



Notice

11 November 2019

Synergy

2019 performance audit – gas trading licence

The Economic Regulation Authority has published the 2019 [audit report](#) and the [post-audit implementation plan](#) for the Electricity Generation and Retail Corporation's (trading as Synergy) gas trading licence GTL8.

Synergy supplies gas to approximately 170 small use gas customers, who are all non-residential (business) customers, in the Coastal, Goldfields-Esperance and Great Southern supply areas.¹ Under the Gas Market Moratorium, Synergy is prevented from supplying gas to customers who consume less than 0.18 terajoules of gas per year.

The ERA's decision

The ERA considers that Synergy has achieved an adequate level of compliance with its licence. The ERA has decided to maintain the audit period at 48 months. The next audit will cover the period 1 July 2019 to 30 June 2023, with the report due by 30 September 2023.

Background to the ERA's decision

Audit ratings

The auditor assessed 167 licence obligations applicable to Synergy's licence and found:

- 108 were rated A1 (adequate controls, compliant)
- 54 were rated A/NR (adequate controls, not rated because no relevant activity took place during the audit period)
- Five were rated B2 (generally adequate controls, minor non-compliance)

The audit found five non-compliances:

- Synergy failed to pay the gas license renewal fee to the ERA within one month of the licence anniversary (Obligation 1).
- Synergy did not issue a bill at least every 105 days (Obligation 137).
- Synergy did not base a customer's bill on the distributor's or metering agent's reading of the meter at the customer's supply address, or the customer's reading of the meter

¹ A small use customer is a customer who consumes not more than one terajoule of gas per year.

provided the retailer and the customer agreed that the customer will read the meter (Obligation 150).

- Synergy did not obtain the customer's verifiable consent prior to a direct debit facility commencing (Obligation 183).
- Synergy did not publish the 2016 gas trading licence performance datasheet by the date specified by the ERA (Obligation 283).

Audit recommendations

The auditor made one recommendation to address the non-compliance with obligation 137. The non-compliances with obligations 1, 150, 183 and 283 were addressed during the current audit period and no further action is required.

The post-audit implementation plan states that Synergy will address the audit recommendation between now and June 2021.

Further information

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