



Notice

18 December 2020

CleanTech Energy Pty Ltd 2020 performance audit

The Economic Regulation Authority has published the 2020 [performance audit report](#) and the [post-audit implementation plan](#) for CleanTech Energy Pty Ltd's electricity retail licence ERL24.

CleanTech is an electricity retailer that supplies business customers on the South West Interconnected System.

As of 30 June 2020, CleanTech had 164 business customers, of which 63 were small use customers.^{1 2}

The ERA's decision

The ERA has decided to maintain the audit period at 36 months. The next audit will cover the period 1 September 2020 to 31 August 2023, with the report due by 30 November 2023.

Background to the ERA's decision

Audit ratings

The auditor assessed 222 licence obligations applicable to CleanTech's licence and found:

- One was rated A1 (adequate controls, compliant).
- Two were rated A2 (adequate controls, minor non-compliance).
- Five were rated A/NR (adequate controls, not rated for compliance due to no relevant activity).
- One was rated B1 (generally adequate controls, compliant).
- Nine were rated B2 (generally adequate controls, minor non-compliance).
- 84 were rated NP/1 (controls assessment not performed, compliant).
- 120 were rated NP/NR (controls assessment not performed, not rated for compliance due to no relevant activity).

¹ A small use customer is a customer who consumes no more than 160 megawatt hours of electricity per year.

² Economic Regulation Authority, *Annual data report – Energy retailers 2019/20*.

The auditor found 11 non-compliances:

- CleanTech failed to comply with three obligations, as its non-standard contract did not include all the information required by the *Electricity Industry (Customer Contracts) Regulations 2005*.
- On one occasion, CleanTech did not provide the ERA with data it requested on time.
- CleanTech failed to pay its licence fees and charges on time.
- CleanTech failed to comply with two obligations, because it did not advise Western Power that it had changed its address within the timeframe required by the *Electricity Industry (Metering) Code 2012* and *Electricity Industry (Customer Transfer) Code 2016*.
- CleanTech's 2017/18 and 2018/19 financial statements did not include enough information to demonstrate compliance with the Australian Accounting Standards Board's standards.
- CleanTech's bills did not include a phone number for complaints or the correct email address for the Energy Ombudsman.
- CleanTech's bills did not inform the customer that they can request the basis for the estimation, verification of energy data or a meter reading.
- At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make service standard payments. CleanTech did not provide this information to its customers.

Audit recommendations

Of the 11 non-compliances, seven were resolved by CleanTech when they were identified by the auditor. The non-compliances were minor and relatively straightforward to resolve.

The auditor made two recommendations to resolve the remaining four non-compliances. The post-audit implementation plan states that CleanTech will address the audit recommendations between now and January 2021.³

The ERA's assessment of the audit findings

The auditor identified 11 minor non-compliances from 222 obligations, of which seven had already been resolved by the time the audit report was submitted to the ERA. The audit did not raise any material concerns with CleanTech's performance.

Further information

General enquiries

Paul Reid
Ph: 08 6557 7976
licensing@erawa.com.au

Media enquiries

Natalie Warnock
Ph: 08 6557 7933 | Mob: 0428 859 826
media@erawa.com.au

³ As per section 5.1.8 of the [2019 Audit and Review Guidelines: Electricity and Gas Licences](#), the licensee is only required to provide a post-audit implementation plan for licence obligations have been rated 2, 3, 4, C or D or asset management process deficiencies rated 3, 4, C or D.