



8 February 2023

Corina Williams
Senior Regulatory Officer
Economic Regulation Authority
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Perth BC WA 6849

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Dear Corina

Alinta Energy GTL9 2022 Post Audit Implementation Plan

As required under section 5.3 of the *2019 Audit and Review Guidelines – Electricity and Gas Licences*, please find attached the Post Audit Implementation Plan (**PAIP**) addressing the recommendations made by our auditor, Ernst & Young, in the 2022 Performance Audit Report concerning Gas Trading Licence No. 9 (**GTL9**) held by Alinta Sales Pty Ltd (**Alinta Energy**).

If you have any questions concerning the PAIP please contact me on [REDACTED]

Yours sincerely

[REDACTED]

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Alinta Energy GTL9 2022 Post Audit Implementation Plan

Recommendation reference	Non-compliance / controls improvement	Auditor's recommendation	Action proposed to be taken by the licensee	Responsible person(s)	Target completion date
01/2022	<p>B2 Obligation No. 2 Energy Coordination Act 1994 section 11WG(1) Gas Trading Licence clause 4.2.1 A licensee must, subject to the regulations, not supply gas to a customer other than under a standard form contract approved by the ERA or a non-standard contract that complies with the Act.</p> <p>Alinta Energy's non-standard contract for business customers does not include a meter reading clause as required by the Act (i.e., AGA Code clause 4.2.4.1) and, as such, the non-standard contract for business customers does not comply with the Act.</p>	<p>Alinta Energy should update the non-standard contract for business customers to include the AGA Code clause 4.2.4.1 with regards to the meter reading frequency.</p>	<p>Reference to AGA Code clause 4.2.4.1 has been removed from <i>the Energy Coordination (Customer Contracts) Regulations 2004</i> from 1 Jan 2023.</p> <p>No action required.</p>	N/A	N/A
02/2022	<p>B2 Obligation No. 64 Energy Coordination (Customer Contracts) Regulations 2004 reg 15(1) AGA Code clause 4.2.4.1 Gas Trading Licence clause 4.1.1 A non-standard contract must include provisions that ensure that a licensee base a customer's bill</p>	<p>Alinta Energy should update the non-standard contract for business customers to include the AGA Code clause 4.2.4.1 with regards to the meter reading frequency i.e. a clause should be included that meters must be read at least once per year.</p>	<p>Reference to AGA Code clause 4.2.4.1 has been removed from <i>the Energy Coordination (Customer Contracts) Regulations 2004</i> from 1 Jan 2023.</p> <p>Obligation 64 has been removed from ERA's <i>Gas Compliance Reporting Manual</i> (3 Jan 2023).</p> <p>No action required.</p>	N/A	N/A

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	<p>on a meter reading and meters must be read at least once per year.</p> <p>The non-standard contract for business customers does not include a clause stating that a customer's bill is based on a meter reading and that meters must be read at least once per year.</p>				

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03/2022	<p>B2 Obligation No. 65 Energy Coordination (Customer Contracts) Regulations 2004 reg 15(1) AGA Code clause 4.2.4.2 Gas Trading Licence clause 4.1.1</p> <p>A non-standard contract must include provisions that ensure that if the licensee accepts a customer reading of the meter, it must not adjust the bill in favour of the licensee if the licensee subsequently discovers the reading was incorrect in favour of the customer.</p> <p>The non-standard contract for business customers does not include a provision to ensure that if Alinta Energy accepts a customer reading of the meter, it must not adjust the bill in favour of Alinta Energy if Alinta Energy subsequently discovers the reading was incorrect in favour of the customer.</p>	<p>Alinta Energy should update the non-standard contract for business customers to include the AGA Code clause 4.2.4.2 with regards to non-adjustment of a customer's bill when a customer's reading is accepted by Alinta Energy and is incorrectly in favour of the customer.</p>	<p>Reference to AGA Code clause 4.2.4.2 has been removed from <i>the Energy Coordination (Customer Contracts) Regulations 2004</i> from 1 Jan 2023.</p> <p>Obligation 65 has been removed from ERA's <i>Gas Compliance Reporting Manual (3 Jan 2023)</i>.</p> <p>No action required.</p>	N/A	N/A

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04/2022	<p>B2 Obligation No. 135 Energy Coordination Act 1994 section 11M Gas Trading Licence clauses 2.1.1 & 6.3.1 Gas Compendium clause 3.1(2)</p> <p>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.</p> <p>For 11 customers, Requests for Gas (RFGs) raised before 3pm on Fri 11 March 2022 were not forwarded to the distributor (ATCO) until Mon 14 March 2022 because of incorrect details captured in the RFGs.</p>	<p>Alinta Energy should update Work Instruction #3617 "Issue a Request for Gas (RFG) to ATCO Gas" to specify the timelines within which RFGs must be submitted to ATCO after they have been received from a customer.</p>	<p>Work Instruction #3617 "Issue a Request for Gas (RFG) to ATCO Gas" has been updated to include the timeframes in clause 3.1(2) of the Gas Compendium.</p>	<p>Service Delivery Manager, Customer Service</p>	<p>Completed 1 Dec 2022</p>

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05/2022	<p>B2 Obligation No. 137 Energy Coordination Act 1994 section 11M Gas Trading Licence clauses 2.1.1 & 6.3.1 Gas Compendium clause 3.1(2) A retailer must issue a bill at least every 105 days unless the conditions specified are met. There were instances where customers were billed outside 105 days:</p> <ul style="list-style-type: none"> • 2019-20: 5,596 bills were issued after 105 days where billing return codes for quarterly accounts were set to 120 days instead of 105 days; • 2020-21: 3,108 bills were issued after 105 days due to a Fuji Xerox technical issue • 2021-22: Four bills were issued after 105 days due to an Issue with the billing calendar. 	<p>Alinta Energy should continue to review the Unbilled Exception Report to monitor for situations where customers are not being billed in a timely manner such that the situation can be proactively identified and rectified before reaching the 105-day period.</p>	<p>We will continue to review the daily Unbilled Exception Report to proactively identify and rectify billing issues before the 105-day period is reached.</p>	<p>Manager WA Mass Market Billing</p>	<p>Ongoing monitoring</p>

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06/2022	<p>B2 Obligation No. 186 Energy Coordination Act 1994 section 11M Gas Trading Licence clauses 2.1.1 & 6.3.1 Gas Compendium clause 5.6(1)</p> <p>A retailer must not charge a residential customer a late payment fee in the circumstances specified in clauses 5.6(1)(b)-(d). Late payment fees were incorrectly charged to 64 customers due to technical issues with the payment gateway used by Alinta Energy.</p>	<p>Alinta Energy should:</p> <ul style="list-style-type: none"> Update Work Instruction #2858 "Waiving of Fees" to clearly specify the steps involved in performing the manual process for waiving late payment fees for customers who have made a complaint; and For complaints other than billing related complaints, consider implementing a monitoring control to track the waiving of late payment fees for customers who have an unresolved complaint as at their payment due date. 	<p>We will:</p> <ol style="list-style-type: none"> Update Work Instruction #2858 "Waiving of Fees" to clearly specify the steps for manually waiving late payment fees for customers who have made a complaint; and Investigate controls to track the waiving of late payment fees for customers who have an unresolved complaint. In the short term investigate Cognos reporting capabilities; in the longer term consider new customer billing system (CORE) functionality. 	<p>Service Delivery Manager, Customer Service</p>	<ol style="list-style-type: none"> 31 Mar 2023 30 Apr 2023 for Cognos; 30 Jun 2024 for CORE (note indicative CORE rollout date only)

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07/2022	<p>C2 Obligation No. 206A Energy Coordination Act 1994 section 11M Gas Trading Licence clauses 2.1.1 & 6.3.1 Gas Compendium clause 6.4(3)</p> <p>If the residential customer accepts an instalment plan offered by the retailer, the retailer must provide the information specified in clauses 6.4(3)(a)(i)-(iii) within 5 business days of the customer accepting the plan and notify the customer of any amendments to the instalment plan at least 5 business days before they come into effect (unless agreed otherwise with the customer) and provide the customer with information explaining the changes.</p> <p>Alinta Energy does not provide formal written communication to customers who enter the financial hardship program and accept an instalment payment plan arrangement.</p>	<p>Alinta Energy should:</p> <ul style="list-style-type: none"> Establish a consistent process for providing, within 5 business days and in writing or by electronic means, information to customers entering or amending instalment plans; and Explore system limitations to consider whether enhancements can be made to provide comfort with regard to instalment plan obligations. 	<p>A Payment Arrangements Project has been developed to automate customer communications for customers on payment instalment plans, including Hardship, Centrepay and General Arrears.</p> <p>Customer communications, including letters, payment schedules and Welcome Packs, have been finalised.</p> <p>Following system adjustments, further verification testing will be conducted in early 2023, followed by a staged roll out.</p>	Service Delivery Manager, Customer Service	<ol style="list-style-type: none"> 31 Mar 2023 for further testing; 30 Jun 2023 for commencement of staged roll out.

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08/2022	<p>B2 Obligation No. 220 Energy Coordination Act 1994 section 11M Gas Trading Licence clauses 2.1.1 & 6.3.1 Gas Compendium clause 6.10(7) Alinta Energy's Hardship Policy does not include a statement on how Alinta Energy will treat information disclosed by the customer to Alinta Energy and information held by Alinta Energy in relation to the customer.</p>	<p>Alinta Energy should review the checklist of requirements included within the ERA's Financial Hardship Policy Guidelines and confirm that these requirements have been updated within the Hardship Policy and associated Work Instructions (as relevant). This should include how Alinta Energy will treat information disclosed by the customer to Alinta Energy and information held by Alinta Energy in relation to the customer.</p>	<p>We will review the ERA's Hardship Policy Checklist, especially requirements concerning our treatment of information disclosed by the customer and held by us, and update our Hardship Policy accordingly.</p>	<p>Manager WA Retail Regulation</p>	<p>30 Mar 2023</p>

<p>09/2022</p>	<p>B2 Obligation No. 252 Energy Coordination Act 1994 section 11M Gas Trading Licence clauses 2.1.1 & 6.3.1 Gas Compendium clause 12.1(2) The complaints handling process under clause 12.1(1) must comply with AS/NZS 10002:2014 and address, at the least, the criteria specified in subclauses 12.1(2)(b)-(c). The complaints handling process must be available at no cost to customers. Alinta Energy's complaints handling process documentation did not comply with some aspects of AS/NZS10002:2014. Specifically, the following are not captured:</p> <ul style="list-style-type: none"> • Alinta Energy's commitment towards an appropriate privacy environment for customer information received via complaints; • A Complaints Management Policy including definition of roles and responsibilities of Alinta Energy's key stakeholders involved in the complaints management process; and • Definition of continuous improvement and internal 	<p>Alinta Energy should:</p> <ul style="list-style-type: none"> • Perform a detailed review of its complaints handling process to identify potential improvements; and • Following the above, develop and publish a Complaints Management Policy which is in accordance with AS/NZS10002:2014 and addresses the specific exceptions noted. 	<p>We will:</p> <ul style="list-style-type: none"> • Review our complaints handling process to identify areas for improvement; • Update our complaints handling process so that it meets all requirements under AS/NZS10002:2014, including the development of a Complaints Management Policy and other aspects not currently captured. 	<p>Service Delivery Manager, Customer Service & Manager WA Retail Regulation</p>	<p>30 Jun 2023</p>
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	reporting practices, including root cause analysis and trend monitoring of complaints received.				