

# *Performance Audit Report*

*Performance Audit –*

*Electricity License (ERL5)*

*Wesfarmers Kleenheat Gas Pty Ltd*

*FINAL REPORT*

29 September 2021





Nina Telford  
Regulatory Manager, Natural Gas & Electricity  
Wesfarmers Kleenheat Gas Pty Ltd  
Building 161, Car Park 12  
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Murdoch, WA 6150

29 September 2021

Dear Nina

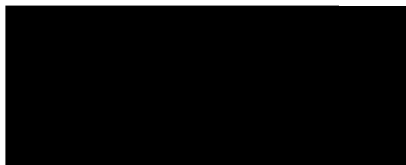
**Wesfarmers Kleenheat Gas Pty Ltd: 2021 Electricity Retail Licence (ERL5)  
Performance Audit Report**

We have completed the Electricity License (ERL5) Performance Audit (Audit) for Wesfarmers Kleenheat Gas Pty Ltd (Kleenheat) for the period 1 July 2017 to 30 June 2021 and are pleased to submit our report to you. This Audit was performed in accordance with the Economic Regulation Authority (ERA) approval letter dated 08 June 2021, the ERA approval of the Audit Plan dated 9 August 2021 and our letter of engagement dated 4 June 2021.

I confirm that this report is an accurate presentation of the findings and conclusions from our audit procedures.

If you have any questions or wish to discuss anything raised in the report, please contact me on +61 484 387 478.

Yours sincerely



Sian Ashdown

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## Notice to any reader of this report

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# ***1 Independent assurance report on the Wesfarmers Kleenheat Gas Pty Ltd ERL5 Performance Audit 2021***

## **Independent assurance report on the Wesfarmers Kleenheat Gas Pty Ltd ERL5 Performance Audit 2021**

To Nina Telford, Regulatory Manager:

### **Opinion**

We have undertaken a reasonable assurance engagement on Wesfarmers Kleenheat Gas Pty Ltd (Kleenheat or licensee) compliance, in all material respects, with the general license conditions of ERL5 (Electricity Retail License) and the relevant associated legislative obligations from the 2016, 2018 and 2020 Electricity Compliance Reporting Manuals, as evaluated against the “Economic Regulation Authority (ERA or the Authority) Audit and Review Guidelines: Electricity and Gas Licences (March 2019)” (the Guidelines and the Criteria) for the period 1 July 2017 to 30 June 2021.

In our opinion, except for the matters in the Basis for Qualified Opinion below, Wesfarmers Kleenheat Gas Pty Ltd has complied, in all material respects, with the ERL5 and relevant associated legislative obligations from the 2016, 2018 and 2020 Electricity Compliance Reporting Manuals, as evaluated against the Economic Regulation Authority Audit and Review Guidelines: Electricity and Gas Licences (March 2019)” (the Guidelines and the Criteria) for the period 1 July 2017 to 30 June 2021.

### **Basis for qualified opinion**

During the period from 1 July 2017 to 30 June 2021, Wesfarmers Kleenheat Gas Pty Ltd did not comply with four (4) license obligation requirements of the ERL5. Three (3) out of four (4) were rated as “B - Generally adequate controls with improvement needed”, and one (1) was rated as “C - Inadequate controls with significant improvement require” with a number of transactions in each category (see below) and categorised as either:

- “2 - Non-Compliant with minor impact on customers or third parties”; or
- “3 - Non-Compliant with moderate effect on customers or third parties”.

and therefore we qualify our opinion in this regard.

#	Licence Obligation Number and Description	Current Audit Period Rating and Issue
1/2021	<b>131 Code of Conduct, clause 2.2(2)</b> Subject to subclause 2.2(3), the retailer or electricity marketing agent must give to the customer the specified information in subclause 2.2(2) no later than on, or with, the customer's first bill.	<b>B2</b> In twelve (12) self-identified instances during the audit period, Kleenheat failed to include bill particulars as required under subclause 2.2(2)(a)(i) of the Code, which provides that a retailer or marketing agent must advise the customer on how they may obtain a copy of the Code.

#	Licence Obligation Number and Description		Current Audit Period Rating and Issue
2/2021	133	<p><b>Code of Conduct, clause 2.3(2)</b></p> <p>A retailer or electricity marketing agent must ensure that the information specified in subclause 2.3(2) is provided to the customer before entering into a non-standard contract.</p>	<p><b>B3</b></p> <p>In 104 self-identified instances during the audit period, Kleenheat failed to include bill particulars as required under subclause 2.3(2)(b)(i) of the Code, which provides that a retailer or marketing agent must advise the customer on how they may obtain a copy of the Code. Our independent sample testing identified a further 25 instances of non-compliance with subclauses 2.3(2)(g) and 2.3(2)(j).</p>
3/2021	155	<p><b>Code of Conduct, clause 4.5(1)</b></p> <p>A retailer must include the minimum prescribed information in subclause 4.5(1) on a customer's bill, unless the customer agrees otherwise.</p>	<p><b>C3</b></p> <p>For 2,136 self-identified invoices during the audit period, Kleenheat failed to include bill particulars (daily cost of consumption, usage graphs, loss adjusted volume associated with customer usage and customer name on occupier bills) as required under subclauses 4.5(1)(m), 4.5(1)(dd), 4.5(1)(d)(ii) and 4.5(1)(y) of the Code.</p>
4/2021	280	<p><b>Code of Conduct, clause 10.3A</b></p> <p>At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 of this Code and under any other legislation in Western Australia, including the amount of the payment and the eligibility criteria for the payment.</p>	<p><b>B2</b></p> <p>Audit procedures identified that in four (4) instances during the audit period, Kleenheat failed to disclose the amounts entitled by customers under a service standard payment as required by clause 10.3A of the Code.</p>

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 Compliance Engagements issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Wesfarmers Kleenheat Gas Pty Ltd's responsibilities

Wesfarmers Kleenheat Gas Pty Ltd management is responsible for:

- (a) Identifying risks that threaten the conditions within the ERL5 License and relevant associated legislative obligations from the 2016, 2018 and 2021 Electricity Compliance Reporting Manuals being met.
- (b) The compliance activity undertaken to meet the ERL5 License Conditions and relevant associated legislative obligations from the 2016, 2018 and 2021 Electricity Compliance Reporting Manuals being met.
- (c) Identification and implementation of controls which will mitigate those risks that prevent the License Conditions being met and monitoring ongoing compliance.

### Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements and apply Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

## **Our responsibility**

Our responsibility is to express an opinion on Wesfarmers Kleenheat Gas Pty Ltd 's compliance with ERL5 and relevant associated legislative obligations in all material respects, as evaluated against the Guidelines, for the period from 1 July 2017 to 30 June 2021. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether Wesfarmers Kleenheat Gas Pty Ltd has complied, in all material respects, with the license, as evaluated against the conditions within the license, for the period from 1 July 2017 to 30 June 2021.

An assurance engagement to report on Wesfarmers Kleenheat Gas Pty Ltd 's compliance with ERL5 and relevant associated legislative obligations involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the conditions. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the License, as evaluated against the conditions within the license.

## **Inherent limitations**

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A reasonable assurance engagement relating to the period from 1 July 2017 to 30 June 2021 does not provide assurance on whether compliance with the License will continue in the future.

## **Use of report**

This report has been prepared for use by Wesfarmers Kleenheat Gas Pty Ltd, for the purpose of Section 13(1) of the Electricity Industry Act 2004 (WA). We disclaim any assumption of responsibility for any reliance on this report to any person other than Wesfarmers Kleenheat Gas Pty Ltd, or for any other purpose than that for which it was prepared.



PricewaterhouseCoopers



Sian Ashdown, Perth

29 September 2021

## Executive summary

### 1.1 Introduction and background

Wesfarmers Kleenheat Gas Pty Ltd (Kleenheat or the licensee) holds an Electricity Retail Licence (ERL5) issued by the Economic Regulation Authority (ERA or the Authority) under Section 7(4) of the Electricity Industry Act 2004 (WA) (the Act).

Under Section 13(1) of the Electricity Industry Act 2004 (WA) Kleenheat is required to provide to the Authority a Performance Audit of the Kleenheat ERL5 Licence. This is to be conducted by an independent expert acceptable to the Authority.

The licence has been granted for the area as set out in plan ERA-EL-099(C) in the State of Western Australia (WA). Additionally, the licence grants Kleenheat the authorisation to retail electricity to business customers connected to the electricity network in WA with an annual electricity consumption exceeding 50 megawatts hours or 50,000 units.

Under the conditions of the licence, Kleenheat is subject to independent performance audits at 24-month intervals or as determined by the Authority (in this instance the period is a 48-month interval). The performance audit is a compliance audit of the effectiveness of measures taken by the licensee to meet the performance criteria specified in the licence.

PricewaterhouseCoopers (PwC) has been engaged by Kleenheat to conduct an independent performance audit (the audit) in accordance with the Authority's "Audit and Review Guidelines: Electricity and Gas Licences (2019)" (the Guidelines) for the period 1 July 2017 to 31 June 2021. The Authority approved PricewaterhouseCoopers (PwC) to undertake the audit on 8 June 2021.

### 1.2 Deviations from the audit plan

There were no deviations from the audit plan.

### 1.3 Observations

In considering Kleenheat's internal controls procedures, structure and environment, its compliance culture and its information systems specifically relevant to those licence obligations subject to audit, we observed that Kleenheat:

- Has established internal controls and compliance frameworks. This provides guidance and direction through policies and procedures that enable Kleenheat to ensure all licencing obligations are complied with;
- Has developed a comprehensive policy and procedure library through its document management software, which includes all procedure and policy document;
- Continuously promotes a culture of self-reporting through its incident management software (breach register). The incidents recorded are reviewed by the Regulatory Manager and appropriate feedback is provided. Additionally, these incidents are reported to Senior Management who continuously monitor and track these non-compliances;
- Compliance specific training courses are being developed and deployed. Annual refresher training programs are made available to all customer-facing staff. Staff have to complete those mandatory compliance training as part of their requirements. The objective of these training programs is to reduce the non-compliance breaches that are identified on a yearly basis; and
- All of 2017 audit recommendations have been implemented before the end of the current audit period, which shows Kleenheat's commitment to the continuous improvement of its compliance environment.

As a result of COVID-19 and changed ways of working, Kleenheat had undertaken the following processes and procedures with the aim of strengthening its control environment and complying with the rules and regulations set forth by the Government of Australia:

- Adhering to the government requirements, Kleenheat halted all disconnections due to non-payment of bills in March 2020 and resumed its collection activities as of January 2021 as the government’s Moratorium was lifted.
- Remote working arrangements which were put in place at the beginning of the pandemic have progressed to more flexible ways of working.

Finally, reviewing Kleenheat’s control environment, structure and procedures, no further opportunities for improvement were identified, other than the identified findings as detailed in the next section of this report.

## 1.4 Findings

The following tables summarise the assessments made during the audit of Kleenheat’s compliance and the adequacy of controls in place for Kleenheat to manage its compliance with the relevant obligations or conditions of the license.

**Table 1** set out the rating scale defined by the ERA in the Guidelines for the assessment of the level of compliance with the conditions of the License.

**Table 1: Criteria for classification of compliance obligations**

Rating	Adequacy of Control Rating Descriptions	Rating	Compliance Rating
<b>A</b>	Adequate controls – no improvement needed	1	Compliant
<b>B</b>	Generally adequate controls – improvement needed	2	Non-Compliant – minor impact on customers or third parties
<b>C</b>	Inadequate Controls – Significant improvement required	3	Non-Compliant – moderate effect on customers or third parties
<b>D</b>	No controls evident	4	Non-Compliant – major effect on customers or third parties
<b>N/P</b>	Not performed – A controls rating was not required	N/R	Not rated – No Activity took place during the audit period

**Table 2** provides further detail on the control adequacy and compliance rating scales. The rating scales are defined by the Guidelines. Whereas **Table 3** provides a summary of the amendments of compliance obligations, which occurred during the audit period across the Electricity Compliance Reporting Manuals issued in October 2016, July 2018 and June 2020.

**Table 2: Summary of finding, by compliance and controls ratings**

Control Rating	Compliance Rating					Total
	1	2	3	4	N/R	
<b>A</b>	<b>86</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>92</b>
<b>B</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>
<b>C</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>D</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



<b>N/P</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>143</b>	<b>174</b>
<b>Total</b>	<b>117</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>147</b>	<b>270</b>

**Table 3: Changes in Obligations in the Electricity Compliance Reporting Manual for the audit period (2017 to 2021)**

<b>Ref. no.</b>	<b>Obligation Under</b>	<b>Licence Condition</b>	<b>Description</b>	<b>Change and Impact</b>
78	Retail Licence, condition 4.1.1	Electricity Industry Act, section 51	Where the licensee supplies electricity under a standard form contract, the standard form contract must comply with that licensee approved standard form contract on the ERA's website.	Relevant only for the period from 1 June to 2017 to 31 May 2020.
113	Retail Licence, condition 5.1	Electricity Industry Act, section 115(2)	A licensee that has, or is an associate of a person that has, access to services under an access agreement must not engage in conduct that hinders or prohibits access.	Relevant only for the period from 1 June to 2017 to 30 June 2018.
114	Electricity Industry Act, section 11	Integrated Regional Licence, condition 6.3.1 Retail Licence, condition 6.3.1	A licensee must ensure that an electricity marketing agent of the licensee complies with the Code of Conduct for the Supply of Electricity to Small Use Customers 2018.	Amendments to the 'Licensee' and/or 'Licence condition' of obligations effective from 1 June 2020.
115	Electricity Industry Act, section 11	Integrated Regional Licence, condition 23.2 Retail Licence, condition 23.2	The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the ERA within the prescribed time frame.	Relevant only for the period from 1 June to 2017 to 30 June 2018.
129	Electricity Industry Act, section 82	Code of Conduct, clause 2.1 Integrated Regional Licence, condition 6.3.1 Retail Licence, condition 6.3.1	A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.	Relevant only for the period from 1 June to 2017 to 31 May 2020.
176A	Electricity Industry Act, section 82	Code of Conduct, clause 4.17(3)	A retailer may charge a customer interest on the undercharged amount or require the customer to pay a late fee, if the conditions in clause 4.17(3) are met.	Relevant only for the period from 1 June to 2017 to 31 May 2020.
243A	Electricity Industry Act, section 82	Code of Conduct, clause 8.1(3)	If a retailer does not forward the request for reconnection to the relevant distributor within the timeframes in subclause 8.1(2), the retailer will not be in breach of this clause (8.1) if the retailer causes the customer's supply address to be reconnected by the distributor within the timeframes in subclause 8.2(2) as if the distributor had received the request for reconnection from the retailer in accordance with subclause 8.1(2).	Relevant only for the period from 1 June to 2017 to 31 May 2020.
339	Retail Licence, condition	Electricity Industry Metering Code, clause	A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network	Amendments to the 'Licensee' and/or 'Licence condition' of

Ref. no.	Obligation Under	Licence Condition	Description	Change and Impact
	4.1.1	3.11(3)	operator as soon as practicable.	obligations effective from 1 June 2020.
364	Retail Licence, condition 5.1	Electricity Industry Metering Code, clause 3.27	A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.	Relevant only for the period from 1 June to 2017 to 30 June 2018.

## 1.5 *Kleenheat's response to previous audit recommendations*

Based on our examination of the ERL5 2017 Performance Audit Report, current year audit procedures and discussion with the Regulatory Manager, Natural Gas and Electricity, we confirmed that out of the five (5) recommendations made during previous audit period:

- Two (2) were resolved during the previous audit period; and
- Three (3) were resolved during the current audit period.

Please refer to section 5 of this report for further details on the implementation of previous audit recommendations.

## 2.6 Current audit non-compliances, recommendations and action plans

**Table 4** below outlines Kleenheat’s current status on audit recommendations to address non-compliances and controls deficiencies.

**Table 4: Current audit non-compliances, recommendations and action plans**

<b>A. Resolved during current audit period</b>			
<b>Obligation no. and description</b>	<b>Non-compliance rating and issue description</b>	<b>Action taken by the licensee and date of resolution</b>	<b>Auditors comments</b>
<p><b>242 - Code of Conduct, clause 8.1(1)</b></p> <p>A retailer must arrange to reconnect a customer’s supply address if the customer remedies their breach, makes a request for reconnection and pays the retailer’s reasonable charges (if any) for reconnection, or accepts an offer of an instalment plan for the retailer’s reasonable charges.</p>	<p><b>A2</b></p> <p>In one (1) instance during the audit period, Kleenheat failed to reconnect a customer who had cleared their electricity debt as required under subclause 8.1(1) of the Code.</p>	<p>As an action to resolve this issue, the customer was promptly reconnected and the Regulatory Team has presented training to the Small Business Sales Team with respect to the timeframes that apply for both natural gas and electricity customers, when a request for reconnection is received.</p> <p><b>Compliant as of October 2019.</b></p>	<p>No further action required.</p>
<p><b>243 - Code of Conduct, clause 8.1(3)</b></p> <p>A retailer must forward the request for reconnection to the relevant distributor within the timeframes specified in subclause 8.1(2).</p>	<p><b>A2</b></p> <p>In one (1) instance during the audit period, Kleenheat failed to forward a customer’s reconnection request to Western Power within the prescribed time frame as required under subclause 8.1(2) of the Code.</p>	<p>As an action to resolve this issue, the customer was promptly reconnected and the Regulatory Team has presented training to the Small Business Sales Team with respect to the timeframes that apply for both natural gas and electricity customers, when a request for reconnection is received.</p> <p><b>Compliant as of October 2019.</b></p>	<p>No further action required.</p>

**B. Unresolved at end of current review period**

Ref. no.	Non-compliance rating, obligation no. and issue description	Auditor's recommendation	Action Plan
<p><b>Issue 01/2021</b></p>	<p><b>B2/131</b></p> <p>In twelve (12) instances during the audit period, Kleenheat failed to include bill particulars as required under subclause 2.2(2)(a)(i) of the Code, which provides that a retailer or marketing agent must advise the customer on how they may obtain a copy of the Code. As an action to resolve this issue, Kleenheat has updated its standard form contract (<b>SFC</b>) billing template to include the missing requirements in April 2021. We decided to test one sample of SFC issued in June 2021 to confirm Kleenheat's compliance with the requirements of subclause 2.2(2)(a)(i) of the Code.</p> <p>Our testing revealed that general information on the safe use of electricity does not appear on the updated template. We also reviewed the SFC terms and conditions and noted that general information on the safe use of electricity is not mentioned, which confirms non-compliance with clause 2.2(2)(i) of the Code, which provides that a retailer or marketing agent must give general information on the safe use of electricity to the customer no later than or with the customer's first bill.</p>	<p>Kleenheat to include general information on the safe use of electricity on the standard form contract billing template, or issue a copy of the customer charter along with the first standard form contract bill issued to the customer.</p>	<p><b>Management to provide an action plan:</b></p> <p>Kleenheat will amend the electricity small use customer invoice template to include the Kleenheat website URL directing the customer to the landing page on the safe use of electricity.</p> <p><b>Due date:</b></p> <p>31 March 2022</p> <p><b>Responsible Officer:</b></p> <p>Wayne McCrae (Commercial Manager - Natural Gas and Electricity)</p>
<p><b>Issue 02/2021</b></p>	<p><b>B3/133</b></p> <p>In 104 instances during the audit period, Kleenheat failed to include bill particulars as required under subclause 2.3(2)(b)(i) of the Code, which provides that a retailer or marketing agent must advise the customer on how they may obtain a copy of the Code.</p> <p>Through discussion with the Business Operations and Process Analyst and the Regulatory Manager, Natural Gas and Electricity, and testing of 25 non-standard form contracts (<b>NSFC</b>) entered into during the audit period, it was found that</p>	<p>Kleenheat to include the distributor's 24 hour telephone number for faults and emergencies and general information on the safe use of electricity on the non-standard form contract template, as part of the non-standard form contract terms and conditions, or issue a copy of the customer charter along with the offer for the customer to sign.</p>	<p><b>Management to provide an action plan:</b></p> <p>Kleenheat will update the electricity 'Offer to Treat' email template, which is sent to the customer prior to entering into the contract, to include the distributor's 24 hour telephone number for faults and emergencies and, the Kleenheat website URL directing the customer to the landing page on the safe use of electricity.</p>

## B. Unresolved at end of current review period

Ref. no.	Non-compliance rating, obligation no. and issue description	Auditor's recommendation	Action Plan
	<p>for all samples tested, no evidence could be obtained to verify that prior to a NSFC being entered into, the following was provided to the customer:</p> <ul style="list-style-type: none"> <li>• Information on how to obtain a copy of the Code as self-identified by Kleenheat through the 2020/2021 annual compliance report;</li> <li>• The distributor's 24 hour telephone number for faults and emergencies, which constitutes a non-compliance with clause 2.3(2)(g) of the Code; and</li> <li>• General information on the safe use of electricity, which constitutes a non-compliance with clause 2.3(2)(j) of the Code.</li> </ul>		<p><b>Due date:</b></p> <p>31 October 2021</p> <p><b>Responsible Officer:</b></p> <p>Linley Plowman (Sales Manager)</p>
<p><b>Issue 03/2021</b></p>	<p><b>C3/155</b></p> <p>For 2,136 invoices during the audit period, Kleenheat failed to include bill particulars (daily cost of consumption, usage graphs, loss adjusted volume associated with customer usage and customer name on occupier bills) as required under subclauses 4.5(1)(m), 4.5(1)(dd), 4.5(1)(d)(ii) and 4.5(1)(y) of the Code.</p> <p>As an action to resolve the issue in relation to subclause 4.5(1)(dd) requiring a usage graph to be displayed on the invoice, Kleenheat updated its billing template to meet the requirement. This change was implemented in April 2021. As such, we have tested 25 invoices issued from April 2021 to June 2021 confirmed Kleenheat's compliance with that particular requirement as of April 2021. Our sample testing also included procedures to verify every other requirement prescribed under subclause 4.5(1) of the Code. No further non-compliances were identified through our testing other than Kleenheat self-identified non-compliances.</p>	<p>Kleenheat to update the billing template and billing engine rules, to include all bill particulars in customer invoices as prescribed under subclause 4.5(1) of the Code.</p>	<p><b>Management to provide an action plan:</b></p> <p>An improvement is currently being developed to remedy the billing system in order to comply with the obligations set out in subclauses 4.5(1)(m), 4.5(1)(d)(ii) and 4.5(1)(y) of the Code.</p> <p><b>Due date:</b></p> <p>31 March 2022</p> <p><b>Responsible Officer:</b></p> <p>Wayne McCrae (Commercial Manager - Natural Gas and Electricity)</p>
<p><b>Issue 04/2021</b></p>	<p><b>B2/280</b></p> <p>In four (4) instances during the audit period, Kleenheat failed to disclose the amounts entitled by customers under a service</p>	<p>Kleenheat to update the billing template to specify the amounts entitled by a customer eligible for a service standard payment as described as follows:</p>	<p><b>Management to provide an action plan:</b></p>

**B. Unresolved at end of current review period**

Ref. no.	Non-compliance rating, obligation no. and issue description	Auditor's recommendation	Action Plan
	<p>standard payment as required by clause 10.3A of the Code.</p> <p>Through discussion with the Regulatory Manager, Natural Gas and Electricity and the Business Operations and Process Analyst, and examination of the updated billing template, it was found that despite the update, the billing template failed to disclose the amounts entitled to customers under a service standard payment as required by clause 10.3A of the Code, as follows:</p> <ul style="list-style-type: none"> <li>• Up to \$300 for late reconnections;</li> <li>• \$100 per day of wrongful disconnection; and</li> <li>• \$20 for responding to a complaint outside of the specified timeframe.</li> </ul> <p>As such, four (4) instances of non-compliances were identified as Kleenheat failed to provide customers at least once a year, with the specified information as pursuant to Part 14 of the Code, for 4 consecutive years (2017 to 2021).</p>	<ul style="list-style-type: none"> <li>• Up to \$300 for late reconnections;</li> <li>• \$100 per day of wrongful disconnection; and</li> <li>• \$20 for responding to a complaint outside of the specified timeframe.</li> </ul>	<p>Kleenheat will develop a new communication template, which will address this requirement in relation to service standard payments and this communication will be sent to all small use electricity customers once a year.</p> <p><b>Due date:</b></p> <p>31 March 2022</p> <p><b>Responsible Officer:</b></p> <p>Wayne McCrae (Commercial Manager - Natural Gas and Electricity)</p>

## 1.6 *Scope and Objective*

We have conducted a reasonable assurance audit in order to state whether, in our opinion, based on our procedures, Wesfarmers Kleenheat Gas Pty Ltd has complied, in all material respects, with the conditions of its ERL 5 Licence as outlined in the approved Audit Plan (dated August 2021) during the period 1 July 2017 to 30 June 2021.

Our engagement was conducted in accordance with Australian Standard on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board and provides reasonable assurance as defined in ASAE 3100. The procedures we performed are described in more detail in section 2.7 below.

A reasonable assurance engagement in accordance with ASAE 3100 involves performing procedures to obtain evidence about the compliance with the conditions of the Licence. The nature, timing and extent of procedures selected depend on the assurance practitioner's professional judgement, including the assessment of the risks of material misstatement in compliance with the conditions of the Licence. In making those risk assessments, we considered internal controls in relation to compliance with the conditions of the Licence.

ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies. The ERA has summarised the requirements of the applicable legislation that it expects to be reported upon and included in the scope of this audit in the 2019 Electricity Compliance Reporting Manual (Reporting Manual).

The Audit Plan approved by the ERA for this audit sets out Kleenheat's Licence obligations confirmed to be included in the scope of the audit, along with the risk assessments and audit priority assigned to each licence obligation.

## 1.7 *Approach*

Our approach for this audit involved the following activities, which were undertaken during the period 1 July 2017 to 30 June 2021:

- Utilising the Guidelines and Reporting Manuals as a guide, developed a risk assessment, which involved discussions with key staff and document review to assess controls;
- Developed an Audit Plan for approval by the Kleenheat and an associated work program Interviews with relevant Kleenheat staff to gain understanding of process controls (see Appendix A for staff involved);
- Reviewed relevant documentation and walked through processes and controls to assess overall compliance and effectiveness in accordance with Licence obligations (see Appendix A for reference listing);
- Sample tested relevant obligations (assessed as an audit priority 1 or 2) and where there was relevant activity, determine whether transactions complied with the requirements of the obligation, and
- Reporting of findings to Kleenheat for review and response.

## 2 Summary of findings

Table 1 in Section 2 above sets out the rating scale defined by the ERA in the Audit Guidelines for the assessment of the level of compliance with the condition of the License.

The remainder of this report provides:

- The summary of findings for the compliance obligations (in **Table 5** below); and
- Detailed findings, including relevant observation and recommendations (in Section 4 below).

**Table 5: Performance summary table - ratings**

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
<b>9. Electricity Industry Customer Transfer Code – Licence conditions and obligations</b>												
6	Electricity Industry Customer Transfer Code, clause 3.2(2)	4	✓					✓				
7	Electricity Industry Customer Transfer Code, clause 3.4(1)	4	✓					✓				
8	Electricity Industry Customer Transfer Code, clause 3.5(3)	4					✓					✓
9	Electricity Industry Customer Transfer Code, clause 3.6(2)	4					✓					✓
16	Electricity Industry Customer Transfer Code, clause 3.9(1)	4	✓					✓				
17	Electricity Industry Customer Transfer Code, clause 3.9(2)	4					✓					✓
18	Electricity Industry Customer Transfer Code, clause 3.9(3)	4					✓					✓



Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
19	Electricity Industry Customer Transfer Code, clause 3.9(4)	4	✓					✓				
23	Electricity Industry Customer Transfer Code, clause 4.2(2)	4	✓					✓				
24	Electricity Industry Customer Transfer Code, clause 4.3	4	✓					✓				
25	Electricity Industry Customer Transfer Code, clause 4.4(1)	4	✓					✓				
26	Electricity Industry Customer Transfer Code, clause 4.4(2)	4					✓					✓
27	Electricity Industry Customer Transfer Code, clause 4.5(1)	4					✓	✓				
28	Electricity Industry Customer Transfer Code, clause 4.6(3)	4					✓					✓
29	Electricity Industry Customer Transfer Code, clause 4.7	4	✓					✓				
30	Electricity Industry Customer Transfer Code, clause 4.8(2)	4					✓					✓
34	Electricity Industry Customer Transfer Code, clause 4.9(6)	4					✓					✓
39	Electricity Industry Customer Transfer Code, clause 4.11(3)	4	✓					✓				
40	Electricity Industry Customer Transfer Code, clause 4.12(3)	5	✓									✓
43	Electricity Industry Customer Transfer Code, clause 4.15	5					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
44	Electricity Industry Customer Transfer Code, clause 4.16	4	✓					✓				
45	Electricity Industry Customer Transfer Code, clause 4.17	4	✓					✓				
48	Electricity Industry Customer Transfer Code, clause 5.2	4	✓					✓				
48A.	Electricity Industry Customer Transfer Code, clause 6.1	4	✓					✓				
49	Electricity Industry Customer Transfer Code, clause 6.2	4	✓					✓				
52	Electricity Industry Customer Transfer Code, clause 6.4(1)	4					✓					✓
53	Electricity Industry Customer Transfer Code, clause 6.4(2)	4					✓					✓
54	Electricity Industry Customer Transfer Code, clause 6.6	4	✓					✓				
55	Electricity Industry Customer Transfer Code, clause 7.1(1)	5					✓					✓
56	Electricity Industry Customer Transfer Code, clause 7.1(2)	5					✓					✓
57	Electricity Industry Customer Transfer Code, clause 7.1(3)	4					✓					✓
58	Electricity Industry Customer Transfer Code, clause 7.2(4)	5					✓					✓
59	Electricity Industry Customer Transfer Code, clause 7.3(2)	5					✓					✓
<b>11. Electricity Industry (Customer Contracts) Regulations – Licence conditions and obligations</b>												

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
78^	Electricity Industry Act, section 51	4					✓	✓				
79	Electricity Industry (Customer Contracts) Regulations, regulation 5	4					✓	✓				
80	Electricity Industry (Customer Contracts) Regulations, regulation 6	4					✓	✓				
81	Electricity Industry (Customer Contracts) Regulations, regulation 7	4					✓	✓				
82	Electricity Industry (Customer Contracts) Regulations, regulation 8	4					✓	✓				
83	Electricity Industry (Customer Contracts) Regulations, regulation 9	4					✓	✓				
84	Electricity Industry (Customer Contracts) Regulations, regulation 10	4					✓	✓				
85	Electricity Industry (Customer Contracts) Regulations, regulation 11	4					✓	✓				
86	Electricity Industry (Customer Contracts) Regulations, regulation 12	4					✓	✓				
87	Electricity Industry (Customer Contracts) Regulations, regulation 13	4					✓	✓				
88	Electricity Industry (Customer Contracts) Regulations, regulation 14	4					✓	✓				
89	Electricity Industry (Customer Contracts) Regulations, regulation 15	4					✓	✓				
90	Electricity Industry (Customer Contracts) Regulations, regulations 16 and 34	4					✓	✓				
91	Electricity Industry (Customer Contracts) Regulations, regulation 17	4					✓	✓				

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
92	Electricity Industry (Customer Contracts) Regulations, regulation 18	4					✓	✓				
93	Electricity Industry (Customer Contracts) Regulations, regulation 19	4					✓	✓				
94	Electricity Industry (Customer Contracts) Regulations, regulation 20	4					✓	✓				
95	Electricity Industry (Customer Contracts) Regulations, regulation 21	4					✓	✓				
96	Electricity Industry (Customer Contracts) Regulations, regulation 32	4					✓	✓				
97	Electricity Industry (Customer Contracts) Regulations, regulation 33(2)	4					✓	✓				
98	Electricity Industry (Customer Contracts) Regulations, regulations 33(3) and (4)	4					✓	✓				
100	Electricity Industry (Customer Contracts) Regulations, regulation 38	4	✓					✓				
<b>12. Electricity Industry Act – Licence conditions and obligations</b>												
101	Electricity Industry Act, section 13(1)	4					✓	✓				
105	Economic Regulation Authority (Licensing Funding) Regulations 2014	4	✓					✓				
106	Electricity Industry Act, section 31(3)	5					✓					✓
107	Electricity Industry Act, section 41(6)	4					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
108	Electricity Industry Act, section 54(1)	4	✓					✓				
109	Electricity Industry Act, section 54(2)	4					✓					✓
110	Electricity Industry Act, section 76	4					✓					✓
111	Electricity Industry Act, section 101	4	✓					✓				
113^^	Electricity Industry Act, section 115(2)	4					✓					✓
<b>13. Electricity Licences – Licence conditions and obligations</b>												
114*	Retail Licence, condition 6.3.1	4	✓					✓				
115^^	Retail Licence, condition 23.2	4					✓					✓
116	Retail Licence, condition 6.4.2	5					✓					✓
117	Retail Licence, condition 6.4.3	5					✓					✓
118	Retail Licence, condition 6.5.1	4					✓	✓				
119	Retail Licence, condition 4.3.1	4					✓	✓				
120	Retail Licence, condition 5.2.4	4					✓					✓
121	Retail Licence, condition 5.3.2	4	✓					✓				

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
123	Retail Licence, condition 4.4.1	4					✓					✓
124	Retail Licence, condition 4.5.1	4					✓	✓				
125	Retail Licence, condition 3.8.1 and 3.8.2	4					✓					✓
126	Retail Licence, condition 3.7.1	4					✓	✓				
<b>14. Code of Conduct – Licence conditions and obligations</b>												
<b>Marketing</b>												
129^	Code of Conduct, clause 2.1 Retail Licence, condition 6.3.1	4	✓					✓				
130	Code of Conduct, clause 2.2(1) Retail Licence, condition 6.3.1	4	✓					✓				
131	Code of Conduct, clause 2.2(2) Retail Licence, condition 6.3.1	3		✓					✓			
132	Code of Conduct, clause 2.3(1) Retail Licence, condition 6.3.1	4	✓					✓				
133	Code of Conduct, clause 2.3(2) Retail Licence, condition 6.3.1	1		✓						✓		
135	Code of Conduct, clause 2.3(5) Retail Licence, condition 6.3.1	4	✓					✓				
136	Code of Conduct, clause 2.4(1) Retail Licence, condition 6.3.1	4					✓					✓
137	Code of Conduct, clause 2.4(2) Retail Licence, condition 6.3.1	4	✓					✓				

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
138	Code of Conduct, clause 2.5(1) Retail Licence, condition 6.3.1	4	✓					✓				
139	Code of Conduct, clause 2.5(2) Retail Licence, condition 6.3.1	4	✓					✓				
140	Code of Conduct, clause 2.6 Retail Licence, condition 6.3.1	4	✓									✓
141	Code of Conduct, clause 2.9 Retail Licence, condition 6.3.1	4	✓					✓				
142	Code of Conduct, clause 2.10 Retail Licence, condition 6.3.1	4	✓					✓				
<b>Connection</b>												
143	Code of Conduct, clause 3.1(1)	4	✓					✓				
144	Code of Conduct, clause 3.1(2)	3	✓					✓				
<b>Billing</b>												
145	Code of Conduct, clause 4.1	4	✓					✓				
146	Code of Conduct, clause 4.2(1)	4					✓					✓
147	Code of Conduct, clause 4.2(2)	4					✓					✓
148	Code of Conduct, clause 4.2(3)	4					✓					✓
149	Code of Conduct, clause 4.2(4)	4					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
150	Code of Conduct, clause 4.2(5)	4					✓					✓
151	Code of Conduct, clause 4.2(6)	4					✓					✓
152	Code of Conduct, clause 4.3(1)	4					✓					✓
153	Code of Conduct, clause 4.3(2)	4					✓					✓
154	Code of Conduct, clause 4.4	4	✓					✓				
155	Code of Conduct, clause 4.5(1)	1			✓					✓		
156	Code of Conduct, clause 4.5(3)	4					✓					✓
157	Code of Conduct, clause 4.6	4	✓					✓				
158	Code of Conduct, clause 4.7	5	✓					✓				
159	Code of Conduct, clause 4.8(1)	3	✓					✓				
160	Code of Conduct, clause 4.8(2)	4	✓					✓				
161	Code of Conduct, clause 4.8(3)	4	✓					✓				
162	Code of Conduct, clause 4.9	4	✓					✓				
163	Code of Conduct, clause 4.10	5	✓					✓				



Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
164	Code of Conduct, clause 4.11(1)	4					✓					✓
165	Code of Conduct, clause 4.11(2)	4					✓					✓
166	Code of Conduct, clause 4.12(1)	4					✓					✓
167	Code of Conduct, clause 4.13	4					✓					✓
168	Code of Conduct, clause 4.14(1)	5	✓					✓				
169	Code of Conduct, clause 4.14(2)	4					✓					✓
170	Code of Conduct, clause 4.14(3)	4					✓					✓
171	Code of Conduct, clause 4.15	4	✓					✓				
172	Code of Conduct, clause 4.16(1)(a)	4	✓					✓				
173	Code of Conduct, clause 4.16(1)(b)	4	✓					✓				
174	Code of Conduct, clause 4.16(2)	4	✓					✓				
175	Code of Conduct, clause 4.16(3)	4	✓					✓				
176	Code of Conduct, clause 4.17(2)	4					✓					✓
176A^.	Code of Conduct, clause 4.17(3)	5					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
177	Code of Conduct, clause 4.18(2)	5	✓					✓				
178	Code of Conduct, clause 4.18(3)	4	✓					✓				
179	Code of Conduct, clause 4.18(4)	5	✓					✓				
180	Code of Conduct, clause 4.18(6)	5					✓					✓
181	Code of Conduct, clause 4.18(7)	5					✓					✓
182	Code of Conduct, clause 4.19(1)	4	✓					✓				
183	Code of Conduct, clause 4.19(2)	5	✓					✓				
184	Code of Conduct, clause 4.19(3)	4	✓					✓				
185	Code of Conduct, clause 4.19(4)	5	✓					✓				
186	Code of Conduct, clause 4.19(7)	5					✓					✓
<b>Payment</b>												
187	Code of Conduct, clause 5.1	3	✓					✓				
188	Code of Conduct, clause 5.2	4	✓					✓				
189	Code of Conduct, clause 5.3	4	✓					✓				

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
190	Code of Conduct, clause 5.4	4					✓					✓
191	Code of Conduct, clause 5.5	4					✓					✓
192	Code of Conduct, clause 5.6(1)	4					✓					✓
193	Code of Conduct, clause 5.6(2)	4					✓					✓
194	Code of Conduct, clause 5.6(3)	4					✓					✓
195	Code of Conduct, clause 5.6(4)	4					✓					✓
196	Code of Conduct, clause 5.6(5)	4					✓					✓
197	Code of Conduct, clause 5.7(1)	4	✓					✓				
198	Code of Conduct, clause 5.7(2)	4	✓									✓
199	Code of Conduct, clause 5.7(4)	4	✓					✓				
200	Code of Conduct, clause 5.8(1)	4					✓					✓
201	Code of Conduct, clause 5.8(2)	4	✓					✓				
201A.	Code of Conduct, clause 5.8(3)	5	✓					✓				
<b>Payment difficulties and financial hardship</b>												

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
202	Code of Conduct, clause 6.1(1)	4					✓					✓
203	Code of Conduct, clause 6.1(3)	5					✓					✓
204	Code of Conduct, clause 6.1(4)	4					✓					✓
205	Code of Conduct, clause 6.2(1)	4					✓					✓
206	Code of Conduct, clause 6.2(2)	4					✓					✓
207	Code of Conduct, clause 6.2(3)	4					✓					✓
208	Code of Conduct, clause 6.2(4)	5					✓					✓
209	Code of Conduct, clause 6.3(1)(a)	4					✓					✓
210	Code of Conduct, clause 6.3(1)(b)	4					✓					✓
211	Code of Conduct, clause 6.4(1)(a)	4					✓					✓
212	Code of Conduct, clause 6.4(1)(b)	4					✓					✓
213	Code of Conduct, clause 6.4(2)	4					✓					✓
214	Code of Conduct, clause 6.4(3)	4					✓					✓
215	Code of Conduct, clause 6.6(1)	5					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
216	Code of Conduct, clause 6.6(2)	4					✓					✓
217	Code of Conduct, clause 6.7	5					✓					✓
218	Code of Conduct, clause 6.8	4					✓					✓
219	Code of Conduct, clause 6.9(1)	4					✓					✓
220	Code of Conduct, clause 6.10(1)	4	✓					✓				
221	Code of Conduct, clause 6.10(2)	4	✓					✓				
222	Code of Conduct, clause 6.10(3)	4	✓					✓				
223	Code of Conduct, clause 6.10(4)	4					✓					✓
225	Code of Conduct, clause 6.10(6)	4					✓					✓
226	Code of Conduct, clause 6.10(7)	4	✓					✓				
227	Code of Conduct, clause 6.10(8)	4					✓					✓
228	Code of Conduct, clause 6.11	4	✓									✓
<b>Disconnection and Interruption</b>												
229	Code of Conduct, clause 7.1(1)	5	✓					✓				

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
230	Code of Conduct, clause 7.2(1)	4	✓					✓				
231	Code of Conduct, clause 7.3	4					✓					✓
232	Code of Conduct, clause 7.4(1)	4					✓					✓
234	Code of Conduct, clause 7.6	2	✓					✓				
235	Code of Conduct, clause 7.7(1)	2					✓					✓
236	Code of Conduct, clause 7.7(2)	2					✓					✓
240	Code of Conduct, clause 7.7(6)	4					✓					✓
241	Code of Conduct, clause 7.7(7)	4					✓					✓
<b>Reconnection</b>												
242	Code of Conduct, clause 8.1(1)	3	✓						✓			
243	Code of Conduct, clause 8.1(2)	3	✓						✓			
243A^.	Code of Conduct, clause 8.1(3)	4					✓					✓
<b>Pre-Payment Meters</b>												
245	Code of Conduct, clause 9.1(2)	4					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
246	Code of Conduct, clause 9.2(1)	4					✓					✓
247	Code of Conduct, clause 9.2(2)	4					✓					✓
249	Code of Conduct, clause 9.3(1)	4					✓					✓
250	Code of Conduct, clause 9.3(2)	4					✓					✓
251	Code of Conduct, clause 9.3(3)	4					✓					✓
252	Code of Conduct, clause 9.3(4)	4					✓					✓
253	Code of Conduct, clause 9.3(5)	4					✓					✓
254	Code of Conduct, clause 9.4(1)	4					✓					✓
255	Code of Conduct, clause 9.4(2)	4					✓					✓
257	Code of Conduct, clause 9.5(1)	2					✓					✓
259	Code of Conduct, clause 9.6	4					✓					✓
260	Code of Conduct, clause 9.7(a), (b) and (d)	4					✓					✓
261	Code of Conduct, clause 9.8	4					✓					✓
262	Code of Conduct, clause 9.9(1)	4					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
264	Code of Conduct, clause 9.9(4)	4					✓					✓
265	Code of Conduct, clause 9.10(1)	4					✓					✓
266	Code of Conduct, clause 9.10(2)	5					✓					✓
267	Code of Conduct, clause 9.10(3)	4					✓					✓
268	Code of Conduct, clause 9.10(4)	5					✓					✓
269	Code of Conduct, clause 9.10(6)	4					✓					✓
270	Code of Conduct, clause 9.11(1)	4					✓					✓
271	Code of Conduct, clauses 9.11(2)	5					✓					✓
<b>Information and Communication</b>												
272	Code of Conduct, clause 10.1(1)	4	✓					✓				
273	Code of Conduct, clause 10.1(2)	4					✓					✓
274	Code of Conduct, clause 10.1(3)	4					✓					✓
275	Code of Conduct, clause 10.2(1)	4					✓					✓
276	Code of Conduct, clause 10.2(2)	4					✓					✓



Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
277	Code of Conduct, clause 10.2(3)	4					✓					✓
278	Code of Conduct, clause 10.2(4)	4					✓					✓
279	Code of Conduct, clause 10.3	4					✓					✓
280	Code of Conduct, clause 10.3A	3		✓					✓			
281	Code of Conduct, clause 10.4	4					✓					✓
282	Code of Conduct, clause 10.5	4					✓					✓
290	Code of Conduct, clause 10.9	5	✓					✓				
291	Code of Conduct, clause 10.10(1)	4					✓					✓
292	Code of Conduct, clause 10.10(2)	4					✓	✓				
294	Code of Conduct, clause 10.11(1)	4					✓					✓
295	Code of Conduct, clause 10.11(2)	4					✓					✓
297	Code of Conduct, clause 10.12(2)	4					✓					✓
<b>Complaints and Dispute Resolution</b>												
298	Code of Conduct, clause 12.1(1)	4	✓					✓				

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
299	Code of Conduct, clause 12.1(2)	4	✓					✓				
300	Code of Conduct, clause 12.1(3)	4	✓					✓				
301	Code of Conduct, clause 12.1(4)	4					✓					✓
302	Code of Conduct, clause 12.2	4	✓					✓				
303	Code of Conduct, clause 12.3	4	✓					✓				
304	Code of Conduct, clause 12.4	4	✓					✓				
<b>Reporting</b>												
305	Code of Conduct, clause 13.1	4					✓	✓				
306	Code of Conduct, clause 13.2	4					✓	✓				
307	Code of Conduct, clause 13.3	4					✓	✓				
<b>Service Standard Payments</b>												
308	Code of Conduct, clause 14.1(1)	4					✓					✓
310	Code of Conduct, clause 14.2(1)	4					✓					✓
312	Code of Conduct, clause 14.3(1)	4					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating					
			A	B	C	D	N/P	1	2	3	4	N/R	
315	Code of Conduct, clause 14.7(1)	4					✓						✓
<b>15. Electricity Metering Code – Licence conditions and obligations</b>													
324	Electricity Industry Metering Code, clause 3.3B	4					✓						✓
339**	Electricity Industry Metering Code, clause 3.11(3)	4	✓					✓					
364**	Electricity Industry Metering Code, clause 3.27	4					✓						✓
371	Electricity Industry Metering Code, clause 4.4(1)	5					✓						✓
372	Electricity Industry Metering Code, clause 4.5(1)	5					✓						✓
373	Electricity Industry Metering Code, clause 4.5(2)	4					✓						✓
388	Electricity Industry Metering Code, clause 5.4(2)	4	✓					✓					
401	Electricity Industry Metering Code, clause 5.16	4					✓						✓
402	Electricity Industry Metering Code, clause 5.17(1)	4	✓					✓					
405	Electricity Industry Metering Code, clause 5.18	4					✓						✓
406	Electricity Industry Metering Code, clause 5.19(1)	5	✓					✓					
407	Electricity Industry Metering Code, clause 5.19(2)	5	✓					✓					

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
408	Electricity Industry Metering Code, clause 5.19(3)	4	✓					✓				
410	Electricity Industry Metering Code, clause 5.19(6)	5					✓					✓
416	Electricity Industry Metering Code, clause 5.21(5)	4					✓					✓
417	Electricity Industry Metering Code, clause 5.21(6)	4					✓					✓
435	Electricity Industry Metering Code, clause 5.27	4					✓					✓
448	Electricity Industry Metering Code, clause 6.1(2)	4	✓					✓				
451	Electricity Industry Metering Code, clause 7.2(1)	5	✓					✓				
453	Electricity Industry Metering Code, clause 7.2(4)	4					✓					✓
454	Electricity Industry Metering Code, clause 7.2(5)	4					✓					✓
455	Electricity Industry Metering Code, clause 7.5	4	✓					✓				
456	Electricity Industry Metering Code, clause 7.6(1)	4	✓					✓				
457	Electricity Industry Metering Code, clause 8.1(1)	5					✓					✓
458	Electricity Industry Metering Code, clause 8.1(2)	5					✓					✓
459	Electricity Industry Metering Code, clause 8.1(3)	5					✓					✓

Reference no.	License Reference	Audit Priority	Process & Policy Rating					Performance Rating				
			A	B	C	D	N/P	1	2	3	4	N/R
460	Electricity Industry Metering Code, clause 8.1(4)	4					✓					✓
461	Electricity Industry Metering Code, clause 8.3(2)	5					✓					✓

# 3 Detailed findings and recommendations

This section has been structured in subsections for the relevant Codes and Regulations against which we assessed Kleenheat’s compliance.

Assessment of compliance adequacy:

- **Findings** – the auditor's understanding of the process and any issues that have been identified during the audit
- **Recommendations** – recommendations for improvement or enhancement of the process of control

The compliance and control adequacy rating have been summarised in **Table 6** below for each sub-section below.

**Table 6: Detailed findings and recommendations**

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
<b>9. Electricity Industry Customer Transfer Code – Licence conditions and obligations</b>					
6	A retailer must submit a separate data request for each connection point, unless otherwise agreed.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, system walkthrough of Kleenheat’s Customer Relationship Management (CRM) system data requests, system walkthrough of the Western Power portal, and examination of the Kleenheat ‘Price an electricity customer’ procedure, we determined that:	A	1
7	A retailer must submit a data request electronically and must not submit more than a prescribed number of standing or historical data requests in a business day, unless otherwise agreed.	4	<ul style="list-style-type: none"> <li>• For instances in which Kleenheat requested data from Western Power during the audit period, those requests were made electronically;</li> <li>• Kleenheat uses its CRM system to submit data requests to Western Power and the system only allows one data request to be lodged per connection point at a time;</li> <li>• The Western Power portal does not allow for more than 100 data requests to be submitted per day; and</li> <li>• Kleenheat has not submitted more than 100 data requests per day during the audit period, and is unlikely to ever exceed that limit due to the nature and size of their electricity business.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
8	A retailer must withdraw a request for historical consumption data if the contestable customer's verifiable consent ceases to apply before the network operator provides the historical consumption data.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that during the audit period, there were no instances of a customer's verifiable consent ceasing to apply in relation to a data consumption request placed with Western Power.	N/P	N/R
9	A retailer must pay any reasonable costs incurred by the network operator for work performed in relation to a request for historical consumption data that has been subsequently withdrawn.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that during the audit period, no instances of payments have occurred for any reasonable costs incurred by Western Power for work performed that pertains to a request for historical consumption data that have been subsequently withdrawn.	N/P	N/R
16	A retailer may only use data relating to a contestable customer to provide that customer with a quotation for the supply of electricity by the retailer; or to initiate a transfer of that customer.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, and examination of the Kleenheat price an electricity customer procedure, we determined that for instances where Kleenheat provided a customer with a quote, or initiated a customer transfer during the audit period: <ul style="list-style-type: none"> <li>• Kleenheat obtained the customer's verifiable consent; and</li> <li>• The Pricing Analyst requested and collected the customer's data from Western Power and input it into a pricing model, which then generated a quote.</li> </ul>	A	1
17	A retailer must not aggregate a contestable customer's historical consumption data with that of other contestable customers for the purposes of internal business development, if requested not to do so by the customer.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that during the audit period, no instances of any aggregation of contestable customers' historical consumption data for the purposes of internal business development have occurred.	N/P	N/R
18	A retailer must not disclose a contestable customer's data to any other person without the verifiable consent of the contestable customer, except in the circumstances defined.	4	Through enquiry with the Senior Commercial Analyst Operations and Commercial Advisor Electricity, it was confirmed that there were no instances of Kleenheat disclosing a contestable customer's data to any other third party during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
19	A retailer must keep a copy of the verifiable consent received from a contestable customer for two years.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, walkthrough of the sales CRM system, and review of the obtain explicit informed consent process, we determined that in relation to a request for historical data consumption: <ul style="list-style-type: none"> <li>• The Sales Agent will obtain the customer's verifiable consent, whether orally (the call is recorded and saved), via a verifiable consent form, or via email;</li> <li>• The customer's verifiable consent is saved on the sales CRM system; and</li> <li>• The sales CRM system does not get purged, as such customers' verifiable consent is kept indefinitely.</li> </ul>	A	1
23	A retailer must submit a separate customer transfer request for each connection point, unless otherwise agreed.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, walkthrough of the Western Power portal and examination of the complete customer transfer via Western Power portal process, we determined that Kleenheat is systematically limited to submit one separate customer request for each connection point as the Western Power portal does not allow the transfer of more than one NMI to be processed at a time.	A	1
24	A retailer's reason for a transfer must be specified in the customer transfer request form as either to transfer a contestable customer to the retailer that submitted the customer transfer request or to reverse an erroneous transfer.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, walkthrough of the Western Power portal and examination of the complete customer transfer via Western Power portal process, we determined that for instances of customer transfer requests that occurred during the audit period: <ul style="list-style-type: none"> <li>• Customer transfers were processed from the Western Power Portal; and</li> <li>• Per mandatory field of selection of transfer type between a new customer transfer and an erroneous transfer on the Western Power portal, Kleenheat was subject to provide a specific reason for transfer and abide by Western Power's mandated requirements.</li> </ul>	A	1



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
25	A retailer may only submit a customer transfer request if it has an access contract for the network, unless it is to reverse an erroneous transfer.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity and examination of the Electricity Transfer Access Contract (ETAC) with Western Power, we determined that Kleenheat has maintained an ETAC with Western Power for the entire duration of the audit period.	A	1
26	A retailer that submits a customer transfer request to reverse an erroneous transfer must ensure the transfer was made in error and, if it is an incoming retailer, confirm the identity of the previous retailer.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that during the audit period, no instances of transfer requests to reverse an erroneous transfer have occurred.	N/P	N/R
27	A retailer must submit a customer transfer request electronically and must not submit more than a prescribed number of customer transfer requests in a business day or with the same nominated transfer date, unless otherwise agreed.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that for customer transfer requests submitted during the audit period, there have been no instances of more than twenty submissions of an electronic customer transfer request within a business day or with the same nominated transfer date.	N/P	1
28	A retailer must withdraw a customer transfer request if the contestable customer's verifiable consent ceases to apply before the transfer occurs.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that during the audit period, there were no instances of a customer's verifiable consent ceasing to apply, which required a withdrawal of customer transfer request from Kleenheat to Western Power.	N/P	N/R
29	A retailer must nominate a transfer date in a customer transfer request in accordance with specified timeframes, except if the customer transfer request is to reverse an erroneous transfer.	4	We performed enquiries with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, a walkthrough of the Western Power portal and an examination of the complete customer transfer via Western Power portal process and new customer sign up procedures, as well as an examination of a walkthrough sample of customer transfer processed on the Western Power portal. Through these procedures, we determined that for instances of customer transfers that occurred during the audit period: <ul style="list-style-type: none"> <li>● Unless agreed otherwise with the customer, Kleenheat forwarded a customer transfer request to Western Power: <ul style="list-style-type: none"> <li>○ on the same day if the customer lodged the request</li> </ul> </li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p>for connection before 3pm on a business day, or</p> <ul style="list-style-type: none"> <li>○ on the following business day if the customer lodged the request for connection after 3pm, or on a Saturday or Sunday;</li> <li>● Kleenheat nominated a transfer date in accordance with the timeframes prescribed by clause 4.7 of the Electricity Industry Customer Transfer Code (in any case no more than 50 days after the customer transfer request was submitted);</li> <li>● Kleenheat assisted Western Power with arranging for a meter read if necessary; and</li> <li>● Kleenheat liaised with the customer to agree on a revised transfer date if Western Power opposed the original transfer date.</li> </ul>		
30	A retailer must pay any reasonable costs incurred by a network operator for providing and/or installing a meter if a customer transfer request is withdrawn.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that during the audit period, there were no instances of a customer transfer request being withdrawn which lead to Western Power charging Kleenheat for providing and/or installing a meter.	N/P	N/R
34	A network operator and retailer must agree to a revised nominated transfer date in certain circumstances.	4	<p>Please refer to Obligation 29.</p> <p>Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, it was confirmed that there were no instances of a revised nominated transfer date being required during the audit period.</p>	N/P	N/R
39	A network operator and the retailer must take certain action if the contestable customer's meter is not read on the nominated transfer date.	4	Please refer to Obligation 29.	A	1
40	The parties to an access contract must negotiate in good faith any necessary amendments to the access contract arising from certain circumstances.	5	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, and examination of a scheduled quarterly meeting between Kleenheat and Western Power, we determined that Kleenheat and Western Power hold periodic meetings to discuss potential amendments to be made to the access contract in good faith. It was also confirmed that no	A	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			amendments to the access contract were made during the audit period.		
43	In the case of a transfer to reverse an erroneous transfer, a network operator and all affected retailers (and, if applicable, AEMO) must act in good faith to ensure that the affected contestable customer has the same rights and obligations as if the erroneous transfer had not occurred.	5	Through enquiry with the Senior Commercial Analyst Operations and Commercial Advisor Electricity, it was confirmed that during the audit period, no cases of a transfer to reverse an erroneous transfer, have occurred.	N/P	N/R
44	A verifiable consent given by a contestable customer in relation to the lodgement of a customer transfer request must be retained by the incoming retailer for two years, except in the case of a customer transfer request to reverse an erroneous transfer.	4	Through enquiry with the Senior Commercial Analyst Operations and Commercial Advisor Electricity, and examination of a signed NSFC entered into in 2018, we determined that except in the case of a customer transfer request to reverse an erroneous transfer: <ul style="list-style-type: none"> <li>• The customer's verifiable consent in relation the lodgement of a customer transfer request is captured on the signed contract for the supply of electricity to small use customers; and</li> <li>• Customer contracts are stored on Kleenheat's CRM system and do not get purged, as such evidence of customer transfer verifiable consent is kept indefinitely.</li> </ul>	A	1
45	A previous retailer must not bill a contestable customer for charges incurred after the transfer time, except in the case of an erroneous transfer.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, and examination of the move-out customer and electricity move-out/move-in processes we determined that: <ul style="list-style-type: none"> <li>• Once a NMI is disassociated in the CRM system, the billing engine rules apply and that NMI no longer gets billed; and</li> <li>• No instances of a customer being billed for charges incurred after the transfer time occurred during the audit period.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
48	A network's communication rules apply in respect of data and information communication between the network operator and a retailer under this Code.	4	Through enquiry with the Senior Commercial Analyst Operations and Commercial Advisor Electricity, and review of the manage customer and network operator communication process, we determined that: <ul style="list-style-type: none"> <li>• Kleenheat's policies and procedures were designed in accordance with Western Power's communication rules;</li> <li>• Kleenheat has processes in place to send and receive communications via post, facsimile, email, or B2B integration; and</li> <li>• Kleenheat contact details (including phone number) are publicly available and accessible on their website and any other communication material (pamphlets, hardship policy, bill, etc...).</li> </ul>	A	1
48A.	All notices must be in writing and delivered as described in subclauses 6.1(a)-(c).	4		A	1
49	A licensee's notice in relation to a data request or customer transfer request must identify the connection point to which it relates.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, walkthrough of the Western Power portal and examination of the complete customer transfer via Western Power portal process and sign up new customer procedures, as well as examination of a walkthrough sample of customer transfer processed on the Western Power portal, we determined that for instances of data request or customer transfer request lodgements that occurred during the audit period, the Western Power portal required the related NMI to be entered.	A	1
52	A retailer must notify its contact details to a network operator within three business days of a request.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat was not requested by Western Power to provide its contact details during the audit period.	N/P	N/R
53	A retailer must notify the network operator of any change in its contact details at least three business days before the change takes effect.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat has not changed its contact details during the audit period.	N/P	N/R
54	A network operator or a retailer must send required electronic communications to the applicable electronic communication address, in	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, review of the manage customer and network operator communication process, and examination of the Electricity Transfer Access Contract (ETAC) with Western Power, we	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating	
	accordance with the communication rules.		determined that during the audit period, Kleenheat sent required electronic communications to Western Power via the Western Power portal or through Western Power's nominated email address.			
55	For a dispute in respect of a matter under, or in connection with, the Electricity Industry Customer Transfer Code, the disputing parties must meet, within five business days of a request by one of those parties, and attempt to resolve the dispute through negotiations that are conducted in good faith.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of disputes occurring between Kleenheat and Western Power during the audit period.	N/P	N/R	
56	If the negotiations in 7.1(1) of the Electricity Industry Customer Transfer Code do not resolve the dispute within 10 days after the first meeting, the dispute must be referred to the senior executive officer of each disputing party who must attempt to resolve the dispute through negotiations that are conducted in good faith.	5		N/P	N/R	
57	If the dispute is resolved, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	4		N/P	N/R	
58	A disputing party that refers a dispute to the arbitrator must provide the arbitrator with prescribed details of the nature of the dispute.	5		N/P	N/R	
59	A disputing party must, at all times, conduct itself in a manner that is directed towards achieving the objectives in clause 7.3(1) of the Electricity Industry Customer Transfer Code.	5		N/P	N/R	
<b>11. Electricity Industry (Customer Contracts) Regulations – Licence conditions and obligations</b>						

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
78^	Where the licensee supplies electricity under a standard form contract, the standard form contract must comply with that licensee approved standard form contract on the ERA's website.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of the standard form contract (SFC) template, as well as review of a signed SFC entered into during the audit period, we confirm that Kleenheat's SFC complies with the approved SFC as displayed on the ERA's website.	N/P	1
79	A non-standard contract must be in a format that is easy to read and expressed in clear, simple and concise language.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 22.6 of the non-standard form contract (NSFC) terms and conditions, as well as review of a bundled and unbundled signed NSFCs entered into during the audit period, we determined that Kleenheat's NSFC template is in a format that is easy to understand and explained in a clear, simple and concise language, and also presents the reader with a list of definitions to further clarify used terminology.	N/P	1
80	A non-standard contract must specify when it comes into effect and the period for which it has effect.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 22.6 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we determined that Kleenheat's NSFC template clearly specifies when the supply of electricity starts.	N/P	1
81	A non-standard contract must specify certain information about the retailer.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of the NSFC template and NSFC terms and conditions, as well as review of signed non-standard form contract, we confirm that Kleenheat's NSFC specifies Kleenheat's: <ul style="list-style-type: none"> <li>● Company name;</li> <li>● Australian Business Number;</li> <li>● Registered office address;</li> <li>● Postal address;</li> <li>● Telephone number;</li> <li>● Email address; and</li> <li>● Internet website address.</li> </ul>	N/P	1
82	A non-standard contract must give an exact description of the goods and services that the retailer will provide under the contract.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and review of a signed NSFC, we confirmed that clause 2 of Kleenheat's NSFC terms and conditions give an exact description of the goods and	N/P	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			services that the retailer will provide under the contract, which includes the connection of the supply address to the network as well as the supply of electricity to that address.		
83	A non-standard contract must require the customer to pay for electricity supplied under the contract.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 3 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC requires the customer to pay for electricity supplied along with any other fees payable for all other services provided by Kleenheat.	N/P	1
84	A non-standard contract must prohibit the customer from tampering with, or bypassing, network equipment or allowing any other person to do so.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of the NSFC template, as well as review of signed NSFC, we confirmed that Kleenheat's non-standard contract and clause 12 of Kleenheat's non standard form contract terms and conditions prohibits the customer from tampering with, disconnecting, adjust, bypassing network equipment or any action to make the meter inaccurate.	N/P	1
85	A non-standard contract must describe the circumstances under which a retailer has the right to disconnect supply and is required to reconnect supply.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clauses 20 and 21 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC describes the circumstances under which Kleenheat has the right to disconnect a customer's electricity supply and when Kleenheat is required to reconnect a customer's electricity supply.	N/P	1
86	A non-standard contract must require the retailer to deal with security deposits and the payment of interest in the manner that is specified.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 10 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC discloses how: <ul style="list-style-type: none"> <li>• Security deposits are to be kept and identified in the accounting records; and</li> <li>• Accrued interest payments are to be made to the customer.</li> </ul>	N/P	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
87	A non-standard contract must describe the retailer's obligations in relation to the provision of prices and tariff information.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 3 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC: <ul style="list-style-type: none"> <li>• Describes the prices payable by the customer under the NSFC and the circumstances in which those prices are payable; and</li> <li>• Details Kleenheat's obligations to provide tariff information updates to the customer no later than the next billing period.</li> </ul>	N/P	1
88	A non-standard contract must describe the procedures to be followed by the retailer in relation to the preparation, issue and review of customer bills.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clauses 5.1, 5.4 and 5.5 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC describes the procedures to be followed by Kleenheat in relation to the preparation, issue and review of customer bills.	N/P	1
89	A non-standard contract must describe the matters relating to the termination of the contract that are specified in the regulation.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 22 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC discloses the circumstances under which the contract is to be terminated, as specified under regulation 15 of the Electricity Industry (Customer Contracts) Regulations 2005.	N/P	1
90	A non-standard contract must inform the customer that the provisions of the contract may be amended without the customer's consent and describe the process for amending the contract, including requirements for approval and the way in which the amendment will be published. The non-standard contract must require the retailer to notify the customer of any amendment to the contract.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clauses 27 and 31 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC discloses: <ul style="list-style-type: none"> <li>• Kleenheat's right to amend the NSFC terms and conditions without the customer's consent as long as the customer is notified of the amendment;</li> <li>• The customer's right to terminate the contract following said amendment; and</li> <li>• Kleenheat rights and obligations in regards to the</li> </ul>	N/P	1



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
91	A non-standard contract must specify the assignment of rights and obligations, including assignment without the customer's consent.	4	assignment of the contract, including assignment without the customer's consent.	N/P	1
92	A non-standard contract must describe the procedures that must be followed by the retailer in responding to a complaint made by a customer.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 26 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC informs the customer on how they can make a formal complaint, how Kleenheat is to respond to this complaint and how the complaint will be escalated if unresolved.	N/P	1
93	A non-standard contract must specify the process that must be taken by the retailer to ensure information held by the retailer is treated confidentially.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 30 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC specifies that Kleenheat will treat customer's personal and confidential information as prescribed by their privacy policy, and as permitted by the Privacy Act 1988 (Cth) and Australian Privacy Principles.	N/P	1
94	A non-standard contract must specify the governing legislation, the effect of an invalid or unenforceable provision, the way in which notice may be given and the use of electronic communication by the retailer.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 25, 33, 35 and 38 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC specifies that: <ul style="list-style-type: none"> <li>• The contract is governed by and construed in accordance with the laws of Western Australia;</li> <li>• If the whole or any part of this Contract is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction;</li> <li>• Any notice given to a party must be in writing and delivered by facsimile, email or prepaid letter; and</li> </ul>	N/P	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<ul style="list-style-type: none"> <li>● Kleenheat may initiate communication with the customer electronically under this contract.</li> </ul>		
95	A non-standard contract must not include a provision that excludes, restricts or modifies the Code of Conduct for the Supply of Electricity to Small Use Customers unless it is authorised by the Code.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of the NSFC template and terms and conditions, as well as review of bundled and unbundled NSFCs, we confirm that Kleenheat's NSFC does not include a provision that purports to exclude, restrict or modify the effect of the Code of Conduct for Small Use Electricity Customers.	N/P	1
96	A non-standard contract must include details about the cooling off period specified in the regulation.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 32 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC specifies: <ul style="list-style-type: none"> <li>● The customer's right to end the contract during the cooling-off period;</li> <li>● The start and duration of the cooling-off period;</li> <li>● Circumstances under which Kleenheat can supply electricity to the customer during the cooling-off period; and</li> <li>● The customer's obligations to Kleenheat in relation to the supply of electricity during the cooling-off period.</li> </ul>	N/P	1
97	A non-standard contract must allow the customer to terminate the contract at any time with no less than 5 days' notice.	4	Through discussion with the Regulatory Manager, Natural Gas & Electricity, and examination of clause 22.2 of the NSFC terms and conditions, as well as review of signed bundled and unbundled NSFCs, we confirmed that Kleenheat's NSFC states that: <ul style="list-style-type: none"> <li>● For a fixed term contract, the customer may terminate the contract by giving not less than twenty days' prior written notice to Kleenheat;</li> <li>● For a contract that is not a fixed term contract, the</li> </ul>	N/P	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			customer may terminate the contract by giving not less than five days' prior written notice to Kleenheat; and <ul style="list-style-type: none"> <li>• Early termination fees are applicable if a fixed term contract is terminated before the agreed supply end date.</li> </ul>		
98	A non-standard contract that is a fixed contract must describe the matters relating to the termination of the contract specified in the regulation.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of the NSFC template, as well as review of signed NSFC, we confirm that Clause 22.2 Kleenheat's non-standard contract (that is a fixed term contract) authorises the customer to terminate the contract at any time by giving notice to the retailer not less than 20 days before the day on which the customer wants the contract to end and specify in the non-standard contract any amount payable by the customer, by way of penalty, in the event that the customer terminates the contract before the expiry of the term of the contract.	N/P	1
100	If a licensee becomes aware of a customer taking a supply of electricity that is deemed to be supplied under the licensee's standard form contract, the licensee must notify the customer within 5 days after becoming aware of it and provide specified information.	4	Through discussion with the Business Operations and Process Analyst, review of the manage occupier process, and examination of an occupier invoice and the occupier letter template, we determined that for instances when Kleenheat became aware of a customer taking a supply of electricity that is deemed to be supplied under the licensee's standard form contract during the audit period: <ul style="list-style-type: none"> <li>• Customers who commenced to take supply of electricity at a metering point owned by Kleenheat without entering into a contract, were placed on a SFC by default;</li> <li>• Kleenheat became aware of that customer taking a supply of electricity when their first bill was generated; and</li> <li>• Within five days of the first bill being generated, Kleenheat sent the bill to the occupier along with a letter informing the occupier that Kleenheat is the default supplier for that metering point and that a SFC was initiated for the supply of electricity at that metering point.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
<b>12. Electricity Industry Act – Licence conditions obligations</b>					
101	A licensee must provide the ERA with a performance audit conducted by an independent expert acceptable to the ERA, not less than once every 24 months.	4	Kleenheat has appointed PwC as the independent auditor, with the ERA's approval (in May 2021), to undertake this audit for the period 1 July 2017 to 30 June 2021. We note that the ERA agreed to a 48 month interval for the submission of a performance audit in relation to Kleenheat's ERL5 licence.	N/P	1
105	A licensee must pay the prescribed licence fees to the ERA according to clauses 6, 7 and 8 of the Economic Regulation Authority (Licensing Funding) Regulations 2014.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, we determined that Kleenheat has processes in place such as a compliance register and setup calendar reminders to ensure that all prescribed licence fees are paid to the ERA by the relevant due date. Through examination of the payment register and testing of one sample of ERA invoice, we confirm that license fee payments were made in accordance with clauses 6, 7 and 8 of the Economic Regulation Authority (Licensing Funding) Regulations 2014 during the audit period.	A	1
106	A licensee must take reasonable steps to minimise the extent, or duration, of any interruption, suspension or restriction of the supply of electricity due to an accident, emergency, potential danger or other unavoidable cause.	5	Through discussion with the Business Operations and Process Analyst, and review of Kleenheat's manage customer and network operator communication policy we determined that: <ul style="list-style-type: none"> <li>• It is Western Power's (Western Power) responsibility as the network operator to minimise the extent or duration, of any interruption, suspension or restriction of the supply of electricity; and</li> <li>• Kleenheat has a process in place to assist Western Power and the customer with communications in relation to outages or interruption of supply.</li> </ul> It was also confirmed that there were no instances of Kleenheat being requested to assist Western Power and a customer with communications in relation to outages or interruption of supply occurring during the audit period.	N/P	N/R
107	A licensee must pay the costs of taking an interest in land or an easement over land.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, we determined that Kleenheat did not take an interest in land or an easement over land applicable to the Licence during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
108	A retail or integrated regional licensee must not supply electricity to a small use customer otherwise than under a standard form contract or a non-standard form contract that complies with the Act.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat only supplies electricity to small use customers using a NSFC that complies with the Electricity Industry Act, and in instances where electricity is consumed at a metering point owned by Kleenheat without a contract being established, a SFC will be initiated using the ERA approved SFC, as publicly available on the ERA website.	A	1
109	A licensee must comply with any direction by the ERA to amend the standard form contract and do so within the period specified.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that the ERA did not initiate any requests for Kleenheat to amend their SFC during the audit period.	N/P	N/R
110	If a designation under section 71(1) of the Electricity Industry Act is in force, a licensee must perform the functions of a retailer of last resort and must carry out the supplier of last resort plan if it comes into operation under section 70 of the Electricity Industry Act.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat is not a supplier of last resort.	N/P	N/R
111	A retail, distribution or integrated regional licensee must not supply electricity to small use customers unless the licensee is a member of an approved scheme and is bound by, and compliant, with any decision or direction of the electricity ombudsman under the approved scheme.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of the Ombudsman website, it was confirmed that Kleenheat was a member of the Energy Industry Ombudsman's Scheme during the period. As such Kleenheat has complied with clause 21 of its retail licence, which prohibits supplying electricity to small use customers without being part of an approved scheme.	A	1
113^^	A licensee that has, or is an associate of a person that has, access to services under an access agreement must not engage in conduct that hinders or prohibits access.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat has not engaged in conduct that hinders or prohibits access under the Western Power access agreement, hence no penalty has been issued to Kleenheat during the audit period in relation to an infringement of right of access.	N/P	N/R

### 13. Electricity Industry (License) Regulations – Licence conditions and obligations

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
114*	A licensee must ensure that an electricity marketing agent of the licensee complies with the Code of Conduct for the Supply of Electricity to Small Use Customers 2018.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of code of conduct mandatory training modules and refreshers, it was determined that Kleenheat's marketing agents and sales personnel: <ul style="list-style-type: none"> <li>• Must complete mandatory induction training covering the contents of the Code of Conduct; and</li> <li>• Must complete mandatory refreshers bi-annually, for which completion is monitored on the CRM system.</li> </ul> Additionally, through review of the self-identified breaches reports submitted yearly to the ERA by Kleenheat, we note that there has not been an instance of a reportable breach due to a marketing agent's activities during the audit period.	A	1
115^^	The licensee must report a breach of the applicable code conditions by an electricity marketing agent to the ERA within the prescribed timeframe.	4		N/P	N/R
116	A licensee must, if directed by the ERA, review the standard form contract and submit to the ERA the results of that review within the time specified.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that the ERA did not direct Kleenheat to review their standard form contract during the audit period.	N/P	N/R
117	A licensee must comply with any direction given by the ERA in relation to the scope, process and methodology of the standard form contract review.	5		N/P	N/R
118	A licensee can only amend the standard form contract with the ERA's approval.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat decided to amend their SFC as part of the renewal of the ERL5 license and removed non-applicable sections to their customers. The reviewed SFC was submitted to the ERA and approved by the ERA in June 2021.	N/P	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
119	A licensee and any related body corporate must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and inspection of Wesfarmers' 2018, 2019 and 2020 audited annual reports, we determined that those audited annual reports were prepared in accordance with the prescribed guidelines and requirements of the Corporations Act 2001, Australian Accounting Standards and other standards required by the Australian Accounting Standards Board (AASB).	N/P	1
120	A licensee must comply with any individual performance standards prescribed by the ERA.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and inspecting the annual report for the prior period 1 July 2013 to 30 June 2017, it was confirmed that there are no individual performance standards prescribed by the ERA during the audit period.	N/P	N/R
121	A licensee must comply, and require its auditor to comply, with the ERA's standard audit guidelines for a performance audit.	4	Kleenheat has appointed PwC as the independent auditor in charge of conducting this ERL5 performance audit as approved by the ERA in May 2021. Our audit procedures were designed in accordance with the following ERA documents: <ul style="list-style-type: none"> <li>• Electricity Retail Licence Wesfarmers Kleenheat Gas Pty Ltd ERL5, Version 8, 26 June 2021;</li> <li>• Electricity Compliance Reporting Manual - October 2016;</li> <li>• Electricity Compliance Reporting Manual - June 2020;</li> <li>• Electricity Compliance Reporting Manual - July 2018; and</li> <li>• Audit and Review Guidelines Electricity and Gas Licences - March 2019.</li> </ul>	A	1
123	In the manner prescribed, a licensee must notify the ERA, if it is under external administration or if there is a significant change in the circumstances that the licence was granted which may affect the licensee's ability to meet its obligations.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat was not under external administration and there was no significant change in the circumstances that the license was granted which affected Kleenheat's ability to meet its obligations.	N/P	N/R
124	A licensee must provide the ERA, in the manner prescribed, with any information that the ERA requires in connection with its functions under the Electricity Industry Act.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and examination of Kleenheat's submissions to the ERA, it was confirmed that during the audit period, Kleenheat submitted to the ERA the Performance Audit Reports, Compliance Reports and	N/P	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			Performance Data Sheets by the applicable due dates, as prescribed by the ERA.		
125	A licensee must publish any information as directed by the ERA to publish, within the timeframes specified.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that the ERA did not direct Kleenheat to publish anything other than the reports and data sheets required under its licence obligations during the audit period.	N/P	N/R
126	All notices must be in writing, unless otherwise specified.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat communicates with the ERA in writing via emails and all communications are retained for audit purposes.	N/P	1

#### 14. Code of Conduct – Licence conditions and obligations

##### Marketing

129^	A retailer must ensure that its electricity marketing agents comply with Part 2 of the Code of Conduct.	4	Through discussion with the Business Sales Leader Acquisitions, the Business Sales Leader Retention and the Regulatory Manager, Natural Gas and Electricity, review of the training records, and examination of the code of conduct training modules and refresher, we determined that: <ul style="list-style-type: none"> <li>• All Electricity Sales Agents are provided with compulsory training and refreshers to ensure compliance with Part 2 of the Code of Conduct; and</li> <li>• Performance against compliance requirements is monitored by the Sales Team Leaders and on-going training is provided on the spot; and</li> <li>• Completion of mandatory Code of Conduct training is tracked and refresher due dates monitored and enforced.</li> </ul>	A	1
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Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
130	A retailer or electricity marketing agent must ensure that standard form contracts, which are not unsolicited consumer agreements, are entered into according to the manner set out, and the contract is provided as specified, in clause 2.2(1).	4	<p>Through discussion with the Business Sales Leader Acquisitions, the Business Sales Leader Retention and the Regulatory Manager, Natural Gas and Electricity, as well as walkthrough of Kleenheat's contract creation procedures, we determined that Kleenheat rarely enters into standard form contracts with customers, as non-standard form contracts present more financial benefits to customers.</p> <p>Nevertheless, for instances of electricity supply to occupier accounts, a standard form contract would be established by default and a non-standard form contract would be offered to the customer once they have established contact with Kleenheat in regards to their electricity consumption. The occupier would also receive a letter informing them that they have been placed on a SFC along with their first bill.</p> <p>It was confirmed that the Electricity Marketing Agents comply with part 2.2 (1) of the Code of Conduct as standard form contracts include an enter date for execution, and Kleenheat obtains evidence of issuing the contract.</p>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
131	Subject to subclause 2.2(3), the retailer or electricity marketing agent must give to the customer the specified information in subclause 2.2(2) no later than on, or with, the customer's first bill.	3	<p>Through examination of Kleenheat's 2019/2020 annual compliance report submitted to the ERA, we determined that Kleenheat has disclosed its non-compliance in 12 instances during the audit period, due to failure to include bill particulars as required under subclause 2.2(2)(a)(i) of the Code, which provides that a retailer or marketing agent must advise the customer on how they may obtain a copy of the Code. As an action to resolve this issue, Kleenheat has updated its SFC billing template to include the missing requirements in April 2021.</p> <p>Through discussion with the Business Operations and Process Analyst, examination of the updated billing template and the occupier letter template, and testing of one bill issued in June 2021, we confirmed that the updated billing template includes information on:</p> <ul style="list-style-type: none"> <li>• Obtaining a copy of the Code;</li> <li>• Details on all relevant tariffs, fees, charges, alternative tariffs and service levels that may apply to the customer (through the occupier letter);</li> <li>• The scope of the Code and Kleenheat and its agents' obligation to comply with it;</li> <li>• Obtaining assistance in case of payment difficulties or financial hardship;</li> <li>• The faults and emergencies 24 hour telephone number; and</li> <li>• Lodging a complaint.</li> </ul> <p>Our testing of the bill revealed that general information on the safe use of electricity does not appear on the updated template. We also reviewed the SFC terms and conditions and noted that general information on the safe use of electricity is not mentioned, which confirms non-compliance with clause 2.2(2)(i) of the Code, which requires that a retailer or marketing agent must give general information on the safe use of electricity to the customer no later than or with the customer's first bill.</p>	B	2

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p><b><u>Recommendation 1/2021:</u></b></p> <p>Kleenheat to include general information on the safe use of electricity on the standard form contract billing template, or issue a copy of the customer charter along with the first standard form contract bill issued to the customer.</p> <p><b><u>Action Plan 1/2021:</u></b></p> <p>Kleenheat will amend the electricity small use customer invoice template to include the Kleenheat website URL directing the customer to the landing page on the safe use of electricity.</p> <p><b>Due date:</b> 31 March 2022</p> <p><b>Responsible Officer:</b> Wayne McCrae (Commercial Manager - Natural Gas and Electricity)</p>		

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
132	A retailer or electricity marketing agent must ensure that non- standard contracts, which are not unsolicited consumer agreements, are entered into according to the manner set out, and the contract is provided as specified, in clause 2.3(1).	4	<p>Through discussion with the Business Operations and Process Analyst, consideration of Kleenheat's training modules, review of Kleenheat's offer to treat process, and examination of a signed bundled and signed unbundled NSFCs, we determined that for NSFC that are not unsolicited consumer agreements:</p> <ul style="list-style-type: none"> <li>• A NSFC can only be entered into with a signature, which confirms the customer's verifiable consent; and</li> <li>• A copy of the signed contract and NSFC terms and conditions are provided to the customer upon agreement.</li> </ul>	A	1
133	A retailer or electricity marketing agent must ensure that the information specified in subclause 2.3(2) is provided to the customer before entering into a non-standard contract.	1	<p>Through examination of Kleenheat's 2020/2021 annual compliance report submitted to the ERA, we determined that Kleenheat has disclosed its non-compliance in 104 instances during the audit period, due to failure to include bill particulars as required under subclause 2.3(2)(b)(i) of the Code, which provides that a retailer or marketing agent must advise the customer on how they may obtain a copy of the Code. As an action to resolve this issue, Kleenheat updated its electricity sale process with the inclusion of additional communications in the offer document providing customers with how to access a copy of the Code. This change was implemented in late August 2021.</p> <p>Through discussion with the Business Operations and Process Analyst and the Regulatory Manager, Natural Gas and Electricity, and testing of 25 non-standard contracts entered into during the audit period, it was found that for all samples tested, no evidence could be obtained to verify that prior to a NSFC being entered into, the following was provided to the customer:</p> <ul style="list-style-type: none"> <li>• Information on how to obtain a copy of the Code as self-identified by Kleenheat through the 2020/2021 annual compliance report;</li> <li>• The distributor's 24 hour telephone number for faults and emergencies, which constitutes a non-compliance with clause 2.3(2)(g) of the Code; and</li> <li>• General information on the safe use of electricity, which</li> </ul>	B	3

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p>constitutes a non-compliance with clause 2.3(2)(j) of the Code.</p> <p>We note that this issue remains unresolved at the end of the audit period.</p> <p><b><u>Recommendation 2/2021:</u></b></p> <p>Kleenheat to include the distributor’s 24 hour telephone number for faults and emergencies and general information on the safe use of electricity on the non-standard form contract template, as part of the non-standard form contract terms and conditions, or issue a copy of the customer charter along with the offer for the customer to sign.</p> <p><b><u>Action Plan 2/2021:</u></b></p> <p>Kleenheat will update the electricity ‘Offer to Treat’ email template, which is sent to the customer prior to entering into the contract, to include the distributor’s 24-hour telephone number for faults and emergencies and, the Kleenheat website URL directing the customer to the landing page on the safe use of electricity.</p> <p><b>Due date:</b> 31 October 2021</p> <p><b>Responsible Officer:</b> Linley Plowman (Sales Manager)</p>		

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
135	Subject to subclause 2.3(3), a retailer or electricity marketing agent must obtain the customer's verifiable consent that the specified information in subclause 2.3(2) and 2.3(4), as applicable, has been provided.	4	Through discussion with the Business Sales Leader Acquisitions, the Business Sales Leader Retention and the Regulatory Manager, Natural Gas and Electricity, review of the training records, consideration of the code of conduct training modules and refresher, and examination of the NSFC template we determined that: <ul style="list-style-type: none"> <li>• Sales Agents are trained to explain the difference between a SFC and a NSFC to customers;</li> <li>• Sales Agents are trained to offer customers with the possibility to choose between a SFC and a NSFC; and</li> <li>• The customer's verifiable consent that all requirements under subclauses 2.3(2) and 2.3(4) of the Code have been met is obtained when the customer signs the customer declaration section of the NSFC; and</li> <li>• NSFCs are stored on Kleenheat central drive, which does not get purged, ensuring evidence of customers' verifiable consent is kept indefinitely.</li> </ul>	A	1
136	A retailer or electricity marketing agent must ensure that the inclusion of concessions is made clear to residential customers and any prices that exclude concessions are disclosed.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
137	A retailer or electricity marketing agent must provide contact details, including a telephone number, to a customer and ensure that the customer is able to contact the retailer or electricity marketing agent during normal business hours for the purposes of enquiries, verifications and complaints.	4	Through discussion with Business Sales Leader Acquisitions and the Business Sales Leader Retention, examination of the complaints training modules and refreshers, code of conduct training modules, and complaints handling process, as well as consideration of public information available on Kleenheat's website we determined that: <ul style="list-style-type: none"> <li>• Kleenheat Sales Agents are trained to: <ul style="list-style-type: none"> <li>○ Lodge a feedback complaint,</li> <li>○ Escalate the complaint,</li> <li>○ Contact the Customer Advocate, and</li> <li>○ Provide contact information for the Energy Water</li> </ul> </li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
138	A retailer or electricity marketing agent must, on request, provide a customer with the information specified in subclause 2.5(1).	4	Ombudsman of Western Australia; <ul style="list-style-type: none"> <li>• Kleenheat Sales Agents have an email signature, which includes Kleenheat's contact details; and</li> <li>• Resources on how to make a complaint, enquiries or contact Kleenheat's Service Call Centre during normal business hours is publicly available on Kleenheat's website.</li> </ul>	A	1
139	A retailer or electricity marketing agent who meets with a customer face to face must: <ul style="list-style-type: none"> <li>· wear a clearly visible and legible identity card showing the information specified in subclause 2.5(2)(a); and</li> <li>· provide the written information specified in subclause 2.5(2)(b) as soon as practicable following a request by the customer.</li> </ul>	4	Through discussion with Business Sales Leader Acquisitions, the Business Sales Leader Retention and the Regulatory Manager, Natural Gas and Electricity, as well as consideration of Code of Conduct training modules and refreshers, and examination of a Marketing ID worn by a Sales Agent, we determined that: <ul style="list-style-type: none"> <li>• Electricity Sales Agents may meet with the customer in person to present them the contract;</li> <li>• All agents have to complete mandatory training, after which they are issued a marketing ID displaying their name, picture, marketing identification number and Kleenheat's logo; and</li> <li>• This marketing ID has to be worn at all times while facing customers, and agents are not allowed to work without it.</li> </ul>	A	1
140	A retailer or electricity marketing agent who visits a person's premises for the purposes of marketing must comply with any clearly visible signs indicating that canvassing is not permitted at the premises, or no advertising is to be left at the premises.	4	Through discussion with Business Sales Leader Acquisitions and Business Sales Leader Retention, and examination of the code of conduct training modules, we determined that Kleenheat's mandatory training ensures Marketing Agents must: <ul style="list-style-type: none"> <li>• Comply with any clearly visible signs on the customer's premise; and</li> <li>• Not undertake canvassing as it does not align with Kleenheat's Values.</li> </ul> <p>It was also confirmed that Kleenheat did not conduct any B2B door-to-door marketing activities during the audit period, including the distribution of promotional material directly at a customer's premise.</p>	A	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
141	An electricity marketing agent must keep a record of complaints from customers or persons who are contacted by, or on behalf of, the electricity marketing agent for the purposes of marketing; and provide the electricity ombudsman with all of the information that it has relating to a complaint, within 28 days of receiving a request for that information.	4	Through discussion with the Customer Advocate, as well as review of complaints training modules and the complaints procedures we determined that Kleenheat requires: <ul style="list-style-type: none"> <li>• All Electricity Sales Agents to undergo compulsory training on how to handle customer complaints;</li> <li>• A record of all complaints to be maintained within the customer's CRM system account diary notes;</li> <li>• That CRM system prevents users from deleting information, ensuring a full record of customer complaints is kept indefinitely;</li> </ul>	A	1
142	An electricity marketing agent must keep a record, or other information, required under the Code for at least 2 years after the last time that a customer or person was contacted by, or on behalf of, the electricity marketing agent, or after receipt of the last contact from, or on behalf of, the electricity marketing agent, whichever is later.	4	<ul style="list-style-type: none"> <li>• Customer facing personnel to use their best endeavours to resolve customer complaints; and</li> <li>• Staff to be trained to provide the required complaint information to the Energy and Water Ombudsman within 21 days of receiving the request.</li> </ul>	A	1
<b>Connection</b>					
143	If a retailer agrees to sell electricity 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.	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, walkthrough of the Western Power portal and examination of the complete customer transfer via WP portal process and sign up new customer procedures, as well as examination of a walkthrough sample of customer transfer processed on the Western Power portal, we determined that: <ul style="list-style-type: none"> <li>• Unless agreed otherwise with the customer, Kleenheat will forward a customer transfer request to Western Power: <ul style="list-style-type: none"> <li>○ On the same day it if the customer lodges the request for connection before 3pm on a business day, or</li> </ul> </li> </ul>	A	1



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
144	Unless the customer agrees otherwise, a retailer must forward the customer's request for the connection to the relevant distributor that same day, if the request is received before 3pm on a business day; or the next business day if the request is received after 3pm or on a weekend or public holiday.	3	<ul style="list-style-type: none"> <li>○ On the following business day if the customer lodges the request for connection after 3pm, or on a Saturday or Sunday; and</li> <li>● An energisation register keeps a record of when customer transfer requests are received (upon signing the contract) so that customer transfers are submitted to Western Power within the prescribed timeframe.</li> </ul> <p>We have tested one sample of a customer transfer request and confirmed it was submitted to Western Power in accordance with the timeframe prescribed by clause 3.1(2) of the Code of Conduct. Finally, upon review of the complaints register and enquiry with the Customer Advocate, it was confirmed that no complaints were issued in relation to the timely energisation of a supply point during the audit period.</p>	A	1
<b>Billing</b>					
145	A retailer must issue a bill no more than once a month and at least once every 3 months, except for the circumstances specified in subclause 4.1.	4	<p>Through discussion with the Business Operations and Process Analyst and review of the generate billing process, we determined that:</p> <ul style="list-style-type: none"> <li>● Electricity customers are billed no more than once every 26 days, at least once a month and no less than every 3 months;</li> <li>● Daily B2B uploads transfer billing data from Western Power to Kleenheat;</li> <li>● Customer invoices are generated from the CRM system within the first 10 days of the month; and</li> <li>● Kleenheat has processes and procedures to ensure the completeness and accuracy of billing monthly.</li> </ul>	A	1
146	For the purposes of subclause 4.1(a)(ii), a retailer has given a customer notice if, prior to placing a customer on a shortened billing cycle, the retailer advises the customer of the information specified in subclause 4.2(1).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of a shortened billing cycle to its customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
147	If a residential customer informs a retailer that the customer is experiencing payment difficulties or financial hardship and the customer is assessed as experiencing payment difficulties or financial hardship, the retailer must not place that customer on a shortened billing cycle without that customer's verifiable consent.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
148	A retailer must give a customer written notice of a decision to shorten the customer's billing cycle within 10 business days of making the decision.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of a shortened billing cycle to its customers during the audit period.	N/P	N/R
149	A retailer must ensure that a shortened billing cycle is for a period of at least 10 business days.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of a shortened billing cycle to its customers during the audit period.	N/P	N/R
150	On request, a retailer must return a customer who is subject to a shortened billing cycle to the billing cycle that previously applied if the customer has paid 3 consecutive bills by the due date.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of a shortened billing cycle to its customers during the audit period.	N/P	N/R
151	A retailer must inform a customer, who is subject to a shortened billing cycle, at least every 3 months about the conditions upon which the customer can be returned to the previous billing cycle.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of a shortened billing cycle to its customers during the audit period.	N/P	N/R
152	Notwithstanding clause 4.1, on receipt of a request by a customer, a retailer may provide the customer with a bill that reflects a bill-smoothing arrangement with respect to any 12- month period.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of bill-smoothing to its customers during the audit period.	N/P	N/R
153	If a retailer provides a customer with a bill under a bill- smoothing arrangement, the retailer must ensure that the conditions specified in subclause 4.3(2) are met.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not offer the option of bill-smoothing to its customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
154	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.	4	Through discussion with the Business Operations and Process Analyst, as well as walkthrough of the CRM system and review of two sample invoices, it was determined that: <ul style="list-style-type: none"> <li>• Kleenheat issues customer bills to the address nominated during the sign-up process;</li> <li>• Kleenheat retains a copy of the customer contract which includes contact details; and</li> <li>• Customer contact information is entered into their account with the CRM and sales CRM systems, and can be readily adjusted.</li> </ul>	A	1
155	A retailer must include the minimum prescribed information in subclause 4.5(1) on a customer's bill, unless the customer agrees otherwise.	1	Through examination of Kleenheat's 2020/2021 annual compliance report submitted to the ERA, we determined that Kleenheat has disclosed its non-compliance in relation to 2,136 invoices during the audit period, due to failure to include bill particulars as required under subclause 4.5(1) of the Code, of which: <ul style="list-style-type: none"> <li>• 2,088 instances were caused by a billing system rule not including the average daily cost of consumption on the invoice as required by subclause 4.5(1)(m) of the Code;</li> <li>• 523 instances were caused by a billing system error which did not include usage graphs on the invoice as required by subclause 4.5(1)(dd) of the Code;</li> <li>• 684 instances were caused by unbundled invoices failing to include the consumption graph and the loss adjusted volume associated with the customers usage as required by subclauses 4.5(1)(dd) and 4.5(1)(d)(ii) of the Code; and</li> <li>• 63 instances were caused by invoicing occupier customers without the appropriate name on the invoice as required by subclause 4.5(1)(y) of the Code.</li> </ul> <p>As an action to resolve the issue in relation to subclause 4.5(1)(dd) requiring a usage graph to be displayed on the invoice, Kleenheat updated its billing template to meet the requirement. This change was implemented in April 2021. As such, we have tested 25 invoices issued from April 2021 to June 2021 confirmed Kleenheat's compliance with that</p>	C	3

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p>particular requirement as of April 2021. Our sample testing also included procedures to verify every other requirement prescribed under subclause 4.5(1) of the Code. No further non-compliances were identified through our testing other than Kleenheat self-identified non-compliances.</p> <p>Finally, through discussion with the Business Operations and Process Analyst and the Regulatory Manager, Natural Gas and Electricity, and testing of 25 invoices issued from April 2021 to June 2021, we confirmed Kleenheat's compliance with subclause 4.5(1)(dd) of the Code, but note that non-compliances in relation to subclauses 4.5(1)(m), 4.5(1)(d)(ii) and 4.5(1)(y) remain unsolved at the end of the current audit period.</p> <p><b><u>Recommendation 3/2021:</u></b></p> <p>Kleenheat to update the billing template and billing engine rules, to include all bill particulars in customer invoices as prescribed under subclause 4.5(1) of the Code.</p> <p><b><u>Action Plan 3/2021:</u></b></p> <p>An improvement is currently being developed to remedy the billing system in order to comply with the obligations set out in subclauses 4.5(1)(m), 4.5(1)(d)(ii) and 4.5(1)(y) of the Code.</p> <p><b>Due date:</b> 31 March 2022</p> <p><b>Responsible Officer:</b> Wayne McCrae (Commercial Manager - Natural Gas and Electricity)</p>		
156	If a retailer identifies and wishes to bill a customer for a historical debt, the retailer must advise the customer of the amount of the historical debt and its basis, before, with, or on the customer's next bill.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that during the audit period, Kleenheat did not bill for historical debt, as billing can only occur for a NMI under Kleenheat's jurisdiction.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
157	Subject to clauses 4.3 and 4.8, a retailer must base a customer's bill on the following: <ul style="list-style-type: none"> <li>· the distributor's or metering agent's reading of the meter at the customer's supply address;</li> <li>· the customer's reading of the meter in the circumstances specified in subclause 4.6(1)(b); or</li> <li>· if the connection point is a Type 7 connection point, the procedure is set out in the metrology procedure or Metering Code, or as set out in any applicable law.</li> </ul>	4	Through discussion with the Business Operations and Process Analyst, and walkthrough and review of Kleenheat's billing process, we determined that: <ul style="list-style-type: none"> <li>• Western Power is in charge of conducting all meter reads and billing data is based on these reads;</li> <li>• Daily B2B uploads transfer billing data from Western Power to Kleenheat;</li> <li>• Customer invoices are automatically generated from the CRM system from the data obtained;</li> <li>• The Business Operations and Process Analyst is also able to download meter readings from the Western Power portal and generate relevant additional fees and charges from the CRM system;</li> <li>• Kleenheat has processes and procedures to ensure the completeness and accuracy of billing monthly;</li> </ul>	A	1
158	Other than in respect of a Type 7 connection, a retailer must use its best endeavours to ensure that the meter reading data is obtained as frequently as required to prepare its bills.	5	<ul style="list-style-type: none"> <li>• There has been no issues the obtention of metering data from Western Power during the audit period; and</li> <li>• Kleenheat did not have any Type 7 connections during the audit period.</li> </ul>	A	1
159	If a retailer is unable to reasonably base a bill on a reading of the meter, a retailer must give the customer an estimated bill.	3	Through discussion with the Business Operations and Process Analyst, as well as system walkthrough of Kleenheat's billing engine and review of an estimated invoice and the associated email communications with Western Power, it was confirmed that for instances during the audit period where Kleenheat provided an estimated bill: <ul style="list-style-type: none"> <li>• In most instances, Western Power was unable to access the meter;</li> <li>• Customers were provided an estimated bill as a result of Western Power being unable to perform a meter reading;</li> <li>• Customers were informed: <ul style="list-style-type: none"> <li>○ That the issued bill was estimated;</li> <li>○ On the option to request information in regards to the basis and reason for the estimation;</li> <li>○ On the option to request a verification of energy data or a meter reading;</li> </ul> </li> </ul>	A	1
160	In circumstances where a customer's bill is estimated, a retailer must clearly specify on the customer's bill the information required under subclause 4.8(2).	4	<ul style="list-style-type: none"> <li>• The Business Operations and Process Analyst provided</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
161	On request, a retailer must inform a customer of the basis and the reason for the estimation. <sup>8</sup>	4	the basis or reason for the estimation upon customer request; and <ul style="list-style-type: none"> <li>The Business Operations and Process Analyst informed the customer of applicable charges in relation to a special meter reading and liaised with Western Power to schedule it upon request.</li> </ul>	A	1
162	In accordance with clause 4.19, if a 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.	4	Through discussion with the Business Operations and Process Analyst, as well as system walkthrough of Kleenheat's billing engine and review of an estimated invoice and the following adjusted invoice, we determined that for the estimated bills issued during the audit period, an adjustment appeared on the subsequent bill to acknowledge the results of the latest actual meter reading.	A	1
163	If a customer satisfies the requirements specified in subclause 4.10, a retailer must use its best endeavours to replace an estimated bill with a bill based on an actual reading.	5	Through discussion with the Business Operations and Process Analyst in regards to the billing procedures, as well as review of an estimated and adjusted invoice, it was determined that during the audit period, when a customer asked for an actual meter reading to be conducted: <ul style="list-style-type: none"> <li>Kleenheat used best endeavours to arrange Western Power to conduct an actual read; and</li> <li>The results of the read appeared as an adjustment in the following bill.</li> </ul>	A	1
164	If a customer requests the meter to be tested, and pays a retailer's reasonable charge (if any) for doing so, a retailer must request the distributor or metering agent to do so.	4	Through discussion with the Business Operations and Process Analyst and the Regulatory Specialist Natural Gas and Electricity, it was confirmed that there were no instances of a meter test request being raised by a customer during the audit period.	N/P	N/R
165	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.	4	Through discussion with the Business Operations and Process Analyst and the Regulatory Specialist Natural Gas and Electricity, it was confirmed that there were no instances of a meter test request being raised by a customer during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
166	If a retailer offers alternative tariffs and a customer applies to receive an alternate tariff and demonstrates to the retailer that they satisfy the conditions of eligibility, a retailer must change the customer to an alternate tariff within 10 business days of the customer satisfying those conditions.	4	Through discussion with the Business Operations and Process Analyst and the Regulatory Specialist Natural Gas and Electricity, it was confirmed that Kleenheat did not offer alternative tariffs during the audit period.	N/P	N/R
167	If a customer's electricity use changes, and the customer is no longer eligible to continue to receive an existing more beneficial tariff, a retailer must give the customer written notice prior to changing the customer to an alternative tariff.	4		N/P	N/R
168	If a customer requests a retailer to issue a final bill at the customer's supply address, a retailer must use reasonable endeavours to arrange for that final bill in accordance with the customer's request.	5	Through discussion with the Business Operations and Process Analyst in regards to the billing procedures, as well as examination of a final bill and procedural screenshots from the billing system, it was determined that for instances where a final bill is requested: <ul style="list-style-type: none"> <li>• The NMI will be dissociated in the CRM system and the billing engine will automatically issue the final bill; or</li> <li>• If the customer switches to an alternative retailer, Western Power will conduct a final read and provide this to Kleenheat with the associated switch date.</li> </ul>	A	1
169	Subject to subclause 4.14(3), if a customer's account is in credit at the time of account closure, a retailer must, in accordance with the customer's instructions, transfer the amount of credit to another account that the customer has with the retailer or a bank account nominated by the customer, within 12 business days or other agreed time.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that there were no instances of a customer account in a credit position at the time the related final bill was generated during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
170	If a customer's account is in credit at the time of account closure and the customer owes a debt to a retailer, the retailer may use that credit to offset the debt owed to the retailer by giving the customer written notice. If any amount remains after the set off, the retailer must ask the customer for instructions to transfer the remaining amount in accordance with subclause 4.14(2).	4		N/P	N/R
171	A retailer must review a customer's bill on request by the customer, subject to the customer paying: <ul style="list-style-type: none"> <li>· that portion of the bill under review that the customer and a retailer agree is not in dispute; or</li> <li>· an amount equal to the average amount of the customer's bill over the previous 12 months (excluding the bill in dispute) and</li> <li>· any future bills that are properly due.</li> </ul>	4	Through discussion with the Business Operations and Process Analyst, the Commercial Credit Team Leader and the Credit Operations Officer, consideration of the manage customer and network operator communication process, as well as review of a customer bill query related to an overcharge within the audit period, and the associated adjusted bill, we determined that: <ul style="list-style-type: none"> <li>● Kleenheat's billing template provides customers with information on how to raise a complaint, and the option for a meter test and related fees;</li> <li>● Kleenheat has processes in place to review customer bills upon request, to deliver an outcome on the spot or escalate the matter to the relevant team;</li> <li>● Kleenheat notifies the customer of the outcome of investigations as soon as practicable or provides an update within 20 business days if the mater is still unresolved;</li> <li>● The outcome a bill review is communicated to the customer via their preferred method of contact;</li> <li>● In case of an overcharge, a credit is applied to the customer's account immediately waiting for the customer to provide refund instructions;</li> <li>● The Credit Team is responsible for processing the refund within 12 business days of receiving instructions from the customer.</li> </ul> It was also confirmed that there were no instances of an undercharge applicable to any customer within the audit period. As a result, there were no adjustments performed	A	1
172	If a retailer has reviewed a customer's bill and is satisfied that the bill is correct, the retailer may require the customer to pay the unpaid amount. The retailer must advise the customer that the customer may request for a meter test in accordance with the applicable law; and also the existence and operation of the retailer's internal complaints handling processes and	4	<ul style="list-style-type: none"> <li>● The outcome a bill review is communicated to the customer via their preferred method of contact;</li> <li>● In case of an overcharge, a credit is applied to the customer's account immediately waiting for the customer to provide refund instructions;</li> <li>● The Credit Team is responsible for processing the refund within 12 business days of receiving instructions from the customer.</li> </ul> It was also confirmed that there were no instances of an undercharge applicable to any customer within the audit period. As a result, there were no adjustments performed	A	1



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
	details of any applicable external complaints handling processes.		under clause 4.17 of the Code.		
173	If a retailer has reviewed a customer's bill and is satisfied that the bill is incorrect, the retailer must adjust the bill in accordance with clauses 4.17 and 4.18.	4		A	1
174	A retailer must inform a customer of the outcome of the review of a bill as soon as practicable.	4		A	1
175	If a retailer has not informed a customer of the outcome of the review of a bill within 20 business days from the date of receipt of the request for review, the retailer must provide the customer with notification of the status of the review as soon as practicable.	4		A	1
176	If a retailer proposes to recover an amount undercharged as a result of an error, defect, or default for which the retailer or distributor is responsible (including where a meter has been found to be defective), a retailer must do so in the manner specified.	4		N/P	N/R
176A^.	A retailer may charge a customer interest on the undercharged amount or require the customer to pay a late fee, if the conditions in clause 4.17(3) are met.	5		Through discussion with the Commercial Credit Team Leader, it was confirmed that Kleenheat's processes and procedures did not include the charging of late fees or interest to customers during the audit period.	N/P

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
177	If a customer (including a customer who has vacated the supply address) has been overcharged as a result of an error, defect, or default for which a retailer or distributor is responsible (including where a meter has been found to be defective), the retailer must: <ul style="list-style-type: none"> <li>· use its best endeavours to inform the customer within 10 business days of the retailer becoming aware of the error, defect, or default; and</li> <li>· subject to subclauses 4.18(6) and 4.18(7), ask the customer for instructions for the credit or repayment of the amount.</li> </ul>	5	Please refer to Obligations 171 to 176.	A	1
178	A retailer must pay the amount overcharged in accordance with the customer's instructions within 12 business days of receiving the instructions.	4		A	1
179	If instructions regarding repayment of an overcharged bill are not received within 5 business days of a retailer making the request, a retailer must use reasonable endeavours to credit the amount overcharged to a customer's account.	5		A	1
180	Where the amount overcharged is less than \$100, a retailer may proceed to deal with the matter as outlined in subclause 4.18(6).	5		Through discussion with the Commercial Credit Team Leader, it was confirmed that there were no instances of an overcharged amount to a customer being less than \$100 during the audit period.	N/P

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
181	A retailer may, by giving the customer written notice, use an amount overcharged to set off a debt owed to the retailer, provided that the customer is not a residential customer experiencing payment difficulties or financial hardship. If, after the set off, there remains an amount of credit, the retailer must deal with the amount of credit in accordance with subclauses 4.18(2) or 4.18(6), as applicable.	5	Through discussion with the Commercial Credit Team Leader, it was confirmed that there were no instances of an overcharged amount used to offset a debt during the audit period.	N/P	N/R
182	If a retailer proposes to recover an amount of an adjustment which does not arise due to any act or omission of a customer, the retailer must comply with the requirements specified in subclause 4.19(1).	4	Please refer to Obligations 171 to 176.	A	1
183	If the meter is read under either clause 4.6 or clause 4.3(2)(d), and the amount of the adjustment is an amount owing to the customer, the retailer must: <ul style="list-style-type: none"> <li>· use its best endeavours to inform the customer within 10 business days; and</li> <li>· subject to subclauses 4.19(5) and 4.19(7), ask the customer for instructions about the repayment of the amount.</li> </ul>	5		A	1
184	If a retailer receives instructions under subclause 4.19(2), the retailer must pay the amount in accordance with the customer's instructions within 12 business days of receiving the instructions.	4		A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
185	If a retailer does not receive instructions under subclause 4.19(2), within 5 business days of making the request, the retailer must use reasonable endeavours to credit the amount of the adjustment to the customer's account.	5		A	1
186	A retailer may, after notifying the customer in writing, use an amount of an adjustment to set off that customer's debt owed to the retailer, provided that the customer is not a residential customer in payment difficulties or financial hardship. If, after the set off, there remains an amount of credit, the retailer must deal with that amount in accordance with subclause 4.19(2) or, if the amount is less than \$100, subclause 4.19(5).	5	Through discussion with the Commercial Credit Team Leader, it was confirmed that there were no instances of an overcharged amount to a customer being less than \$100 during the audit period.	N/P	N/R
<b>Payment</b>					
187	The due date on a bill must be at least 12 business days from the dispatch date of that bill unless otherwise agreed with a customer.	3	Through discussion with the Operations Team Leader Credit, walkthrough of the billing engine rules, examination of the billing process, we determined that: <ul style="list-style-type: none"> <li>• Business rules on the billing engine mandate the due date of the bill to be 22 calendar days from the dispatch date of that bill;</li> <li>• An exception report was developed to flag mismatches between customers and payment terms according to customer type; and</li> <li>• The report is run monthly and has not picked up any exceptions during the audit period.</li> </ul> Further we have inspected five automated monthly reports issued in September 2017, May 2018, July 2019, October 2020 and February 2021 and confirm no exceptions were depicted. Finally, through enquiry with the Customer Advocate and review of the complaints register, we confirmed that no complaints were raised in regards to an	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			erroneous payment due date issued on a customer invoice during the audit period.		
188	Unless otherwise agreed with a customer, a retailer must offer the customer at least the payment methods prescribed in clause 5.2.	4	<p>Through discussion with the Operations Team Leader Credit and the Regulatory Manager, Natural Gas and Electricity, as well as review of the billing template, SFC and NSFC terms and conditions, it was determined that:</p> <ul style="list-style-type: none"> <li>• In the case of a NSFC, the customer agreed in the terms of conditions to pay electronically by way BPAY or credit card, via direct debit, or via phone by way of credit card or debit card, which is reflected in the payment options offered on the NSFC billing template; and</li> <li>• In the case of a SFC bill, the customer is offered the option to pay electronically by way of BPAY or credit card, via direct debit, via phone by way of credit card or debit card, as well as in person, which is in line with the requirements as prescribed by clause 5.2 of the Code.</li> </ul>	A	1
189	Prior to commencing a direct debit facility, a retailer must obtain a customer's verifiable consent and agree with the customer the date of commencement of the facility and the frequency of the direct debits.	4	<p>Through discussion with the Operations Team Leader Credit and the Regulatory Manager, Natural Gas and Electricity, and examination of the taking electricity payments and direct debit application processes, it was determined that for instances of requests by the customer to set up a direct debit facility during the audit period, Kleenheat processes ensured that:</p> <ul style="list-style-type: none"> <li>• The customer's verifiable consent is captured through a signed direct debit set up form, which is completed as part of the customer registration process; and</li> <li>• The customer is made aware of how direct debit facilities operate, how to cancel a direct debit facility and their responsibility in meeting their payment obligations under a direct debit facility.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
190	Upon request, a retailer must accept payment in advance from a customer. This will not require a retailer to credit any interest to the amounts paid in advance. Subject to clause 6.9, and unless otherwise agreed with a customer, the minimum amount for an advance payment that a retailer will accept is \$20.	4	Through discussion with the Commercial Credit Team Leader, it was confirmed that there were no instances of a customer request to provide payment in advance during the audit period.	N/P	N/R
191	If, due to illness or absence, a residential customer is unable to pay by way of the methods described in clause 5.2, a retailer must offer to redirect the customer's bill to a third person at no charge.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
192	A retailer must not charge a residential customer a late payment fee in the circumstances specified in subclause 5.6(1).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
193	If a retailer has charged a late payment fee in the circumstances set out in subclause 5.6(1)(c) because the retailer was not aware of the complaint, the retailer must refund the late payment fee on the customer's next bill.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
194	A retailer must not charge an additional late payment fee in relation to the same bill within 5 business days from the date of receipt of the previous late payment fee notice.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
195	A retailer must not charge a residential customer more than 2 late payment fees in relation to the same bill or more than 12 late payment fees in a year.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
196	If a residential customer has been assessed as being in financial hardship, a retailer must retrospectively waive any late payment fee charged to this customer's last bill prior to the assessment being made.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
197	A retailer must not require a customer, who has vacated a supply address, to pay for electricity consumed at the customer's supply address in the circumstances specified in subclause 5.7(1).	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, and examination of the move-out customer and electricity move-out/move-in processes, as well as review of the terms and conditions of the standard and non standard form contracts and an example of a final bill issued following a move out request, we determined that: <ul style="list-style-type: none"> <li>• Customers are required to provide a minimum of five business days' notice prior to moving out;</li> <li>• Kleenheat is to liaise a final meter read ahead of issuing the final bill;</li> <li>• Customers are charged for electricity consumption up until the agreed move-out date;</li> </ul>	A	1
198	If a customer reasonably demonstrates to a retailer that the customer was evicted or otherwise required to vacate a supply address, a retailer must not require the customer to pay for electricity consumed at that supply address from the date the customer gave the notice to the retailer.	4	<ul style="list-style-type: none"> <li>• Once a NMI is disassociated in the CRM system, the billing engine rules apply and that NMI no longer gets billed; and</li> <li>• No instances of a customer being billed for charges incurred after the customer move out date occurred during the audit period.</li> </ul> <p>Through enquiry with the Business Operations and Process Analyst, it was confirmed that there were no instances of a customer being evicted from their attributed supply address during the audit period.</p>	A	N/R
199	Notwithstanding subclauses 5.7(1) and (2), a retailer must not require a previous customer to pay for electricity consumed at the supply address in the circumstances specified in subclause 5.7(4).	4	Through enquiry with the Senior Commercial Analyst Operations and the Commercial Advisor Electricity, and examination of the move-out customer and electricity move-out/move-in processes, as well as review of the terms and conditions of the standard and non standard form contracts we determined that for customers who had moved out of a supply address during the audit period: <ul style="list-style-type: none"> <li>• The billing engine did not allow for a dissociated NMI to</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			be billed; • Kleenheat’s CRM system did not allow for a previous customer with a finalised account to be billed for usage after the move-out date; and • Debt can solely be recovered from the customer who entered the contract with Kleenheat.		
200	A retailer must not commence proceedings to recover a debt from a residential customer who has informed the retailer in accordance with clause 6.1(1) that they are experiencing payment difficulties or financial hardship, unless and until the retailer has complied with all the requirements of clause 6.1 and (if applicable) clause 6.3; and while a residential customer continues to make payments under an alternative arrangement.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
201	A retailer must not recover, or attempt to recover, a debt from a person relating to a supply address other than the customer who the retailer has, or had, entered into a contract for the supply of electricity to that supply address.	4	Please refer to Obligation 199.	A	1
201A.	A retailer may transfer one customer’s debt to another customer if requested by the customer owing the debt, providing the retailer obtains the other customer’s verifiable consent to the transfer.	5	Please refer to Obligation 199.	A	1
<b><i>Payment difficulties and financial hardship</i></b>					



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
202	If a residential customer informs a retailer that the residential customer is experiencing payment problems, a retailer must assess whether the residential customer is experiencing payment difficulties or financial hardship within 5 business days; or, if the retailer cannot make the assessment within 5 business days, refer that customer to a relevant consumer representative to make the assessment.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
203	When undertaking an assessment under subclause 6.1(1)(a), a retailer must give reasonable consideration to the information prescribed in subclause 6.1(3)(a), or advice prescribed in subclause 6.1(3)(b), unless a retailer adopts an assessment from a relevant consumer representative.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
204	Upon request, a retailer must advise a residential customer of the details and outcome of an assessment carried out under subclause 6.1(1).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
205	If a residential customer is referred to a relevant consumer representative under subclause 6.1(1)(b), a retailer must grant a temporary suspension of actions for that customer.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
206	A retailer must not unreasonably deny a residential customer's request for a temporary suspension of actions if the customer informs the retailer about payment problems under clause 6.1 and the customer demonstrates that an appointment with a relevant consumer representative has been made.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
207	A retailer must allow a temporary suspension of actions for a period of at least 15 business days.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
208	A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative to allow additional time to assess a residential customer's capacity to pay.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
209	If a residential customer is assessed as experiencing payment difficulties, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1), and advise the residential customer that additional assistance may be available if the prescribed circumstances apply.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
210	If a residential customer is assessed as experiencing financial hardship, a retailer must offer the alternative payment arrangements referred to in subclause 6.4(1)(b) and assistance in accordance with clauses 6.6 to 6.9.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
211	If a residential customer is experiencing payment difficulties or financial hardship, a retailer must offer the residential customer additional time to pay a bill.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
212	If a residential customer is experiencing payment difficulties or financial hardship, a retailer must offer the residential customer an interest-free and fee-free instalment plan or other arrangement under which the residential customer is given additional time to pay a bill or to pay arrears (including any disconnection and reconnection charges), while being permitted to continue consumption.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
213	When offering or amending an instalment plan to a residential customer experiencing payment difficulties or financial hardship, a retailer must comply with subclause 6.4(2).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
214	If a residential customer accepts an instalment plan offered by a retailer, the retailer must provide the residential customer with the information specified in subclause 6.4(3)(a) within 5 business days, and notify the residential customer of any amendments to the instalment plan at least 5 business days before they come into effect.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
215	A retailer must give reasonable consideration to a request by a customer experiencing financial hardship, or a relevant consumer representative, for a reduction of the customer's fees, charges or debt.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
216	In giving reasonable consideration under subclause 6.6(1), a retailer should refer to the hardship procedures referred to in subclause 6.10(3).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
217	If it is reasonably demonstrated to a retailer that a customer experiencing financial hardship is unable to meet the customer's obligations under a payment arrangement, the retailer must give reasonable consideration to offering the customer an instalment plan or revising an existing instalment plan.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
218	A retailer must advise a customer experiencing financial hardship of the information specified in subclause 6.8(1).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
219	A retailer must determine the minimum payment in advance amount for residential customers experiencing payment difficulties or financial hardship in consultation with relevant consumer representatives, as referred to in subclause 5.4(3).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
220	A retailer must develop a hardship policy and hardship procedures to assist customers experiencing financial hardship to meet their financial obligations and responsibilities to the retailer.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and the Commercial Credit Team Leader, and examination of Kleenheat's hardship policy and procedures, we determined that: <ul style="list-style-type: none"> <li>• Although Kleenheat does not supply electricity to residential customers, its financial hardship policy applies to all small use electricity customers;</li> <li>• The financial hardship policy was developed in consultation with the Western Australian Council of Social Services (WACOSS), the Department for Child Protection and Family Support, and the Financial Counsellors Association of Western Australia (FCAWA);</li> </ul>	A	1
221	A retailer must ensure that its hardship policy complies with the criteria specified in subclause 6.10(2).	4	<ul style="list-style-type: none"> <li>• The financial hardship policy was designed to ensure all requirements of subclauses 6.10(2) and 6.10(3) of the Code are met; and</li> <li>• The latest version of the policy, dated October 2015, is publicly available on Kleenheat's website.</li> </ul>	A	1
222	A retailer must ensure that its hardship procedures comply with the criteria specified in subclause 6.10(3).	4		A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
223	If requested, a retailer must give residential customers and relevant consumer representatives a copy of the retailer's hardship policy, including by post, at no charge.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
225	If directed by the ERA, a retailer must review its hardship policy and hardship procedures in consultation with relevant consumer representatives and submit the results of that review to the ERA within 5 business days after it is completed.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat was not directed to review its hardship policy by the ERA within the audit period.	N/P	N/R
226	A retailer must comply with the ERA's Financial Hardship Policy Guidelines.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity and the Commercial Credit Team Leader, and examination of Kleenheat's hardship policy and procedures, we determined that Kleenheat's hardship policy was designed in accordance with the ERA's financial hardship guidelines and approved by the ERA on the 22 October 2015.	A	1
227	If a retailer makes a material amendment to its hardship policy, the retailer must consult with relevant consumer representatives and submit a copy of the retailer's amended hardship policy to the ERA within 5 business days of the amendment.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no material amendments made to the hardship policy during the audit period.	N/P	N/R
228	A retailer must consider any reasonable request for alternative payment arrangements from a business customer who is experiencing payment difficulties.	4	Through discussion with the Commercial Credit Team Leader, and examination of Kleenheat's hardship policy and procedures, we determined that: <ul style="list-style-type: none"> <li>• Payment plans and arrangement are offered to business customers experiencing payment difficulties;</li> <li>• Although Kleenheat does not supply electricity to residential customers, its financial hardship policy applies to all small use electricity customers; and</li> <li>• During the audit period, it was confirmed that no business customers were assessed as experiencing financial hardship.</li> </ul>	A	N/R
<b>Disconnection and Interruption</b>					

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
229	Prior to arranging for a disconnection of a customer's supply address for failure to pay a bill, a retailer must give the customer a reminder notice, which contains the information specified in subclause 7.1(1)(a), not less than 15 business days from the dispatch date of the bill. The retailer must use its best endeavours to contact the customer to advise of the proposed disconnection and give the customer a disconnection warning, in the manner and timeframes specified in subclause 7.1(1)(c).	5	<p>Through discussion with the Commercial Credit Team Leader, examination of Kleenheat's collection and disconnection processes, as well as review of a reminder notice and disconnection notice issued to a customer within the audit period, it was confirmed that for instances where a customer failed to pay a bill during the audit period, Kleenheat ensured:</p> <ul style="list-style-type: none"> <li>• A reminder notice was sent via the customer's preferred method of contact on the fifth day after the bill falls overdue;</li> <li>• The reminder notice clearly provides a contact number and information on how Kleenheat can assist customers experiencing financial hardship;</li> <li>• If the bill remained unpaid on the seventh day following the issue of the reminder notice, a disconnection notice was issued;</li> <li>• Kleenheat used their best endeavours to ensure the customer received the notices via email, phone, SMS or third party sourcing (eg: work phone from the employer's website); and</li> <li>• If no contact was made, Kleenheat raised a request with Western Power for disconnection.</li> </ul> <p>It was further confirmed that only three disconnections due to non-payment occurred during the audit period, one of which occurred in February 2021, following the discontinuance of the government disconnection Moratorium in place between March 2020 and February 2021.</p>	A	1
230	A retailer must not arrange for a disconnection of a customer's supply address for failure to pay a bill in the circumstances specified in subclause 7.2(1).	4	<p>Through discussion with the Commercial Credit Team Leader, as well as review of the disconnection process and the disconnection reconnection checklist, it was determined that for instances of disconnections that occurred during the audit period, Kleenheat ensured that disconnection for failure to pay a bill did not occur if:</p> <ul style="list-style-type: none"> <li>• The customer had issued a complaint relevant to the reason for disconnection;</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<ul style="list-style-type: none"> <li>• The customer had entered a payment arrangement and maintained their obligations to pay under the arrangement;</li> <li>• The customer was a registered life support customer with Kleenheat; and</li> <li>• The Credit Team had not updated the disconnection checklist, which ensures all requirements under subclause 7.2(1) of the Code are satisfied.</li> </ul>		
231	In relation to dual fuel contracts, a retailer must not arrange for disconnection of a residential customer's supply address for failure to pay a bill within 15 business days from the date of disconnection of that customer's gas supply.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no customers under a dual fuel contract within the audit period.	N/P	N/R
232	Unless the conditions specified in subclause 7.4(1) are satisfied, a retailer must not arrange for the disconnection of a customer's supply address for denying access to the meter.	4	Through discussion with the Commercial Credit Team Leader and the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of disconnections of a customer's supply address for denying access to the meter during the audit period.	N/P	N/R
234	Subject to subclause 7.6(3), a retailer or distributor must comply with the limitations specified in subclauses 7.6(1)-(2) when arranging for disconnection or disconnecting a customer's supply address.	2	<p>We have obtained the full listing of disconnections, which occurred during the audit period and confirmed with the Business Operations and Process Analyst that three disconnections occurred as a result of non-payment during the audit period.</p> <p>Through discussion the Business Operations and Process Analyst and the Commercial Credit Team Leader, review of Kleenheat's collection and disconnection processes, as well as sample testing of all three instances of disconnection which occurred as a result of non-payment during the audit period, we confirmed that:</p> <ul style="list-style-type: none"> <li>• None of the disconnected accounts had an active complaint raised at the time of disconnection; and</li> <li>• Kleenheat was not notified by Western Power, the Water and Energy Ombudsman of Western Australia, or any other external body of a complaint in relation to a disconnected account.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			Through our testing procedures, no instances of non-compliances with subclauses 7.6(1) and 7.6(2) of the Code were identified during the audit period.		
235	If a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the customer's supply address requires life support equipment, the retailer must comply with subclause 7.7(1).10	2	Through discussion with the Business Operations and Process Analyst and the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no small use electricity customers requiring life support equipment on a connected address during the audit period.	N/P	N/R
236	A retailer must undertake the actions specified in subclauses 7.7(2)(e)-(g), if a customer registered with a retailer under subclause 7.7(1) notifies the retailer: <ul style="list-style-type: none"> <li>· that the person requiring life support equipment is changing supply address;</li> <li>· that the customer, but not the person requiring life support equipment, is changing supply address;</li> <li>· of a change in contact details; or</li> <li>· that the address no longer requires registration as life support equipment address.</li> </ul>	2		N/P	N/R
240	A retailer must contact the customer to ascertain whether life support equipment is required or to request re-certification in the timeframe, manner and circumstances specified in subclause 7.7(6).	4		N/P	N/R



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
241	A retailer or a distributor must remove the customers' details from the life support equipment register in the circumstances and timeframes specified in subclause 7.7(7).	4		N/P	N/R
<b>Reconnection</b>					
242	A retailer must arrange to reconnect a customer's supply address if the customer remedies their breach, makes a request for reconnection and pays the retailer's reasonable charges (if any) for reconnection, or accepts an offer of an instalment plan for the retailer's reasonable charges.	3	<p>Through examination of Kleenheat's 2019/2020 annual compliance report submitted to the ERA, we determined that Kleenheat has disclosed its non-compliance in one (1) instance during the audit period, due to a credit agent's misunderstanding of Kleenheat's obligations to reconnect a customer under Code of Conduct for the Supply of Electricity to Small Use Customers 2018. The agent refused to reconnect the customer's electricity supply after their electricity debt was cleared because the customer still owed a gas debt to Kleenheat. As an action to resolve this issue, the customer was promptly reconnected and the Regulatory Team has presented training to the Small Business Sales Team with respect to the timeframes that apply for both natural gas and electricity customers, when a request for reconnection is received.</p> <p>Through discussion with the Commercial Credit Team Leader and the Customer Advocate, and review of Kleenheat's reconnection processes and procedures, we determined that:</p> <ul style="list-style-type: none"> <li>• Kleenheat will arrange for a customer's reconnection with Western Power if the customer has made a request for connection and settled reasonable charges owed to Kleenheat;</li> <li>• Kleenheat will forward that request for reconnection to</li> </ul>	A	2
243	A retailer must forward the request for reconnection to the relevant distributor within the timeframes specified in subclause 8.1(2).	3		A	2

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
243A^	If a retailer does not forward the request for reconnection to the relevant distributor within the timeframes in subclause 8.1(2), the retailer will not be in breach of this clause (8.1) if the retailer causes the customer's supply address to be reconnected by the distributor within the timeframes in subclause 8.2(2) as if the distributor had received the request for reconnection from the retailer in accordance with subclause 8.1(2).	4	<p>Western Power on the same business day if the request is received before 3pm, or the following business day if the request is received after 3pm, or on a Saturday or Sunday; and</p> <ul style="list-style-type: none"> <li>• Except for the instance where the non-compliance was self-identified, there were no other instances of a reconnection request made by a customer following that customer paying their debt or agreeing to enter into a payment arrangement during the audit period; and</li> <li>• Except for the instance where the non-compliance was self-identified, there were no other complaints made in relation to a reconnection matter during the audit period.</li> </ul> <p>As such, since the breach was remedied during the audit period, no further instances of non-compliances were identified, and Kleenheat has been compliant with obligations 242 and 243 as of October 2019, we have not made further recommendations in relation to these obligations.</p>	NP	NR
<b>Pre-Payment Meters</b>					
245	A distributor may only operate a pre-payment meter and a retailer may only offer a pre-payment meter service in an area that has been declared by the Minister by notice published in the Government Gazette.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
246	A retailer must not provide a pre-payment meter service at a residential customer's supply address without the verifiable consent of the customer or the customer's nominated representative.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
247	A retailer must establish an account for each pre-payment meter operating at a residential customer's supply address.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
249	If a residential customer requests information on the use of a pre-payment meter, a retailer must advise the information specified in subclause 9.3(1) at no charge, and in clear, simple and concise language.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
250	No later than 10 business days after the time a residential customer enters into a pre-payment meter contract at that customer's supply address, a retailer must give, or make available to, that customer the information specified in subclauses 9.3(1) and 9.3(2)(a)-(s) at no charge.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
251	A retailer must ensure that the following information is shown on, or directly adjacent to, a residential customer's pre-payment meter: <ul style="list-style-type: none"> <li>· the positive or negative financial balance of the pre- payment meter within one dollar (\$1) of the actual balance;</li> <li>· whether the pre-payment meter is operating on normal credit or emergency credit;</li> <li>· a telephone number for enquiries; and</li> <li>· the distributor's 24-hour telephone number for faults and emergencies.</li> </ul>	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
252	On request and at no charge, a retailer must give a pre- payment meter customer the following information: total energy consumption; average daily consumption; and the average daily cost of consumption for the previous 2 years, or since the commencement of the pre-payment meter contract (whichever is	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
	shorter), divided into quarterly segments.				
253	If the recharge facilities available to a residential customer change from the initial recharge facilities referred to in subclause (2)(r), a retailer must use reasonable endeavours to notify a pre-payment meter customer in writing or by electronic means within 10 business days of the change.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
254	If a pre-payment meter customer notifies a retailer that it wants to replace or switch a pre-payment meter to a standard meter, the retailer must <ul style="list-style-type: none"> <li>· send the information referred to in clauses 2.3 and 2.4 to the customer; and</li> <li>· arrange with the relevant distributor to remove or render non-operational the pre-payment meter and replace or switch the pre-payment meter to a standard meter within 1 business day of the request.</li> </ul>	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
255	A retailer must not charge for reversion to a standard meter if a pre-payment customer is a residential customer and that customer, or their nominated representative, requests reversion of a pre-payment meter within 3 months of its installation or the date the customer agreed to enter into the pre-payment contract, whichever is later.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
257	If a customer provides a retailer with confirmation from an appropriately qualified medical practitioner that a person residing at the supply address requires life support equipment, a retailer must not provide a pre-payment meter service in that address; or, if applicable, comply with the prescribed requirements in subclauses 9.5(1)(a)-(c).	2	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
259	A retailer must ensure that a pre-payment meter service complies with the prescribed requirements in subclause 9.6.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
260	A retailer must ensure that: <ul style="list-style-type: none"> <li>· at least 1 recharge facility is located as close as practicable to a pre-payment meter, and in any case no further than 40 kilometres away;</li> <li>· a pre-payment meter customer can access a recharge facility at least 3 hours per day, 5 days a week; and</li> <li>· the minimum amount to be credited by a recharge facility does not exceed \$20 per increment.</li> </ul>	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
261	If a pre-payment meter customer demonstrates to a retailer that the customer is entitled to receive a concession, the retailer must ensure that the pre-payment meter customer receives the benefit of the concession.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
262	If requested by a pre-payment meter customer, a retailer must make immediate arrangements to check the metering data; test the pre-payment meter; and/or arrange for a test of the metering installation at the connection point.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
264	If a pre-payment meter is found to be inaccurate or not operating correctly, a retailer must: immediately arrange for the repair or replacement of the pre-payment meter; correct any overcharging or undercharging; and refund any charges payable by a customer for testing the pre-payment meter.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
265	Subject to a pre-payment meter customer notifying a retailer of the proposed vacation date, the retailer must ensure that the pre-payment customer can retrieve all remaining credit at the time that customer vacates the supply address.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
266	If a pre-payment meter customer (including a customer who has vacated the supply address) has been overcharged as a result of an act or omission of a retailer or distributor, the retailer must use its best endeavours to inform and reimburse the pre-payment meter customer, (except in the circumstances in clause 9.10(7)) in the timeframe and manner specified.	5	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
267	The retailer must pay the amount in accordance with the pre- payment meter customer's instructions within 12 business days of receiving the instructions.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
268	If a retailer does not receive reimbursement instructions within 20 business days of making the request, the retailer must use reasonable endeavours to credit the amount overcharged to the customer's account.	5	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
269	If a retailer proposes to recover an amount undercharged to a pre-payment meter customer as a result of an act or omission by the retailer or distributor, the retailer must comply with the conditions specified in subclause 9.10(6).	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
270	A retailer must give reasonable consideration to a request by a residential customer or relevant consumer representative for a waiver of any fee to replace or switch a pre-payment meter to a standard meter.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
271	If a retailer is informed by a pre-payment meter customer that the customer is experiencing payment difficulties or financial hardship, or the retailer identifies the customer as having been disconnected in the manner specified in subclause 9.11(2)(b), the retailer must, subject to subclause 9.11(3), use its best endeavours to contact the customer as soon as reasonably practicable to provide the information prescribed in subclause 9.11(2)(d)-(g).	5	Through discussion with the Business Operations and Process Analyst, it was confirmed that Kleenheat did not supply electricity to customers on pre-payment meters during the audit period.	N/P	N/R
<b>Information and Communication</b>					
272	A retailer must give notice of any variations in its tariffs, fees and charges, to each of its customers affected by the variation no later than the next bill in the customer's billing cycle.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, review of the SFC and NSFC terms and conditions, and examination of a bill in July 2020 and the following bill issued in August 2020, we determined that: <ul style="list-style-type: none"> <li>• CPI tariff increases occur annually on the 1st of July for electricity small use customers, unless their contract specifies otherwise;</li> <li>• Customer are notified of the change in the August bill; and</li> <li>• No tariff changes other than the yearly CPI tariff increase have occurred during the audit period.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
273	On request and at no charge, a retailer must give or make available to a customer reasonable information on its tariffs, fees and charges, including any alternative tariffs that may be available to that customer.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of a customer requesting for information on tariffs, fees and charges during the audit period.	N/P	N/R
274	A retailer must give or make available to a customer the information requested on tariffs, fees and charges within 8 business days of the date of receipt and, if requested, provide the information in writing.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of a customer requesting for information on tariffs, fees and charges during the audit period.	N/P	N/R
275	On request, a retailer must provide a non-contestable customer with their billing data.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any non-contestable customers during the audit period.	N/P	N/R
276	If a non-contestable customer requests billing data for a period less than the previous 2 years and no more than once a year, or in relation to a dispute with a retailer, the retailer must provide the data at no charge.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any non-contestable customers during the audit period.	N/P	N/R
277	A retailer must give the requested billing data under subclause 10.2(1) within 10 business days of the receipt of the request, or on payment of the retailer's reasonable charge for providing this data.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any non-contestable customers during the audit period.	N/P	N/R
278	A retailer must keep a non-contestable customer's billing data for 7 years.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any non-contestable customers during the audit period.	N/P	N/R



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
279	On request and at no charge, a retailer must provide a residential customer with information on the types of concessions available to the residential customer and the name and contact details of the organisation responsible for administering those concessions (if not the retailer).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
280	At least once a year, a retailer must provide a customer with written details of the retailer's and distributor's obligations to make payments to the customer under Part 14 of this Code and under any other legislation in Western Australia, including the amount of the payment and the eligibility criteria for the payment.	3	<p>As per review of the ERL5 2017 Performance Audit Report, a non-compliance was identified in the prior audit period due to Kleenheat failing to provide the required notification to customers outlining its obligation to make a service standard payment under Part 14 of the Code, including the amount of the payment and eligibility criteria for the payment. As an action to resolve this issue, the billing template was updated to disclose customer's standard service payment entitlements as required per Part 14 of the Code.</p> <p>Through discussion with the Regulatory Manager, Natural Gas and Electricity and the Business Operations and Process Analyst, and examination of the updated billing template, it was found that despite the update, the billing template failed to disclose the amounts entitled to customers under a service standard payment as required by clause 10.3A of the Code, as follows:</p> <ul style="list-style-type: none"> <li>• Up to \$300 for late reconnections;</li> <li>• \$100 per day of wrongful disconnection; and</li> <li>• \$20 for responding to a complaint outside of the specified timeframe.</li> </ul> <p>As such, a non-compliance was identified as Kleenheat failed to provide customers at least once a year, with the specified information as pursuant to Part 14 of the Code.</p> <p>Finally, through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that no service standard payments were made during the audit period.</p>	B	2

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p><b><u>Recommendation 4/2021:</u></b></p> <p>Kleenheat to update the billing template to specify the amounts entitled by a customer eligible for a service standard payment as described as follows:</p> <ul style="list-style-type: none"> <li>• Up to \$300 for late reconnections;</li> <li>• \$100 per day of wrongful disconnection; and</li> <li>• \$20 for responding to a complaint outside of the specified timeframe.</li> </ul> <p><b><u>Action Plan 4/2021:</u></b></p> <p>Kleenheat will develop a new communication template, which will address this requirement in relation to service standard payments and this communication will be sent to all small use electricity customers once a year.</p> <p><b>Due date:</b> 31 March 2022</p> <p><b>Responsible Officer:</b> Wayne McCrae (Commercial Manager - Natural Gas and Electricity)</p>		
281	On request and at no charge, a retailer must give, or make available to, a customer general information on cost effective and efficient ways to utilise electricity; and the typical running costs of major domestic appliances.	4	<p>Through review of Kleenheat's website, we noted information on energy saving tips is publicly available for customers to access.</p> <p>Through discussion with the Senior Commercial Analyst Operations and the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of a customer requesting for information on energy saving tips during the audit period.</p>	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
282	If asked by a customer for information relating to the distribution of electricity, a retailer must give the information to the customer or refer the customer to the relevant distributor for a response.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, review of the manage customer and network operator communication process, we determined that Kleenheat's processes and procedures ensure that may a customer enquire about the information relating to Western Power, Kleenheat will redirect them to the network distributor. It was also confirmed that there were no instances of a customer requesting for information in relation to Western Power during the audit period.	N/P	N/R
290	To the extent practicable, a retailer and distributor must ensure that any written information that must be given to a customer by the retailer or distributor or its electricity marketing agent under the Code of Conduct is expressed in clear, simple, concise language and in a format that is easy to understand.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, examination of the billing template, reminder and disconnection notice templates, and the consideration of publicly available information on Kleenheat's website, we determined that: <ul style="list-style-type: none"> <li>• Communications with the client are enunciated in a clear, simple, concise language; and</li> <li>• Information is presented in a format that is easy to understand.</li> </ul>	A	1
291	On request, a retailer and a distributor must inform a customer how to obtain a copy of the Code of Conduct.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of a customer requesting information on how to obtain the Code of Conduct during the audit period.	N/P	N/R
292	A retailer and distributor must make electronic copies of the Code of Conduct available on their websites, at no charge.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, and the examination of publicly available information on Kleenheat's website, we determined that Kleenheat has an electronic copy of the Code of Conduct available for download at no charge on their website.	N/P	1
294	On request and at no charge, a retailer and a distributor must make services available to a residential customer to assist the residential customer to interpret information provided by the retailer or distributor (including independent multi-lingual and TTY services, and large print copies).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
295	For residential customers, a retailer and, if appropriate, a distributor, must include the information prescribed in subclause 10.11(2)(a) on its bills and bill-related information, reminder notices and disconnection warnings.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that Kleenheat did not supply electricity to any residential customers during the audit period.	N/P	N/R
297	On request, a retailer must advise a customer of the availability of different types of meters or refer the customer to the relevant distributor for a response.	4	Through discussion with the Business Operations and Process Analyst, it was confirmed that all customer queries in relation to meter types are redirected to Western Power, where the Sales Agent will provide Western Power's contact number to the customer or redirect their call accordingly. It was also confirmed that no such queries occurred during the audit period.	N/P	N/R
<b>Complaints and Dispute Resolution</b>					
298	A retailer and distributor must develop, maintain and implement an internal process for handling complaints and resolving disputes.	4	<p>Through discussion with the Customer Advocate, as well as review of Kleenheat's complaints processes and procedures, complaints training modules, examination of the electricity small use complaints tracker and an example of weekly and monthly complaints reports, we determined that:</p> <ul style="list-style-type: none"> <li>● All Sales Staff are required to partake in mandatory annual complaints training and biannual refresher modules in regards to ensure they know: <ul style="list-style-type: none"> <li>○ How to recognise a complaint;</li> <li>○ Information on verbal and written complaints;</li> <li>○ How to record a complaint through a diary note in the the CRM system;</li> <li>○ How to manage a complaint;</li> <li>○ Appropriate response timeframes for a complaint;</li> <li>○ How to record the resolution of a complaint; and</li> <li>○ When and how to escalate complaints to the Customer Advocate if the customer is unsatisfied;</li> </ul> </li> <li>● Kleenheat complaints handling process was designed in accordance with the requirements of the Australian Standard AS/NZS 10002:2014 and the ERA Complaints Guidelines;</li> <li>● The Complaints Customer Advocate provides customers with the option to escalate their complaints to the Water and</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p>Energy Ombudsman of Western Australia;</p> <ul style="list-style-type: none"> <li>• The Complaints Customer Advocate collates a weekly report from flagged complaints on the CRM system, which is then transferred to the customer electricity small use tracker; and</li> <li>• The weekly report is used to produce a monthly complaints report based on the nature and outcome of complaints, which is circulated to Kleenheat's Senior Management Group monthly.</li> </ul>		
299	The complaints handling process under subclause 12.1(1) must comply with the requirements specified in subclauses 12.1(2)(a), (b) and (c) and be made available at no cost.	4	<p>Through discussion with the Customer Advocate, as well as review of Kleenheat's complaints processes and procedures, complaints training modules, examination of the electricity small use complaints tracker and an the billing template, we determined that Kleenheat's complaints handling process:</p> <ul style="list-style-type: none"> <li>• Was designed in accordance with the requirements of the Australian Standard AS/NZS 10002:2014;</li> <li>• Addresses how customers are to lodge complaints;</li> <li>• Addresses how complaints are to be handled, detailing escalation processes and information to be provided to the customer;</li> <li>• Determines appropriate response timeframes; and</li> <li>• Lists acceptable methods of response; and</li> <li>• Is available at no costs on the billing template (and Sales Agents are also trained to provide that information to customers upon request at no cost).</li> </ul>	A	1
300	A retailer or a distributor must advise the customer in accordance with subclause 12.1(3).	4	<ul style="list-style-type: none"> <li>• Is available at no costs on the billing template (and Sales Agents are also trained to provide that information to customers upon request at no cost).</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
301	On receipt of a written complaint by a customer, a retailer or distributor must acknowledge the complaint within 10 business days and respond to the complaint within 20 business days.	4	Through discussion with the Customer Advocate, it was confirmed there were no written complaints received by Kleenheat in relation to small use electricity customers during the audit period. Further, through examination, we confirmed that the complaints handling policy and training reflect the response timeframes prescribed clause 12.1(4) of the Code in relation to written complaints.	N/P	N/R
302	A retailer must comply with any guideline developed by the ERA to distinguish customer queries from complaints.	4	Through discussion with the Customer Advocate, as well as review of Kleenheat's complaints processes and procedures, complaints training modules, we note that Kleenheat differentiates between customers queries and complaints, where: <ul style="list-style-type: none"> <li>• A customer query is defined as: "Opinions, comments and expressions of interest or concern, made directly or indirectly, explicitly or implicitly to or about the organization, its products, services and employees;" and</li> <li>• A complaint is defined as: "expression of dissatisfaction made to or about an organization, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required."</li> </ul>	A	1
303	On request and at no charge, a retailer, distributor and electricity marketing agent must give a customer information that will assist the customer to utilise the respective complaints handling processes.	4	Through discussion with the Customer Advocate, as well as review of Kleenheat's complaints process and procedure and complaints training modules, it was determined that Sales Staff are trained to: <ul style="list-style-type: none"> <li>• Provide information to the customer in regards to the complaints handling process;</li> <li>• Initiate the complaints handling process; and</li> <li>• Directing the customer to the Customer Advocate if escalation is required.</li> </ul>	A	1
304	When a retailer, distributor or electricity marketing agent receives a complaint that does not relate to its functions, it must advise the customer of the entity that it reasonably considers to be appropriate to deal with the complaint (if known).	4	Through discussion with the Customer Advocate, as well as review of Kleenheat's complaints process and procedure and complaints training modules, and examination of Kleenheat's complaints tracker, we determined that for instances when Kleenheat received a complaint in relation to Western Power's scope of activities: <ul style="list-style-type: none"> <li>• Sales Agents were trained to recognise that the complaint</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
			<p>should be addressed to Western Power;</p> <ul style="list-style-type: none"> <li>• Advised the customer on why and how to redirect their complaint to Western Power;</li> <li>• Provided the customer with Western Power's contact details or transferred their call directly to Western Power.</li> </ul>		
<b>Reporting</b>					
305	A retailer and a distributor must prepare a report in respect of each reporting year setting out the information specified by the ERA.	4	<p>Through discussion with the Regulatory Manager, Natural Gas and Electricity, examination of Kleenheat's annual report submissions to the ERA, and publicly available information from the Kleenheat's website, as well as the ERA's website, we determined that during the audit period:</p> <ul style="list-style-type: none"> <li>• The required reports were submitted to the ERA as prescribed by Part 13 of the Code; and</li> <li>• Those reports were published on Kleenheat's website and made available at no cost after they were submitted to the ERA within the prescribed time frame.</li> </ul>	N/P	1
306	The report specified in clause 13.1 must be provided to the ERA by the date, and in the manner and form, specified by the ERA.	4		N/P	1
307	The report specified in clause 13.1 must be published by the date specified by the ERA. In accordance with clause 13.3(2), a report is published if: <ul style="list-style-type: none"> <li>· copies are available to the public, without cost, in places where the retailer or distributor transacts business with the public; and</li> <li>· a copy is posted on the retailer or distributor's website.</li> </ul>	4		N/P	1
<b>Service Standard Payments</b>					
308	Subject to clause 14.6, a retailer must pay the stated compensation to a customer if the customer is not reconnected in accordance with the timeframes specified in Part 8.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that no service standard payments were made during the audit period.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
310	Subject to clause 14.6, a retailer must pay the specified compensation to a customer if: <ul style="list-style-type: none"> <li>· it fails to comply with any of the procedures specified in Part 6 or Part 7 prior to arranging for disconnection or disconnecting the customer for failure to pay a bill; or</li> <li>· arranges for disconnection or disconnects the customer for failure to pay a bill in contravention of clauses 7.2, 7.3, 7.6 or 7.7 for failure to pay a bill.</li> </ul>	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that no service standard payments were made during the audit period.	N/P	N/R
312	Subject to clause 14.6, a retailer must pay the customer \$20 if the retailer has failed to acknowledge or respond to a complaint within the timeframes prescribed in subclause 12.1(4).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that no service standard payments were made during the audit period.	N/P	N/R
315	A retailer that is required to make a compensation payment for failing to satisfy a service standard under clauses 14.1, 14.2 or 14.3 must do so in the manner specified in subclause 14.7(1).	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that no service standard payments were made during the audit period.	N/P	N/R
<b>15. Electricity Industry (Metering Code) Regulations – Licence conditions and obligations</b>					
324	If a user is aware of bi-directional electricity flows at a metering point that was not previously subject to a bi-directional flows or any changes in a customer's or user's circumstances in a metering point that will result in bi-directional flows, the user must notify the network operator within 2 business days.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat did not become aware of an upgrade to a metering installation enabling bi-directional electricity flow prior to Western Power during the audit period. As Kleenheat receives all metering information from Western Power, and Western Power is in charge of metering installation upgrades, it is unlikely for Kleenheat to become aware of a change in relation to a metering installation prior to Western Power.	N/P	N/R



Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
339**	A Code participant who becomes aware of an outage or malfunction of a metering installation must advise the network operator as soon as practicable.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, and review of the manage customer and network operator communication process, we determined that for instances of outages or malfunction of a metering installation that occurred during the audit period, in the case where Kleenheat became aware of an outage or malfunction of a metering installation prior to Western Power, processes and procedures were in place to notify Western Power as soon as practicable.	A	1
364**	A person must not install a metering installation on a network unless the person is the network operator or a registered metering installation provider for the network operator doing the type of work authorised by its registration.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat is not a network operator or a registered metering installation provider. As such, Kleenheat has not performed work on metering installation during the audit period.	N/P	N/R
371	If there is a discrepancy between energy data held in a metering installation and in the metering database, the affected Code participants and the network operator must liaise to determine the most appropriate way to resolve the discrepancy.	5	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, we determined that Kleenheat receives metering data from Western Power and does not have direct access to energy data held in metering installations. As such, it was confirmed that during the audit period, there were no instances of:	N/P	N/R
372	A Code participant must not knowingly permit the registry to be materially inaccurate.	5	<ul style="list-style-type: none"> <li>• A discrepancy between energy data held in a metering installation and in the metering database being identified by Kleenheat;</li> <li>• A material inaccuracy from the metering database being identified by Kleenheat; nor</li> <li>• A change or inaccuracy from the standing data registry being identified by Kleenheat.</li> </ul>	N/P	N/R
373	Subject to subclause 5.19(6), if a Code participant, other than a network operator, becomes aware of a change to, or inaccuracy in, an item of standing data in the registry, then it must notify the network operator and provide details of the change or inaccuracy within the timeframes prescribed.	4		N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
388	A user must, when reasonably requested by a network operator, assist the network operator to comply with the network operator's obligation under subclause 5.4(1).	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, review of the manage customer and network operator communication process, we determined that for instances of requests made by Western Power as pursuant to subclause 5.4(1) of the Metering Code, during the audit period, Kleenheat processes ensured assistance to Western Power by: <ul style="list-style-type: none"> <li>• Liaising with a customer to schedule a meter reading in instances of denied access; and</li> <li>• Supporting Western Power in identifying data discrepancies.</li> </ul>	A	1
401	If a user collects or receives energy data from a metering installation then the user must provide the network operator with the energy data (in accordance with the communication rules) within the timeframes prescribed.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat does not collect energy data from metering installations and that all metering data is obtained from Western Power.	N/P	N/R
402	A user must provide standing data and validated, and where necessary substituted or estimated, energy data to the user's customer to which that information relates where the user is required by an enactment or an agreement to do so for billing purposes or for the purpose of providing metering services to the customer.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, as well as examination of Kleenheat's billing template, we determined that for every bill issued during the audit period, Kleenheat had processes in place to ensure monthly bills displayed validated energy data, whether substituted by a meter reading or estimated, as well as relevant standing data to customers.	A	1
405	If a user collects or receives information regarding a change in the energisation status of a metering point then the user must provide the network operator with the prescribed information, including the stated attributes, within the timeframes prescribed.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that there has not been an instance where Kleenheat became aware of a change in the energisation status of a metering point prior to Western Power during the audit period. It was further confirmed that Western Power is responsible for energising and de-energising metering points, therefore, Kleenheat is more likely to be notified of a change in the energisation status of a metering point by Western Power.	N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
406	A user must, when requested by the network operator acting in accordance with good electricity industry practice, use reasonable endeavours to collect information from customers, if any, that assists the network operator in meeting its obligations described in the Code and elsewhere, and provide that information to the network operator.	5	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, as well as examination of Kleenheat's manage customer and network operator communications process and update customer and site details in Western Power portal process, it was determined that for instances where Kleenheat was requested by Western Power to collect information from customers during the audit period, Kleenheat: <ul style="list-style-type: none"> <li>• Systematically collected customer information through the CRM system, which was submitted it to Western Power; and</li> <li>• This customer information was submitted to Western Power through the Western Power portal or via email.</li> </ul>	A	1
407	A user must, to the extent that it is able, collect and maintain a record of the prescribed information in relation to the site of each connection point with which the user is associated.	5	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, review of Kleenheat's customer communication policies and walkthrough of the CRM system, we determined that: <ul style="list-style-type: none"> <li>• All information in relation to the site of a connection point is recorded within the relevant CRM system customer account including: <ul style="list-style-type: none"> <li>○ the NMI of each connection point with which the customer is associated,</li> <li>○ the customer's name,</li> <li>○ the customer's postal address,</li> <li>○ the customer's contact number or numbers,</li> <li>○ any life support equipment requirement;</li> </ul> </li> <li>• A record of all customer interactions is captured in the relevant CRM system customer account;</li> <li>• Any changes in customer attributes that occurred during the audit period were updated in the CRM system as Kleenheat became aware of the change; and</li> <li>• These changes were communicated to Western Power through a daily CRM system batch upload.</li> </ul>	A	1
408	Subject to subclauses 5.19(3A) and 5.19(6), the user must, within 1 business day after becoming aware of any change in an attribute described in subclause 5.19(2), notify the network operator of the change.	4	<ul style="list-style-type: none"> <li>• A record of all customer interactions is captured in the relevant CRM system customer account;</li> <li>• Any changes in customer attributes that occurred during the audit period were updated in the CRM system as Kleenheat became aware of the change; and</li> <li>• These changes were communicated to Western Power through a daily CRM system batch upload.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
410	The user must use reasonable endeavours to ensure that it does not notify the network operator of a change in an attribute described in subclause 5.19(2) that results from the provision of standing data by the network operator to the user.	5	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat solely notifies Western Power of changes in customer attributes resulting from a customer interaction. As such, there has not been an instance of a customer attribute update notification being made to Western Power as a result of standing data being received from Western Power during the audit period.	N/P	N/R
416	A Code participant must not request a test or audit under subclause 5.21(1) unless the Code participant is a user and the test or audit relates to a time or times at which the user was the current user or the Code participant is the IMO.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that there were no instances of a meter test or audit request made during the audit period.	N/P	N/R
417	A Code participant must not make a request under subclause 5.21(1) that is inconsistent with any access arrangement or agreement.	4		N/P	N/R
435	Upon request from a network operator, the current user for a connection point must provide the network operator with customer attribute information that it reasonably believes are missing or incorrect within the timeframes prescribed.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that there has not been an instance of Western Power requesting correct customer attributes to be provided after identifying wrong and missing information during the audit period.	N/P	N/R
448	A user must, in relation to a network on which it has an access contract, comply with the rules, procedures, agreements and criteria prescribed.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, examination of the Western Power Network Access Contract and review of Kleenheat's manage customer and network operator communications process, we determined that Kleenheat's systems and procedures aligns with: <ul style="list-style-type: none"> <li>• The communication rules;</li> <li>• The metrology procedure; and</li> <li>• The Metering Code service level agreement.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
451	Code participants must use reasonable endeavours to ensure that they can send and receive a notice by post, facsimile and electronic communication and must notify the network operator of a telephone number for voice communication in connection with the Code.	5	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, and review of the manage customer and network operator communication process, we determined that: <ul style="list-style-type: none"> <li>• Kleenheat has processes in place to send and receive communications via post, facsimile or email; and</li> <li>• Kleenheat contact details (including phone number) are publicly available and accessible on their website and any other communication material (pamphlets, hardship policy, bill, etc...).</li> </ul>	A	1
453	If requested by a network operator with whom it has entered into an access contract, the Code participant must notify its contact details to a network operator within 3 business days after the request.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat was not requested by Western Power to provide its contact details during the audit period.	N/P	N/R
454	A Code participant must notify any affected network operator of any change to the contact details it notified to the network operator under subclause 7.2(4) at least 3 business days before the change takes effect.	4	Through discussion with the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, it was confirmed that Kleenheat has not changed its contact details during the audit period.	N/P	N/R
455	A Code participant must subject to subclauses 5.17A and 7.6 not disclose, or permit the disclosure of, confidential information provided to it under or in connection with the Code and may only use or reproduce confidential information for the purpose for which it was disclosed or another purpose contemplated by the Code.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, as well as examination of relevant policies and procedures, we determined that: <ul style="list-style-type: none"> <li>• Kleenheat's confidential information is stored on a central drive with restricted access to the relevant employees; and</li> <li>• Kleenheat's CRM system access is appropriately restricted to the relevant personnel.</li> </ul>	A	1

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
456	A Code participant must disclose or permit the disclosure of confidential information that is required to be disclosed by the Code.	4	Through discussion with the Regulatory Manager, Natural Gas and Electricity, the Commercial Adviser Electricity and the Senior Commercial Analyst Operations, as well as examination of relevant policies and procedures, we determined that for instances where Kleenheat was required to disclose confidential information under the Code during the audit period: <ul style="list-style-type: none"> <li>• Kleenheat adopted the definition contained in clause 7.6(1) of the Metering Code to define what is considered as confidential information (i.e. standing data or energy data);</li> <li>• Confidential information was stored in a secure database with restricted access; and</li> <li>• The automated B2B data sharing with the Western Power portal was designed by Western Power to comply with this obligation, as such, only the confidential information that is allowed to be shared with the distributor was transferred through the daily batch upload.</li> </ul>	A	1
457	If any dispute arises between any Code participants, then (subject to subclause 8.2(3)) representatives of disputing parties must meet within 5 business days after a notice given by a disputing party to the other disputing parties and attempt to resolve the dispute by negotiations in good faith.	5	Through discussion with the Regulatory Manager, Natural Gas and Electricity, it was confirmed that there were no instances of disputes occurring between Kleenheat and Western Power during the audit period.	N/P	N/R
458	If a dispute is not resolved within 10 business days after the dispute is referred to representative negotiations, the disputing parties must refer the dispute to a senior management officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	5		N/P	N/R

Ref No.	Summary of License Obligation	Audit Priority	Observations & Recommendations	Control Rating	Compliance Rating
459	If the dispute is not resolved within 10 business days after the dispute is referred to senior management negotiations, the disputing parties must refer the dispute to the senior executive officer of each disputing party who must meet and attempt to resolve the dispute by negotiations in good faith.	5		N/P	N/R
460	If the dispute is resolved by representative negotiations, senior management negotiations or CEO negotiations, the disputing parties must prepare a written and signed record of the resolution and adhere to the resolution.	4		N/P	N/R
461	The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in subclause 8.3(1).	5		N/P	N/R

# 4 Previous audit non-compliances and recommendations

**Table 6: Status of recommendations from previous review**

Reference (No./year)	Legislative Obligation Ref.	Rating	Details of the issue	Auditors' Recommendation	Action taken by the licensee by the end of the previous audit period
<b>A. Resolved during the previous audit period</b>					
Not applicable – Resolved during the previous audit period.	69	A2	The 2013 performance audit reported that “Premier Power Sales staff confirmed that a response message to the Western Power Networks is sent via Western Power’s online portal, but this must be triggered by a retail employee [as opposed to automated]. There is a button to click to send an acknowledgement by Premier Power Sales staff”.	Not applicable – Resolved during the previous audit period.	After consideration, Kleenheat determined that it did not consider the cost of implementing an IT solution to be reasonable in the context of its small number of customers. Kleenheat committed to monitoring other opportunities to fully comply with this licence obligation. Note: Obligation removed in the October 2016 revision of the Reporting Manual.  <b>Date Resolved:</b> September 2016
Not applicable – Resolved during the previous audit period.	159	A2	Kleenheat was unable to provide estimated bills to one SME business customer in January 2017, where over 10 percent of the interval readings were estimated.	Not applicable – Resolved during the previous audit period.	Kleenheat implemented a system update to align with the changes from the 1 July 2016 amendments to the Code of Conduct for the Supply of Electricity to Small Use Customers, specifically to clause 4.8.  <b>Date Resolved:</b> May 2017



Reference (No./year)	Legislative Obligation Ref.	Rating	Details of the issue	Auditors' Recommendation	Action taken by the licensee by the end of the current audit period
<b>B. Resolved during current audit period</b>					
1/2017	144	B1	<p>Kleenheat's processes provide for recording the date that customer requests are forwarded to Western Power, through a manual Energisation Register. The Energisation Register contains a record of requests for:</p> <ul style="list-style-type: none"> <li>• Energisation</li> <li>• De-energisation</li> <li>• Re-energisation.</li> </ul> <p>However, the Energisation Register does not contain a record of the date and time Kleenheat received the service request from the customer. Without a record of that time, in instances where Kleenheat forwarded customer requests to the distributor the day after receiving the request, Kleenheat is unable to demonstrate the request was received from the customer after 3pm and therefore in compliance with the Code. This audit did not identify any specific instances of non-compliance where a service request received before 3pm was not forwarded to Western Power on that same day.</p>	<p>Kleenheat expand its Energisation Register to include the date and time when service notification requests are:</p> <ul style="list-style-type: none"> <li>• Received from the customer</li> <li>• Forwarded to Western Power.</li> </ul>	<p>Kleenheat has expanded its Energisation Register to include the date and time when service notification requests are received from the customer and forwarded to Western Power.</p> <p>Complete – October 2017.</p>
	243				

Reference (No./year)	Legislative Obligation Ref.	Rating	Details of the issue	Auditors' Recommendation	Action taken by the licensee by the end of the current audit period
2/2017	187	B2	<p>During the audit period, Kleenheat self-reported that it incorrectly set up three new SME customers as Large customers owing to human error. As a result, the three customers' invoices had incorrect payment terms of 15 calendar days rather than 22 calendar days, resulting in the due date falling below the 12 business days minimum for Small Use Customers. In August 2017, Kleenheat updated its business rules within its CRM system to auto-populate the payment terms based on the customer class. Additionally, Kleenheat implemented an exception reporting process to identify mismatches between customer type and payment terms.</p> <p>Kleenheat does not currently provide for this process in its policies and procedures.</p>	<p>Kleenheat integrates its exception reporting process into its policy and procedure documents. Kleenheat has documented the exception reporting process in its policy and procedure document.</p>	<p>Kleenheat has documented the exception reporting process in its policy and procedure document.</p> <p>Complete – November 2017.</p>
3/2017	280	B2	<p>During the audit period, Kleenheat had not provided the required notification to customers outlining its obligation to pay a Service Standard Payment under Part 14 of the Code, including the:</p> <ul style="list-style-type: none"> <li>● Amount of the payment</li> <li>● Eligibility criteria for the payment.</li> </ul> <p>We note that during the audit period, Kleenheat had not made a Service Standard Payment, nor</p>	<p>Kleenheat consider:</p> <p>(a) Implementing a procedure to address the requirements of s.10.3A of the Code by notifying customers on an annual basis of Kleenheat's obligation to make Service Standard</p>	<p>Kleenheat will implement a procedure to address the requirements of s.10.3A of the Code in relation to Kleenheat's obligation to make a Service Standard Payment in the required circumstances.</p> <p>Complete - March 2018.</p>

			<p>was requested to make a Service Standard Payment.</p>	<p>Payments where required  (b) Updating its publicly available information (such as the Customer Charter) to include Kleenheat's obligation to make a ServiceKleenheat will implement a procedure to address the requirements of s.10.3A of the Code in relation to Kleenheat's obligation to make a Service Standard Payment in the required circumstances.</p>	
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# Appendix A

## Personnel

### Key contacts and Audit Team

On behalf of the licensee, key contacts for the performance audit were:

#### **Wesfarmers Kleenheat:**

- Nina Telford - Regulatory Manager, Natural Gas & Electricity
- Wayne McCrae - Commercial Manager
- Rebecca Cant - Consumer Credit Team Leader

#### **The Audit and Review team comprised of the following personnel:**

- Sian Ashdown - Engagement Leader
- Cameron Jones - Quality Review Partner
- Kate Barton - Engagement Senior Manager
- Jose Gregorio Hernandez Torres - Manager
- Quentin Thony - Senior Consultant

### Sites Visited

Wesfarmers Kleenheat Gas Pty Ltd Head Office - Murdoch University Campus.

## Work Schedule

Activity	Team Member	Start Date	Completion Date	Actual Hours
Project start		06/06/2021		
Preliminary Assessment	Sian Ashdown, Partner Kate Barton, Senior Manager Jose Gregorio Hernandez Torres, Manager Quentin Thony, Senior Consultant	06/06/2021	09/06/2021	20
Audit and Review Plan – Issued First Draft to Kleenheat	Sian Ashdown, Partner Cameron Jones, QRP Kate Barton, Senior Manager Jose Gregorio Hernandez Torres, Manager Quentin Thony, Senior Consultant		14/07/2021	42
Audit meetings and documentation review	Sian Ashdown, Partner Kate Barton, Senior Manager Jose Gregorio Hernandez Torres, Manager Quentin Thony, Senior Consultant	12/07/2021	13/08/2021	213

Activity	Team Member	Start Date	Completion Date	Actual Hours
Report – First Draft to Kleenheat/ERA and Post Audit Implementation Plan	Sian Ashdown, Partner Cameron Jones, QRP Kate Barton, Senior Manager Jose Gregorio Hernandez Torres, Manager Quentin Thony, Senior Consultant	16/08/2021	29/08/2021	91
Report – Final Issue to Kleenheat/ERA	Sian Ashdown, Partner Cameron Jones, QRP Kate Barton, Senior Manager Quentin Thony, Senior Consultant	01/08/2021	29/09/2021	48
Report - Post Audit Implementation Plan (if applicable)	Sian Ashdown, Partner Cameron Jones, QRP Kate Barton, Senior Manager Quentin Thony, Senior Consultant	-	-	

## Documentation

Key documents that were reviewed as part of the audit and review included the following (see below).

- 2018 Signed Non-Standard Form Contract
- Annual license fee bill and evidence for payment for FY21 if not yet paid, FY20
- Annual reports from 2018-2020
- Australian Standard AS/NZS 10002:2014
- Bill following an Estimated Bill showing an adjustment
- Bill Review - Example of a customer query in relation to their bill (and outcome)
- Code of Conduct Training Modules and Refresher
- Complaint Recording Process
- Complaints Refresher
- Complaints Training
- Complaints Training Attendance
- Complete Customer Transfer via WP Portal - ELE
- Current Year Audit Plan
- Customer Complaint Handling Policy & Procedure
- Direct Debit Application
- Disconnection Checklist
- Disconnection Process
- Disconnection Warning Letter
- ELE Debt Collection strategy
- ELE Decision matrix for Commercial calls
- ELE Move-out/Move-in
- ELE Payment Arrangements-Commercial Accounts Procedure
- ELE Payment Deferral-for Commercial Accounts Procedure
- ELE-An Introduction to Payment difficulties
- ELE-Commercial Payment Arrangements\_Deferrals process flow
- Electricity Small Use Complaints Tracker

- Electricity Transfer Access Contract
- Email Offer with Attachments
- Email/Diary notes of the outcome that the customer rejected
- Energy Saving Tips (Kleenheat's Website)
- ERA Approval of Amended Standard Form Contract
- ERA Complaints Guidelines
- ERA Performance Report
- ERL5 2017 Performance Audit Report
- Evidence of Credit Applied to Account
- Evidence of ERA approval of 4 year interval
- Evidence of Escalation to Ombudsman
- Evidence of submission of compliance reports by due date
- Evidence of submission of the performance report before due date
- Evidence of submission of performance data sheets by due date
- Example of a Switch Away Bill
- Example of an Estimated Bill
- Example of Bill (Simmonds Steel April)
- Example of Bill (Simmonds Steel May)
- Example of bill correction for overcharging
- Example of Disassociation of NMI (Move out)
- Example of Disassociation of NMI (Move out) email
- Example of Final Bill
- Example of Marketing Email Signature
- Example of Marketing ID
- Example of Non-Standard Form Contract
- Example of Non-Standard Form Contract terms and Conditions
- Example of Pricing Approval Request
- Example of Pricing Request
- Example of Standard Form Contract including Terms and Conditions
- Exemption Report (Customer Type and Payment Terms) February 2021
- Explicit Informed Consent
- Financial Hardship Policy
- FY 18 - ERL5 Annual Compliance Report
- FY 19 - ERL5 Annual Compliance Report
- FY 20 - ERL5 Annual Compliance Report
- FY 21 - ERL5 Annual Compliance Report
- Generate Billing - ELE
- Sales CRM System Screenshots
- Investigation with Western Power for estimated bill
- Investigation with Customer for Estimated Bill
- Listing of all Disconnections within the Audit Period
- Listing of all No Standard Form Contracts entered into within the Audit Period
- Listing of Life Support Customers
- Manage Customer and Network Operator Communication - ELE
- Mismatch report listing
- Monthly Complaints Report May 2021
- Move-Out Customer - ELE
- NG&ELE Record Customer Interaction
- Non-Standard Contract Terms & Conditions
- Non-Standard Contract - Bundled
- Non-Standard Contract - Unbundled
- Occupier Bill

- Occupier Letter Template
- Offer to Treat
- CRM system Screenshot
- CRM system Screenshots from Move out
- CRM system Walkthrough Screenshots
- Outbound Commercial Collection dynamic script
- Price a Customer - ELE
- Pricing Approval Email
- Prior Audit Period Report
- Reminder Notice
- Screenshot of Customer Transfer Request Completion
- Screenshot of Customer Transfer Request Submission
- Sign Up New Customer Procedures
- Simmonds Steel Contract
- Standard Form Contract
- Switch Away Confirmation
- Switch Away Email Correspondence
- Taking Electricity Payments
- Training Records
- Update Customer and Site Details in WP Portal - ELE
- WA Energy and Water Ombudsman Website
- Weekly Small Use Complaints Report (May 4th)
- Western Power Portal Screenshots
- Western Power Read Summary