The information system** - the appropriateness of Synergy’s information systems to record the information needed to comply with its licences, accuracy of data, security of data, and documentation describing the information system.
- **Control procedures** - the presence of systems and procedures to ensure Synergy’s compliance with its licence, and the effectiveness of its internal control structure to detect and correct non-compliance.
- **Compliance attitude** - the action and time taken by Synergy in response to any previous audit/review recommendations. This should include an assessment of Synergy’s attitude towards compliance.

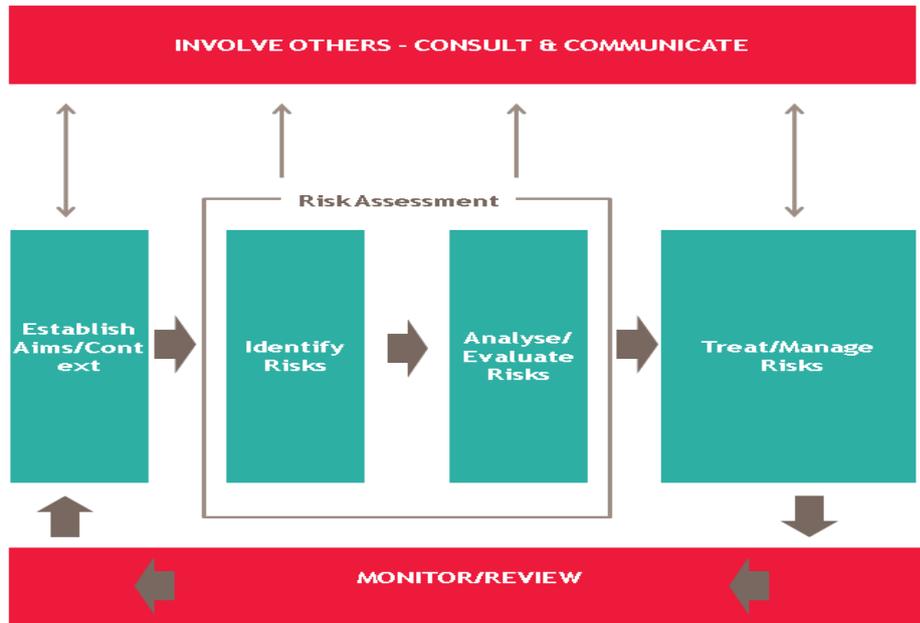
We explain in the table following how we addressed the above areas.

Stage	Risk Assessment	Sampling	Execution	Reporting
Control Environment	Identify anomalies through: - <ul style="list-style-type: none"> • Discussion with Synergy management. • Reconciliation of Synergy documents to the Compliance Manual. • Reviewing risk and control ratings for accuracy. • Review of incident register applicable to GTL 8. 	Review outcomes from the risk assessment process to determine sample sizes.	<ul style="list-style-type: none"> • Substantive testing for high risk ratings. • Reduced sample testing for remaining obligations. • Observation/ discussion tests only for confirmation of areas of low risk/strong controls. 	<ul style="list-style-type: none"> • Provide a limited assurance report itemising <ul style="list-style-type: none"> ➢ work undertaken; ➢ obligations tested; and ➢ test outcomes in order of inherent risk priority. The report will be structured per the Audit Guidelines. • Apply and present compliance ratings in order of priority with relevant supporting details.
Control Procedures	<ul style="list-style-type: none"> • High-level enquiry. • Review previous compliance reports submitted to the Authority • Review previous audit results and associated post audit implementation plan 	As above	As above	As above

Information Systems	<ul style="list-style-type: none"> • High-level enquiry 	As above	<ul style="list-style-type: none"> • Obtain understanding of automated controls, and applicable systems and controls. • Review/analyse controls and systems. Note areas warranting further inquiry. • Meet relevant Synergy personnel and review areas noted. 	
Compliance Attitude	High-level enquiry	N/A	Review and discuss with key staff members during testing to determine attitudes and level of appreciation of need for appropriate compliance measures.	
Output Compliance	Review of previous compliance and audit reports	N/A	<ul style="list-style-type: none"> • Discuss performance reporting and requirements. • Obtain feedback on previous performance audit • Gather information and create issues log for addition to report, based on compliance ratings. 	

1.4.1 Risk Assessment

BDO used a risk based approach in planning, executing and reporting the outcome of the Performance Audit. The approach is based on the AS/NZ 31000, as illustrated in the diagram below:



The key legislation that governs the licensing of providers of gas is the Energy Coordination Act 1994. In addition, the licence itself and regulations pertaining to the licence conditions were examined and referred to throughout the audit process.

The Gas Reporting Compliance Manual, November 2010 provides a consolidated list of the key obligations relating to GTL 8. This was utilised as the basis of the risk assessment process to suitably tailor the audit approach as required.

Tabled below is a summary outcome of the risk assessment:

Risk Rating	Original Risk Ranking Per Risk Workshops
High	4
Medium	98
Low	94
Not Applicable*	44

* Refer to Appendix A for further explanation.

1.4.2 Audit Plan Approval

Following the completion of the risk workshops and supporting activities, each obligation was reviewed and risk prioritised according to its inherent risk rating using the Authority’s methodology. The relevant management team members confirmed the applicable risk and control ratings prior to completion of the plan.

The final Audit Plan was approved by the Authority on 18 December 2012.

1.4.3 Execution of the Audit Plan

This stage included the completion of testing of risks and the associated controls applied to mitigate those risks. The execution stage comprised a singular audit priority assessment of each obligation. Testing took the form of interviews, walk throughs, document reviews, process and system output reviews, observation and discussion, and substantive testing within requisite areas, with the testing being based on our sample test population. The nature of our testing and the various sample sizes are detailed below.

Audit Priority	Nature of Testing
1	Inquiry, inspection & re-performance
2	Inquiry, observation & inspection
3	Inquiry, observation & inspection
4	Inquiry & observation
5	Inquiry & observation

We adopted the following sampling approach for this GTL 8 engagement. This was previously approved by the Authority.

Audit Priority	Sample Size
1	10
2	7
3	5
4	3
5	1

The Authority’s guidelines indicate that compliance with applicable obligations may be reported using the following structure:

Compliance Status	Rating	Description of compliance
COMPLIANT	5	Compliant with no further action required to maintain compliance
COMPLIANT	4	Compliant apart from minor or immaterial recommendations to improve the strength of internal controls to maintain compliance
COMPLIANT	3	Compliant with major or material recommendations to improve the strength of internal controls to maintain compliance
NON-COMPLIANT	2	Does not meet minimum requirements
SIGNIFICANTLY NON-COMPLIANT	1	Significant weaknesses and/or serious action required
NOT APPLICABLE	N/A	Determined that the compliance obligation does not apply to the licensee's business operations
NOT RATED	N/R	No relevant activity took place during the audit period, therefore it is not possible to assess compliance

1.5 Culture of Compliance

Through the risk workshops, and reaffirmed through our detailed fieldwork procedures, we have noted that both Synergy management and staff have a positive, proactive culture and attitude towards compliance. Management has designed and implemented processes, controls and systems to ensure compliance with licence obligations. All staff members have undergone extensive training to ensure they fully understand regulatory obligations that impact their immediate work functions. Refresher training programs are carried out at regular intervals.

The SAP¹ business application is fully embedded into the organisation; staff members are now familiar with the business process requirements and protocols that were established as part of the SAP rollout. This increased level of competence, together with the intensive training regime, has been a catalyst in improving Synergy's overall level of compliance with licence conditions.

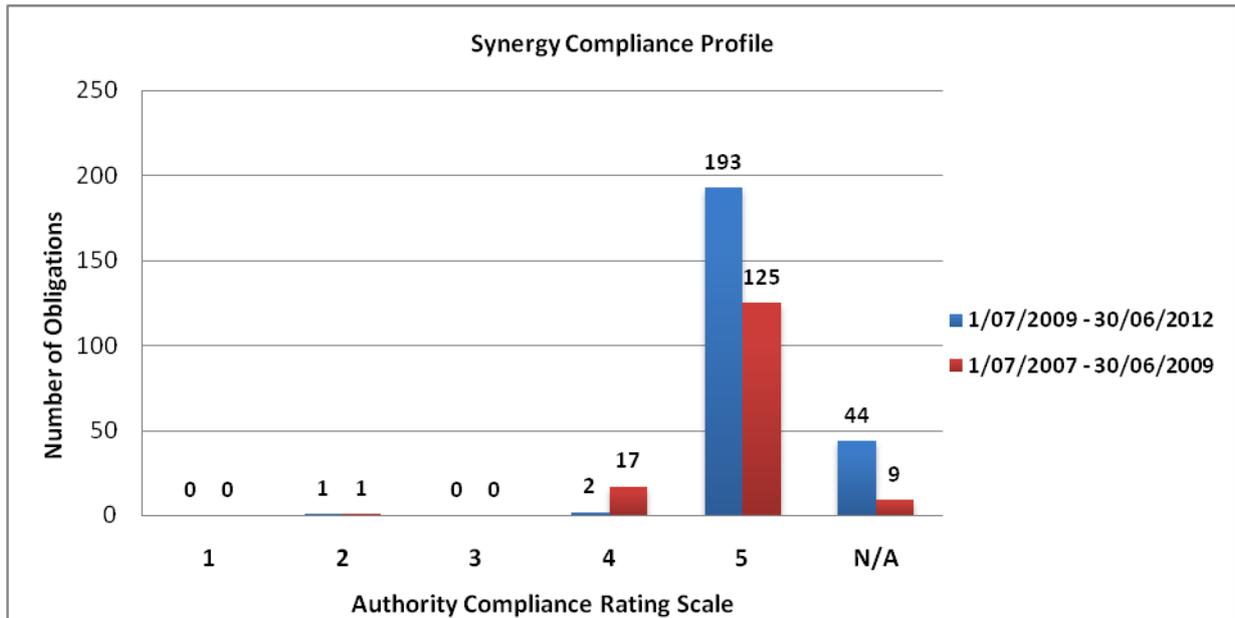
¹ SAP is the enterprise application software manufacturer used by Synergy to bill and transact with its customers.

1.6 Audit Team Members and Time Undertaken to Complete Audit

Audit Members	Hours
Wayne Basford, Partner	10
James Manning, Associate Director	25
Chris Potter, Associate Director	15
Jonathan Tukimin, Auditor	130
Brett Kelly, Auditor	110
TOTAL	290

1.7 Compliance Summary

This performance audit covers Synergy’s Gas Trading Licence, GTL8, for the period 1 July 2009 to 30 June 2012 and involved the testing of 196 out of a total of 240 licence obligations. The difference of 44 not tested was because they were not applicable to Synergy. This is further explained in Appendix A. The following graph illustrates Synergy’s compliance profile.



The preceding Gas Compliance Performance Audit undertaken for the period, 1 July 2007 to 30 June 2009, was submitted to the Authority in November 2009. That report identified licence condition reference 140 as an area of non-conformance. In the course of this performance audit we examined this item and conclude that the recommended action has been implemented. Therefore, no further recommendation or action plan is required to address this past non-compliance. This is discussed in detail in Section 1.8 of this report.

Insofar as this Performance Audit is concerned, we noted only one area of non-compliance (audit rating 2), and this related to compliance reference number 156, specifically Clause 4.5(1)(b)(b) of the Gas Customer Code. This non-compliance is discussed in detail in Section 2 of this report.

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
1	Energy Coordination Act section 11Q(1-2)	Minor	Unlikely	Low	Strong					✓	
2	Energy Coordination Act section 11WG(1)	Moderate	Probable	Medium	Moderate					✓	
3	Energy Coordination Act section 11WG(2)	Minor	Unlikely	Low	Strong					✓	
4	Energy Coordination Act section 11WK(1-2)	Minor	Probable	Low	Strong					✓	
5	Energy Coordination Act section 11WK(3)	Minor	Unlikely	Low	Strong					✓	
6	Energy Coordination Act section 11X(3)	Moderate	Probable	Medium	Strong					✓	
10	Energy Coordination Act section 11ZA(1)	Minor	Unlikely	Low	Strong					✓	
11	Energy Coordination Act section 11ZAF(a)	N/A	N/A	N/A	N/A						✓
12	Energy Coordination Act section 11ZAF(b)	N/A	N/A	N/A	N/A						✓
13	Energy Coordination Act section 11ZAF(c)	N/A	N/A	N/A	N/A						✓
14	Energy Coordination Act section 11ZAH(2)	N/A	N/A	N/A	N/A						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
15	Energy Coordination Act section 11ZAJ	N/A	N/A	N/A	N/A						✓
16	Energy Coordination Act section 11ZAJ Energy Coordination (Customer Contracts) Reg 38A (4)	N/A	N/A	N/A	N/A						✓
17	Energy Coordination Act section 11ZK(3)	N/A	N/A	N/A	N/A						✓
19	Energy Coordination Act section 11ZOR(2)	Moderate	Unlikely	Medium	Strong					✓	
20	Energy Coordination Act section 11ZOV(1)	Moderate	Unlikely	Medium	Strong					✓	
21	Energy Coordination Act section 11ZOV(2)	Minor	Unlikely	Low	Strong					✓	
22	Energy Coordination Act section 11ZOZ(3)	Moderate	Unlikely	Low	Strong					✓	
24	Energy Coordination Act section 11ZQH	Minor	Probable	Low	Strong					✓	
25	Energy Coordination Act section 11Z	Moderate	Unlikely	Medium	Strong					✓	
29	Energy Coordination Act section 11M Energy Coordination (Gas Tariffs)	Moderate	Unlikely	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Regulations 2000 reg. 5(1)										
30	Energy Coordination Act section 11M Energy Coordination (Gas Tariffs) Regulations 2000 reg. 6(2)	Minor	Unlikely	Low	Strong					✓	
31	Energy Coordination Act section 11M Energy Coordination (Gas Tariffs) Regulations 2000 reg. 6(4)	Moderate	Unlikely	Medium	Strong					✓	
32	Energy Coordination (Customer Contracts) Reg 12 (2)	Moderate	Unlikely	Medium	Strong					✓	
33	Energy Coordination (Customer Contracts) Reg 12 (4)(a)	Minor	Probable	Low	Strong					✓	
34	Energy Coordination (Customer Contracts) Reg 12 (4)(b)	Minor	Probable	Low	Strong					✓	
35	Energy Coordination (Customer Contracts) Reg 12 (5)(a)	Moderate	Probable	Medium	Strong					✓	
36	Energy Coordination (Customer Contracts) Reg 12 (5)(b)	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
37	Energy Coordination (Customer Contracts) Reg 12 (5)(c)	Moderate	Unlikely	Low	Strong					✓	
38	Energy Coordination (Customer Contracts) Reg 12 (5)(d)	Minor	Unlikely	Low	Strong					✓	
39	Energy Coordination (Customer Contracts) Reg 12 (5)(e)	Minor	Unlikely	Medium	Strong					✓	
40	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.1.2 AGA Code	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
41	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.1.3 AGA Code	Moderate	Unlikely	Medium	Strong					✓	
42	Energy Coordination (Customer Contracts) Reg 12 (6), Clauses 5.1.2.1 & 5.1.2.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
43	Energy Coordination (Customer Contracts) Reg 12 (6), Clauses 5.1.3.1 & 5.1.3.2 AGA Code	Moderate	Unlikely	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
44	Energy Coordination (Customer Contracts) Reg 12 (6), Clauses 5.1.4.1 & 5.1.4.2 AGA Code	Moderate	Unlikely	Medium	Strong					✓	
45	Energy Coordination (Customer Contracts) Reg 12 (6), Clauses 5.1.5.1 & 5.1.5.2 AGA Code	Moderate	Unlikely	Medium	Strong					✓	
46	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.7.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
47	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.8.1(a) AGA Code	Minor	Unlikely	Low	Strong					✓	
48	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.8.1(b) AGA Code	Minor	Unlikely	Low	Strong					✓	
49	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.8.1(c) AGA Code	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
50	Energy Coordination (Customer Contracts) Reg 12 (6), clause 5.1.8.1(d) AGA Code	Minor	Unlikely	Low	Strong					✓	
51	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.8.1(e) and (f) AGA Code	Moderate	Unlikely	Medium	Strong					✓	
52	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.2.2.2 AGA Code	Moderate	Unlikely	Medium	Strong					✓	
53	Energy Coordination (Customer Contracts) Reg 13 (1), Clause 4.4.6.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
54	Energy Coordination (Customer Contracts) Reg 13 (3)	Minor	Unlikely	Low	Strong					✓	
55	Energy Coordination (Customer Contracts) Reg 13 (4)	Minor	Unlikely	Low	Strong					✓	
56	Energy Coordination (Customer Contracts) Reg 14 (2),	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
57	Energy Coordination (Customer Contracts) Reg 14 (3), Clauses 4.1.2.1 & 4.1.2.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
58	Energy Coordination (Customer Contracts) Reg 14, Clause 4.1.3.1 & 4.1.3.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
59	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.1 AGA Code	Moderate	Probable	Medium	Strong					✓	
60	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.3.1, 4.2.3.2 & 4.2.3.3 AGA Code	Minor	Unlikely	Low	Strong					✓	
61	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.3.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
62	Energy Coordination (Customer Contracts) Reg 15 (1) and (2)	Minor	Unlikely	Low	Strong					✓	
63	Energy Coordination (Customer	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Contracts) Reg 15 (1) and 47 (2) and (4), Clause 4.2.3.4 AGA Code										
64	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.4.1 AGA Code	Moderate	Probable	Medium	Strong					✓	
65	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.4.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
66	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.4.4 AGA Code	Minor	Unlikely	Low	Strong					✓	
67	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.2.4.5 AGA Code	Minor	Unlikely	Low	Strong					✓	
68	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.3.2.1 AGA Code	Minor	Unlikely	Low	Strong					✓	
69	Energy Coordination (Customer Contracts) Reg 15 (1), Clause 4.3.2.2 AGA Code	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
70	Energy Coordination (Customer Contracts) Reg 16 (3)	Minor	Unlikely	Low	Strong					✓	
71	Energy Coordination (Customer Contracts) Reg 19	Minor	Unlikely	Low	Strong					✓	
72	Energy Coordination (Customer Contracts) Reg 20 (2) Clause 4.3.5.1 AGA Code	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
73	Energy Coordination (Customer Contracts) Reg 27 (4) and 40 (3)	Minor	Unlikely	Low	Strong					✓	
74	Energy Coordination (Customer Contracts) Reg 20 (3) and 48	Minor	Unlikely	Low	Strong					✓	
75	Energy Coordination (Customer Contracts) Reg 22 and 49 (2)	Minor	Unlikely	Low	Strong					✓	
76	Energy Coordination (Customer Contracts) Reg 49 (3)	Minor	Unlikely	Low	Strong					✓	
77	Energy Coordination (Customer Contracts) Reg 49 (4)	Minor	Unlikely	Low	Strong					✓	
78	Energy Coordination (Customer Contracts) Reg	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	49 (5)										
79	Energy Coordination (Customer Contracts) Reg 50	Moderate	Probable	Medium	Strong					✓	
80	Energy Coordination (Customer Contracts) Reg 44	Minor	Unlikely	Low	Strong					✓	
81	Energy Coordination Act section 11M, Energy Coordination (Customer Contracts) Reg 45 (1)	Minor	Unlikely	Low	Strong					✓	
82	Energy Coordination Act section 11M, Energy Coordination (Customer Contracts) Reg 45 (2)	Minor	Unlikely	Low	Strong					✓	
83	Energy Coordination (Customer Contracts) Reg 46 (1) & (2)	Minor	Unlikely	Low	Strong					✓	
84	Energy Coordination (Customer Contracts) Reg 46 (4)	Minor	Unlikely	Low	Strong					✓	
85	Energy Coordination (Customer Contract) Reg 28, clause 3.1.1(a) AGA Code	Major	Unlikely	High	Strong					✓	
86	Energy Coordination (Customer	Major	Unlikely	High	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Contract) Reg 28, clause 3.1.1(b) AGA Code										
90	Energy Coordination (Customer Contract) Reg 33 (3), clause 3.5.2.2 AGA Code	Minor	Unlikely	Low	Strong					✓	
91	Energy Coordination (Customer Contract) Reg 42	Minor	Unlikely	Low	Strong					✓	
96	Energy Coordination Act section 11M Trading Licence clause 16.2	Minor	Unlikely	Low	Strong					✓	
97	Energy Coordination Act section 11M Trading Licence clause 16.4	Minor	Unlikely	Low	Strong					✓	
98	Energy Coordination Act section 11M Trading Licence clause 17	Minor	Unlikely	Low	Strong					✓	
99	Energy Coordination Act section 11M Trading Licence clause 20	Minor	Unlikely	Low	Strong					✓	
100	Energy Coordination Act section 11M Trading Licence clause	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	21.1										
101	Energy Coordination Act section 11M Trading Licence clause 22.1	Minor	Unlikely	Low	Strong					✓	
102	Energy Coordination Act section 11M Trading Licence clause 23.1	Moderate	Unlikely	Medium	Strong					✓	
103	Energy Coordination Act section 11M Trading Licence clause 24	Minor	Unlikely	Low	Strong					✓	
106	Energy Coordination Act section 11M Trading Licence clause 12.2	Moderate	Unlikely	Medium	Strong					✓	
107	Energy Coordination Act section 11M Trading Licence clause 12.3	Minor	Unlikely	Low	Strong					✓	
108	Energy Coordination Act section 11M Trading Licence clause 13.1	Minor	Unlikely	Low	Strong					✓	
109	Energy Coordination Act section 11M Trading Licence clause 15.1 and 15.2	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
110	Energy Coordination Act section 11M Trading Licence Schedule 3 clause 1.5	Minor	Unlikely	Low	Strong					✓	
111	Energy Coordination Act section 11M Trading Licence Schedule 3 clause 1.7	Minor	Unlikely	Low	Strong					✓	
112	Energy Coordination Act section 11M Trading Licence Schedule 3 clause 2.1 to 2.2	Moderate	Unlikely	Medium	Strong					✓	
113	Energy Coordination Act section 11M Trading Licence Schedule 3 clause 3.1	Minor	Unlikely	Low	Strong					✓	
114	Energy Coordination Act section 11ZPP Trading Licence clause 19.1.	Moderate	Probable	Medium	Strong					✓	
115	Energy Coordination Act section 11ZPP and 11M Trading Licence clause 19.2	Minor	Probable	Low	Strong					✓	
116	Energy Coordination Act section 11ZPP Code of Conduct 2.1 Trading	Minor	Probable	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Licence clause 19.1.										
117	Energy Coordination Act section 11ZPP Code of Conduct 2.2 Trading Licence clause 19	Minor	Probable	Low	Strong					✓	
118	Energy Coordination Act section 11ZPP Code of Conduct 2.3(1) Trading Licence clause 19	Minor	Probable	Low	Strong					✓	
119	Energy Coordination Act section 11ZPP Code of Conduct 2.3(2) Trading Licence clause 19	Minor	Probable	Low	Strong					✓	
120	Energy Coordination Act section 11ZPP Code of Conduct 2.3(3) Trading Licence clause 19	Minor	Unlikely	Low	Strong					✓	
121	Energy Coordination Act section 11ZPP Code of Conduct 2.4(1) Trading Licence clause 19	Minor	Probable	Low	Strong					✓	
122	Energy Coordination Act section 11ZPP Code of Conduct 2.4(2)	Minor	Probable	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Trading Licence clause 19										
123	Energy Coordination Act section 11ZPP Code of Conduct 2.4(3) Trading Licence clause 19	Minor	Probable	Low	Strong					✓	
124	Energy Coordination Act section 11ZPP Code of Conduct 2.4(4) Trading Licence clause 19	Minor	Probable	Low	Strong					✓	
125	Energy Coordination Act section 11ZPP Code of Conduct 2.5(1) Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
126	Energy Coordination Act section 11ZPP Code of Conduct 2.5(2) Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
127	Energy Coordination Act section 11ZPP Code of Conduct 2.5(3) Trading Licence clause 19	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
128	Energy Coordination Act section 11ZPP Code of Conduct	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	2.5(4)Trading Licence clause 19										
129	Energy Coordination Act section 11ZPP Code of Conduct 2.5(5)Trading Licence clause 19	Minor	Unlikely	Low	Strong					✓	
130	Energy Coordination Act section 11ZPP Code of Conduct 2.6(1)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
131	Energy Coordination Act section 11ZPP Code of Conduct 2.6(2)Trading Licence clause 19	Minor	Unlikely	Low	Strong					✓	
132	Energy Coordination Act section 11ZPP Code of Conduct 2.6(3)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
133	Energy Coordination Act section 11ZPP Code of Conduct 2.6(4)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
134	Energy Coordination Act section 11ZPP Code of Conduct	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	2.6(5)Trading Licence clause 19										
135	Energy Coordination Act section 11ZPP Code of Conduct 2.6(6)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
136	Energy Coordination Act section 11ZPP Code of Conduct 2.6(7)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
137	Energy Coordination Act section 11ZPP Code of Conduct 2.7(1)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
138	Energy Coordination Act section 11ZPP Code of Conduct 2.7(2)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
139	Energy Coordination Act section 11ZPP Code of Conduct 2.7(3)Trading Licence clause 19	Moderate	Probable	Medium	Moderate					✓	
140	Energy Coordination Act section 11ZPP Code of Conduct	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	2.7(4)Trading Licence clause 19										
141	Energy Coordination Act section 11ZPP Code of Conduct 2.7(5)Trading Licence clause 19	Minor	Unlikely	Low	Strong					✓	
142	Energy Coordination Act section 11ZPP Code of Conduct 2.8 Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
143	Energy Coordination Act section 11ZPP Code of Conduct 2.11(1)Trading Licence clause 19	Moderate	Probable	Medium	Strong					✓	
144	Energy Coordination Act section 11ZPP Code of Conduct 2.11(2)Trading Licence clause 19	Major	Probable	High	Strong					✓	
145	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 3.1(1)	Moderate	Probable	Medium	Strong					✓	
146	Energy Coordination Act section	Moderate	Unlikely	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 3.1(2)										
147	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.1	Moderate	Unlikely	Medium	Strong					✓	
148	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.2(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
149	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.2(3)	Moderate	Unlikely	Medium	Strong					✓	
150	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.2(4)	Minor	Unlikely	Low	Strong					✓	
151	Energy Coordination Act section 11M Trading Licence clause	Minor	Unlikely	Low	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	2.1 and Schedule 2 Gas Customer Code clause 4.2(5)										
152	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.2(6)	Minor	Unlikely	Low	Strong					✓	
153	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.3(1)	Moderate	Unlikely	Medium	Strong					✓	
154	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.3(2)	Moderate	Unlikely	Medium	Strong					✓	
155	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.4	Moderate	Probable	Medium	Strong					✓	
156	Energy Coordination Act section 11M Trading	Moderate	Probable	Medium	Strong		✓				

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.5(1)										
157	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.5(3)	Minor	Unlikely	Low	Strong					✓	
158	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.6(1)	Moderate	Probable	Medium	Strong					✓	
159	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.6(2)	Minor	Unlikely	Low	Strong					✓	
160	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.7	Moderate	Probable	Medium	Strong					✓	
161	Trading Licence clause 2.1 and	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Schedule 2 Gas Customer Code clause 4.8(1)										
162	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.8(2)	Moderate	Likely	High	Strong					✓	
163	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.8(3)	Minor	Unlikely	Low	Moderate					✓	
164	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.9	Moderate	Probable	Medium	Moderate					✓	
165	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.10	Moderate	Probable	Medium	Strong					✓	
166	Energy Coordination Act section 11M Trading Licence clause	Moderate	Unlikely	Medium	Moderate					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating						
						1	2	3	4	5	N / A	
	2.1 and Schedule 2 Gas Customer Code clause 4.11(1)											
167	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.11(2)	Minor	Unlikely	Low	Moderate						✓	
168	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.12(1)	Moderate	Unlikely	Medium	Strong				✓			
169	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.13	Major	Unlikely	Medium	Moderate				✓			
170	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.14(1)	Moderate	Probable	Medium	Moderate					✓		
171	Energy Coordination Act section 11M Trading	Moderate	Likely	Medium	Moderate					✓		

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.14(2)										
172	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.15(1)	Moderate	Unlikely	Medium	Moderate					✓	
173	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.15(2)	Moderate	Probable	Medium	Moderate					✓	
174	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.16	Minor	Unlikely	Low	Strong					✓	
175	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.17(1)	Minor	Unlikely	Low	Strong					✓	
176	Energy Coordination Act section	Minor	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.17(2)										
177	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.18(2)	Moderate	Probable	Medium	Strong					✓	
178	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.19(2) and 4.19(6)	Moderate	Probable	Medium	Strong					✓	
179	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.19(3)	Moderate	Probable	Medium	Strong					✓	
180	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.19(4)	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
181	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.1	Moderate	Unlikely	Medium	Strong					✓	
182	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.2(1)	Moderate	Probable	Medium	Strong					✓	
183	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.2(2)	Moderate	Probable	Medium	Strong					✓	
184	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.3	Moderate	Probable	Medium	Strong					✓	
185	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	5.4										
186	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.5	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
187	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.6(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
188	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.6(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
189	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.6(3)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
190	Energy Coordination Act section 11M Trading Licence clause 2.1 and	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating						
						1	2	3	4	5	N / A	
	Schedule 2 Gas Customer Code clause 5.6(4)											
191	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.7(1)	Minor	Probable	Low	Strong						✓	
192	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.7(2)	Moderate	Probable	Medium	Strong						✓	
193	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.7(4)	Moderate	Unlikely	Medium	Moderate						✓	
194	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.8(1)	Moderate	Probable	Medium	Strong						✓	
195	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Code clause 5.8(2)										
196	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.8(3)	Moderate	Probable	Medium	Strong					✓	
197	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.9	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
198	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.1(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
199	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.1(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
200	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	6.1(3)										
201	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.2(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
202	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.2(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
203	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.2(3)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
204	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.3	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
205	Energy Coordination Act section 11M Trading Licence clause 2.1 and	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating						
						1	2	3	4	5	N / A	
	Schedule 2 Gas Customer Code clause 6.4(1)											
206	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.4(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
207	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.6(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
208	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.6(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
209	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.7	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
210	Energy Coordination Act section 11M Trading Licence clause	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	2.1 and Schedule 2 Gas Customer Code clause 6.8										
211	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.9(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
212	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.9(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
213	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
214	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
215	Energy Coordination Act section 11M Trading	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating						
						1	2	3	4	5	N / A	
	Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(3)											
216	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(4)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
217	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(5)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
218	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(7)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable							✓
219	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.11	Minor	Probable	Low	Strong						✓	
220	Energy Coordination Act section	Minor	Probable	Low	Strong						✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.1										
221	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.2	Moderate	Unlikely	Medium	Moderate					✓	
222	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.3	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
223	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.4	Moderate	Probable	Medium	Strong					✓	
225	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.6	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
226	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 8.1(1)	Moderate	Probable	Medium	Strong					✓	
227	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 8.1(2)	Moderate	Probable	Medium	Strong					✓	
229	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.1(1)	Moderate	Probable	Medium	Strong					✓	
230	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.1(2)	Moderate	Probable	Medium	Strong					✓	
231	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.1(3)	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
232	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.2(1)	Moderate	Probable	Medium	Strong					✓	
233	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.2(2)	Minor	Unlikely	Low	Strong					✓	
234	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.2(3)	Moderate	Probable	Medium	Strong					✓	
235	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.2(4)	Moderate	Probable	Medium	Strong					✓	
236	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	10.3										
237	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.4	Moderate	Probable	Medium	Strong					✓	
238	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.5	Moderate	Probable	Medium	Strong					✓	
239	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.5A	Minor	Unlikely	Low	Strong					✓	
241	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.9	Moderate	Probable	Medium	Strong					✓	
242	Energy Coordination Act section 11M Trading Licence clause	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	2.1 and Schedule 2 Gas Customer Code clause 10.10(1)										
243	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.10(2)	Minor	Probable	Low	Strong					✓	
244	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.10(3)	Moderate	Probable	Medium	Strong					✓	
245	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.11(1)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
246	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.11(2)	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable	Residential - Not Applicable						✓
247	Energy Coordination Act section	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating						
						1	2	3	4	5	N / A	
	11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 12.1(1)											
248	Energy Coordination Act section 11M Trading Licence clause 2.1 and Gas Customer Code clause 12.1(2)	Moderate	Probable	Medium	Strong					✓		
249	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 12.1(3)	Moderate	Unlikely	Medium	Moderate					✓		
250	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 12.2	Moderate	Probable	Medium	Strong					✓		
251	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 12.3	Moderate	Probable	Medium	Strong					✓		
252	Energy Coordination Act section 11M Trading	Moderate	Probable	Medium	Strong					✓		

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
	Licence clause 2.1 and Schedule 2 Gas Customer Code clause 12.4										
253	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.1	Moderate	Probable	Medium	Strong					✓	
254	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.2	Moderate	Probable	Medium	Strong					✓	
255	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.3(1)	Moderate	Probable	Medium	Strong					✓	
256	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.3(2)	Moderate	Probable	Medium	Strong					✓	

ERA Manual Reference Number	Operating License Obligation	Consequence Major Moderate Minor	Likelihood Likely Probable Unlikely	Inherent Risk High Medium Low	Adequacy of existing controls Strong Moderate Weak	Compliance Rating					
						1	2	3	4	5	N / A
257	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.5	Moderate	Probable	Medium	Strong					✓	
258	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.6	Moderate	Probable	Medium	Strong					✓	
265	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.15(1)	Minor	Probable	Low	Strong				✓		
266	Energy Coordination Act section 11M Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.15(3)	Minor	Probable	Low	Strong				✓		

1.8 Review of 2009 Audit Findings

As part of the Audit, recommendations from the 2009 Audit (being the prior report) were followed up to determine whether Synergy had implemented the recommendations in order to remediate the audit weaknesses identified. All recommendations with a compliance rating of 1, 2, 3 and 4 were followed up. The outcome of the follow up audit is explained in the accompanying tables.

The table below provides details of a recommendation from the previous audit report relating to an area of non-compliance (compliance rating 2).

Licence Condition Reference	Issue	Recommendation	Observation
140	While Synergy does provide the required information as per the Marketing Code of Conduct 2.3 (2) and 2.3 (3) to all customers, there is no specific form utilised to record a customer's acknowledgement that they have been provided with all the required information under a non-standard contract other than the generic contract execution provision.	The non standard contract "Agreement Application" could be enhanced further to include a clause saying that upon signing the agreement the customer acknowledges receiving the required information.	Review of a sample of the non-standard agreement found that it included the following, as per recommendation: "By executing this agreement the Customer Acknowledges and commits that it has received from Synergy, in plain language, all matters materially relevant to the consent and authorisation set out in this commitment and acknowledgment, including the specific purpose for which the consent will be used". The recommendation has been implemented in accordance with the 2009 audit finding.

The table below relates to recommendations for improvements to processes made in the previous audit report and/or controls relating to compliance requirements (compliance rating 4).

Licence Condition Reference	Issue	Recommendation	Observation
2	In a sample of 20 customer contracts tested, the signed non-standard contract could not be located for one customer to whom Synergy has been supplying gas since 28/04/2009. This was because the customer did not respond to Synergy's negotiated supply	The contract follow-up process should be improved to ensure that contracts are signed by the customer prior to the supply of gas commencing and copies of all signed contracts should be maintained on the Document Management System (DMS).	Based on our discussion with the Business Sales and Support Manager, supplemented with a review of a sample of customer contracts, we confirm that contracts reviewed were signed by the customer prior to the supply of gas, with copies of the signed contracts

Licence Condition Reference	Issue	Recommendation	Observation
	offer in a timely manner but commenced supply anyway. The customer subsequently requested and accepted supply under the standard contract agreement. Additionally, the (then) auditor noted that for three customers the “Agreement Applications” were signed by the customer after the supply of gas had commenced.		maintained within Synergy’s DMS. The recommendation has been implemented in accordance with the 2009 audit finding.
2	In a sample of 20 customer contracts tested, the supply start date on the Application Agreement for 17 customers differed to the actual supply start date. The contract was not subsequently amended to reflect the actual gas supply date although some did have the amended date documented on the contract in pencil.	The correct supply start date should be documented on the customer’s file either through an amendment to the contract or a file note.	Based on sample testing of customer contracts, all supply start dates on the Application Agreement reviewed matched the actual supply start date. The recommendation has been implemented in accordance with the 2009 audit finding.
53, 54, 56	Without a formal policy or procedure regarding payment in advance, there is a risk that, should this occur in the future, staff may not be aware of the requirements of this obligation and therefore could lead to non compliance.	Synergy should establish a procedure to handle refundable advances that ensures that staff will comply with the requirements of this obligation if refundable advances are required from customers.	Through inquiry with the Business Sales and Support Manager, there have been no cases of customers during the audit period, 1 July 2009 to 30 June 2012, who have paid a refundable advance. Synergy has a formal procedure document which ensures staff compliance with the requirements of this obligation, should this event occur.
64	The current procedures by Customer Transaction staff to monitor meter readings are not formally documented.	Documented procedures for monitoring actual meter reading for customers at least once a year should be established and	Synergy has developed procedural documentation to ensure staff compliance with meter reading

Licence Condition Reference	Issue	Recommendation	Observation
	Without documented procedures, inconsistent practices may occur and roles and responsibilities may not be clearly communicated.	communicated to the relevant staff.	obligations. The recommendation has been implemented in accordance with the 2009 audit finding.
84	There is no documented procedure relating to customer requests to inspect relevant regulations or codes at the Synergy office. Without documented procedures in place roles and responsibilities may not be clearly communicated and this may result in inconsistent practices within Synergy.	Customers' request to inspect relevant regulations or codes at Synergy should be documented as a procedure and communicated to relevant Synergy staff.	Customers can request to inspect relevant regulations or codes at the Synergy Office. Synergy has documented and implemented a formal procedure to ensure staff compliance to customers requesting to inspect a relevant regulation or code. The recommendation has been implemented in accordance with the 2009 audit finding.
132	There is no log to record any requests from the distributor and when it has been addressed. Without the log it is difficult to ensure all the distribution holder requests have been addressed in a timely manner.	A request log should be implemented to monitor if there are any requests from the distribution holder.	All distributor requests are sent via service notifications which are logged and maintained in the SAP system. The recommendation has been implemented in accordance with the 2009 audit finding.
151	There is no Information Request Log in place which tracks and monitors customer requests for information. Without the log it is difficult to ensure all the customer requests have been timely addressed.	There should be a correspondence log between Synergy and the customer. This ensures all correspondence to a customer is logged with the timeframe for better audit trail and compliance requirements.	All customer interactions are logged and maintained in the SAP system. The recommendation has been implemented in accordance with the 2009 audit finding.

Licence Condition Reference	Issue	Recommendation	Observation
163	Complaints that are raised and resolved directly by the customer's Account Manager in Retail are only recorded in iBaan and not on the Customer Resolution CIS system which is the designated system to capture all complaints within Synergy.	Complaints which are received and resolved by the Retail Account Manager should be forwarded onto Customer Resolutions and recorded within the CIS system which is Synergy's complaints handling system	<p>In the first instance, the Account Manager will attempt to resolve the complaint. If the complaint is still unresolved, it escalates to the Customer Resolution Team. Customers are also advised that they may contact the Energy Ombudsman as part of Synergy's complaint handling process.</p> <p>Complaints are no longer recorded within the CIS system. All complaints are recorded within SAP, with each complaint given a uniquely generated reference number.</p> <p>The recommendation has been implemented in accordance with the 2009 audit finding.</p>

1.9 Audit Opinion

Except for the matters identified in Section 1.10 - Detailed Findings - Non-Compliant (Compliance Ratings 1 and 2) and any effects thereof, we conclude that, based on the procedures performed and evidence obtained, Synergy had policies, procedures and systems in place to support compliance with the licence conditions and associated regulations and codes, for the period 1 July 2009 to 30 June 2012.

BDO Audit (WA) Pty Ltd

Wayne Basford

Partner

27 March 2013

1.10 Inherent Limitations

This is a regulatory performance audit as required by the Energy Coordination Act 1994 and has been prepared by BDO in accordance with the “Audit Guidelines - Electricity, Gas and Water Licences August 2010” published by the Economic Regulation Authority of Western Australia.

Because of the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the control structure, within which the control procedures that are subject to this audit operate, is not reviewed in its entirety and, therefore, no opinion or view is expressed as to the effectiveness of the greater internal control structure. A regulatory audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period, and the tests performed on the control procedures are on a sample basis. Any projection of the evaluation of 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.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, client management and personnel. We have indicated within this report the sources of the information provided. We have not sought to verify those sources independently unless otherwise noted within the report. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the client.

The Performance Audit was conducted with reference to Australian Auditing Standard ASAE 3500 “Performance Engagements” (“ASAE 3500”), and in consultation with the Authority where required. The term “Audit” used within this report should be interpreted in the context of an examination of compliance and does not indicate the provision of a reasonable level of assurance as outlined under ASAE 3500.

2 DETAILED FINDINGS - NON COMPLIANT (COMPLIANCE RATINGS 1 AND 2)

The following issues were identified that relate to an area of non-compliance.

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.5(1)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	156
Obligation Description	A retailer must include minimum prescribed information on the customer's bill, unless the customer agrees otherwise.
Reporting Type	2
Compliance Rating	2
Audit Observation	Review of small use gas customer bills did not meet the minimum prescribed information required by clause 4.5(1)(b)(b) of the Gas Customer Code. Clause 4.5(1)(b)(b) denotes that "to the extent that the data is available, a graph or bar chart illustrating the customer's amount due or consumption for the period." However, the customers' bills were silent on this matter.
Recommendation	Synergy should amend the bill to reflect a graph or bar chart illustrating the customer's amount due or consumption for the period.
Manager Responsible	Risk and Compliance Manager, Energy Markets
Management Response	Synergy agrees with the audit finding.
Management Implementation Plan(s)	Synergy will investigate and implement a bill format review and ensure that a graph or the minimum required data is included on a small use customer's account.
Implementation Date	No later than 31 December 2013

3 DETAILED FINDINGS - COMPLIANT (COMPLIANCE RATING 3)

During the review, there were no obligations that were given a compliance rating of 3.

4 DETAILED FINDINGS - COMPLIANT (COMPLIANCE RATING 4)

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.15(1)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	265, 266
Obligation Description	
265	A retailer and a distributor must prepare a report setting out the information required by Part 13 of the Gas Customer Code, in respect of each year ending on 30 June. The report must be published no later than the following 1 October.
266	A copy of each report must be given to the Minister and the Authority not less than 7 days before it is published.
Reporting Type	2, 2
Compliance Rating	4
Audit Observation	<p>Our review of Synergy's Gas Retail Performance Reports published on their website confirmed that during the review period, the 2008/09, 2009/10 and 2010/11 Performance Reports were published no later than the following 1 October.</p> <p>However, Synergy published the 2010/11 gas performance report less than 7 days to providing it to the Authority and Minister for Energy.</p> <p>Sample testing of the notice to the Minister and the Authority confirmed that the Gas Performance report was sent 7 days prior to its publication on Synergy's website.</p>
Recommendation	Compliance with mandatory deadlines needs to be reaffirmed to all business units.
Manager Responsible	Manager Retail Regulation and Compliance
Management Response	The ERA and Minister for Energy were not provided with the required 7 day advance notice due to Synergy inadvertently publishing the performance report on its website hosting environment.
Management Implementation Plan(s)	<p>In response to the incident, Synergy implemented the following procedure:</p> <ol style="list-style-type: none"> 1. Any time sensitive content that has an embargo on its live date will be placed in the staging environment until just before it is required to go live. 2. Once time embargoed content is published to the staging environment - no other content will be published until the time sensitive content has gone live. 3. Communicated to relevant staff provisions regarding time under the <i>Interpretation Act 2004</i>.
Implementation Date	5 October 2011

5 DETAILED FINDINGS - COMPLIANT (COMPLIANCE RATING 5)

Licence Condition	Trading Licence clause 4.1
Operating Licence Obligation	Energy Coordination Act section 11Q(1-2)
Compliance Manual Reference	1
Obligation Description	A licensee must pay the applicable fees in accordance with the Regulations. (Energy Coordination (Licensing Fees) Regulations Clause 4 & 5).
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>Through our discussion with the Legal, Regulatory and Audit team and supplemented by a review of tax invoices, policies and procedures pertaining to payment of Gas Trading Licence fees. Synergy maintains a Regulatory Calendar which tracks all compliance related dates.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1, 12.1 and 13.1
Operating Licence Obligation	Energy Coordination Act section 11WG(1 - 2) Energy Coordination Act section 11WK(1 - 3) Energy Coordination (Customer Contract) Reg 42
Compliance Manual Reference	2, 3, 4, 5, 91
Obligation Description	
2	A licensee must, subject to the regulations, not supply gas to a customer other than under a standard form or non-standard contract.
3	A licensee must comply with a direction given to the licensee under section 11WI.
4	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.
5	A standard form contract continues in force until it is terminated or supply becomes subject to a non-standard contract with the supplier.
91	A licensee must notify a customer of any amendment to a non-standard contract.
Reporting Type	2, 2, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Based on our discussion with the Business Sales and Support Manager, it was noted that customers are only supplied gas via a standard form or non-standard form contract. Synergy negotiates a non-standard form contract with all its customers. However, if these contracts are not renewed or entered into, the customer will be placed under a standard form contract with prices and rates extracted from the <i>Government Gazette</i>.</p> <p>Synergy had a total of 112 small business customers as at 30 June 2012. All non-standard contracts have been signed by the customer, with the original stored within Synergy and a copy of the contract is maintained within Synergy's Document Management System (DMS). Contracts are signed by the customer prior to the supply of gas commencing.</p> <p>Any amendments to a non-standard contract are done in writing.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination Act section 11X(3) Energy Coordination (Customer Contracts) Reg 12 (6), Reg 27 (4) and 40 (3) Clauses 5.1.3.1, 5.1.3.2, 5.1.5.1 and 5.1.5.2 AGA Code
Compliance Manual Reference	6, 43, 45, 73
Obligation Description	
6	A licensee must take reasonable steps to minimise the extent of the duration of any interruption, suspension or restriction of the supply of gas due to an accident, emergency, potential danger or other unavoidable cause.
43	A licensee who disconnects in the event of an emergency must 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.
45	A licensee who disconnects supply for planned maintenance must provide the customer 4 days written notice; and used best endeavours to minimise disruption and restore supply.
73	A licensee must not supply gas to the customer under a door to door contract during the cooling-off period unless the customer requests supply.
Reporting Type	NR, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Based on our discussion with the Business Sales and Support Manager and review of policies and procedural documents relating to gas interruptions, suspension or restriction, Synergy has processes in place to align their emergency services with its respective operating licence obligation.</p> <p>Small gas use customers are provided information relating to the emergency via a 24 hour emergency line. The 24 hour number can be found on the back of each customer's bill and on Synergy's website.</p> <p>Through inquiry and observation with the Business Sales and Support Manager, Synergy does not supply gas to a customer under a door to door contract.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 16.1
Operating Licence Obligation	Energy Coordination Act section 11ZA(1)
Compliance Manual Reference	10
Obligation Description	A licensee must provide the Authority with a performance audit by an independent expert acceptable to the Authority within 24 months of commencement and every 24 months thereafter (or longer if the Authority allows).
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>The previous and first GTL 8 Performance Audit was conducted by PriceWaterhouseCoopers in November 2009 for the period 1 July 2007 to 30 June 2009.</p> <p>Through inquiry with the Legal, Regulatory and Audit team, and review of ERA's notice, we noted that, at the conclusion of the 2009 GTL8 Performance Audit, the ERA allowed Synergy 36 months until the next GTL8 Performance Audit.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1 and 18.1
Operating Licence Obligation	Energy Coordination Act section 11ZOR(2), 11ZOV(1) and (2), 11ZOZ(3), 11ZQH and 11Z
Compliance Manual Reference	19, 20, 21, 22, 24, 25
Obligation Description	
19	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.
20	A licensee must not engage in prohibited conduct relating to the operation of a retail market scheme.
21	A licensee must not assist another party to engage in prohibited conduct relating to the operation of a retail market scheme.
22	A licensee, as a member of a retail scheme, must comply with a direction given to it by the Authority to amend the scheme, and to do so within a specified time.
24	The licensee must not supply gas to customers unless the licensee is a member of an approved Gas Industry Ombudsman Scheme and is bound by any decision or direction of the ombudsman under the Scheme.
25	A licensee must comply with the applicable standards of the <i>Gas Standards Act 1972</i> .
Reporting Type	2, 2, 2, 2, 2, 1
Compliance Rating	5
Audit Observation	<p>Through enquiry with the Business Sales and Support Manager and Legal, Regulatory and Audit team, and review of policies and procedural documentation relating to Synergy's participation in the approved retail market scheme, Synergy has processes in place to meet the requirements under the Licence Conditions.</p> <p>Synergy is a member of an approved retail market scheme, REMCo. Through enquiry and observation with the Business Sales and Support Manager, Synergy did not engage in prohibited conduct. There have been no requests from the Authority to modify the scheme.</p> <p>The Energy Ombudsman Scheme, dealing with both gas and electricity complaints, was created in 2004 (gas) and 2006 (electricity). Synergy has been a gas member of the Energy Ombudsman since 1 July 2007.</p> <p><i>The Gas Standards Act 1972</i> does not have any applicable clauses for Synergy's gas small use customers as they do not sell gas appliances or distribute gas to customers.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination Act section 11M Energy Coordination (Gas Tariffs) Regulations 2000 reg. 5(1), 6(1), 6(2) Energy Coordination (Customer Contracts) Reg 14 (2 - 3) Clauses 4.1.2.1, 4.1.2.2, 4.1.3.1 and 4.1.3.2 AGA Code
Compliance Manual Reference	29, 30, 31, 56, 57, 58
Obligation Description	
29	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.
30	A licensee is required to offer to supply gas to each of its existing standard contract customers under the terms of the customer's existing contract but at a capped tariff unless the existing contract already entitles the customer to be supplied at a capped tariff.
31	When offering to supply gas to a new customer, a licensee is to offer to supply gas under an approved contract but at a capped tariff.
56	A licensee must inform customers that the supply charge is either for residential or non residential supply; includes a specified fixed component and specified usage component; and describes the circumstances a customer needs to meet to qualify for residential tariffs.
57	A licensee must give notice of the tariffs charged and provide these notices to customers without charge upon request.
58	A licensee must give notice of a variation in tariffs charged and provide these notices to customers affected by the change no later than the next bill.
Reporting Type	2, 2, 2, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Through enquiry with the Business Sales and Support Manager, and review of policies and procedures in place to ensure compliance with capped tariff requirements of the Energy Coordination (Gas Tariffs) Regulations 2000, we found that the gas supply charge for customer's fixed component and specified usage component is documented within the standard form contract terms and conditions.</p> <p>Additionally, changes and variations in tariffs charged will be calculated on the individual customer's bill.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 12 (2), 12 (4)(a - b), 12 (6) Clause 5.1.1.3, 5.1.2.1, 5.1.2.2, 5.1.4.1, 5.1.4.2, 5.1.7.2 and 5.1.8.1(a, b, d, e, f) AGA Code
Compliance Manual Reference	32, 33, 34, 41, 42, 44, 46, 47, 48, 50, 51
Obligation Description	
32	Except in prescribed circumstances, a licensee must not disconnect or cause disconnection to occur if – (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 (b) the customer has entered into arrangements acceptable to the licensee in relation to payment for gas supplied.
33	Before disconnecting supply for non-payment of a bill, a licensee must 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).
34	Before disconnecting supply for non-payment of a bill, a licensee must 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).
41	A licensee must 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.
42	A licensee must 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.
44	A licensee who disconnects supply for health and safety reasons must provide 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.
46	A licensee must 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.

47	A licensee must 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.
48	A licensee must not disconnect supply where the issue is the subject of complaint by the customer and is being reviewed externally and is not resolved.
50	A licensee must not disconnect supply where a customer has failed to pay a debt that is not a direct service charge.
51	A licensee must not disconnect supply after 3pm on any day; and not on a Friday, weekend or public holiday or on a day before a public holiday unless it is a planned interruption.
Reporting Type	NR, NR, NR, NR, NR, NR, NR, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>If gas is necessary to protect the health of the customer at the supply address then this is documented within the customer's profile within SAP. Disconnection will not occur at the respective supply address in that instance. Through enquiry with the Business Sales and Support Manager, there are no instances during the audit period where the supply to an address was required for health reasons.</p> <p>During the audit period, 1 July 2009 to 30 June 2012, there have been 3 cases of disconnection of a small gas use customers in accordance with clauses 7.1 to 7.3 of the Gas Customer Code for failure to pay a bill.</p> <p>The procedure for non-payment of accounts by small gas use customers is documented within Synergy's "Collection Process timeline Procedure", and the case of disconnection followed Synergy's "Disconnection" procedure.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 12 (5)(a, b, c, d, e) and Reg 12 (6) Clause 5.2.2.2 AGA Code
Compliance Manual Reference	35, 36, 37, 38, 39, 52
Obligation Description	
35	A licensee must 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.
36	A licensee must 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.
37	A licensee must 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.
38	A licensee must 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.
39	A licensee must 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.
52	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.
Reporting Type	NR, NR, NR, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Through discussions with the Business Sales and Support team, and review of gas reconnection policies, procedures and process maps, Synergy has processes in place which aligns with the Energy Coordination (Customer Contracts) Regulation 2004, reconnection requirements.</p> <p>During the audit period, 1 July 2009 to 30 June 2012, there have been 2 cases of reconnection of small gas use customers who have been reconnected at the same supply address in the same name within 7 days of having been disconnected.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 13 (1), (3) and (4) Clause 4.4.6.2 AGA Code
Compliance Manual Reference	53, 54, 55, 69
Obligation Description	
53	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.
54	A licensee must place refundable advances in separate trust accounts and separately identify the amounts in its accounting records.
55	A licensee must return interest earned on refundable advances accounts to customers.
69	A licensee must offer customers who are absent for a long period, payment in advance facilities and the option of redirecting the bill.
Reporting Type	NR, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Through inquiry with the Business Sales and Support Manager, there have been no cases of customers during the audit period, 1 July 2009 to 30 June 2012, which has paid a refundable advance.</p> <p>Synergy has formal procedures documented which ensure staff compliance with the requirements of this obligation, should this event occur.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1, 5.1 and Schedule 2 Gas Customer Code clause 4.1, 4.6(1), 4.9 and 4.10
Operating Licence Obligation	Energy Coordination Act section 11M Energy Coordination (Customer Contracts) Reg 15 (1), Reg 47 (2), (4) Clause 4.2.1, 4.2.3.1, 4.2.3.2, 4.2.3.3, 4.2.3.4, 4.2.4.1, 4.2.4.2, 4.2.4.4 and 4.2.4.5 AGA Code
Compliance Manual Reference	59, 60, 63, 64, 65, 66, 67, 147, 158, 164, 165
Obligation Description	
59	A licensee must issue a bill to a customer at least once every 3 months, unless agreed otherwise.
60	A licensee must prepare a bill in accordance with the terms specified in the AGA code, including the inclusion of any refundable advance.
63	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.
64	A licensee must base a customer's bill on a meter reading and meters must be read at least once per year.
65	A licensee, who accepts a customer reading of the meter, must not adjust the bill in favour of the licensee if the licensee subsequently discovers the reading was incorrect in favour of the customer.
66	A licensee, who provides a customer with an estimated bill and is subsequently able to read the meter, must adjust the estimated bill in accordance with the meter reading.
67	A licensee must read a customer's meter upon request and may impose a fee for doing so.
147	A retailer must issue a bill no more than once a month and at least once every three months unless the circumstances specified exist.
158	A retailer must base the customer's bill on the distributors or metering agent's reading of the meter, or the customer's reading of the meter in the circumstances specified.
164	Where the 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.
165	A retailer must replace an estimated bill with a bill based on an actual reading if the customer satisfies the requirements as specified.
Reporting Type	NR, NR, NR, NR, NR, NR, NR, 2, 2, 2, NR
Compliance Rating	5
Audit Observation	From our discussion with the Customer and Billing Services Manager and supplemented substantive testing of customers, we verified that customers are not billed for a period in excess of three months. It was noted that majority of the customers are on a monthly billing cycle and the smaller gas customers are generally billed bi monthly or quarterly. A standard billing

	<p>template is utilised to issue bills to customers and billing data is issued free of charge at customer's request.</p> <p>Billing is always based on metering data from ATCO. If an actual meter reading is not obtained, estimated meter readings are substituted based on average consumption data for that customer. When an actual meter reading is subsequently available, staff process adjustments and the customer will be re-billed based on actual meter readings.</p> <p>Based on our enquiries and review of policies, procedural document and service level agreements, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 15 (1) and (2) Clause 4.3.2.1 and 4.2.3.2 AGA Code
Compliance Manual Reference	61, 62, 68, 155
Obligation Description	
61	A licensee must apply payments received from a customer as directed by the customer (if the bill includes charges for other goods and services).
62	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.
68	A licensee must offer payment in person and payment by mail.
155	A retailer must issue a bill to a customer at the customer’s supply address, unless the customer has nominated another address or an electronic address.
Reporting Type	NR , NR, NR, 2
Compliance Rating	5
Audit Observation	<p>Customer invoices are sent by post to the customer’s supply address, unless the customer has nominated another address or an electronic address. Each invoice has a payment slip attached at the bottom, offering the following methods of payment:</p> <ul style="list-style-type: none"> • Electronic Funds Transfer (EFT); • Mail; • BPAY; or • In person. <p>Based on discussion with the Business Sales and Support Manager, and review of policies and procedures, we verified that payments received from customers will be applied to the amount due for the supply of gas and electricity, before applying it to other items.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1, 15.1 and 15.2
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 16 (3) Energy Coordination Act section 11M
Compliance Manual Reference	70, 109
Obligation Description	
70	A licensee must not 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.
109	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.
Reporting Type	NR, 2
Compliance Rating	5
Audit Observation	Based on discussion with the Business Sales and Support Manager, and review of policies, procedures, and gas sales agreement terms and conditions pertaining to contract terminations and transfers, Synergy’s processes aligns with the licence obligation documented in the Energy Coordination (Customer Contracts) Regulations. We have been advised that there have been no instances relating to this obligation during the audit period, 1 July 2009 to 30 June 2012.
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination Act section 11M Energy Coordination (Customer Contracts) Reg 19, Reg 45 (1) and (2)
Compliance Manual Reference	71, 81, 82, 83, 84
Obligation Description	
71	A licensee must provide a customer (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.
81	Upon request, a licensee must provide a customer free of charge with a copy of its customer service charter within 2 business days of the request.
82	A licensee must from time to time provide the customer with advice with their bill that a customer service charter is available free of charge.
83	Upon request, a licensee must provide a customer with a copy of the Energy Coordination (Customer Contract) Regulations 2004 or a relevant code.
84	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.
Reporting Type	NR, NR, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Synergy sends a “Welcome Pack” to each small gas customer together with their first bill. The “Welcome Pack” includes:</p> <ul style="list-style-type: none"> • A copy of the signed Agreement Application; • A copy of the Gas Sales Agreement Terms and Conditions; • A copy of the relevant supply contract; • A copy of the Gas Customer Service Charter; • An energy efficiency flyer; and • Information on obtaining billing data. <p>Through inspection of customer bills and the Standard Gas Agreement terms and conditions, we verified provisions relating to this obligation, such as:</p> <ul style="list-style-type: none"> • Information on how to obtain copies of regulations or any relevant code; • Information about fees and charges; • Billing data; • Information on government Assistance Programs (i.e. Interpreter Service) and financial difficulty enquiries. <p>Based on observation, we confirmed that a copy of the energy Coordination (Customer Contract) Regulations 2004 and relevant codes are available for inspection at Synergy’s office.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 20 (3) and 48
Compliance Manual Reference	74, 75, 76, 77, 78
Obligation Description	
74	A licensee must not commence legal action in relation to a customer debt if the customer has entered into arrangements to pay and is maintaining this arrangement.
75	A licensee must only provide a credit reporting agency with default information relevant to one of their bills.
76	A licensee must notify a credit reporting agency immediately if a customer has cleared their debt.
77	If a customer remedies a default and demonstrates extenuating circumstances, a licensee must request the credit reporting agency to remove the default record.
78	A licensee must not refer a default to a credit reporting agency that is the subject of a complaint or matter of review.
Reporting Type	NR, NR, NR, NR, NR
Compliance Rating	5
Audit Observation	<p>Through discussion and inquiry with the Business Sales and Support Manager, and review of policies and procedures relating to customer non-payments, Synergy has processes in place to meet this obligation.</p> <p>Synergy will follow up on any gas customers who are 20 days past their payment due date with amounts exceeding a specified amount. This is followed up by the accounts team who offer the customer alternative payment options.</p> <p>If payment is still outstanding for a further 10 days past the reminder or the arranged date with the customer, the customer will be notified of the consequences of non payment. If payment is still not received disconnection of the gas supply will occur and the credit reporting agency is informed of the defaulted payment.</p> <p>Legal action is not initiated if a customer enters into alternative payment arrangements and maintains this arrangement, the credit reporting agency will be notified immediately if the customer settles the debt.</p> <p>There were no complaints relating to the aforementioned obligations that were dealt with by the Energy Ombudsman, during the review period. As a result of enquiries and review of documentation, we have concluded that there are adequate and effective controls in place to support compliance with the Licence condition.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 50
Compliance Manual Reference	79
Obligation Description	A licensee must include information about its complaint handling process and contact details of the energy ombudsman on any disconnection warning given to a customer.
Reporting Type	NR
Compliance Rating	5
Audit Observation	<p>The disconnection warning letter has the following information provided to customers:</p> <ul style="list-style-type: none"> • Freecall complaint number: 1800 208 987; • Customer advocate email: advocate@synergy.net.au for unresolved complaints; • Energy Ombudsman: 1800 754 004 and alternative prompts for customers with hearing difficulties and foreign languages; and • Synergy's complaints handling procedures. <p>Based on our enquiries and review of documentation, including gas disconnection warning letter, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contracts) Reg 44
Compliance Manual Reference	80
Obligation Description	When a non-standard contract is due to expire a licensee must issue a notice in writing to a customer at least 2 months prior to the expiry date (or at the commencement of the contract if the contract is less than 1 month) with information about: the expiry date; alternative supply options, and the terms and conditions for continued supply post contract expiry.
Reporting Type	NR
Compliance Rating	5
Audit Observation	<p>Enquires with the Business Sales and Support Manager, ascertained that Contract Managers are responsible for generating a report listing of contracts due for expiry within the year. The list is printed and sales teams are allocated responsibility for the recontracting of an allocated number of contracts. The team notifies the customer in writing via a renewal notice, which documents the expiry date, alternative supply options, and terms and conditions for continued supply post contract expiry.</p> <p>Based on our enquiries and review of renewal notice, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1
Operating Licence Obligation	Energy Coordination (Customer Contract) Reg 28 clause 3.1.1(a) AGA Code
Compliance Manual Reference	85, 86
Obligation Description	
85	A standard form contract must include a provision that the retailer or distributor must provide, install and maintain equipment for the supply of gas up to the point of supply.
86	A standard form contract must include a provision that the retailer or distributor must provide, install and maintain metering and necessary equipment at the supply address.
Reporting Type	NR, NR
Compliance Rating	5
Audit Observation	<p>Through inspection of the standard form contract and Gas Sales Agreement Terms and Conditions, we verified the following provisions relating to this obligation:</p> <ul style="list-style-type: none"> • Clause 3: Synergy will supply gas to the customer during the supply period. • Clause 9.1: Synergy will arrange for the Network Operator or an Authorised Person to install a Meter at the customer's premises. • Clause 9.2: Operation of the meter including installation, inspection, repairs, replacement and restoration of Meter. <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 5.1 Trading Licence clause 19
Operating Licence Obligation	Energy Coordination Act section 11ZPP Energy Coordination (Customer Contract) Reg 33 (3) clause 3.5.2.2 AGA Code Code of Conduct clause 2.6(3)
Compliance Manual Reference	90, 132
Obligation Description	
90	A licensee must ensure that any representatives seeking access to the supply address on its behalf wear, carry and show official identification.
132	A marketing representative who meets with a customer face to face must: <ul style="list-style-type: none"> • as soon as practicable tell the customer the purpose of the visit; • wear a clearly visible and legible identity card showing the information specified; and • as soon as practicable provide the information specified in writing to the customer.
Reporting Type	NR, 2
Compliance Rating	5
Audit Observation	Based on enquiries with the Business Sales and Support Manager, and review of policies and procedural documentation, we verified it is mandatory Synergy representatives wear identification when meeting with customers. We have concluded that there are adequate and effective controls in place to support compliance with the Licence condition.
Recommendation	Nil

Licence Condition	Trading Licence clause 16.2, 16.4 and 17
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	96, 97, 98
Obligation Description	
96	A licensee must comply and require its expert to comply with the Authority's standard guidelines dealing with the performance audit.
97	A licensee's independent auditor must be approved by the Authority prior to the audit.
98	A licensee may be subject to individual performance standards.
Reporting Type	2, NR, NR
Compliance Rating	5
Audit Observation	<p>On 13 September 2012 the Authority approved the appointment of an independent auditor, BDO, to undertake the 2012 Gas Trading Licence Performance Audit for Synergy. The audit plan was approved by the Authority on 18 December 2012.</p> <p>Through inquiry and observations with the Manager Retail, Regulatory and Compliance, we confirmed that there has been no extraordinary individual performance standards imposed onto Synergy by the Authority in relation to GTL 8.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 20
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	99
Obligation Description	Unless otherwise specified, all notices must be in writing and will be regarded as having been sent and received in accordance with defined parameters.
Reporting Type	NR
Compliance Rating	5
Audit Observation	Though inquiry and observation with the Manager Retail Regulatory and Compliance, and review of compliance operation manual, policies and procedures, we confirmed that Synergy has processes in place to ensure that any notice related to the licence must be in writing, and posted within specified timeframes.
Recommendation	Nil

Licence Condition	Trading Licence clause 21.1 and 22.1
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	100, 101
Obligation Description	
100	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board or equivalent International Accounting Standards.
101	A licensee must report to the Authority 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.
Reporting Type	2, 2
Compliance Rating	5
Audit Observation	<p>Based on inquiry and observation with the Senior Business Analyst, supplemented with a review of Synergy's Audit Financial Statements, we verified that accounting records are prepared in accordance with AASB or internal standards.</p> <p>We were advised by the Manager Retail Regulatory and Compliance that the Legal Regulatory and Audit team is responsible for reporting to the Authority if Synergy undergoes external administration or experiences a significant change in its corporate, financial or technical circumstances. There were no instances relating to this obligation during the audit period, 1 July 2009 to 30 June 2012.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 12.2, 12.3, 13.1, 23.1 and 24 Trading Licence Schedule 3 clause 1.5, 1.7, 2.1, 2.2 and 3.1
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	102, 103, 106, 107, 108, 110, 111, 112, 113
Obligation Description	
102	A licensee must provide to the Authority any information that the Authority may require in connection with its functions under the Energy Coordination Act 1994 in the time, manner and form specified by the Authority.
103	A licensee must publish any information it is directed by the Authority to publish, within the timeframes specified.
106	A licensee must, if directed by the Authority, review the standard form contract and submit to the Authority the results of that review within the time specified by the Authority.
107	A licensee must comply with any direction given by the Authority in relation to the scope, process and methodology of the standard form contract review.
108	A licensee must only amend the standard form contract in accordance with the Energy Coordination Act 1994 and Regulations.
110	A licensee must provide the Authority within 3 business days of a request by the Authority with reasons for refusing to commence supply to a customer if requested by the Authority.
111	A licensee must comply with a direction from the Authority to supply a customer, subject to specified conditions.
112	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.
113	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.
Reporting Type	2, 2, NR, NR, 2, 2, 2, 2, 2
Compliance Rating	5
Audit Observation	<p>Through inquiry and observation with the Manager Retail Regulatory and Compliance, we confirmed that the aforementioned obligations serve as a reserve power for the Authority, should they require the licensee to comply with specific directions.</p> <p>Synergy advised during the audit period, 1 July 2009 to 30 June 2012, there have been no requests from the Authority with regards to the aforementioned obligations.</p> <p>The Standard form contract's applicable price, price structure, fee or interest rates are prescribed under the <i>Energy Coordination (Gas Tariffs)</i></p>

	<p><i>Regulations 2000</i></p> <p><i>Government's Gazette</i> prices for gas supply. Synergy does not amend this price.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1, 19, 19.1, 19.2 and Schedule 2
Operating Licence Obligation	Energy Coordination Act section 11ZPP and 11M Code of Conduct clause 2.1, 2.2, 2.3(1), 2.3(2), 2.3(3), 2.4(1), 2.4(2), 2.4(3), 2.4(4), 2.5(4), 2.5(5), 2.6(1), 2.6(2), 2.6(4), 2.6(5), 2.6(6), 2.6(7), 2.6(8), 2.7(1), 2.7(2), 2.7(3), 2.7(4), 2.7(5), 2.8, 2.11(1), 2.11(2), 13.1 and 13.3(2)
Compliance Manual Reference	114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 125, 126, 128, 129, 130, 131, 133, 134, 135, 136, 137, 138, 139, 141, 142, 143
Obligation Description	
114	A licensee must comply with the Gas Marketing Code of Conduct.
115	A licensee must ensure all agents and employees comply with the Gas Marketing Code of Conduct.
116	A marketer must ensure that its marketing representatives comply with Part 2 of the Code of Conduct.
117	A marketer must ensure that standard and non-standard contracts are entered into in the manner and satisfying the conditions specified.
118	A marketing representative must ensure that the information specified is provided to the customer before arranging a contract and that the customer is provided with a written copy of the contract on request.
119	Where a standard form contract is not entered into as a result of door to door marketing or for a non-standard contract initiated by telephone, a marketing representative must obtain and make a record of the customer's verifiable consent that the specified information has been given.
120	Where a standard form contract is entered into as a result of door to door marketing or for a non-standard contract (other than that initiated by the customer by telephone or electronic means), a marketing representative must obtain the customer's written acknowledgement that the specified information has been given.
121	Where the customer has entered into a new contractual relationship with a retailer, a retailer or marketing representative must offer to provide the customer with a copy of the contract and, where this offer is accepted by the customer, provide a copy of the contract at that time or as soon as possible thereafter.
122	Where the customer has entered into a new contractual relationship with a retailer, a retailer or marketing representative must give the information specified to the customer.
123	In circumstances where a standard form contract is not entered into as a result of door to door marketing, a retailer or marketing representative must give the specified information no later than with or on the customer's first bill and a copy of the contract if requested by the customer (and the customer has not previously received a copy).
124	In circumstances where a standard form contract is entered into as a result of door to door marketing or a non-standard contract, a retailer or marketing representative must give the specified information and a copy of the contract

	before the customer has entered into the contract and must obtain a written acknowledgement that the information has been given.
125	A marketing representative must not, when marketing, engage in conduct that is misleading, deceptive or likely to mislead or deceive or that is unconscionable.
126	A marketing representative must not exert undue pressure on a customer, nor harass or coerce a customer.
128	A marketing representative must ensure that all standard form contracts that are entered into as a result of door to door marketing and all non-standard contracts are in writing.
129	A marketer must ensure that a customer is able to contact the marketer on the marketer's telephone number during normal business hours for the purposes of enquiries, verifications and complaints.
130	A marketing representative must provide the information specified to the customer when marketing by means other than face to face and after having identified the purpose of the contact, if the contact is not by electronic means, the marketing representative must ask the customer whether they wish to proceed further.
131	A marketing representative must, on request, provide the customer with it's and the retailer's complaints telephone number and marketing identification number.
133	If, when marketing to a customer, the customer indicates that they wish to end the contact, the marketing representative must end the contact as soon as practicable and not attempt to contact the customer for the next 30 days unless the customer agrees otherwise.
134	Unless requested by the customer, a marketing representative must not make contact with a customer outside the permitted call times, unless the contact is by electronic means or the contact arises outside the customer's premises in circumstances where the customer initiates contact.
135	A marketing representative must ensure that contact for the purposes of marketing does not continue for more than 15 minutes past the end of the permitted call times without the customer's verifiable consent unless the contact is by electronic means.
136	Except in response to a customer request or query, a marketer must keep the specified records each time it initiates contact with a customer for the purposes of marketing.
137	Where the customer requests not to be contacted for the purposes of marketing a marketer must ensure that a customer is not contacted on its behalf in relation to the supply of gas for a period of two years unless: <ul style="list-style-type: none"> • the customer requests contact; or • the customer has moved premises; or • a marketer has a legal obligation to contact the customer.
138	A marketer must keep a record of each customer who has requested not to be contacted, that includes the name, address and telephone number of the

	customer at the time the customer made the request.
139	A marketer must give a copy of the record to the Gas Ombudsman or the Authority on request.
140	A marketer must provide the customer on request with written confirmation that the customer will not be contacted for the next two years.
141	A marketing representative must comply with a notice on or near the premises indicating that the customer does not wish to receive unsolicited mail or other marketing information.
142	A retailer and a marketer must comply with the National Privacy Principles as set out in the Privacy Act 1998 in relation to information collected under Part 2 of the Code of Conduct.
143	A marketer must keep a record of each complaint made by a customer or a person contacted for the purposes of marketing and on request, give all information relating to the complaint to the Gas Ombudsman.
144	A marketer must keep a record or other information required by the Code to be kept for at least 2 years.
253	A retailer, distributor or marketer must keep a record or other information as required to be kept by the Gas Customer Code for at least two years from the last date on which the information was recorded, unless expressly provided otherwise.
256	A retailer must keep a copy of each complaint referred to in clause 13.3(1) (including complaints made directly to a retailer).
Reporting Type	All 2 other than 136 which is NR
Compliance Rating	5
Audit Observation	<p>The Business Sales and Support Manager, Risk and Compliance Manager Energy Markets, and Manager Retail Regulatory and Compliance advised Synergy did not engage in door to door marketing for gas small use customers during the audit period.</p> <p>Synergy is restricted from supplying gas to residential (and non-residential) customers who consume less than 180 GJ per annum, therefore no concessions or rebates are applicable.</p> <p>Through interviews with the Business Sales and Support Manager and staff, we ascertained Synergy requires all non standard contracts to be in writing. The customer execution of the non standard contract provides written acknowledgement that the information provided in the Code of Conduct has been given to the customer.</p> <p>Discussions with the Business Sales and Support Manager revealed once the gas supply contract is signed by the customer, they are provided with a copy of the Gas Customer Service Charter, a copy of the contract and the terms and conditions through the post or as attachments in an e-mail. The specified information is contained within the Customer Service Charter issued to new contractual customers and on the customer's bill.</p> <p>Synergy's verifiable consent form is sent to the customer, and requires the customer's signature as proof of verifiable consent before the contract</p>

	<p>process is concluded and supply is commenced.</p> <p>The segregation of duties and supervisory review elements help ensure marketing representatives do not engage in unethical conduct. Additionally, staff are required to undertake annual training programs regarding misleading and deceptive conduct as well as specific regulatory training on energy industry codes. This training includes annual testing and the recording of those results.</p> <p>Synergy’s business hours are 7:00 am - 7:00 pm Monday to Friday. However, Synergy’s implemented calling times are from 9:00 AM to 7:00 PM Monday to Friday (other than public holidays) and 9:00 AM to 5:00 PM on Saturday.</p> <p>SAP records customer information in a number of different screens and fields. All transactions, both system and manual, have been recorded in SAP since go live in September 2009. Some key information was converted from the Customer Information system (CIS) into SAP and the notes history is tagged with the wording "conversion". To date there has been no archiving of data in the SAP system and therefore customer information has been stored and retained for over 2 years.</p> <p>All documents, prior to the implementation of SAP, were archived in a program called “Valhalla”.</p> <p>Through enquires made with the Regulatory and Audit team, it was revealed that Synergy has procedures in place to ensure a copy of the “Do Not Contact” register is given to the Gas Ombudsman or the Authority on request.</p> <p>Enquiries with the Legal, Regulatory and Audit team revealed that the Gas Ombudsman or the Authority has not requested a copy of complaints made by customers during the audit period, 1 July 2009 to 30 June 2012.</p> <p>Based on our enquiries, review of the protocols, review of samples of non standard contracts, and review of approved Marketing material campaigns, we have concluded the licensee has complied with the Licence conditions, during the period of review.</p>
<p>Recommendation</p>	<p>Nil</p>

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 3.1(1) and 3.1(2)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	145, 146
Obligation Description	
145	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.
146	A retailer must forward the customer's request for the connection to the relevant distributor in the timeframe specified unless the customer agrees otherwise.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>Discussions with the Business Sales and Support Manager revealed that Synergy forwards customer requests for gas connection to ATCO, within that same day (if the request was received before 3pm), and the next day (if the request was received on or after 3pm) if the customer's supply address is not already connected.</p> <p>Based on our enquiries and review of Synergy's "End to End process" and ATCO service level agreement, we have concluded that the licensee has complied with the Licence Conditions, during the review period.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.2(3), 4.2(4), 4.2(5) and 4.2(6)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	149, 150, 151, 152
Obligation Description	
149	A retailer must give the customer written notice of a decision to shorten the customer's billing cycle within 10 business days of making the decision.
150	A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days.
151	A retailer must return a customer, who is subject to a shortened billing cycle and has paid three consecutive bills by the due date, on request, to the billing cycle that previously applied to the customer.
152	A retailer must inform a customer, who is subject to a shortened billing cycle, at least once every three months, of the conditions upon which a customer can be returned to its previous billing cycle.
Reporting Type	2, 2, 2, 2
Compliance Rating	5
Audit Observation	<p>Synergy advised that, during the audit period 1 July 2009 to 30 June 2012, no small gas use customers were placed on a shortened billing cycle.</p> <p>Through enquiry with the Customer and Billing Services Manager and Billing Officer and review of policies, procedural documentation and Annual Gas Performance Reports relating to Synergy's offering of shortened billing cycle, Synergy has processes in place to meet the requirements under the Licence Conditions including the capture of the relevant data.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.3(1)
Compliance Manual Reference	153, 154
Obligation Description	
153	In respect of any 12 month period, on receipt of a request by a customer, a retailer may provide a customer with estimated bills under a bill smoothing arrangement.
154	If a retailer provides a customer with estimated bills under a bill smoothing arrangement the retailer must ensure that the conditions specified are met.
Reporting Type	2, 2
Compliance Rating	5
Audit Observation	We were advised by the Business Sales and Support Manager, and Manager Retail Regulatory and Compliance that Synergy does not offer Bill Smoothing products to their small use gas customers (as is currently the case with electricity customers).
Recommendation	N/A

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.5(3)
Compliance Manual Reference	157, 159, 160, 161, 162, 163, 164, 165, 166, 167
Obligation Description	
157	A retailer must advise the customer of the amount of historical debt and its basis before, with or on the customer's next bill, if the retailer wishes to bill the customer for the historical debt.
159	A retailer must give the customer information that explains to that customer how to read a meter correctly (if applicable) in clear, simple and concise language.
160	A retailer must use its best endeavours to ensure that metering reading data is obtained as frequently as is required to prepare its bills and, in any event, at least once every twelve months in accordance with clause 4.6(1)(a) of the Gas Customer Code.
161	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.
162	A retailer must specify the stated information in circumstances where the customer's bill is estimated. The customer may request a verification of a meter reading and a meter reading.
163	A retailer must tell a customer, on request, the basis and reason for the estimation.
166	A retailer must request the distributor or metering agent to test the meter if a customer requests the meter to be tested and pays any reasonable charge of the retailer for testing the meter.
167	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.
Reporting Type	2, 2, NR, 2, 2, 2, 2, NR, 2, 2
Compliance Rating	5
Audit Observation	<p>At the end of each billing period, Synergy sends an invoice to the customer outlining all charges payable by the customer under the gas sales agreement for that billing period, including any historical debt.</p> <p>Synergy has a gas meter reading guide for staff to assist customers in reading their gas meter. This guide has clear and concise step by step instructions on how to read a gas meter.</p> <p>Through discussion and observation with the Customer and Billing Services Manager, we ascertained that small gas use customers on monthly billing cycles have their meter readings taken monthly, and bi monthly or quarterly for customers on bi monthly and quarterly billing cycles.</p> <p>Our test sample of customer bills confirmed that customers had been issued with estimated bills during the audit period. The information on the</p>

	<p>estimated bills was compliant with the Gas Customer Code.</p> <p>Customers are notified on each estimated bill the calculation of the estimated amount and the reasoning for the estimation.</p> <p>Synergy has a process in place to ensure that a request is made to the distributor if a customer requests a meter test. Synergy will not charge a meter test fee where the meter was found to be faulty.</p> <p>Synergy has not had any customer requests for a verification of a meter reading; or a meter reading; or a meter test, during the review period. However, Synergy has an established framework to handle these requests should they eventuate.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence conditions, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.12(1) and 4.13
Compliance Manual Reference	168, 169
Obligation Description	
168	If a retailer offers alternative tariffs, a retailer must change the customer to an alternate tariff within the period specified if the customer applies to receive an alternate tariff and demonstrates to the retailer that the Customer satisfies the conditions of eligibility.
169	A retailer must give the customer written notice prior to changing the customer to an alternative tariff if the customer's gas use has changed and the customer is no longer eligible to continue to receive an existing, more beneficial tariff.
Reporting Type	2, 2
Compliance Rating	5
Audit Observation	<p>Through enquiries and observation with the Business Sales and Support Manager and Risk and Compliance Manager Energy Markets, we ascertained there were no instances that triggered this obligation during the audit period, 1 July 2009 to 30 June 2012. It was noted Synergy may change / re-negotiate the customer's tariff arrangements only at the end of the agreed contract. Unlike electricity customers with multiple tariff choices on a standard form contract, small gas use customers are mainly on a negotiated non-standard contract.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence conditions, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.14(1), 4.14(2), 4.15(1), 4.15(2), 4.18(2), 4.19(2), 4.19(3), 4.19(4) and 4.19(6)
Compliance Manual Reference	170, 171, 172, 173, 177, 178, 179, 180
Obligation Description	
170	A retailer may recover any amounts undercharged to a customer as a result of a change in the customer's gas use for the period of up to 12 months prior to the date on which the retailer provided notice in the specified manner.
171	A retailer must repay any amounts overcharged to a customer as a result of a change in the customer's gas use.
172	A retailer must use reasonable endeavours to arrange for a final bill if a customer requests the retailer to issue a final bill at the customer's supply address.
173	A retailer must repay the customer any amount in credit at the time of account closure.
177	A retailer must recover an amount undercharged as a result of an act or omission by a retailer or distributor in the manner specified.
178	A retailer must use its best endeavours to inform the customer (including a customer who has vacated the supply address) of an overcharge, and repay or credit any amount overcharged as a result of an act or omission by a retailer or distributor, in the manner and period specified.
179	A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.
180	A retailer must use reasonable endeavours to credit the amount overcharged within 20 business days of the customer making the request, in circumstances where instructions as to payment are not received by the customer.
Reporting Type	NR, 2, NR, 2, 2, NR, 2, NR
Compliance Rating	5
Audit Observation	<p>Based on enquiries and observation with the Customer and Billing Services Manager, and review of policies and procedures pertaining to credit management, Synergy has processes to ensure staff compliance with these obligations.</p> <p>The Account Managers are responsible for adjusting any undercharged or overcharged amounts to the correct amount. If a customer is overcharged, the customer is re-billed with the correct amount. If the customer has paid the overcharged amount prior to the re-bill, a credit will automatically be placed against the customer's account. Amounts credited may be refunded by way of cheque or EFT on the customer's request.</p> <p>Synergy has formalised systems in place to ensure staff compliance in relation to the arrangement of a customer's final bill, account closure and treatment of gas overcharge amounts.</p>

	<p>We were advised by the Customer and Billing Services Manager that during the audit period, 1 July 2009 to 30 June 2012, no customers were overcharged as a result of an act or omission by Synergy.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence conditions, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.16, 4.17(1) and 4.17(2)
Compliance Manual Reference	174, 175, 176
Obligation Description	
174	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.
175	A retailer must follow the procedures specified if a review of a bill has been conducted and the retailer is satisfied that the bill is correct or incorrect (as applicable).
176	A retailer must inform the customer of the outcome of the review of a bill as soon as practicable, but, in any event, within 20 business days from the date of receipt of the request for review.
Reporting Type	2, 2, 2
Compliance Rating	5
Audit Observation	<p>Through enquires and observation with the Customer and Billing Services Manager, and Billing Officers, and review of related policies and procedures, we ascertained that, where a customer queried a bill during the audit period, 1 July 2009 to 30 June 2012, Synergy did not require the customer to pay any amount due until the query or complaint has been investigated.</p> <p>Synergy has system controls within SAP to prevent the requirement of the customer paying the account under dispute.</p> <p>Once Synergy has determined the outcome of the bill review, the customer is immediately informed of the outcome and requested to the pay the amount that is correct. Findings of the review are available to the customer on request.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.1
Compliance Manual Reference	181
Obligation Description	The due date on the bill must be at least 12 business days from the date of the bill, with the date of dispatch deemed to be the date of the bill, unless the retailer specifies a later date.
Reporting Type	2
Compliance Rating	5
Audit Observation	The due date on a bill is an automated process within SAP. Based on discussions with the Customer and Billing Services Manager, supplemented with a review of documentation and sample testing of gas bills, we have concluded that there are adequate and effective controls in place to support compliance with the Licence condition.
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.2(1), 5.2(2), 5.3 and 5.4
Compliance Manual Reference	182, 183, 184, 185
Obligation Description	
182	A retailer must as a minimum offer the specified payment methods to the customer.
183	A retailer must comply with the Electronic Funds Transfer Code of Conduct with respect to an electronic payment arrangement.
184	A retailer must, prior to commencing a direct debit, obtain the customer's verifiable consent and agree to the specified conditions for the direct debit.
185	A retailer must accept payment in advance from a customer on request, in the circumstances specified.
Reporting Type	2, 2, 2, 2
Compliance Rating	5
Audit Observation	<p>Based on discussion and observation with the Customer and Billing Services Manager, we verified that Synergy provides the following payment options to customers:</p> <ul style="list-style-type: none"> • Credit card; • Direct debit; • Paperless billing; • BPAY; • Over the phone; • Mail; • EFT; or • In person. <p>Through enquiries with the Customer and Billing Services Manager and Billing Officer, we confirmed that during the audit period 1 July 2009 to 30 June 2012, there were no payments that were made in advance from a customer on request, and 1 instance of a direct debit in the 2009/10 Financial Year. A customer's verifiable consent for specified conditions of direct debit is captured by the direct debit declaration. Synergy has processes in place should a payment in advance event materialise.</p> <p>Synergy has policy and procedural documentation in place to ensure staff compliance with the Electronic Funds Transfer Code.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.7(1), 5.7(2) and 5.7(4)
Compliance Manual Reference	191, 192, 193
Obligation Description	
191	A retailer must not require a customer who has vacated a supply address to pay for gas consumed at the customer's supply address in the circumstances specified.
192	A retailer must not require a customer who was evicted or otherwise required to vacate a supply address to pay for gas consumed at the customer's supply address in the circumstances specified.
193	A retailer must not require a previous customer to pay for gas consumed at the supply address in the circumstances specified. A previous retailer must not require the customer to pay for gas consumed at the supply address in the circumstance specified. A retailer must not require the customer to pay for gas consumed at a disconnected supply address in the circumstances specified.
Reporting Type	2, 2, 2
Compliance Rating	5
Audit Observation	<p>A customer's notification pertaining to vacating a premises is recorded in SAP's interaction field against the customer's account. This record serves as the notification date and is used as the reference date.</p> <p>If a notification has not been provided, Synergy has a process for identifying the vacation date by contacting the respective Real Estate Agent in an effort to confirm the date.</p> <p>Once a supply address is vacated, supply of gas to such premises will be disconnected. The disconnection procedure requires final meter reads and final bills to be issued to the customer. Once supply is disconnected, date and time of disconnection is recorded against the customer's account and this record serves as evidence of disconnection and does not require the customer to pay for the supply of gas after this period.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.8(1) and 5.8(3)
Compliance Manual Reference	194, 196
Obligation Description	
194	A retailer must comply with the Conduct Principles set out in the guideline on debt collection issued by the Australian Competition and Consumer Commission.
196	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.
Reporting Type	2, 2
Compliance Rating	5
Audit Observation	<p>Review of credit management policies and procedures confirmed debt recovery action is only applicable to the account holder who is the customer who entered into the contract for the supply of gas. Synergy had processes in place to ensure compliance with section 60 of the ACCC Trade Practices Act and ensure that debtors are treated fairly and are not harassed, coerced or misled as to the nature of their debt during the audit period.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.11
Compliance Manual Reference	219
Obligation Description	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>Following discussions and observation with the Customer and Billing Services Manager and Billing Officer, supplemented with review of credit management procedural documents, we confirmed that Synergy considers any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.</p> <p>Alternative payments are processed within SAP, where a Promise to Pay notification is created on the customer's account. This includes selecting reasons for payment extensions and selecting the appropriate payment arrangement. Sample testing confirmed Synergy's alternative payment process.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.1, 7.2, 7.4 and 7.6
Compliance Manual Reference	220, 221, 223, 225
Obligation Description	
220	A retailer must give the customer a reminder notice, use its best endeavours to contact the customer and give the customer a disconnection warning, in the manner and timeframes specified, prior to arranging for disconnection of a customer's supply address for failure to pay a bill.
221	A retailer must not arrange for disconnection of a customer's supply address for failure to pay a bill in the circumstances specified.
223	A retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter unless the conditions specified are satisfied.
225	A retailer or a distributor must not arrange for disconnection or disconnect a customer's supply address in the circumstances specified.
Reporting Type	2, 2, 2, 1
Compliance Rating	5
Audit Observation	<p>Our review of procedural documentation revealed that the reminder notice process is automated within SAP.</p> <p>Synergy endeavours to establish contact with the customer through provision of payment reminders, SMS, telephone calls, field officer contact and disconnection warnings prior to performing a disconnection.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 8.1(1) and 8.1(2)
Compliance Manual Reference	226, 227
Obligation Description	
226	A retailer must arrange for reconnection of the customer's supply address if the customer has remedied its breach, makes a request for reconnection, pays the retailer's reasonable charges (if any) or accepts an offer of an instalment plan for the retailer's reasonable charges.
227	A retailer must forward the request for reconnection to the relevant distributor within the timeframe specified.
Reporting Type	2, 2
Compliance Rating	5
Audit Observation	<p>Arising from interviews held with the Customer and Billing Services Manager and Billing Officer, and our review of policies and procedures, we determined Synergy has processes and practices in place to ensure reconnection requests originating from this obligation are forwarded to ATCO within the timeframe specified.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.1(1), 10.1(2) and 10.1(3)
Compliance Manual Reference	229, 230, 231
Obligation Description	
229	A retailer must give notice of any variations in its tariffs to each of its customers affected by a variation, in the timeframes specified.
230	A retailer must give a customer on request, at no charge, reasonable information on the retailer's tariffs, including alternative tariffs (if any).
231	A retailer must give a customer the information requested on tariffs in the manner and within the timeframes specified.
Reporting Type	2, 2, 2
Compliance Rating	5
Audit Observation	<p>We reviewed Synergy's internal controls and verified that a process is in place for ensuring that notice is given of any variations in tariffs to each of the customers affected no later than the next bill in a customer's billing cycle.</p> <p>The most recent notification is published on Synergy's website that ATCO Gas Australia has made changes to its gas distribution charges applicable from 1 July 2012, and this would affect Synergy's customers.</p> <p>Synergy has processes in place to ensure that staff provide customers with tariff information, at no charge, within timeframes noted within Synergy's customer service level agreements.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Energy Coordination Act section 11M
Operating Licence Obligation	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.2(1), 10.2(2) and 10.2(3)
Compliance Manual Reference	232, 233, 234
Obligation Description	
232	A retailer must, on request, give a customer its billing data.
233	A retailer must give the requested billing data at no charge in the circumstances specified.
234	A retailer must give the requested billing data within 10 business days of the receipt of the request or payment of the retailer's reasonable charge for providing the billing data.
Reporting Type	2, 2, 2
Compliance Rating	5
Audit Observation	<p>Through enquiries and observation with the Customer and Billing Services Manager, and review of policies and procedures pertaining to the provision of billing data, we ascertained that Synergy has processes in place to ensure that a customer is provided billing data upon request at no charge.</p> <p>Synergy has customer service level agreements in place to ensure staff compliance with the 10 business days rule. This was confirmed during our substantive testing of customers requesting billing data.</p> <p>Customers are able to access individual billing data online on the "My Account" platform on Synergy's website. Each customer is entitled to log in and track their billing data.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.2(4)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	235
Obligation Description	A retailer must keep a customer's billing data for seven years.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>Based on our discussions with the Customer and Billing Services Manager and Billing Officer, and our review of record keeping policies and procedures we determined that Synergy has processes and practices in place to ensure records are maintained for a minimum period of 7 years. Further examination of Synergy's record retention policy found that references are made to the State Records Act.</p> <p>Based on our discussions, we understand Historical billing data is stored in SAP and in the legacy system, "Valhalla". Supply of gas to small gas use customers commenced in 2007, therefore, sample testing of billing data from 2007 confirmed records are maintained.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.4
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	237
Obligation Description	A retailer must give a customer on request, at no charge, the general energy efficiency information specified.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>From reviewing Synergy’s website we were able to obtain information relating to cost effective and efficient ways to use gas. The website also provided energy audit checklists, energy management policies, and energy reduction tips at no charge.</p> <p>Furthermore, Synergy has published an Energy Efficiency Tips for Businesses brochure on their website, available to the customer at no charge. This document can be mailed to customers on request if customers do not have access to Synergy’s website.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.5
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	238
Obligation Description	A retailer must give information to the customer, or refer the customer to the relevant distributor for a response, if asked by a customer for information relating to the distribution of gas.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>Our review of Synergy's processes revealed that sales representatives will answer to the best of their knowledge any queries relating to the distribution of gas, and if the customer requires further information they are to be referred to ATCO, the gas distributor.</p> <p>Based on our enquiries with the Customer and Billing Services Manager, and review of documentation, we have concluded that the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.5A
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	239
Obligation Description	A retailer must lodge with the Authority a gas customer safety awareness program in the manner and timeframes specified.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>From reviewing Synergy's website we were able to obtain information relating to Synergy's Gas Safety Awareness Program, which has been previously submitted to the Authority.</p> <p>Furthermore, information regarding Gas Safety can also be found on the Gas Customer Service Charter, which has been submitted by the Authority.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.9, 10.10(1), 10.10(2) and 10.10(3)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	241, 242, 243, 244
Obligation Description	
241	A retailer, distributor and marketer must, to the extent practicable, ensure that any written information that must be given to a customer under the Gas Customer Code is expressed in clear, simple, and concise language and is in a format that makes it easy to understand.
242	A retailer and distributor must tell a customer on request how the customer can obtain a copy of the Gas Customer Code.
243	A retailer and distributor must make electronic copies of the Gas Customer Code available, at no charge, on their website.
244	A retailer and distributor must make a copy of the Gas Customer Code available for inspection, at no charge, at their offices.
Reporting Type	NR, 2, 2, 2
Compliance Rating	5
Audit Observation	<p>Our review of Gas Customer Code and procedural documentation relating to presentation to customers, confirmed that written information given to customers under the Gas Customer Code is expressed in clear, simple and concise language, and formatted in a way that makes it easy to understand.</p> <p>From reviewing Synergy’s website we confirmed that electronic copies of the Gas Customer Code are made available on Synergy’s website, at no charge.</p> <p>Enquiries and observation made with front reception revealed that copies of the Gas Customer Code are available for inspection, at no charge, at Synergy’s offices.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 12.1(1), 12.1(2), 12.1(3), 12.2, 12.3 and 12.4
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	247, 248, 249, 250, 251, 252
Obligation Description	
247	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.
248	A retailer and distributor must develop, maintain and implement a complaints handling process that meets the specified requirements.
249	A retailer or distributor must at least provide the specified advice to a customer when handling a complaint.
250	A retailer must comply with any guideline developed by the Authority relating to distinguishing customer queries from customer complaints.
251	A retailer, distributor and marketer must give a customer on request, at no charge, information that will assist the customer in utilising the respective complaints handling processes.
252	A retailer, distributor or marketer who receives a complaint that does not relate to its functions, must refer the complaint to the appropriate entity and inform the customer of the referral.
Reporting Type	2, 2, 2, 2, 2, 2
Compliance Rating	5
Audit Observation	<p>Synergy has a suite of complaint handling policies and procedural documentation which documents the requirements, processes and actions for handling, and recording complaints and dispute resolution. The complaints framework caters for verbal as well as written complaints.</p> <p>Synergy's complaint handling process cited AS/ISO 10002:2006 and the definition of a complaint is consistent with the standard.</p> <p>Complaints are recorded in SAP, with each complaint given a uniquely generated reference number. During the audit period, 1 July 2009 to 30 June 2012, there were 15 complaints, of which 9 related to billing/credit and 6 related to other.</p> <p>On the first instance, the Account Manager will attempt to resolve the complaint. If the complaint is still unresolved, it escalates to the Customer Resolution Team. Customers are also advised that they may contact the Energy Ombudsman as part of Synergy's complaint handling process.</p> <p>Through enquiries and observation with the Risk and Compliance Manager, Customer and Billing Services Manager and Service Quality Manager, and review of documentation, we are satisfied that Synergy complies with guidelines developed by the Authority and Licence condition.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.2 and 13.3(1)
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	254, 255, 258
Obligation Description	
254	A retailer must keep a record of the total number and percentage of customers under the affordability and access indicators specified.
255	A retailer must keep a record of the customer complaint indicators specified.
258	A retailer must keep a record of the total number of residential and business accounts specified.
Reporting Type	2, 2
Compliance Rating	5
Audit Observation	<p>Through discussion and observation, we ascertained that a suite of reports has been developed within SAP to ensure that the indicators under Part 13 of the Gas Customer Code can be readily extracted. We reviewed the 2009/10, 2010/11 and 2011/12 Gas Performance Reports, and confirmed the statistics.</p> <p>For the year ending 30 June 2012, Synergy had 0 residential customers and 112 non-residential customers.</p> <p>Based on our enquiries and review of documentation, we have concluded that there are adequate and effective controls in place and the licensee has complied with the Licence condition, during the period of review.</p>
Recommendation	Nil

Licence Condition	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 13.5
Operating Licence Obligation	Energy Coordination Act section 11M
Compliance Manual Reference	257
Obligation Description	A retailer must keep a record of the call centre performance indicators specified.
Reporting Type	2
Compliance Rating	5
Audit Observation	<p>Synergy advised that they do not have a call centre for gas customers; this information is reflected in Synergy's performance reports as approved by the Authority.</p> <p>Whilst Synergy does not have a dedicated call centre for gas customers, Account Managers are responsible for communication from gas customers.</p>
Recommendation	Nil

6 SOURCE DOCUMENTATION

1. Out of contract rate renewals
2. Industrial and Commercial (I&C) offer & quote generation and acceptance
3. Manual processes for I&C
4. Knowledge base (KB) B-Cash Processing Procedure - Processing Electronic Funds Transfer Payments
5. KB-Final Invoice
6. KB-Run a Business Intelligence Report
7. KB-About Billing & Invoicing
8. KB-Collections Timeline - Gas
9. KB-Reconnections-Gas
10. KB-Mailing Address
11. KB-Payments
12. KB-Disconnections - GAS
13. KB-Lost Consumption
14. KB-Payment Arrangements
15. KB-Supply of Gas
16. KB-Gas Supply - Tariff
17. KB-Issue service notification Gas New Connect
18. KB-Energy Coordination (Customer Contract) Regulations 2004
19. KB-Australian Gas Association Code
20. KB-Visiting our Customers
21. KB-Copies of Records
22. KB-Meter Read Check
23. Specify document matter
24. KB-Gas Supply - Tariff
25. Gas Account - Sample Account - Small Business Customer
26. Energy Coordination (Customer Contract) Regulations 2004
27. Synergy Gas Customer Charter Small Business Use Customers
28. Gas Sales Application Agreement
29. Gas Sales Agreement Terms & Conditions (180GJ - 1TJ business customers)
30. Stock Control Management Key Marketing Materials Provided to Customers
31. Re-bill Reference Guide
32. Regulatory arrangements applicable to small use gas supply (180GJ -1TJ)
33. Natural Gas Customer Service Code AG 755-1998
34. Describe Metering Process
35. KB-Estimated Readings
36. Collections Process Timeline for Tariff (Electricity) Customers
37. KB - Run a BI Report
38. Disconnection Warning Non Payment

39. Full retail contestability B2M Process Flows SA & A Gas Retail Market
40. Retail Market Rules 6.3
41. Customer Tax Invoices
42. KB-Gas offer flow chart
43. KB-Customer management interactions
44. KB-Customer name change
45. Outbound Gas Sales Script
46. Standard gas agreements
47. Non-Standard gas agreements
48. Marketing Attributes - Do not contact guidelines on Synergy Knowledge Base
49. Process for entering into non standard contract
50. Synergy's non standard gas agreement terms and conditions (<1TJ).
51. ATCO gas transport contract
52. Addition - Note added to process to adjust process when gas reliant life support equipment developed. Descriptor not clear
53. Limitations to Disconnection of Gas: Life Support
54. Life Support De-energise Process
55. Gas Sales Agreement
56. Business Definitions - Correcting a Gas Overcharge
57. KB-How to run a consumption and Expenditure report for the customer
58. Invoicing Process Outlines
59. Final Account Procedures
60. Haulage contract with the gas network operator
61. KB-Complaints Process
62. KB-Product (tariff) change process
63. Fact Sheet #36 - Electronic Funds Transfer Code
64. Active Business Intelligence report 150
65. 2010-11 Gas Performance Report
66. 2009-10 Gas Performance Report
67. 2008-09 Gas Performance Report
68. GTL 8 Regulatory Incident Reporting Log

7 SYNERGY STAFF INVOLVED IN THE AUDIT

Name	Designation
Simon Thackray	Manager Retail Regulatory and Compliance
Suzanne Lloyd	Regulatory & Compliance Analyst
Sean Davies	Risk and Compliance Manager Energy Markets
Sara Devenny	Energy Market Credit Management Officer
Debra Carrier	Customer and Billing Services Manager
Sarah Robinson	Service Quality Manager
Peter Lampkin	Manager Business Sales and Support
Riccardo Petriconi	Senior Business Analyst
Farhan Rizvi	Billing Officer

APPENDIX A GAS TRADING LICENCE OBLIGATIONS NOT APPLICABLE TO SYNERGY

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
11	Energy Coordination Act section 11ZAF(a)	Trading Licence clause 14.1	A licensee must submit a draft last resort supply plan to the Authority within 3 months (or longer if the Authority allows) of being designated with that role.	Not Applicable to Synergy - ERA has not designated Synergy as the supplier of last resort within the GTL 8 licence area.
12	Energy Coordination Act section 11ZAF(b)	Trading Licence clause 14.1	A licensee must consult with the Authority with a view to obtaining approval of its draft last resort supply plan.	Not Applicable to Synergy - ERA has not designated Synergy as the supplier of last resort within the GTL 8 licence area.
13	Energy Coordination Act section 11ZAF(c)	Trading Licence clause 14.1	A licensee must carry out the arrangements and other provisions in the approved last resort supply plan if it comes into operation.	Not Applicable to Synergy - ERA has not designated Synergy as the supplier of last resort within the GTL 8 licence area.
14	Energy Coordination Act section 11ZAH(2)	Trading Licence clause 14.1	A licensee must submit any proposed amendment to its last resort supply plan to the Authority for approval.	Not Applicable to Synergy - ERA has not designated Synergy as the supplier of last resort within the GTL 8 licence area.
15	Energy Coordination Act section 11ZAJ	Trading Licence clause 14.1	A licensee, who is designated as a supplier of last resort, must perform the functions of the supplier of last resort and carry out the arrangements and provisions of the last resort supply plan if it comes into operation.	Not Applicable to Synergy - ERA has not designated Synergy as the supplier of last resort within the GTL 8 licence area.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
16	Energy Coordination Act section 11ZAJ Energy Coordination (Customer Contracts) Reg 38A (4)	Trading Licence clause 14.1	A licensee, (supplier of last resort) must supply a transferred customer for at least 3 months after the date of transfer unless the transferred customer terminates the contract.	Not Applicable to Synergy - ERA has not designated Synergy as the supplier of last resort within the GTL 8 licence area.
17	Energy Coordination Act section 11ZK(3)	Trading Licence clause 5.1,	A licensee must pay the costs and expenses incurred in the taking of an interest or easement in respect of land held by a public authority.	Not Applicable to Synergy - Synergy does not take an interest in land.
40	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.1.2 AGA Code	Trading Licence clause 5.1	A licensee must not disconnect supply to a residential 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.	Not Applicable to Synergy - Synergy does not supply gas to residential customers. This needs to be reviewed against the standard form contract as the matter is not limited to residential customers.
49	Energy Coordination (Customer Contracts) Reg 12 (6), Clause 5.1.8.1(c) AGA Code	Trading Licence clause 5.1	A licensee must not disconnect supply where an application for a government concession has not been decided.	Not Applicable to Synergy - concessions do not apply to gas business customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
72	Energy Coordination (Customer Contracts) Reg 20 (2) Clause 4.3.5.1 AGA Code	Trading Licence clause 5.1	A licensee must offer a residential customer who is experiencing payment difficulties: instalment plan options; right to have bill redirected to third person; information or referral on government assistance programs; and information on independent financial counselling services.	Not Applicable to Synergy - Synergy does not supply gas to residential customers. This needs to be reviewed against the standard form contract as the matter is not limited to residential customers
127	Trading Licence clause 19	Energy Coordination Act section 11ZPP Code of Conduct clause 2.5(3)	A marketing representative must ensure that the inclusion of concessions is made clear to customers and any prices that exclude concessions are disclosed.	Not Applicable to Synergy - concessions do not apply to gas business customers.
148	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 4.2(2)	Energy Coordination Act section 11M	A retailer may only place a residential customer on a shortened billing cycle, without the customer's verifiable consent, in the circumstances specified.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
186	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.5	Energy Coordination Act section 11M	A retailer must, at no charge, offer a residential customer a redirection of the customer's bill to a third person, if requested by a customer who is unable to pay by a minimum payment method, due to illness or absence.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
187	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.6(1)	Energy Coordination Act section 11M	A retailer must not charge a residential customer a late payment fee in the circumstances specified.	Not Applicable to Synergy - Synergy does not supply gas to residential customers
188	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause	Energy Coordination Act section 11M	A retailer must not charge a residential customer an additional late payment fee in relation to the same bill within five business days from the date of receipt of the previous late payment fee notice.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
	5.6(2)			
189	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.6(3)	Energy Coordination Act section 11M	A retailer must not charge a residential customer more than three late payment fees in relation to the same bill, and 12 late payment fees in a year.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
190	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.6(4)	Energy Coordination Act section 11M	A retailer must retrospectively waive any late payment fee charged, pursuant to a residential customer's last bill, prior to an assessment of financial hardship being made.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
195	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.8(2)	Energy Coordination Act section 11M	A retailer must not commence proceedings for recovery of a debt from a residential customer in the circumstances specified.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
197	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 5.9	Energy Coordination Act section 11M	Where a retailer and residential customer have entered into a dual fuel contract, or separate contracts for the supply of electricity and gas, the retailer must apply a payment received from a residential customer for charges for the sale of electricity or sale and supply of gas in the circumstances specified.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
198	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.1(1)	Energy Coordination Act section 11M	A retailer must assess whether a residential customer is experiencing payment difficulties or financial hardship, within three business days from when the residential customer informs a retailer that the customer is experiencing payment problems.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
199	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.1(2)	Energy Coordination Act section 11M	A retailer must give reasonable consideration to the information and advice specified when undertaking an assessment regarding payment difficulties or financial hardship.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
200	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.1(3)	Energy Coordination Act section 11M	A retailer must advise a residential customer on request of the details of an assessment.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
201	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.2(1)	Energy Coordination Act section 11M	A retailer may not unreasonably deny a residential customer's request for a temporary suspension of actions in the circumstances specified.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
202	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.2(2)	Energy Coordination Act section 11M	A retailer must allow a temporary suspension of actions for a period of at least 15 business days for a residential customer.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
203	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.2(3)	Energy Coordination Act section 11M	A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative organisation in the manner specified to allow a relevant consumer representative organisation additional time to assess a residential customer's capacity to pay.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
204	Trading Licence clause 2.1 and Schedule 2 Gas Customer	Energy Coordination Act section 11M	A retailer must offer the alternative payment arrangements, and advise the residential customers that additional assistance may be available, in circumstances where a residential customer	Not Applicable to Synergy - Synergy does not supply gas to residential customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
	Code clause 6.3		is assessed as experiencing payment difficulties or financial hardship.	
205	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.4(1)	Energy Coordination Act section 11M	A retailer must offer a residential customer who is experiencing payment difficulties or financial hardship at least the specified payment arrangements.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
206	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.4(2)	Energy Coordination Act section 11M	A retailer must take into account and specify the stated information and take the specified actions when offering an instalment plan to a residential customer experiencing payment difficulties or financial hardship.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
207	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.6(1)	Energy Coordination Act section 11M	A retailer must give reasonable consideration to a request by a residential customer, or a relevant consumer representative organisation, for a reduction of the customer's fees, charges, or debt.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
208	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.6(2)	Energy Coordination Act section 11M	In giving reasonable consideration under clause 6.6(1), a retailer should refer to the guidelines in its hardship policy referred to in clause 6.10(2)(d).	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
209	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.7	Energy Coordination Act section 11M	A retailer must give reasonable consideration to offering a residential customer an instalment plan or offering to revise an existing instalment plan, in circumstances where it is reasonably demonstrated to the retailer that the customer is unable to meet its previously elected payment arrangement.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
210	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.8	Energy Coordination Act section 11M	A retailer must advise the residential customer of the specified assistance information.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
211	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.9(1)	Energy Coordination Act section 11M	A retailer must determine the minimum payment in advance amount for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representative organisations.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
212	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.9(2)	Energy Coordination Act section 11M	A retailer may apply different minimum payment in advance amounts for residential customers experiencing payment difficulties or financial hardship and other customers.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
213	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(1)	Energy Coordination Act section 11M	A retailer must develop a hardship policy to assist residential customers in meeting their financial obligations and responsibilities to the retailer.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
214	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(2)	Energy Coordination Act section 11M	A retailer must ensure that the hardship policy complies with the specified criteria.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
215	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(3)	Energy Coordination Act section 11M	A retailer must give residential customers, financial counsellors and relevant consumer representative organisations, details of the financial hardship policy, at no charge. The retailer must provide all residential customers	Not Applicable to Synergy - Synergy does not supply gas to residential customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
			experiencing financial hardship details of the hardship policy.	
216	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(4)	Energy Coordination Act section 11M	A retailer must keep a record of the specified information related to the hardship policy.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
217	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(5)	Energy Coordination Act section 11M	A retailer must, unless notified in writing by the Authority, review its hardship policy at least annually and submit the review to the Authority within 5 business days after it is completed.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
218	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 6.10(7)	Energy Coordination Act section 11M	A retailer must have regard to the Authority's Financial Hardship Policy Guidelines when updating their hardship policy.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
222	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 7.3	Energy Coordination Act section 11M	In relation to dual fuel contracts or separate contracts for the supply of electricity and the supply of gas, a retailer must not arrange for disconnection of the residential customer's supply address for failure to pay a bill within 15 business days from arranging for disconnection of the residential customer's gas supply.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
236	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.3	Energy Coordination Act section 11M	A retailer must give a residential customer on request, at no charge, the concession information specified.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.

Manual Ref	Licence Condition	Regulation	Obligation	Reason for non-application
245	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.11(1)	Energy Coordination Act section 11M	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.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.
246	Trading Licence clause 2.1 and Schedule 2 Gas Customer Code clause 10.11(2)	Energy Coordination Act section 11M	A retailer and, where appropriate a distributor, must include the telephone number for their special information services and for independent multi-lingual services and the National Interpreter Symbol, with the words "Interpreter Services", on the documents specified in relation to residential customers.	Not Applicable to Synergy - Synergy does not supply gas to residential customers.